

Sustainable Development and Social Responsibility Report

2021





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CEO Message

GRI 102-10, GRI 102-14

Responsibility, transparency, accountability

These three words are at the top of FOURLIS Group corporate agenda and characterize each of its activities.

In this context, we present the 13th Sustainable Development and Social Responsibility Report of our Group, for the year 2021. Through the Report we aim to inform the Group's stakeholders about the initiatives we undertake and the progress of our efforts to contribute to the UN Sustainable Development Goals (SDGs), while implementing the 10 Principles of the UN Global Compact, as a member since 2008. The Report, as every year, has been prepared in accordance with the GRI Standards, the international standards for sustainability reporting. In addition, it incorporates metrics of the new Athens Stock Exchange ESG Guide, published in 2022. It is worth mentioning that the Group participates, since 2021, in the new ATHEX ESG Index of the Athens Stock Exchange.

Our timeless values

- Integrity - Respect - Efficiency, are the principles of our Group that constitute the guide for our business strategy and business plans, the decisions we take and the objectives we set at all levels.

Incorporating the Sustainable Development in our daily operation

- Incorporating Sustainable Development in our business strategy, enabled us to achieve responsible growth, while ensuring at the same time the resilience and business continuity of FOURLIS Group in unprecedented times. So, in 2021, having the consequences of the COVID-19 pandemic affecting the entire planet at all levels and creating constant challenges, we managed to achieve the responsible and seamless alignment and adaptation of the Group to the rapidly evolving economic and social environment, with a long-term goal to continue creating value for all.

Expanding our activities

- 2021 was another significant year for FOURLIS Group, mainly because we took the opportunity to evolve by making changes, adapting to the requirements of the times, with the aim of maintaining and further strengthening a sustainable business model. In 2021, we further expanded online sales of IKEA and INTERSPORT, reaching 18% of the total sales. Within 2021 the operation of the new IKEA store at The Mall Athens in Maroussi, the first of the new generation IKEA stores, as well as that of a respective store at SOFIA Mall in Bulgaria, began. Until the beginning of 2023, we plan the operation of 2 medium-sized IKEA stores in Heraklion, Crete and Patras, which will cover areas of 8,000 and 12,000 sq.m. respectively. At the same time, we entered the real estate investment sector, with the establishment of TRADE ESTATES. We also announced the cooperation of FOURLIS Group with HOLLAND & BARETT.

Investing to our people and the society

- Our main commitment is to create new jobs as well as to attract the appropriate talents for each job position. Our primary goal is to offer our employees a healthy, safe and attractive work environment, where the respect, the protection of human rights as well as the provision of equal opportunities are priorities. In addition, we make sure that the Group contributes to the wider society in which it operates, responding, as a responsible corporate citizen, to the urgent needs of both the society and the citizens.

Creating a sustainable planet for all

- 7 years after the Paris Climate Agreement, the goal of mitigation and adaptation to climate change remains not only topical, but also of a vital importance for humanity. At FOURLIS Group we focus on the limitation of our environmental footprint with actions and interventions aiming at energy consumption reduction, enhancement of the use of renewable energy sources, limitation of greenhouse gas emissions and resources usage reduction, as well as recycling. In all these efforts not only our employees, customers, and partners act as participants, but also all our stakeholders, which we engage aiming to raise awareness towards a sustainable lifestyle.

The next day

- At FOURLIS Group we continue our course towards a sustainable future. We remain committed to our goals, in order to constantly strengthen our position in the markets where we operate, always with responsibility, integrity and ethics towards our stakeholders and the broader society.

Enjoy your reading,

Apostolos Petalas
CEO
FOURLIS Group

2021 at a glance

€192.2 million

direct economic value distributed

More than

4,000

employees

2021

0

fatalities and/or serious customer, visitor and partner accidents in Group's subsidiaries' stores and facilities

0

incidents of personal data violation

FOURLIS
GROUP OF COMPANIES



Cooperation of IKEA with Make-A-Wish



Provision of equipment for the refurbishment of **31 children's rooms** who wished to acquire the room of their dreams

INTERSPORT #Womanism



INTERSPORT continued the program #Womanism aimed at women's empowerment

TRADE LOGISTICS



Photovoltaic Systems' Operation

Total Annual Energy Production:

1,381 MWh
from TRADE LOGISTICS system and

370 MWh
from IKEA Cyprus store system



Awards

FOURLIS
GROUP OF COMPANIES

EVENT

HRIMA 2021 Business Awards

AWARD CATEGORY

Investment Relations

AWARD

2nd PRIZE

EVENT

2021 Pet Awards

ORGANIZER

BOUSSIAS

AWARD CATEGORY

Pet Products

AWARD

SILVER

In the category "Best Product for the pet's everyday life" for the scratching mat LURVIG for cats

EVENT

2021 Kitchen & Bath Awards

ORGANIZER

BOUSSIAS

AWARD CATEGORY

Kitchen Products

AWARD

SILVER

In the category "Kitchen Projects" for the kitchen ENHET which can be easily assembled and disassembled manually

EVENT

2021 E-volution Awards

ORGANIZER

BOUSSIAS

AWARD CATEGORY

Digital Marketing

AWARDS

GOLD & PLATINUM

For the overall Digital Marketing strategy - IKEA Love Story Campaign & Covid Response

GOLD

Best in Home, Furniture and DIY - IKEA Love Story Campaign

GOLD

For Performance Marketing (CPC) strategy - IKEA Love Story Campaign

SILVER

Continuous Optimization - IKEA E-commerce

EVENT

2021 Social Media Awards

ORGANIZER

BOUSSIAS

AWARD CATEGORY

Social Media

AWARDS

PLATINUM

Best Strategy in Social Media - Bernie Sanders

GOLD

Best Real-Time Response / Occasion-based Marketing - Bernie Sanders

EVENT

2021 Retail Business Awards

ORGANIZER

DIRECTION - BUSINESS NETWORK

AWARD CATEGORY

Business

AWARD

SILVER

E-retailers-ikea.gr
Retail stores Home Equipment - IKEA Piraeus

EVENT

2021 Youtube Works

ORGANIZER

Youtube

AWARD CATEGORY

Marketing

AWARDS

BEST

BEST Media Strategy - IKEA Love Story Campaign

BEST

BEST Creative Work - White Screen

BEST

BEST Use of YouTube for performance marketing - White Screen

EVENT

2021 Ermis Awards

ORGANIZER

EDEE

AWARD CATEGORY

Marketing

AWARDS

SILVER

Digital - Social Media - Response & Real-Time Activity - Bernie Sanders

BRONZE

Digital - Small Budget - Bernie Sanders

GOLD

Digital PR - Bernie Sanders



GREECE



CYPRUS

EVENT

Customer Excellence Awards

ORGANIZER

BOUSSIAS Cyprus

AWARD CATEGORY

Best Sustainability Initiative for Customer Experience

AWARDS

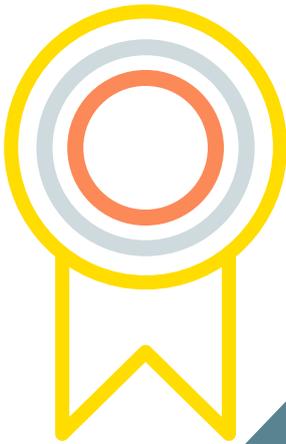
GOLD

SILVER

Best Customer Service Initiative B2C

BRONZE

Best use of Technologies in Customer Service



EVENT

Digital Marketing Awards

ORGANIZER

BOUSSIAS Cyprus

AWARD CATEGORY

Digital Marketing

AWARDS

GOLD

Best Response to Changing Consumer Needs during the Pandemic

GOLD

Best Use of Stories

GOLD

Best SEO Campaign

GOLD

Best e-shop / Marketplace
IKEA e-shop

GOLD

Best Mobile Application for a Brand-
IKEA Cyprus App

GOLD

Best User Experience

BRONZE

Best on Facebook
Family of Apps

BRAND OF THE YEAR

IKEA



BULGARIA

EVENT

FARA

ORGANIZER

BACA (Bulgarian Association of Communication Agencies)

AWARDS

GOLD 2021

in category "Brand adaptability" for the campaign "The Glass"

SILVER 2021

in category "Brand adaptability" for the campaign "Idealisk"

SILVER 2021

in category "Copy Craft" for the campaign "Idealisk"

BRONZE 2021

in category "Ambient" for the campaign "IKEA Art Event"

EVENT

PUBLIC RELATIONS AWARD

ORGANIZER

Bulgarian Public Relations Association

AWARD CATEGORY

Communication project and special event

AWARD

GOLD

for "Balcony artist"

EVENT

BAPRA Bright Awards

ORGANIZER

Bulgarian Association of PR Agencies

AWARD CATEGORY

Innovation PR Award

AWARD

BRONZE

"Balcony artist"

EVENT

IAB MIXX AWARDS

ORGANIZER

IAB Bulgaria

AWARDS

SILVER 2021

in category "Real time" for the campaign "The Glass"

BRONZE 2021

in category "Covid-19" for the campaign "Balcony artist"

EVENT
EFFIE AWARDS

ORGANIZER
BACA (Bulgarian Association of Communication Agencies)

AWARD CATEGORY
Effective Communication/ Topical Marketing

AWARD
BRONZE
Campaign "The Glass"

Awards



GREECE

EVENT
E-volution awards

ORGANIZER
Boussias

AWARD CATEGORY
Best in Sports & Equipment

AWARD
SILVER

EVENT
E-volution awards

ORGANIZER
Boussias

AWARD CATEGORY
Customer Care/ Satisfaction

AWARD
BRONZE

EVENT
E-volution awards

ORGANIZER
Boussias

AWARD CATEGORY
eCommerce Personalization

AWARD
BRONZE

EVENT
E-volution awards

ORGANIZER
Boussias

AWARD CATEGORY
Operations & Back Office

AWARD
SILVER

EVENT
E-volution awards

ORGANIZER
Boussias

AWARD CATEGORY
Continuous Optimization

AWARD
BRONZE

EVENT
Shopper Marketing Awards 2022

ORGANIZER
Boussias

AWARD CATEGORY
Shopper Technology/ Solutions

AWARD
GOLD
Ermou Store

EVENT
Shopper Marketing Awards 2022

ORGANIZER
Boussias

AWARD CATEGORY
Concept Store

AWARD
SILVER
Ermou Store



FOURLIS Group

GRI 102-16

Vision

Passion for better living!

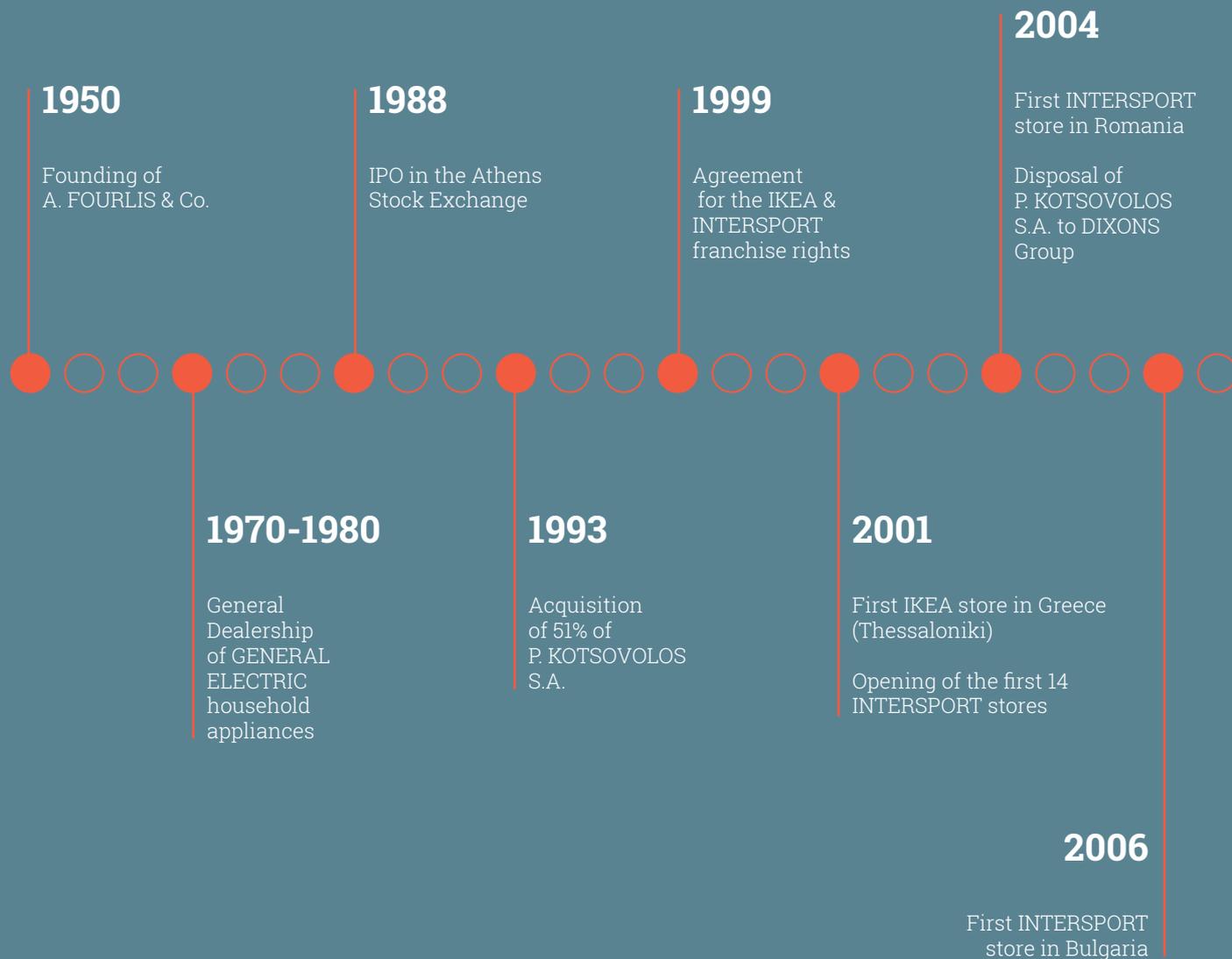
Values

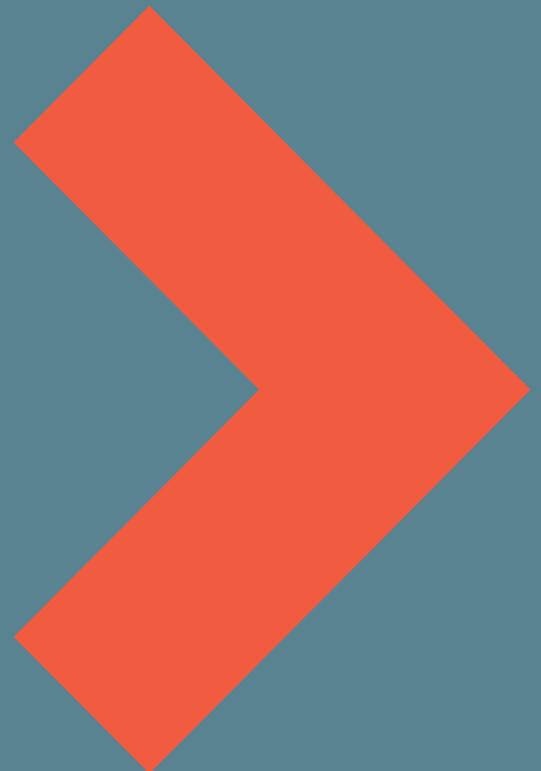
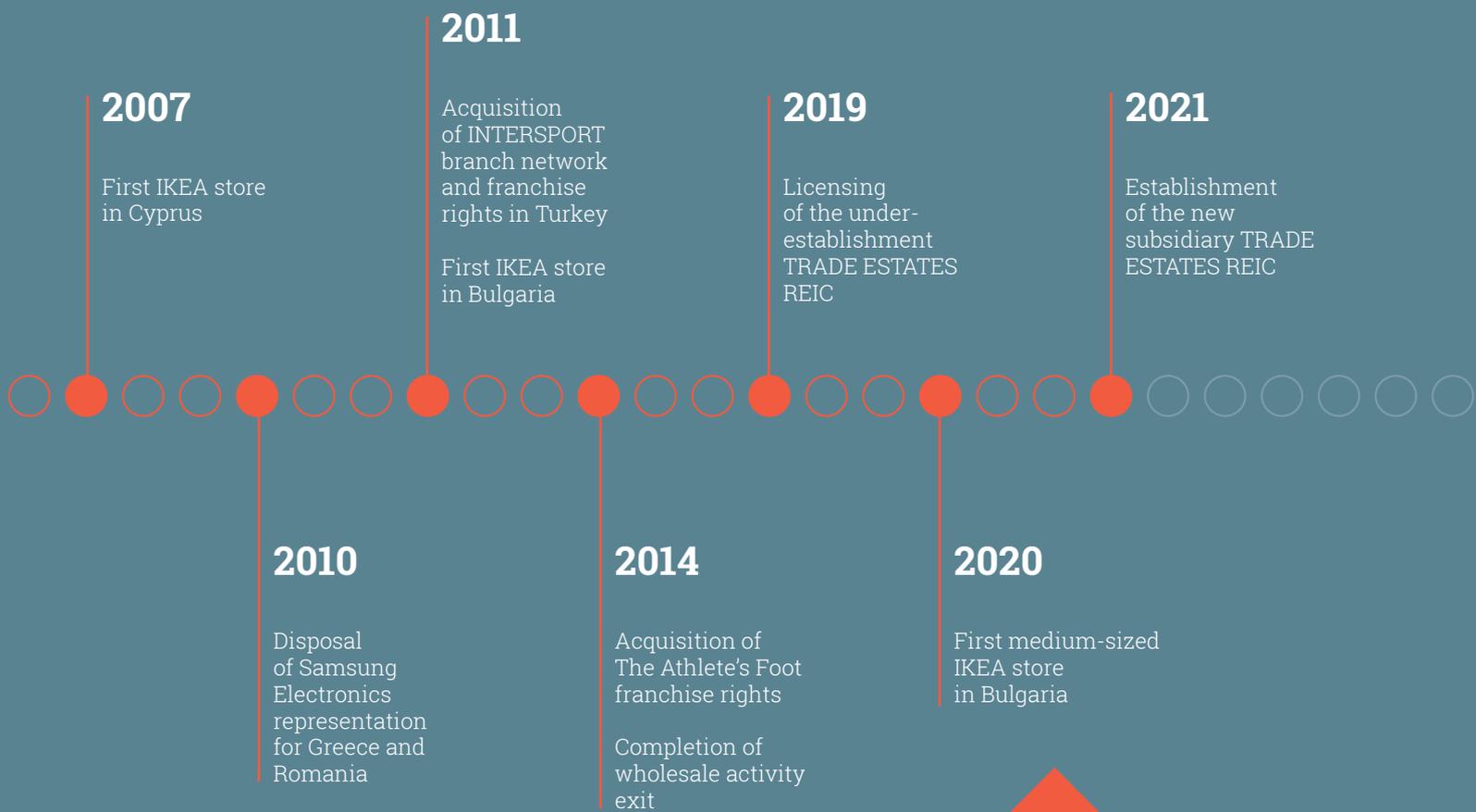
Integrity, Respect, Efficiency

To create superior value for our Customers, People, Shareholders, and the Society, by delivering goods and solutions for better living.

Mission

Milestones in Group's history





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 the 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 Furlis. Currently, FOURLIS Group headquartered at 18-20 Sorou street (Building A), P.O. 15125, Maroussi, is one of the largest retail groups of consumer goods, which operates 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



Stores and Pick Up and Order Points

13
Greece

2
Cyprus

5
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. Until 31/12/2021, 3 IKEA large stores operate in Greece (2 in Athens, 1 in Thessaloniki), 1 large store in Cyprus (Nicosia) as well as 1 large store in Bulgaria (Sofia).

Moreover, 4 medium size IKEA stores in Greece (Larisa, Ioannina, Piraeus, The Mall Athens) and 2 in Bulgaria (Varna, Sofia Mall) and 6 IKEA Pick Up and Order Points operate in Greece (Patra, Rhodes, Heraklion, Chania, Komotini, and Kalamata), as well as 2 in Bulgaria (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 No 1 sporting goods retailer in the world, with more than 6,000 stores in 57 countries. In Greece, INTERSPORT (INTERSPORT ATHLETICS S.A.) started its dynamic course in September 2000 and until 31/12/2021 it operated in total 54 stores in Greece, 7 in Cyprus, 32 in Romania (GENCO TRADE), 10 in Bulgaria (GENCO BUGARIA) and 12 in Turkey (INTERSPORT ATLETIK). In addition, INTERSPORT e-shops for online purchases operate in all countries.

INTERSPORT Stores

54

Greece

7

Cyprus

32

Romania

10

Bulgaria

12

Turkey

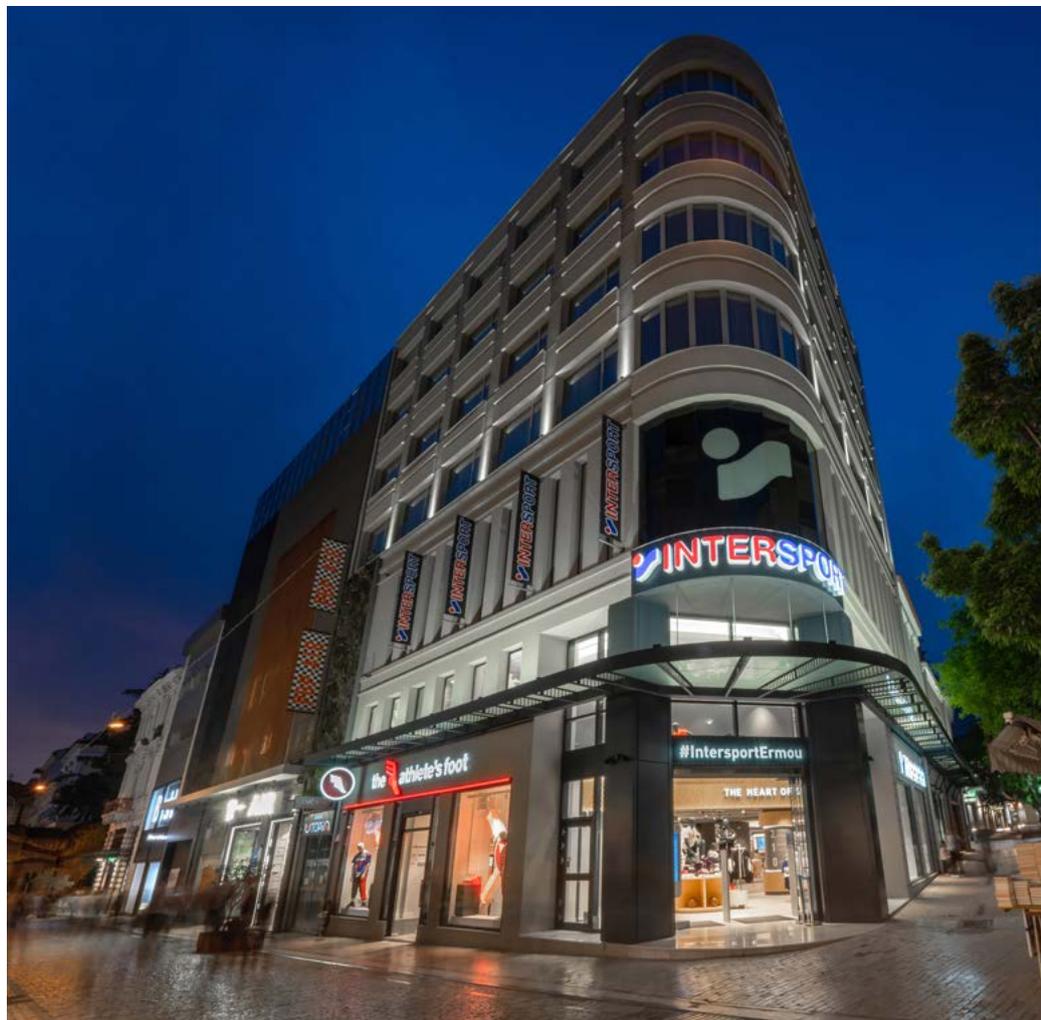
THE ATHLETE'S FOOT Stores

14

Greece

3

Turkey



The Athlete's Foot is an international brand that started its journey in the U.S.A. in 1971 and offers athletic footwear and apparel that combine fashion and sports style. In 2015, the international chain entered the Greek and Turkish market, with the opening of 2 stores in Greece and 1 in Turkey, by FOURLIS Group, and until 31/12/2021 numbered in total 17 stores (14 in Greece and 3 in Turkey).

TRADE LOGISTICS

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

TRADE LOGISTICS located in Schimatari, Viotia, was established in 2008 and operates using modern automation systems for all its activities, which are the following:

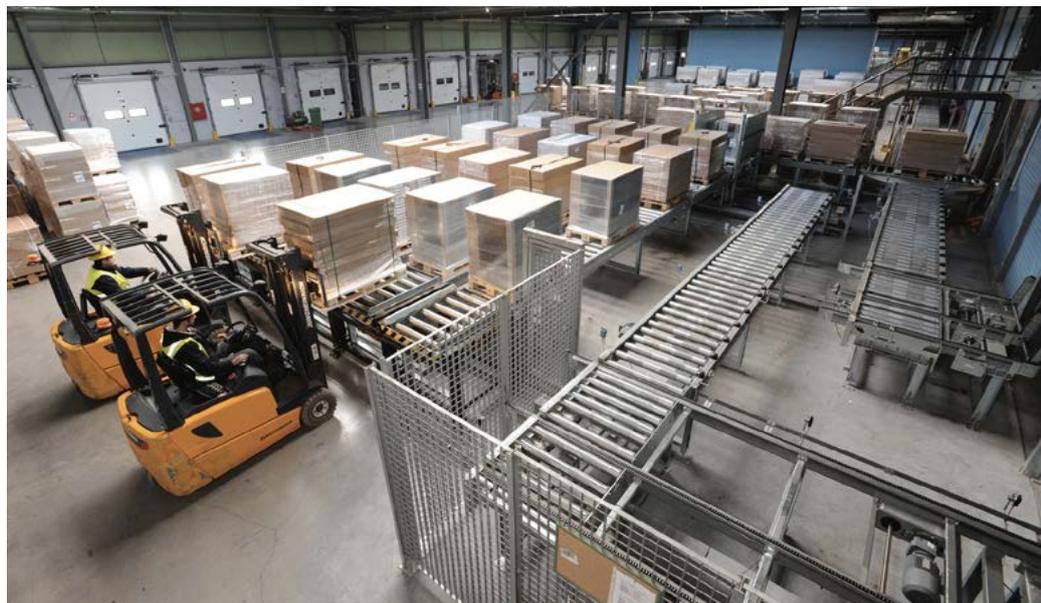
1. Storage and distribution services for the below stores:

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

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

- IKEA e-shop (www.ikea.gr) in Greece
- INTERSPORT e-shop (www.intersport.gr) in all the Group's countries of operation except for Turkey.

The company, with its specialized and experienced personnel, the use of technology and the adoption of innovative methods in Logistics field, aims at the proper operation of all storage and delivery procedures, as well as at the development of its activities.





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, was established in July 2021.

TRADE ESTATES REIC is one of the largest real estate investing companies in Greece and the only one with a specialized investing objective. The company aims at the acquisition and development of retail parks and logistics centers of next generation, following the strongest trend in new retail developments globally, providing consumers with easy, safe, and direct access to markets and services. Its real estate portfolio includes commercial buildings used as IKEA stores (Thessaloniki, Ioannina, Nicosia, and Sofia), the new Commercial Park of Piraeus Street, the Florida 1 Commercial Park in Thessaloniki, as well as the storage and supply chain centers in Inofyta and Schimatari.



The Group's parent company, FOURLIS HOLDINGS S.A., activity is the investment in domestic and foreign companies of all types, regardless of their objectives and corporate form. The Group's scope of work includes the provision of services to companies of all kinds, in the fields of general management, financial management and IT. In order to exploit synergies and for better coordination in decision-making and implementation, the centralization of the Group's support services in Greece was implemented, namely financial planning and controlling services, human resources, IT, corporate governance, treasury management, personal data protection, sustainable development and social responsibility.

Supply chain

GRI 102-9

The Group's business continuity is critical for the continuous delivery of high-quality services and products. The Group aims to maximize client satisfaction and ensures the development of mechanisms, aimed at identifying and responding to situations that may adversely affect the business 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.

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 should govern the cooperation between them. The cooperation proposals and offers submitted by partners/suppliers are evaluated based on approved (qualitative and quantitative) criteria to ensure that the selected partners/suppliers have the necessary know-how as well as the ability to perform the assigned services, always with integrity, quality and reliability.

The main suppliers' categories with which the Group cooperates are the suppliers of goods, services, and assets.

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

Metric C-S8

The Group is in the process of developing a Supplier Code of Conduct, with the aim to act as a set of guidelines that will define the basic standards of ethical behavior, values and principles of Sustainable Development, which the Group expects to be adopted by its suppliers/partners, in their transactions with it.

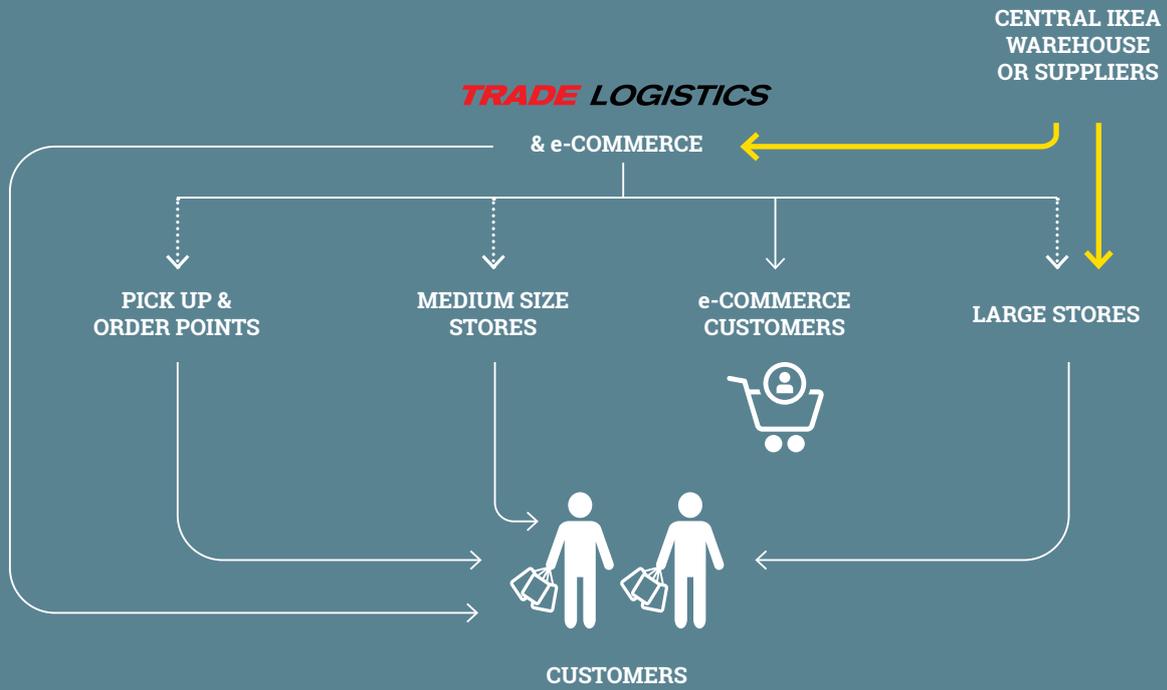
In 2021, FOURLIS Group cooperated in total with
more than
400
 goods' suppliers*



*Data concerning non-goods suppliers is not available during the period of issuing this Report.

	2021	2020	2019
Suppliers by country (percentage)			
Greece			
Domestic	51.93%	52.01%	50.57%
International	48.07%	47.99%	49.43%
Cyprus			
Domestic	72.09%	60.87%	60.38%
International	27.91%	39.13%	39.62%
Bulgaria			
Domestic	76.09%	75.56%	74.47%
International	23.91%	24.44%	25.53%
Romania			
Domestic	75.00%	73.53%	77.14%
International	25.00%	26.47%	22.86%
Turkey			
Domestic	91.30%	90.91%	84.62%
International	8.70%	9.09%	15.38%







Memberships

GRI 102-13

MEMBERSHIPS	FOURLIS HOLDINGS S.A.	INTERSPORT ATHLETICS S.A.	TRADE LOGISTICS S.A.	TRADE ESTATES R.E.I.C.	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.)	✓	✓			✓
Union of Listed Companies	✓				
Hellenic Fund and Asset Management Association				✓	
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)		✓			
Thessaloniki Chamber of Commerce and Industry (TCCI)		✓			✓
Hellenic Institute for Logistics Management (ILME)			✓		

MEMBERSHIPS	FOURLIS HOLDINGS S.A.	INTERSPORT ATHLETICS S.A.	TRADE LOGISTICS S.A.	TRADE ESTATES R.E.I.C.	HOUSEMARKET S.A.
Greek Tourism Confederation (SETE)					✓
GSI Association Greece		✓			
European Logistics Association (E.L.A.)			✓		
National Board on Development and Supply Chain Competitiveness (Hellenic Ministry of Development)			✓		
Institute of Communication					✓
Hellenic-Swedish Chamber of Commerce					✓
Achaia Chamber of Commerce and Industry					✓
Greek-Turkish Chamber of Commerce		✓			
Global Compact Network Hellas	✓				
Hellenic Institute of Internal Auditors	✓				
Association of Societes Anonymes and Ltd.	✓				
IMA Hellenic Association	✓				
Non-Executive Directors' Club in Greece (NED Club)	✓				
ISACA Athens Chapter	✓				
Cell of Alternative Youth Activities (KEAN)	✓				

In addition:

TRADE LOGISTICS:

- Coordinates the National Logistics Committee at the Ministry of Development and Investments.
- Participates in the advisory working group for the formulation and modernizing of the institutional framework of the supply chain.

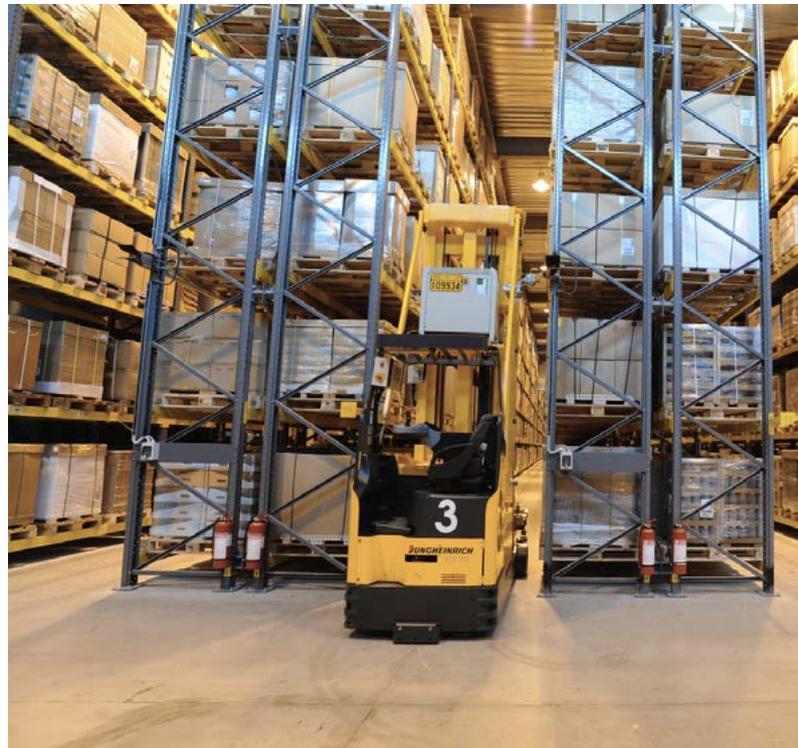
INTERSPORT:

- Participates in the SEV consumer working group.

FOURLIS HOLDINGS S.A.:

- Participates in the Association of Regulatory Compliance Professionals of Greece.

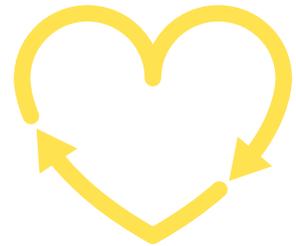
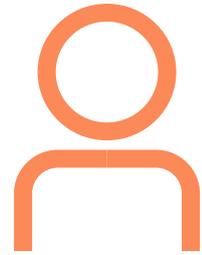








Sustainable Development and Social Responsibility at the Group





Social Responsibility Division Message

GRI 102-14

In 2021, another year full of challenges, at FOURLIS Group we continued to act responsibly, focusing on initiatives and business practices that promote prosperity for our people, the society and the planet.

We continued the EF ZIN (Well Being) program, for the Group's employees, which includes actions aiming at motivating them to adopt a healthy lifestyle. In this context, the "Mediterranean Diet" program continued, in collaboration with experienced dieticians/nutritionists. The program includes suggestions for a balanced diet and free sessions with dieticians/nutritionists for the Group employees. In Greece, we continued the online pilates classes, as well as the Consulting Support Line operation, that is provided free of charge 24/7/365 for all employees, in collaboration with a company of psychologists. In 2021, the Line's operation was extended to Cyprus. The implementation of the online psychology seminars, that continued for employees in Greece, was also expanded for Cyprus. The Group, for another year, provided also scholarships to employees' children, who are students in universities in Greece, Cyprus, Bulgaria and, for the first time, in Romania, as part of the "I Study with a Scholarship" program.

Respect for diversity, inclusion, and equal opportunities for everyone, without exclusions, constituted, last year, matters of particular concern for the world community and will, from now on, be regularly in the spotlight. FOURLIS Group, aiming to further strengthen its commitment to combat discrimination and promote equality in the workplace, proceeded with signing the Diversity Charter for Greek companies and organizations. During 2022, the Group plans to implement a series of actions to further shape a culture of diversity acceptance and inclusion, as well as for women's empowerment in the Group, while setting specific goals and implementing specific programs.

To support the society, during 2021, the Group continued the implementation of multiannual programs, such as IKEA's "Stations of Joy", the cooperation with Make-A-Wish Greece, for the realization of wishes of children that suffer from serious illnesses, and with "Boroume" for meals' donation from the IKEA stores' restaurants and FOURLIS Group's headquarters. INTERSPORT continued the #WOMANISM action, which aims to women empowerment, through the implementation of a campaign with 3 sport champions, as the main characters, who gave inspiration to every woman. INTERSPORT also collaborated with NGO "DIOGENIS" for the Homeless National Football Team support. Support actions continued in Bulgaria for children and young people from vulnerable social groups.



With the employees' participation and practical contribution, our Group also implemented voluntary actions, such as blood donation, as well as the donation of necessities and school supplies, to vulnerable social groups in Greece, Cyprus, and Bulgaria.

The Group response was immediate in cases of emergencies, such as the catastrophic fires in North Evia and Attica. The Group undertook important initiatives to support the victims in the fire-affected areas, while it progressed in significant collaborations, committed to contribute to the natural environment's restoration.

The climate crisis impacts, which we daily experience, make imperative the need for action by each and everyone of us. At Group we implement practices that focus on reducing our environmental footprint, through the improvement of our buildings' energy efficiency, the use of renewable energy sources, the proper use of valuable natural resources and waste management, the provision of products that contribute to a sustainable lifestyle and the employees' and consumers' awareness raising, towards the adoption of a more responsible way of life.

Our Group, as an official member of the United Nations Global Compact since 2008, continued to adopt, support and promote its 10 Principles, while contributing to the UN Sustainable Development Goals achievement, through its practices, initiatives and actions.

The 2021 Sustainable Development and Social Responsibility Report is the 13th, in a series, published by FOURLIS Group. In the following pages, details on the Sustainable Development and Social Responsibility Strategy, the relevant programs implemented during 2021, as well as their performance, are presented.

In 2022, we continue to operate taking into consideration the global developments in the Sustainable Development field and the ongoing evolving expectations and needs of our stakeholders', in all countries where the Group operates. We see the challenges as an opportunity for development and we envision a sustainable planet and a peaceful, fair, inclusive and without inequalities world. For all the above, we are committed to continue working at FOURLIS Group.

Lyda Furlis
Social Responsibility Director
FOURLIS Group





Sustainable Development

Metric C-G4

In 2021 the Group proceeded to the completion, approval by the Board of Directors and publication on the website www.fourlis.gr, of the Sustainable Development Policy that concerns all its companies. The Sustainable Development Strategy of FOURLIS Group is based on the material topics of Sustainable Development, as they arise through the materiality analysis (see pp. 33-35).

Social Responsibility Division

The Social Responsibility Division was created in 2008, with the aim to coordinate the Group's companies in initiatives and actions in the field of Social Responsibility, driven by the Group's Values and Principles. The Division constantly operates and develops, having as a main priority the respect for the Group's People, the support of the Society and the Market and the protection of the Environment.

The Social Responsibility Division creates the Group's Social Responsibility Strategy and implements and monitors the implementation of the relevant programs in collaboration with executives of its subsidiaries, who act as coordinators for the issues related to the four above-mentioned axes.

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. At the same time, the Group is a founding member of the UN GLOBAL COMPACT HELLAS network.

The UN Global Compact consists of 10 Principles that derive from internationally accepted standards pertaining to human rights, labor 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 Sustainable Development and Social Responsibility Reports, that include the Group's Communication on Progress Report (CoP) regarding the 10 UN Global Compact Principles, are available at the website www.fourlis.gr.

Stakeholders

GRI 102-40, GRI 102-42, Metric C-S1

The Group invests in a continuous and two-way contact and communication with its stakeholders.

The Group defines as stakeholders the entities or individuals that may reasonably be or are significantly dependent/influenced by its activities, or those who may reasonably influence the ability of the Group to implement its business strategy and/or to achieve its objectives.

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 and therefore the management of these issues, the targeting etc. are discussed at Board level.



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

GRI 102-43

STAKEHOLDER GROUPS	COMMUNICATION METHODS	COMMUNICATION FREQUENCY
➤ EMPLOYEES	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)
	Update via e-mails	Continuous
	Update via SMS	Whenever necessary
	TV-FOURLIS Group Flash News	Continuous
	360° Evaluation process	Annually (with biennially periodicity per grade)
	Employee Performance and Development Review	Annually
	Meetings	<ul style="list-style-type: none"> • One to One: when a relevant need occurs • Statutory: at intervals specified by each Division/Department based on their needs
➤ SHAREHOLDERS/ INSTITUTIONAL INVESTORS & FINANCIAL ANALYSTS	General Assembly	Annually
	Announcements	Depending on briefing needs
	Ad hoc communication	Continuous
➤ CUSTOMERS	Contact and communication within the stores and ad hoc (via telephone or emails)	Continuous
	Newsletters dispatch/SMS/Viber/Social Media Use	
	Satisfaction Surveys	
	Catalogues and Publications	Continuous

STAKEHOLDER GROUPS	COMMUNICATION METHODS	COMMUNICATION FREQUENCY
➤ PARTNERS/SUPPLIERS	Meetings	Continuous
	Participation in industry associations	According to relevant planning
	Joint programs implementation	According to relevant planning
➤ CIVIL SOCIETY	Meetings	According to relevant planning
	Active participation in initiatives	Continuous
➤ LOCAL COMMUNITIES*	Contact with local authorities	Continuous
	Events	According to relevant planning
	Implementation of Social Responsibility Programs and actions	Continuous
➤ OFFICIAL & SUPERVISORY AUTHORITIES/STATE	Discussions/mailing with national and local Authorities' representatives	Continuous
	Participation in organizations and unions	Continuous
➤ BUSINESS COMMUNITY	Participation in organizations, associations and unions	Continuous
➤ MEDIA	Press Conferences	According to relevant planning
	Brochures/Press Kits	Continuous
	Corporate publications	Continuous
	Meetings	Continuous
➤ NGOs	Meetings	Continuous
	Collaborations	Continuous

*Areas where the Group's companies operate.



Materiality analysis

GRI 102-44, GRI 102-46, GRI 102-49, Metric C-G3

In the context of continuously improving the Group's approach to Sustainable Development and Social Responsibility topics, FOURLIS Group performed a materiality analysis (during 2021 in the context of 2020 Sustainable Development and Social Responsibility Report) in order to prioritize the Group's topics with the most significant economic, social and environmental impacts and those that significantly influence the decisions and assessments of its stakeholders related to the Group. The materiality analysis conducted in 2021 will also be used for the purposes of this Report.

The methodology followed for the materiality analysis is based on the GRI Sustainable Development Standards and the Reporting Principles for defining report content:

- Stakeholder Inclusiveness
- Sustainability Context
- Materiality
- Completeness

More specifically, the materiality analysis was carried out through the following three phases:

A. Identification of topics

In the first phase of the analysis, the Principles of Stakeholder Inclusiveness and Sustainability Context of the GRI Standards were considered and topics related to business model and the economic, social and environmental impacts that each company creates, as well as the needs and expectations of their stakeholders were identified. The topics were identified through a review of the following:

- internal documents such as policies, procedures, action plans, etc. to understand the framework of sustainable development and strategy of both the Group and each subsidiary,
- practices of similar companies at the national and international level for the recognition of industry-related topics,
- international standards and guidelines for sustainable development such as the GRI standards special editions for the Group's subsidiaries sectors,
- the 17 UN Sustainable Development Goals,
- the relevant press releases related to the business activities of the Group and its subsidiaries,
- the material topics identified during the previous materiality analysis.

B. Prioritization of topics

In the second phase of the analysis, the Principles of Materiality and Stakeholder Inclusiveness of the GRI standards were considered to prioritize the topics identified in the first phase, based on the following two criteria:

- a. Topics that significantly affect stakeholder assessments and decisions in relation to the Group
- b. Topics that reflect the broader impacts (positive or negative) created by the Group through its operation in the economy, society, and the environment and consequently in achieving the UN Sustainable Development Goals (e.g., through its mission, its business objectives, strategic priorities, reputation management, customer management and supply chain, the future challenges of the Group and the sector in general).

Engagement method: Electronic questionnaire distribution to senior executives of the Group who represented all the stakeholders of the Group.

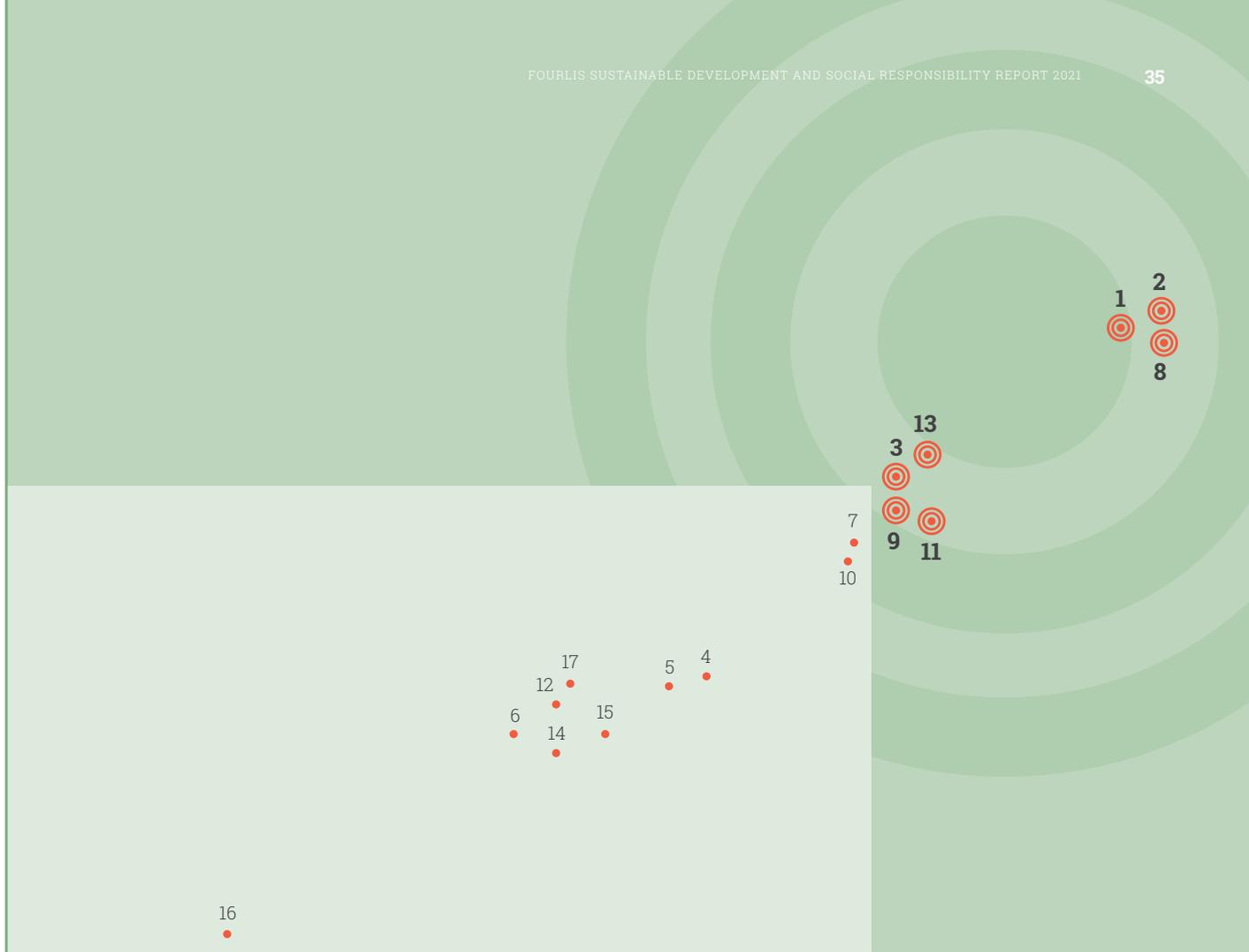
C. Validation

In the third phase of the analysis, we considered the Principles of Completeness and Stakeholder Inclusiveness of the GRI Standards, to validate the results of the second stage by the Management of the Group.

The following is a graphic representation of the results of the analysis, while the list of material topics with their topic boundaries and their connection to the Sustainable Development Goals are presented on pages 36-39. Their connection with the disclosures of the GRI Standards is presented on pages 126-130.

In relation to the previous materiality analysis, the topics "Investing in employee training and education", "Active and responsible social contribution", as well as "Product compliance, labeling and responsible communication" did not emerge as material, while "Ensuring business continuity and emergency preparedness" came up as a new material topic.

Influence on stakeholder assessments & decisions



Significance of economic, environmental & social impacts

- ① **1. Creating economic value/economic performance of the company**
- ② **2. Ensuring business ethics and regulatory compliance**
- ③ **3. Ensuring business continuity and emergency preparedness**
 - 4. Offering products/services that contribute to a more sustainable lifestyle
 - 5. Responsible product warehousing and distribution
 - 6. Ensuring the implementation of responsible practices in the supply chain
 - 7. Product compliance, labeling and responsible communication
- ⑧ **8. Ensuring the health, safety and accessibility of customers and visitors**
- ⑨ **9. Creating and retaining employment**
 - 10. Providing timely and decent remuneration/benefits to employees
- ⑪ **11. Protecting employee health, safety and well-being**
 - 12. Providing employee training and development
- ⑬ **13. Protecting human rights in the workplace**
 - 14. Reducing energy consumption and greenhouse gas emissions
 - 15. Proper materials' management and promotion of circular economy
 - 16. Responsible water consumption
 - 17. Active/responsible social contribution and organization of voluntary actions for employees

Material topics

GRI 102-46, GRI 102-47, GRI 102-49, Metric C-S1

The next pages contain 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 the relevant topic, as well as each topic's boundaries.

The boundaries of the material sustainable development topics, based on the GRI standards, concern stakeholders within or outside the Group, who may cause or be associated with the topics' impacts.

Creating and retaining employment



UN Sustainable Development Goals to which the Group contributes through the management of the material topic



Impact Boundaries

- Group
- Employees
- Customers
- Suppliers/Partners

WHY THE TOPIC IS MATERIAL

GRI 103-1

The creation and retention of employment constitutes a 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 44-53.

Protecting human rights in the workplace



UN Sustainable Development Goals to which the Group contributes through the management of the material topic



Impact Boundaries

- Group
- Employees
- Suppliers/Partners
- Business Community

WHY THE TOPIC IS MATERIAL

GRI 103-1

Protecting and safeguarding human rights, in addition to the regulatory requirement, presents a range of benefits for businesses and employees, 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 by the lack of an appropriate management framework by either the Group's Management or its suppliers and partners as well as by the possible inadequate implementation of the appropriate practices by employees.

More information is available on pages 54-56.

Protecting employee health, safety and well-being



UN Sustainable Development Goals to which the Group contributes through the management of the material topic



Impact Boundaries

- Group
- Employees
- Customers
- Suppliers/Partners

WHY THE TOPIC IS MATERIAL

GRI 103-1

The significance of the topic is related not only to the impacts of the topic on health, safety and well-being of employees but also, more broadly, with the decent employment and economic development. In addition, the topic of the protection of health, safety and well-being of employees remains material mainly due to the importance of these issues, both for the natural risk for the lives of employees and for the spiritual and psychosocial impacts that relate to the concept of well-being, the balance between personal and professional time, as well as the increase in non-communicable diseases.

The potential risks associated with this topic may be caused either by omissions related to the organization and management of security mechanisms by the companies themselves, or by incorrect application of these by employees, their partners or their suppliers.

More information is available on pages 60-67.

Creating economic value/economic performance of the company



UN Sustainable Development Goals to which the Group contributes through the management of the material topic



Impact Boundaries

- Group
- Shareholders
- Employees
- Suppliers/Partners

WHY THE TOPIC IS 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 86-88.

Ensuring business ethics and regulatory compliance



UN Sustainable Development Goals to which the Group contributes through the management of the material topic



Impact Boundaries

- Group
- Employees
- Suppliers/Partners
- Customers
- Shareholders
- Business Community
- Official & Supervisory Authorities/State

WHY THE TOPIC IS 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 **89-93**.

Ensuring the health, safety and accessibility of customers and visitors



UN Sustainable Development Goals to which the Group contributes through the management of the material topic



Impact Boundaries

- Group
- Employees
- Suppliers/Partners
- Customers

WHY THE TOPIC IS 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 94-97.

Ensuring business continuity and emergency preparedness



UN Sustainable Development Goals to which the Group contributes through the management of the material topic



Impact Boundaries

- Group
- Employees
- Customers
- Suppliers/Partners
- Shareholders

WHY THE TOPIC IS MATERIAL

GRI 103-1

Ensuring business continuity and emergency preparedness constitute key priorities of the Group, as there are risks that may threaten the seamless operation of its activities. The Group seeks to ensure its business continuity and is in constant preparedness to manage unexpected situations. Its purpose is to guarantee a stable level of customer service, safety of its employees, the protection of the local community and ensuring the trust of suppliers and partners.

Possible risks that may arise from a lack of business continuity of the Group in emergencies are financial losses for the Group and shareholders, as well as losses in infrastructure. As a result, lack of preparedness may affect the quality of services/products provided to customers, or relationships and cooperation with suppliers and partners of the Group.

More information is available on pages 100-103.

Strategic Sustainable Development Goals

Metric A-G3

The main FOURLIS Group Sustainable Development performance goals are the following:



For our People

TOPIC	2021 GOALS	2021 RESULTS	2022 GOALS
Creating and retaining employment	Increase in the number of employees according to the Group's business plans	Based on the Group's business plans for 2021, the number of employees was maintained at approximately the same level as in 2020 (2% reduction)	Retaining the number of employees according to the Group's business plans
Protecting employee health, safety and well-being	Zero incidents of fatalities and/or serious occupational accidents	Zero incidents of fatalities and/or serious occupational accidents	Zero incidents of fatalities and/or serious occupational accidents
Protecting human rights in the workplace	Maintain zero incidents of human rights violations in the Group	A complaint from a former employee to a subsidiary, alleging workplace behavior that does not comply with the code of conduct. The complaint was investigated by the Group in accordance with its procedures and based on the information provided, which however was incomplete. Despite the company's attempt to receive more information from the complainant that would facilitate the ongoing investigation, he/she asked to stop any actions, at which point the complaint was closed	Zero incidents of human rights violations in the Group
Providing employee training and development**	Implementation of training and development plan	Due to the COVID-19 pandemic, the revised training plan was implemented	-

For the Society

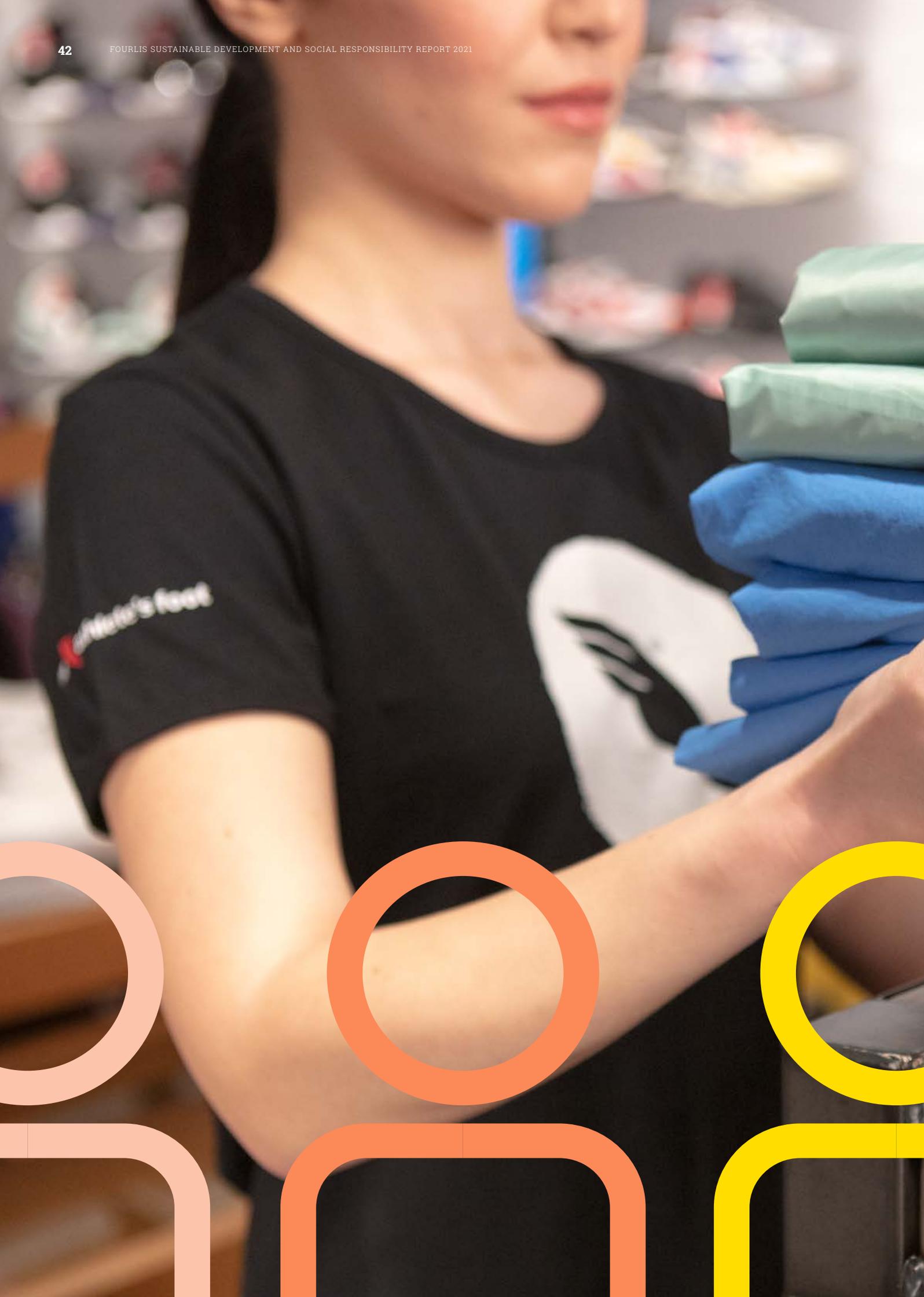
TOPIC	2021 GOALS	2021 RESULTS	2022 GOALS
Creating economic value/economic performance of the company Active / responsible social contribution and organization of voluntary actions for employees**	Maintaining social contribution programs, donations and sponsorships at minimum at the same level as in 2020	Maintenance of existing and implementation of new programs with expansion of the beneficiary social groups (actions to support victims of the fires in North Evia and Attica)	Maintenance of current programs*

For the Market

TOPIC	2021 GOALS	2021 RESULTS	2022 GOALS
Ensuring business ethics and regulatory compliance	Full compliance with the new legislation of Corporate Governance	Full compliance (according to internal reviews)	No existence of significant findings during the mandatory external evaluation of the internal control system for the period 17/7/2021-31/12/2022 that will be carried out within Q1 2023
	Zero fraud/corruption incidents	4 cases of fraud of limited scope and insignificant financial size	Zero cases of fraud/corruption
Product compliance, labeling and responsible marketing and promotion **	Maintain a level of full compliance with regulations and voluntary codes, regarding product labeling and responsible communication	Zero incidents of non-compliance with regulations and voluntary codes concerning product labeling and responsible communication. However, IKEA (and subsequently the subsidiary HOUSEMARKET of FOURLIS Group) proceeded in 2021, to a preventive and voluntary recall of the serving items HEROISK & TALRIKA	-
Ensuring the health, safety and accessibility of customers and visitors	Zero incidents of non-compliance with regulations and voluntary codes, relating to customers' and visitors' health and safety issues	Maintaining zero incidents	Zero incidents of non-compliance with regulations and voluntary codes relating to customers' and visitors' health and safety issues
Ensuring business continuity and emergency preparedness	Development of a risk management system according to the COSO ERM methodology	Completion of the development of the system	System implementation

* This goal is subjected to revision, as its implementation depends on the evolution of the COVID-19 pandemic.

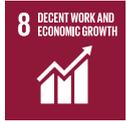
** The topics "Providing employee training and development", "Active/responsible social contribution and organization of voluntary actions for employees" and "Compliance, labeling and responsible communication" as well as the goals related to them, did not result as material in the latest materiality analysis according to the GRI Standards but they are analyzed in the following pages, as the Group continues to invest responsibly in them, since they are important topics for its operation. In addition, the material topic "Creating economic value/economic performance of the company" has been incorporated (due to relevance) to the goal of the topic "Active/responsible social contribution and organization of voluntary actions for employees".





For our People





More than

4,000

employees

Creating and retaining employment

Management approach

GRI 103-2

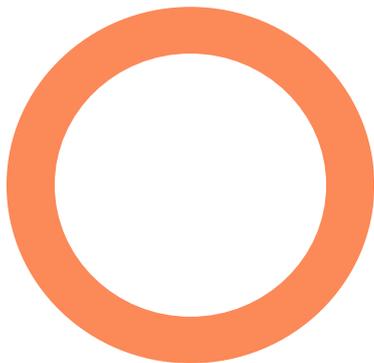
FOURLIS Group is its People, all those who daily support its operations. At FOURLIS Group, the creation and safeguarding of job positions, occupational health and safety conditions, meritocracy and personal development, respect for human rights, as well as the provision of equal opportunities for all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

FOURLIS Group aims at creating new job positions through the development of its activities in Greece and abroad. By doing so, the Group strengthens local communities and stimulates the national economies in the countries where it operates.

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 repositioning/promotion (for Executives) or by a new hire.

Specifically, the Open Resourcing Policy implemented by the Group, ensures that all job openings are firstly announced to the Group's employees, who have the opportunity to apply and 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 such as the Athens University of Economics and Business and the Deree College.



GRI 102-7, GRI 102-8

Total number of employees based on location and gender

(Permanent and fixed-term, full-time and part-time)

FOURLIS Group



COUNTRIES									
	2021	2020	2019	2021	2020	2019	2021	2020	2019
Greece	1,168	1,163	1,178	1,348	1,329	1,344	2,516	2,492	2,522
Cyprus	188	197	228	166	182	190	354	379	418
Romania	205	212	222	245	246	234	450	458	456
Bulgaria	207	210	204	323	335	294	530	545	498
Turkey	98	132	182	62	99	122	160	231	304
Total	1,866	1,914	2,014	2,144	2,191	2,184	4,010	4,105	4,198

The number of employees is defined as the number of individuals as of 31/12/2019, 31/12/2020 and 31/12/2021 respectively. As "employees" are defined those directly employed by the Group. It is noted that no significant percentage of work is performed by people who are not included in the "employees" category as defined above. Additionally, there are no fluctuations in the number of the Group employees, such as seasonal fluctuations.

GROUP TOTAL										
		2021	2020	2019	2021	2020	2019	2021	2020	2019
Total number of employees by employment contract	Permanent	1,676	1,768	1,843	1,968	2,036	2,015	3,644	3,804	3,858
	Temporary	190	146	171	176	155	169	366	301	340
	Total	1,866	1,914	2,014	2,144	2,191	2,184	4,010	4,105	4,198
Total number of employees by employment type	Full-time	1,279	1,325	1,367	1,104	1,121	1,096	2,383	2,446	2,463
	Part-time	587	589	647	1,040	1,070	1,088	1,627	1,659	1,735
	Total	1,866	1,914	2,014	2,144	2,191	2,184	4,010	4,105	4,198



GREECE

										
		2021	2020	2019	2021	2020	2019	2021	2020	2019
Total number of employees by employment contract	Permanent	1,026	1,072	1,052	1,218	1,235	1,227	2,244	2,307	2,279
	Temporary	142	91	126	130	94	117	272	185	243
	Total	1,168	1,163	1,178	1,348	1,329	1,344	2,516	2,492	2,522
Total number of employees by employment type	Full-time	759	780	769	544	539	529	1,303	1,319	1,298
	Part-time	409	383	409	804	790	815	1,213	1,173	1,224
	Total	1,168	1,163	1,178	1,348	1,329	1,344	2,516	2,492	2,522


 MEN WOMEN TOTAL


CYPRUS

										
		2021	2020	2019	2021	2020	2019	2021	2020	2019
Total number of employees by employment contract	Permanent	187	197	225	165	182	190	352	379	415
	Temporary	1	0	3	1	0	0	2	0	3
	Total	188	197	228	166	182	190	354	379	418
Total number of employees by employment type	Full-time	109	95	107	79	82	88	188	177	195
	Part-time	79	102	121	87	100	102	166	202	223
	Total	188	197	228	166	182	190	354	379	418



BULGARIA

										
		2021	2020	2019	2021	2020	2019	2021	2020	2019
Total number of employees by employment contract	Permanent	200	201	199	316	327	282	516	528	481
	Temporary	7	9	5	7	8	12	14	17	17
	Total	207	210	204	323	335	294	530	545	498
Total number of employees by employment type	Full-time	159	167	157	255	249	220	414	416	377
	Part-time	48	43	47	68	86	74	116	129	121
	Total	207	210	204	323	335	294	530	545	498



ROMANIA

										
		2021	2020	2019	2021	2020	2019	2021	2020	2019
Total number of employees by employment contract	Permanent	165	170	185	207	198	194	372	368	379
	Temporary	40	42	37	38	48	40	78	90	77
	Total	205	212	222	245	246	234	450	458	456
Total number of employees by employment type	Full-time	180	188	192	184	193	179	364	381	371
	Part-time	25	24	30	61	53	55	86	77	85
	Total	205	212	222	245	246	234	450	458	456



TURKEY

										
		2021	2020	2019	2021	2020	2019	2021	2020	2019
Total number of employees by employment contract	Permanent	98	128	182	62	94	122	160	222	304
	Temporary	0	4	0	0	5	0	0	9	0
	Total	98	132	182	62	99	122	160	231	304
Total number of employees by employment type	Full-time	72	95	142	42	58	80	114	153	222
	Part-time	26	37	40	20	41	42	46	78	82
	Total	98	132	182	62	99	122	160	231	304

Internal Communication

For FOURLIS Group, internal communication constitutes a priority for the organization's smooth operation. For this reason, the Group informs and engages its employees in its initiatives, while at the same time it provides them the opportunity to communicate with each other.

The management of the internal communication is conducted through several activities and tools such as:

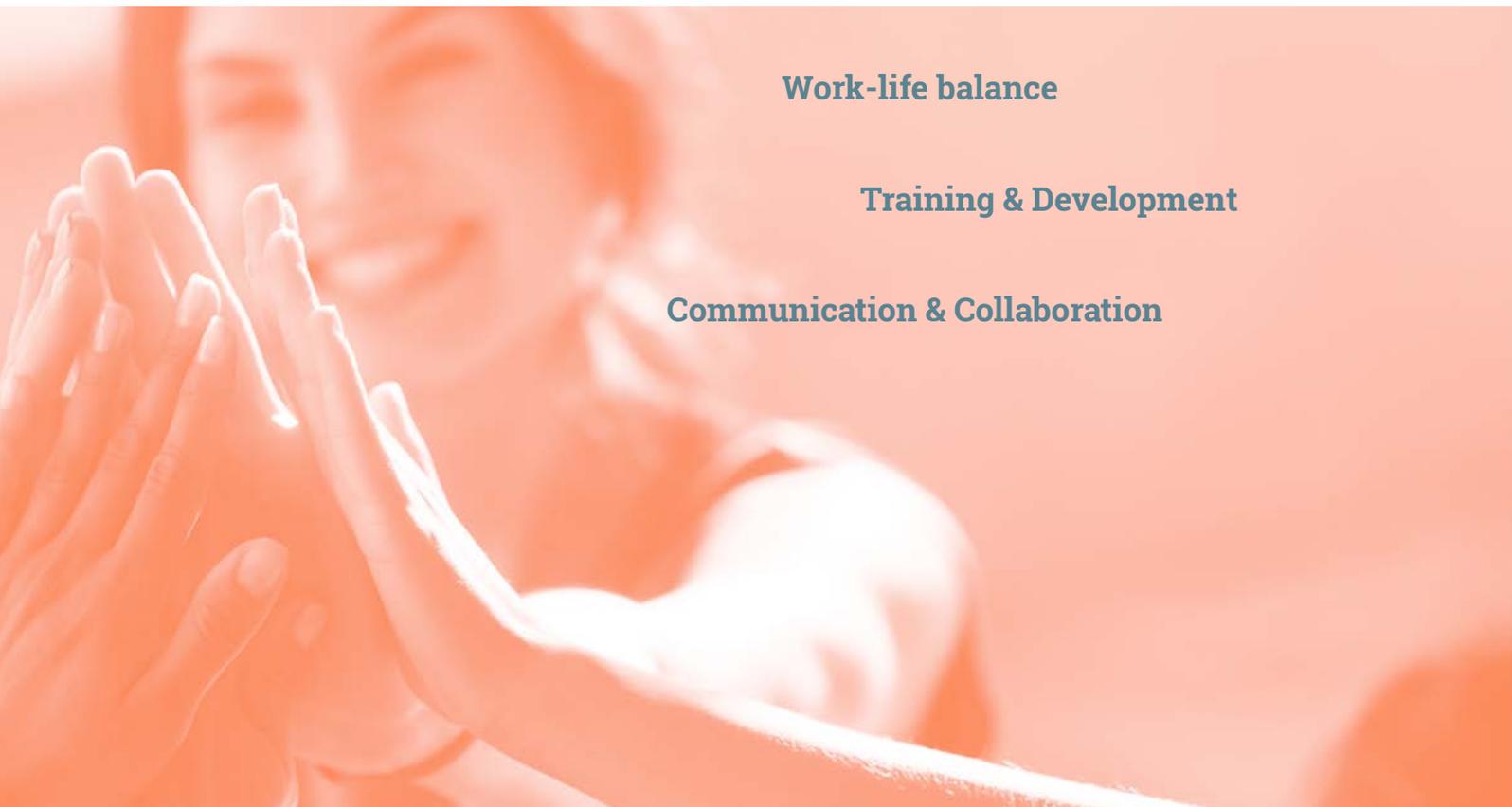
- The F2F (Friend to Friend), an interactive and user-friendly tool, that was created in 2018, exclusively for the Group's employees. It is a mobile application (social network), available in 5 languages, via which employees can browse all Group's sites, to attend training programs that concern them, 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. Every year, F2F is enriched with new features, such as "Open Resourcing" and "My Library" modules, which include policies and procedures concerning employees, training material, manuals for the use of internal applications, etc.
- With the primary aim to enhance the satisfaction and commitment of the Group's Human Resources, all employees are invited, every 2 years, to participate anonymously in the "Employee Insight Survey" under the slogan "Your opinion counts!", to express their views on issues pertaining to management, communication, organization, cooperation, training and development, work environment, remuneration, etc. Through the survey's results, areas for action and further improvement for the Group are highlighted and respective actions are planned.

Following the "Employee Insight Survey" conducted in 2021, the Group processed the employees' proposals gathered, and will proceed to the planning and implementation of actions, focusing on the following categories:

Work-life balance

Training & Development

Communication & Collaboration



Other actions for our people

Employees' recognition of contribution and reward

FOURLIS Group, in the context of a healthy relationship with its Human Resources, considers a moral duty to reward its people for their commitment and their contribution to the Group's development, while also to support them and their families. In this context, the Group implements 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 2021, the long-term contribution of 136 employees in Greece, 1 in Cyprus, 9 in Romania, 53 in Bulgaria and 4 in Turkey was recognized.

We say BRAVO



"We say BRAVO" program 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 2021, through this program, a total of 39 employees were awarded, of which 25 in Greece, 4 in Cyprus, 5 in Bulgaria, 3 in Romania and 2 in Turkey.

Awarding honor students

At FOURLIS Group, employees' children are annually rewarded, either for being honored students, or for their successful admission to universities. In 2021, 88 students in Greece, 5 in Cyprus, 30 in Bulgaria, 25 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 abroad, participate in the program and are hired by FOURLIS Group's companies in accordance with each country's labour laws. The program is implemented only during summer and the children are employed for two weeks. Due to the COVID-19 pandemic, the program was not implemented during 2020 and 2021, however the Group intends to continue the program when the conditions allow it and in accordance with State's guidelines.

Scholarship program

Recognizing the value and importance of education for young people and everyone's right for equal opportunities, a program called "I Study with a Scholarship" is implemented at FOURLIS Group. This program aims to support employees' children who study in public Universities and whose families face difficulties in supporting the academic expenses. The program, which is implemented since 2013 in the Group's companies in Greece and Cyprus, in 2019 was extended for IKEA employees in Bulgaria, while in 2021 it was inaugurated for employees in Romania. In 2021 the Group provided 5 scholarships in Greece, 2 in Bulgaria and 1 in Romania, worth €3,000 each.

Lending library for FOURLIS Group employees

Since 2019, lending libraries operate at the Group's companies' premises in Greece, aiming to promote reading. In this context, lending libraries operate at the Group's headquarters in Maroussi, at TRADE LOGISTICS premises in Schimatari, as well as at the 5 IKEA stores in Greece (Airport, Egaleo, Thessaloniki, Ioannina and Larissa). Libraries offer a wide range of books of different categories, to meet the various employees' preferences.

I AM
Remarkable



#IAMREMARKABLE

FOURLIS Group, with the aim of strengthening employees' self-confidence and mainly that of women, participated in the global Google initiative, **#IamRemarkable**, where within a 90-minute workshop, the 80 participating employees from all Group's companies in Greece, had the opportunity to discover the power hidden inside them and to express their achievements in their professional and personal life.

#IamRemarkable aims to enable women to discover and externalize aspects of themselves for which they are proud. At the core of the initiative is the 90-minute workshop that helps participants learn about the importance of self-promotion in their personal and professional life and provides them with the tools to develop a set of skills and thus be able to challenge the social perceptions that prevent them from achieving their goals.

"INVESTORS IN PEOPLE" certification

In 2021, FOURLIS HOLDINGS S.A. was certified, for a 3rd consecutive time, with the internationally recognized standard, "INVESTORS IN PEOPLE" (IiP), climbing a "step" in the recognition scale and being recognized as Investors in People Silver.

The "INVESTORS IN PEOPLE" certification, which will be valid for the next 3 years, 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 4 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.
- **Employees' 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.**



INVESTORS IN PEOPLE[®]
We invest in people Silver

We did it!
Officially accredited by Investors in People.
Because we make work better.

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 2021, FOURLIS HOLDINGS S.A. achieved the "Established" level in 16 out of the 27 criteria, the "Advanced" level in 9 criteria and the "Developed" level in 2 criteria. Overall, the Group managed to raise an entire level comparing to 2014 and 2017, when it held the Standard Certification.

In the 6th generation standard, a provision is made for a reassessment both 12 and 24 months after certification. In this way, FOURLIS HOLDINGS S.A. has by its side a valuable partner who supports its efforts to achieve its goals on employee management and development.



Performance

GRI 103-3, GRI 401-1

Rates of new employee hires and employee turnover by age group, gender and region

FOURLIS Group



2021		EMPLOYEE TURNOVER	NUMBER OF EMPLOYEES	TURNOVER RATE (%)	NEW EMPLOYEE HIRES	NUMBER OF EMPLOYEES	NEW EMPLOYEE HIRES RATE (%)
Age Group	<30	950	1,376	69.0	1,235	1,376	89.8
	30-50	459	2,041	22.5	303	2,041	14.8
	>50	71	593	12.0	37	593	6.2
	Total	1,480	4,010	36.9	1,575	4,010	39.3
Gender		771	1,866	41.3	832	1,866	44.6
		709	2,144	33.1	743	2,144	34.7
Group Total		1,480	4,010	36.9	1,575	4,010	39.3
Country	Greece	559	2,516	22.2	701	2,516	27.9
	Cyprus	238	354	67.2	216	354	61.0
	Romania	232	450	51.6	276	450	61.3
	Bulgaria	304	530	57.4	295	530	55.7
	Turkey	147	160	91.9	87	160	54.4
	Total	1,480	4,010	36.9	1,575	4,010	39.3

2020		EMPLOYEE TURNOVER	NUMBER OF EMPLOYEES	TURNOVER RATE (%)	NEW EMPLOYEE HIRES	NUMBER OF EMPLOYEES	NEW EMPLOYEE HIRES RATE (%)
Age Group	<30	711	1,335	53.3	900	1,335	67.4
	30-50	298	2,173	13.7	268	2,173	12.3
	>50	47	597	7.9	39	597	6.5
	Total	1,056	4,105	25.7	1,207	4,105	29.4
Gender		547	1,914	28.6	574	1,914	30.0
		509	2,191	23.2	633	2,191	28.9
Group Total		1,056	4,105	25.7	1,207	4,105	29.4
Country	Greece	246	2,492	9.9	391	2,492	15.7
	Cyprus	178	379	47.0	144	379	38.0
	Romania	196	458	42.8	225	458	49.1
	Bulgaria	277	545	50.8	325	545	59.6
	Turkey	159	231	68.8	122	231	52.8
	Total	1,056	4,105	25.7	1,207	4,105	29.4

2019		EMPLOYEE TURNOVER	NUMBER OF EMPLOYEES	TURNOVER RATE (%)	NEW EMPLOYEE HIRES	NUMBER OF EMPLOYEES	NEW EMPLOYEE HIRES RATE (%)
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
	Total	1,265	4,198	30.1	1,621	4,198	38.6
Gender	♂	663	2,014	32.9	908	2,014	45.1
	♀	602	2,184	27.6	713	2,184	32.6
Group Total		1,265	4,198	30.1	1,621	4,198	38.6
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
	Total	1,265	4,198	30.1	1,621	4,198	38.6

Human Resources Turnover Rate

Metric C-S4

	2021	2020	2019
Involuntary turnover rate	2.1%	2.7%	2.5%
Voluntary turnover rate*	34.8%	22.8%	28.2%

* Due to the nature of the business activities (IKEA/INTERSPORT/The Athlete's Foot stores) the voluntary turnover rate varies among the years.

Benefits by significant location of operation

(provided to both full-time and part-time employees)

GRI 401-2

FOURLIS GROUP	LIFE INSURANCE			HEALTHCARE			DISABILITY AND INABILITY COVERAGE			RETIREMENT PROVISION BENEFITS			STOCK OPTIONS PLAN		
	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019	2021	2020	2019
Greece	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cyprus	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Romania	✓	✓	✓	✓	✓	✓	✓	✓	✓	*	*	*	✓	✓	✓
Bulgaria	✓	✓	✓	✓	✓	✓	✓	✓	✓	*	*	*	✓	✓	✓
Turkey	✓	✓	✓	✓	✓	✓	✓	✓	✓	*	*	*	✓	✓	✓

*

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



Protecting human rights in the workplace

Management approach

GRI 103-2, Metric C-S6

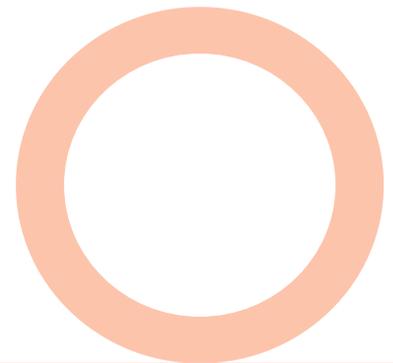
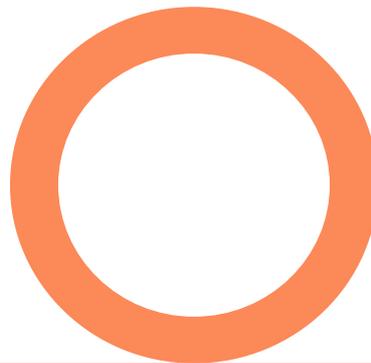
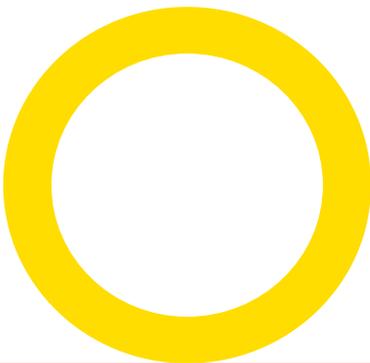


UNGC PRINCIPLES 1, 2, 3, 4, 5, 6

FOURLIS Group approaches the issues of respect and protection of Human Rights in a systematic way through the policies it adopts and the initiatives it undertakes.

This effort consists of the following main axes:

- The participation to the United Nations Global Compact through which the Group commits 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 the supply chain.
- The Internal Labour Regulations, that regulate labour issues such as training and performance appraisal, workplace behavior, relationships among 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 which on employee's recruitment and professional development of the Group's Human Resources is:
 - The common recruiting assessment criteria at all Group's companies and to ensure equal opportunities and anti-discrimination.
 - The provision of 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 market regarding remunerations.
 - The maintenance of gender balance, nationality, religion, political or other characteristics, as well as disability, sexual orientation etc., in the selection and development processes of the Group's 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 Group's employees as well as clients and visitors at its premises.
- The responsible product policies of the Group's subsidiaries, which aim to ensure safety and provide integrated product information to the end-user.

FOURLIS Group has a Policy of Equal Opportunities and Diversity and a Suitability Policy of the members of the Board of Directors, for which more information is available in the Corporate Governance Statement, at www.fourlis.gr.

In 2021, FOURLIS Group proceeded to the signing of the Diversity Charter in Greece, further strengthening its commitment to combat discrimination and promote equal rights in the workplace.

In addition, within 2022 FOURLIS Group:

- Will focus even more on issues of diversity and inclusion, in the axes: INCLUSIVE LEADERSHIP, GENDER EQUALITY and PEOPLE WITH DISABILITIES, through a specific action plan.
- Will proceed to the drafting and publication of a separate Human Rights Policy, which will concern all its subsidiaries.



Performance

GRI 103-3, GRI 406-1

All Group employees have signed the detailed or concise version of the Code of Conduct, regardless of their position in corporate hierarchy.



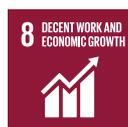
The Group's Code of Conduct Line/Whistleblowing System is available 24 hours a day and anyone may call in order to report, anonymously or not, any concerns related to Code of Conduct violations or non-compliance with the applicable legislation.

For the period 1/1-31/12/2021, through the Code of Conduct Line/Whistleblowing System, there was a complaint from a former employee to a subsidiary, alleging workplace behavior not compliant with the code of conduct. The complaint was investigated by the Group in accordance with the Group's procedures and based on the information provided, which however was incomplete. Despite the company's attempt to receive more information from the complainant, that would facilitate the ongoing investigation, he/she asked to stop any actions, so the complaint was closed. During this period there were no additional reports of incidents of human rights violations and/or discrimination based on race, religion, gender, age, disability, nationality, political beliefs, etc., including incidents of harassment, in all activities of the Group.

The concise version of the Code is available on the website www.fourlis.gr.

Metrics C-S2, C-S3, C-G1

	2021	2020	2019
Percentage of women in the entire FOURLIS Group	53%	53%	52%
Percentage of women in positions of manager/supervisor at FOURLIS Group	39%	37%	35%
Percentage of women in the Board of Directors of FOURLIS Group	25%	25%	25%



Providing employee training and development

The first training program for every Group employee is an induction program, through which 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 in-person or as an e-learning training.

In addition, all FOURLIS Group employees are members of "FOURLIS Learning Academy", which operates since 2011, 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 and Safety
- Sales-Products



Within the framework of the academy a new program, FOURLIS Retail Diploma, was launched in 2016. The program was designed and created 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 of -on average- 16 employees, from all the countries where the Group operates. Their selection is based on a set of objectives and meritocratic criteria. The program's total duration is 2.5 years. By the end of 2021, 60 employees in total, from all countries where FOURLIS Group operates, have attended the program, while 59 employees graduated. During 2021, owing to the COVID-19 pandemic, no new class started. In 2021 all trainings were implemented remotely through an e-learning platform.

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. To ensure the training programs' effectiveness for each employee, the following parameters are assessed:

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



Performance Appraisal and Development Review

The Group applies a single Performance Appraisal and Development Review process for all its employees, to ensure that the employees' appraisal process is and will remain transparent. In this way it ensures a fair working environment and creates an operational succession plan for executives at high responsibility positions.

In 2020 the Performance Appraisal and Development process was renewed, to cover current business needs. In particular, employee appraisal competencies were renewed to be harmonized with the current and strategic priorities of the Group and in addition, employee self-assessment and the completion of a new professional ambition questionnaire became mandatory. Thus, employees acquire a more active role in evaluating their performance and communication between the appraisers and the appraised is further improved. The overall result of this process further ensures the meritocratic imprint of employees' dynamics, in relation to their progression and development plan.

Furthermore, since 2013, the Group implements a 360° Evaluation Procedure for its 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. The 360° Evaluation was not implemented during 2020 and 2021 due to COVID-19 and is scheduled to take place in 2022.

GRI 404-1

Average training hours*



IN CLASS LEARNING	AVERAGE TRAINING HOURS BY GENDER		AVERAGE TRAINING HOURS BY EMPLOYEE CATEGORY		
	♂	♀	EMPLOYEE	SUPERVISOR	MANAGER
2021	2.9	2.8	2.8	3.2	2.9

E-LEARNING	AVERAGE TRAINING HOURS BY GENDER		AVERAGE TRAINING HOURS BY EMPLOYEE CATEGORY		
	♂	♀	EMPLOYEE	SUPERVISOR	MANAGER
2021	1.6	1.5	1.6	2.3	1.3

* In 2021, Turkey did not proceed with training sessions.

GRI 404-3

Percentage of employees receiving regular performance and development review, by gender and employee category

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 annually for all employees in all Group's companies. At the same time, all actions related to the employees' Development plan are recorded on the Appraisal Review report.

GRI 404-2

Programs for upgrading employee skills

THEMATIC AREAS	2021	2020	2019
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	▼	▼	▼
Optional soft skills webinars for all employees (personality matters, apologizing, accountability, etc.)	▼	▼	-



Protecting employee health, safety and well-being



Management approach

GRI 103-2

Occupational Health and Safety management system

GRI 403-1

At FOURLIS Group, an important priority is to ensure compliance with the Health and Safety Policy. Responsible for the implementation of the policy is the Group's Human Resources Division and specifically, the Health and Safety Department.

FOURLIS Group has developed and implements an Occupational Health and Safety management system, which complies with all legal requirements, as well as the requirements of the "ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases". The system applies to all the activities, stores and facilities of the Group, as well as all employees, suppliers and partners working in or visiting its facilities. The Group Health and Safety Director is responsible for the system implementation.

The following is a detailed description of the System framework.



Risk management and emergency response

GRI 403-2

FOURLIS Group carries out all the actions required by law on risk management. In particular, and as required by the legislation, intensive audits are carried out by safety technicians in all Group's companies' facilities. Safety technicians perform their duties according to the degree of risk posed by each facility, as defined by the relevant legislation.

To manage health and safety risks, a documented Occupational Risk Assessment is carried out, which includes a record of the required labels and measurements, the use of the required Personal Protective Equipment (PPE), the required safety equipment, as well as the required health and safety trainings per position and working space. The Occupational Risk Assessment is immediately reviewed in cases such as the introduction of new machinery and equipment, changes of working processes or changes to working facilities.

In addition, Safety Technicians prepare a Risk Report which includes photographs and justifications regarding possible risk sources and possible incidents, as well as the assessment of their risk degree. The report is communicated to the competent departments and to senior executives of FOURLIS Group. Following these procedures, the Group is in the position to follow up on any recommendations and to take corrective and necessary actions, depending on the degree of risk and within a specific timeframe.

The Group also has a Risk Management Team, under the responsibility of the Group Health and Safety Director. There are also trained employees to deal with emergencies in all Group's companies' facilities.



Especially at IKEA stores, due to their size and the volume of customers/visitors, there is a control center, through which all the necessary checks are performed such as those of the ventilation, the elevators, fire fighting and fire safety etc.

According to the legislation, evacuation drills are carried out in all Group's facilities. In addition, Group employees are regularly trained in Health and Safety topics and are able to identify potential risks and report them, based on a relevant procedure, to the Safety Technician, to the Safety Team and/or the Human Resources Division, to be documented and treated in accordance with the relevant procedures.

As per a specific procedure, employees are in the position to stop their work if there is a risk to their health and safety. Especially at IKEA stores there is a special three-digit telephone number connected to the control center which employees can call in case of need, at any time. In all FOURLIS Group stores, in case of emergency, employees can use the panic button.

All incidents related to employee health and safety are investigated according to relevant Group procedures and are submitted to an electronic database that includes all the relevant reports. At IKEA, due to the size of the stores and the large number of employees and customers/visitors, as well as in the distribution center of TRADE LOGISTICS due to the nature of its activities, a process called "Safety knowledge test" has been developed, based on the results of which improvement points are identified and appropriate corrective actions are taken. In 2021 this process was extended and implemented for the employees of INTERSPORT & The Athlete's Foot stores.



FOURLIS Group has developed and uses Safety Check Lists on a daily, weekly, monthly, semi-annual, annual basis for the control of all stores/facilities, managed by the Health and Safety Department as well as by the responsible Managers.

Also, every 2 years all IKEA stores undergo a detailed evaluation check (SOR-Safety Operation Review) by FOURLIS Group Health and Safety Director. The results of the evaluation are sent to store managers and to the company's Management.

In addition, before a new sales area is delivered to the public, relevant checks are always performed in the Group's stores using predefined questionnaires (Check lists) with the purpose of identifying risks. Based on the results and findings of the above procedures, required corrective interventions are made immediately, in order for the facilities to be safe for all.

In addition, in cases where work must be carried out at Group's facilities, a relevant security plan is submitted and approved before the work begins.

Occupational health services

GRI 403-3

As required by law, the Group provides the services of an Occupational Physician. Visits by the Occupational Physician are conducted according to legislative requirements. Employees can visit the Occupational Physician within their working hours. Medical confidentiality is strictly observed.

In the large IKEA stores, as well as in the facilities of TRADE LOGISTICS and the Group's headquarters, there are doctor's offices and automatic external defibrillators.

The Occupational Physician makes recommendations to the Group's Human Resources Division for several issues, such as providing guidance on the COVID-19 pandemic. The Occupational Physician also prepares an occupational health and safety report submitted to the Hellenic Labour Inspectorate.

Employee participation

GRI 403-4

At IKEA there is a Health and Safety Committee of employees consisting of employee's representatives from all stores' departments. The Committee investigates on all stores' premises, in order to identify areas or actions that may present risks. During the investigation, the attendance of the Safety Technician or a similar competent individual may be requested. The results are documented in the form used by the Safety Technician and are presented to the Management, which is committed for any necessary action.

In all FOURLIS Group's facilities there are internal Fire Safety and First Aid teams, which consist of selected employees who have been trained in managing respective issues.

Employees training on health and safety topics

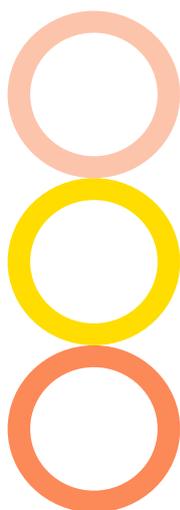
GRI 403-5

The Group invests in the continuous and regular training of all its employees, so that they can respond to emergencies that affect both their own safety and that of customers/visitors and partners at its facilities.

It also implements regular occupational safety trainings for department-specific employees where this is necessary due to the nature of their work, such as those who are employed in restaurants, warehouses, the decorating team, maintenance, carpentry.

To deal with emergencies, the following trainings are provided:

- First aid training is provided once a year to both employees of the Safety Team in IKEA stores, as well to employees who voluntarily participate in the respective First Aid teams in the rest of the facilities. In these teams, training lasts 2 days and the trainees receive the corresponding certificate of competency in first aid provision.
- The Fire Safety and Firefighting Team, consisting of security professionals and volunteer employees, is once a year trained from certified members of the Security Team, in real fire conditions. In the commercial park of the International Athens Airport, employees are trained by the national Fire Service.



Promotion of the health and well-being of employees

GRI 403-6

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 regarding healthy diet, health and prevention, exercise, etc., are organized every year. Some of the most important EF ZIN actions that took place in 2021, are presented below.

Mediterranean diet

- The “Mediterranean Diet-live better, live longer” program continued in 2021. The program is implemented in Greece, Cyprus and Bulgaria, in collaboration with experienced dietitians-nutritionists, and includes weekly indicative menus with recommended recipes, based on the Mediterranean diet, as well regular updates on other relevant topics.



Free sessions with dietitians/nutritionists

- Since April 2021, the Group provides the opportunity of free sessions with dietitians/nutritionists to the Group employees in Greece, Cyprus, and Bulgaria. A total of 55 free sessions were carried out.

Online workout program

- In 2021, the online workout pilates program continued for the Group's employees in Greece. The program is implemented twice a week, in collaboration with experienced trainers.



Counseling support line

- Since March 2020, a Counseling/Psychological Support Line for Group employees in Greece is available. This new service, in the field of mental health, is offered free of charge to the Group's employees in Greece, in collaboration with specialized counselors/psychologists.

Both employees and their relatives (spouses, adult children) can call the Line anonymously, to talk to the counselors/psychologists and to receive, with absolute confidentiality, immediate consulting support and guidance on issues that concern them and affect their personal, family, and professional life.

The line operates 24/7/365 and within 2021 was expanded for the employees in Cyprus too. In 2021 the Line received 328 calls from 128 people.



Psychology seminars

- In the context of the Counseling/Psychological Support Line, the implementation of psychology e-seminars continued in 2021 for the employees in Greece and Cyprus, in collaboration with the counselors/psychologists that support the Line. The e-seminars, which were attended by 128 people in 2021, cover a variety of subject matters.



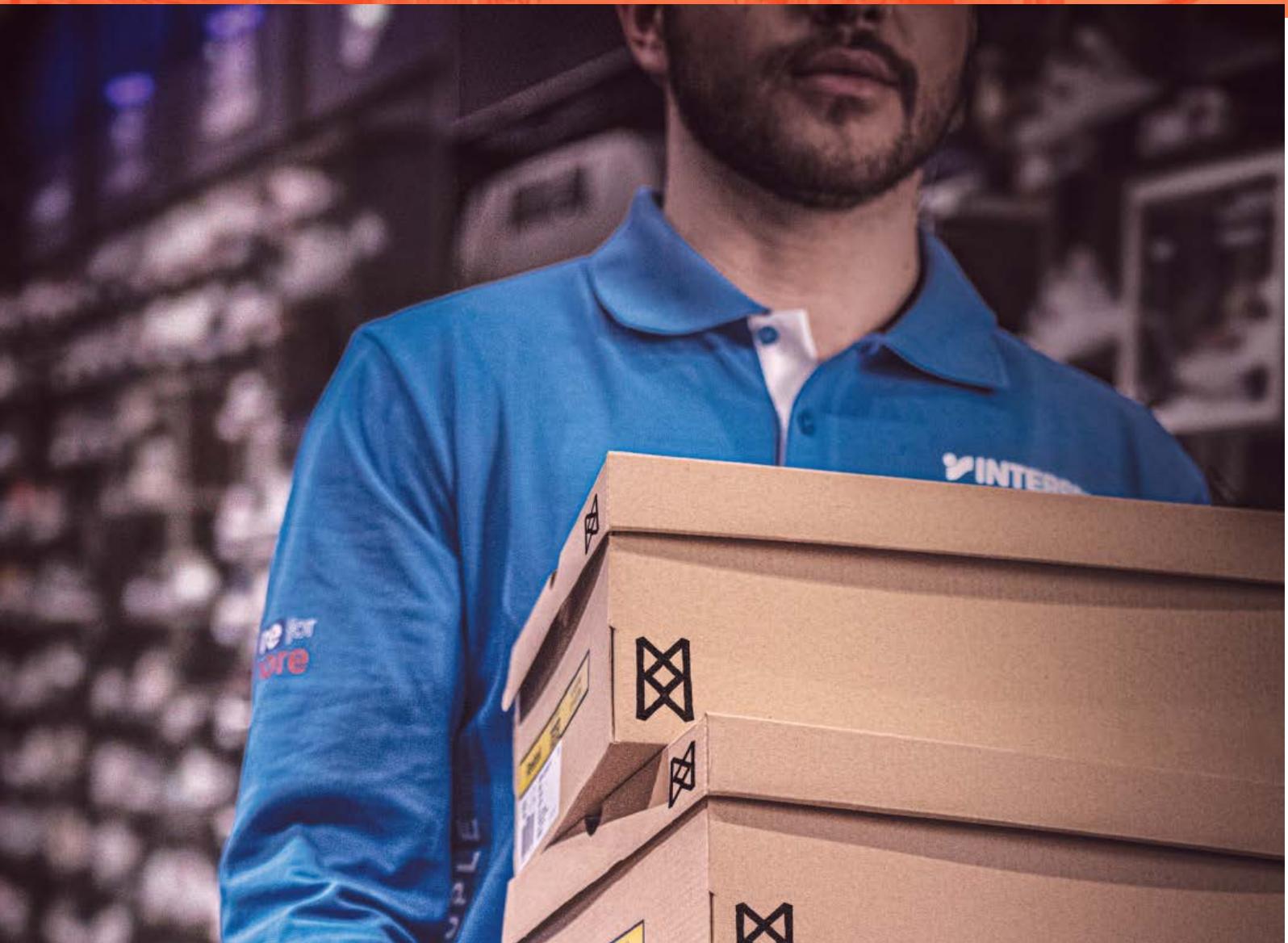
Prevention and mitigation of health and safety impacts on partners/suppliers at work

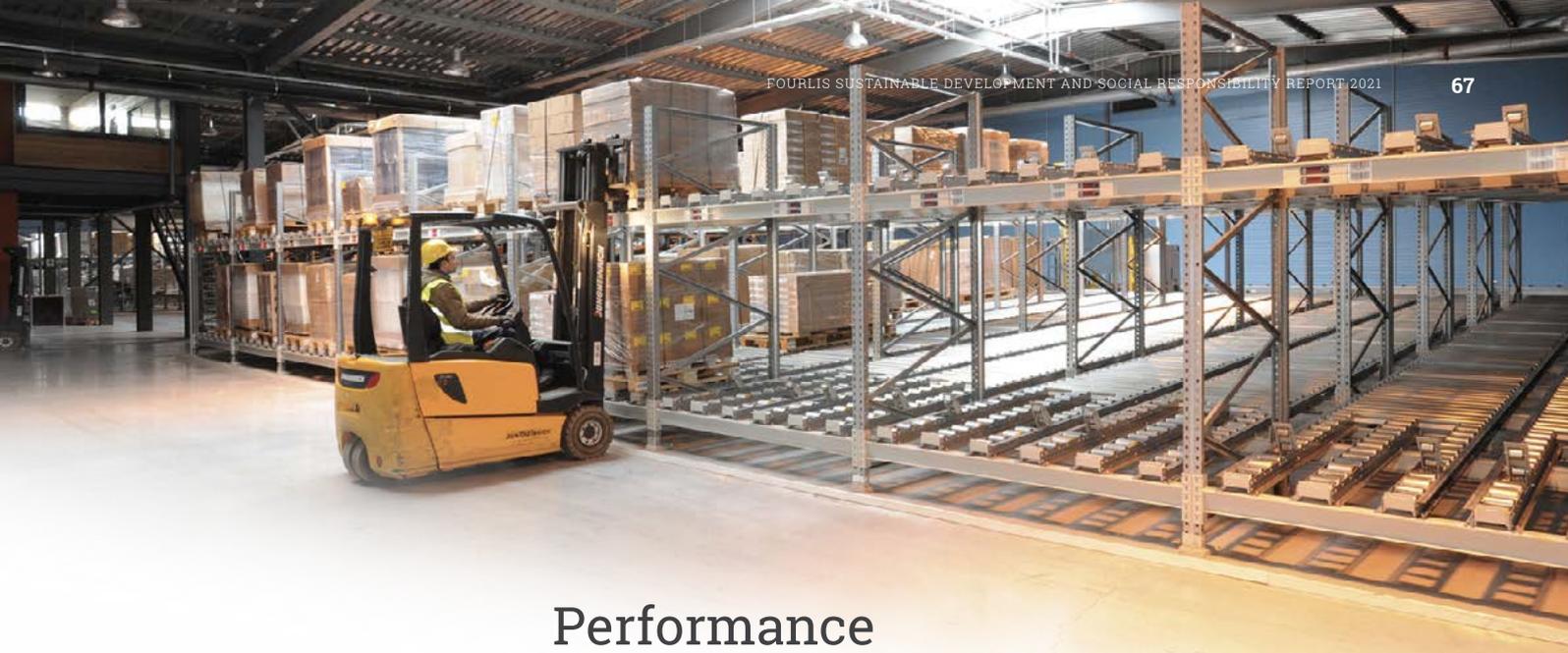
GRI 403-7

FOURLIS Group aims to prevent and mitigate any impacts on the health and safety of its partners/suppliers arising from potential risks. Alongside, it ensures training of the partners and suppliers, who work in Group's facilities, on the Group's policies and practices in health and safety matters, while it also provides the required equipment. The Group places particular emphasis on identifying and managing the risks that concern both employees and partners/suppliers, through the processes analyzed in the previous sections. Potential risks identified in these processes which may concern its employees and partners/suppliers include, inter alia:

- Obstruction/interference of movement
- Fire or other emergencies
- Slipperiness
- Ergonomics-related risks
- Risks related to electricity voltage
- Risks of falling

For each identified risk, the prescribed procedures are followed based on the respective legislation, relevant specifications and standards, and detailed staff guidelines have been developed.





Performance

GRI 103-3

- ▶ In 2021 there were no fatalities and/or serious work-related accidents in all Group's companies.
- ▶ As a result of the overall management of Occupational Health and Safety topics, in the latest biennial Employee Insight Survey conducted in 2021, the area with the highest satisfaction rate was safety.

GRI 403-8

The Group Health and Safety System covers 100% of its direct employees, but also those who work in its facilities (e.g., cleaning staff), and are not direct employees. The System is not certified according to ISO 45001, thus, it is not externally assured by an external independent party, however an internal audit is carried out by the Group's Internal Audit Department.

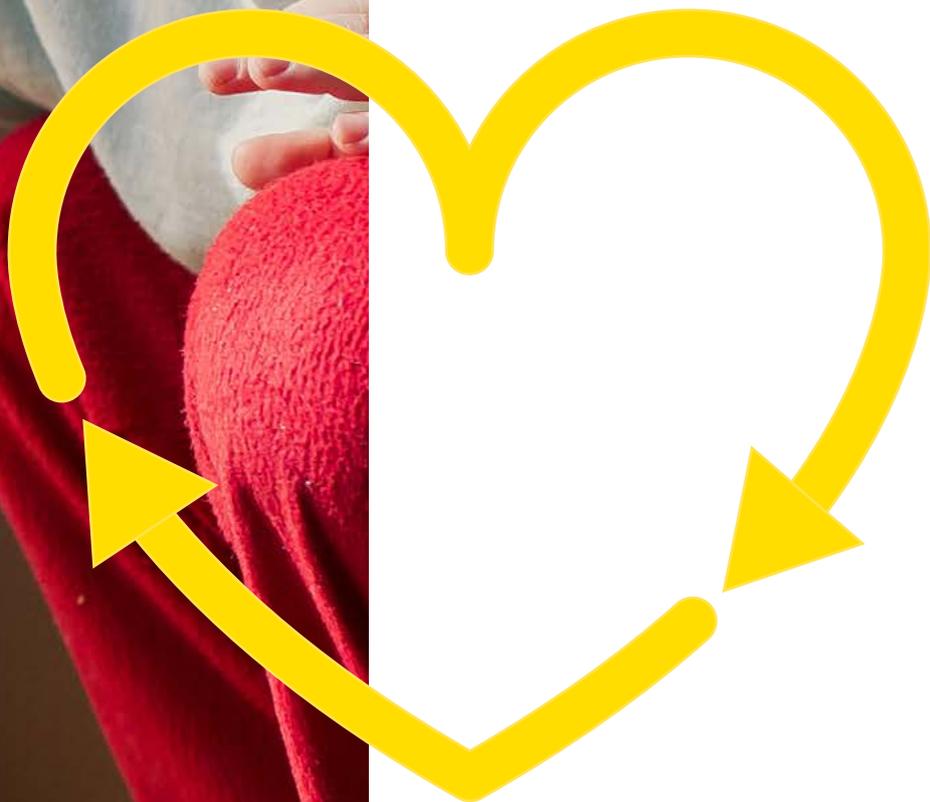
Specifically, in 2021, 4 internal audits were carried out, 2 of them related to the risks of the COVID-19 pandemic.

The audits carried out covered selected facilities in Greece. The goal of these audits was to ensure proper and effective implementation of the measures taken to address the COVID-19 pandemic for the protection of employees and customers, in accordance with local laws and the guidelines provided by the Group.





For the Society



Active/responsible social contribution and organization of voluntary actions for employees



FOURLIS Group daily operates for the implementation of its joint commitment and vision, which is the creation of the conditions for a better life for all.

In this context, FOURLIS Group seeks to be in constant contact with the citizens but also with the wider society in the countries where it operates through established communication and engagement channels, such as those presented on pages 31-32, with the aim to be informed about their needs and to understand them.

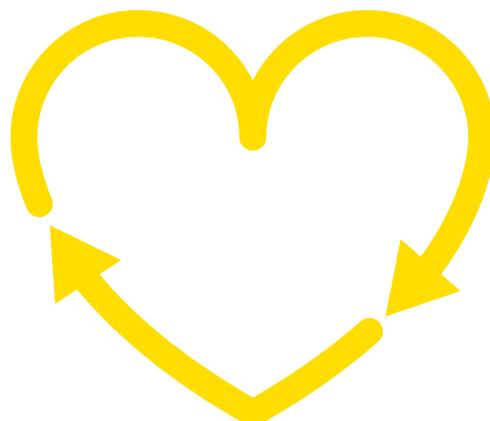
As a next step, needs are evaluated and prioritized, while programs and actions are planned and implemented, in order to satisfy not only the current and most important needs of each local community, but also those which are more in line with the Group's social responsibility strategy (support of vulnerable social groups and especially children), the number of beneficiaries and the nature of its activities.

In addition, in cases where there are special circumstances (e.g., pandemic, natural disasters), the Group either updates its programs or incorporates actions aimed at addressing these emergencies, for the relief of society and citizens.

The Social Responsibility Division in Greece is in constant and close communication and cooperation with executives from all Group's companies, in order to jointly plan, coordinate and implement these actions.

The countries where social responsibility programs and actions took place in 2021 were Greece, Cyprus and Bulgaria and the most important of these are presented below.

Some programs' implementation was impacted by the COVID-19 pandemic.





➤ “Stations of Joy” Program

In 2021, IKEA and FOURLIS Group continued, for a 9th 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, considering the children's needs and IKEA decorators' experience.

In 2021, the full equipment of 1 Municipal Nursery School was implemented in Alimos, Attica, in collaboration with the competent Municipal Authority. Since the beginning of the program in Greece, a total of 78 nurseries and kindergartens have been equipped for more than 3,400 children. The "Stations of Joy" program was implemented in 2021 in Cyprus, where 3 community kindergartens were fully equipped in Lakatamia, Liopetri and Hirokitia. Since the beginning of the program in Cyprus, a total of 11 community kindergartens have been equipped for more than 270 children.

More information about the program is available for Greece on the website <https://www.ikea.gr/en/a-more-sustainable-everyday-life/fair-equal/> and for Cyprus on the website <https://www.ikea.com.cy/en/actions-for-the-people-the-society-and-the-environment/society/>.



Make-A-Wish
Κάνε-Μια-Ευχή Ελλάδα



➤ Support of “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 them confront their illness.

In this context, in 2021, IKEA proceeded with the donation of materials and furniture from its stores, to grant the wishes of 31 children, who wished to acquire their dream room. Since the beginning of the cooperation between IKEA and Make-A-Wish, a total of 101 children's rooms have been equipped.

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, in 2022 they will continue to support “Make-a-Wish Greece” as they share the same belief, that we should never stop trying for children.



➤ Meals donation

Since 2012, IKEA and FOURLIS Group have been cooperating with “BOROUME”, the Non-Profit Organization whose mission is the reduction of food waste and to fight malnutrition in Greece. In the context of this cooperation, in 2021 IKEA continued the donation - to people in need- of meals not consumed at its stores’ restaurants in Greece, as well as at the Group’s Headquarters’ restaurant.

Since 2012, in total more than 650,000 meal portions 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 Assumption of Holy Mary of Perivleptos (Ioannina)

More information about the program is available on the website <https://www.ikea.gr/en/a-more-sustainable-everyday-life/fair-equal/>.



➤ INTERSPORT #WOMANISM

INTERSPORT continued the #WOMANISM action, which aims at the empowerment of women, and proceeded to the implementation of a campaign led by 3 sport champions, Maria Prevolaraki, Stella Smaragdi and Tania Keramida, who presented their personal stories and talked about the inexhaustible power that helped them make their dreams come true, despite any adversity and social stereotype, giving inspiration to every woman.

More information about #WOMANISM is available at website <https://www.intersport.gr/womanism/>.



➤ Support to the Homeless National Football Team

INTERSPORT proceeded in collaboration with the NGO "DIOGENIS" to support the Homeless National Football Team, covering the needs of the team which is one of the social initiatives of the Organization. With the motto "A Goal against Poverty" the team, through football, aims at the activation and social reintegration of our fellow citizens experiencing poverty and social exclusion in their most extreme forms. Its purpose is to support vulnerable social groups, as well as to inform, raise awareness, and activate citizens against any type of social exclusion.

The video of the cooperation of INTERSPORT with the NGO "DIOGENIS" for the support for the Homeless National Football Team is available at: <https://f.io/iPlwoFh9>.



➤ Response to emergencies

In 2021, FOURLIS Group and its companies responded to emergencies.

Specifically:



IKEA:

- Maintained the support program for the fire victims of East Attica (implemented since 2018) with discount policies for purchases and deliveries of residential equipment to the beneficiaries.
- Supported health structures to respond to the COVID-19 pandemic. Specifically, for this purpose, products were offered at the University General Hospital of Heraklion, Crete, at the pediatric clinic of the General Hospital of Karditsa and at the General Children's Hospital of Athens "Agia Sofia".
- Proceeded with the support of the victims of the earthquake at Ellassona and Tyrnavos areas, by providing free household equipment for the kitchens of the 20 settlements that host the residents of these areas, to be fully operational.
- Responded immediately to the fires of August 2021 and:
 - proceeded to deposit €100,000 in the special State Aid Account, for the support of programs and actions with the aim of restoring the natural environment, but also the economic life in fire-affected areas,
 - supported groups of forest firefighting and forest protection volunteers in Evia, with the supply of special equipment,
 - proceeded in the support of the program of WWF Hellas for dealing with the effects of forest fires, with emphasis on Evia. WWF Hellas has undertaken the obligation to include in its actions the organization ANIMA for the rescue and care of wild animals in Evia and other fire-affected areas. IKEA will offer WWF Hellas 10% of each sale of rechargeable batteries and chargers for the next 3 years (starting from September 2021),
 - supported the HELLENIC SOCIETY for the Environment and Cultural Heritage by offering €86,800 for the project of restoration and reconstruction of the natural environment in the affected areas,
 - supported the non-profit Association Diazoma by offering €100,000 to cover part of the cost of the study "New Forest Master Plan " in the context of the reconstruction plan of North Evia program.



In September 2021, INTERSPORT proceeded to the support of the fire victims of Evia, by offering about 1,500 pieces of clothing and footwear in order to distribute them to a total of 16, affected by the catastrophic fires, villages of Evia.





➤ Support to children from vulnerable social groups, by IKEA Bulgaria

IKEA Bulgaria continued the implementation of actions for the support of children and young people from vulnerable social groups.

In this context, in 2021:

- continued its cooperation with UNICEF in support of the “Steps Together” program. The objective of the program is to change the school environment and create spaces where children feel confident to share ideas for improving it, so as to create conditions to reduce stress and withdrawal from the school routine. Donating all the proceeds from the sales of SAGOSKATT plush toys, IKEA Bulgaria proceeded to the refurbishment of such spaces in 5 schools, where the program is piloted in Sofia, Zavet, Kyustendil, Iskar and Teteven,
- donated furniture and household equipment for the formation of the Multimedia Studio at the University of Varna.



➤ “DIAZOMA” Association

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



D I A Z O M A

More information as well as the results of the association’s actions, are available at www.diazoma.gr.

➤ “OPHELTES” Organization

FOURLIS HOLDINGS S.A. supports the Non-Profit Organization “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.

➤ “The Society for the Revival of the Nemean Games”

FOURLIS HOLDINGS S.A. 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, even for just ten minutes.



More information as well as the results of the Society’s actions, are available at www.nemeangames.org.





➤ “ELLINIKI ETAIRIA-Society for the Environment & Cultural Heritage”

“ELLINIKI ETAIRIA - Society for the Environment and 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, ELLETT has from its inception been concerned not only with traditional but also with contemporary culture, especially where this has something positive to contribute to dealing with the complex environmental crisis of our time.

Since 2019, ELLETT has undertaken the coordination of communication, publicity, awareness and environmental education actions as well as the assessment of the effects of climate change on the landscape and archeological sites and land uses, within the LIFE IP adaptInGr project, which is the most important project our country has ever undertaken related to the major issue of adaptation to climate change. 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 5 Municipalities and 3 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.

Corporate volunteerism

BLOOD BOTTLES COLLECTED*

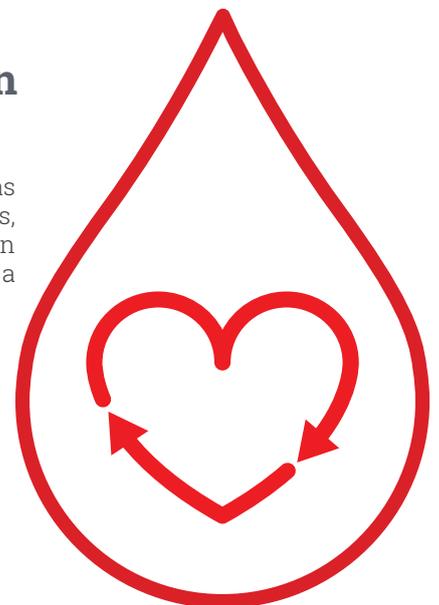
Greece	111 2021	351 2019
Cyprus	14 2021	53 2019
Bulgaria	5 2021	11 2019
Total	130 2021	415 2019

* In 2020, due to the COVID-19 pandemic, no blood donation was organized.



➤ Voluntary blood donation

In 2021 a voluntary blood donation was organized for FOURLIS Group employees, in the facilities of the Group's companies in Greece, Cyprus and Bulgaria, through which a total of 130 blood bottles were collected.





➤ Donation of school supplies

Aiming to promote volunteering and to raise employees' awareness regarding the value of donation, FOURLIS Group invited its employees to participate in local school supplies collection activities, at the beginning of the school year.

In Greece, the Group participated in the campaign for the donation of school supplies which was organized by "the Smile of the Child" in the context of which the Group's employees collected a total of 15 boxes and 10 bags with school supplies which were offered to branches of the Organization. A similar action was organized by Group employees in Bulgaria, who offered 557 pieces of school supplies to the non-profit organization "Vasilitsa".



➤ Donation of food & other essential supplies

On the occasion of Christmas holidays, FOURLIS Group employees in Greece and Cyprus participated in the collection of food and other essentials which they offered to organizations supporting vulnerable social groups.

Specifically, 110 boxes and bags with necessary items were collected and distributed to the following organizations:

- **Attica:** At the **Meropeion** Foundation, the Association "**Together for Children**" and the **Emphasis** Foundation.
- **Thessaloniki:** At the non-profit Association "**The artist's house**" and the Society of Love and Offer "**Elder Paisius**".
- **Larissa:** At the **Social Grocery Store** of the Municipality of Larissa.
- **Ioannina:** At the **Social Grocery Store** of the Municipality of Nikolaos Skoufas and the Educational and Cultural Association of Dourachani Monastery "**To Anthos**".
- **Komotini:** At the Association for the Care of People with Mental Disability of the Rodopi Prefecture "**Agioi Theodoroi**".
- **Patras:** At the Therapeutic Educational Center for People with Intellectual Disabilities "**Merimna**".
- **Rhodes:** At the "**Agios Andreas**" children's home in Paradissi.
- **Heraklion:** At the Child and Family Support Center of "**SOS Children's Villages of Greece**" at Heraklion.
- **Chania:** At the **Social Grocery Store** of the Municipality of Chania.
- **Kalamata:** At the Institution for the Indigent and Incurable "**Stegi tis Ekklisias**".
- **Cyprus:** At the Cypriot "**Red Cross**".

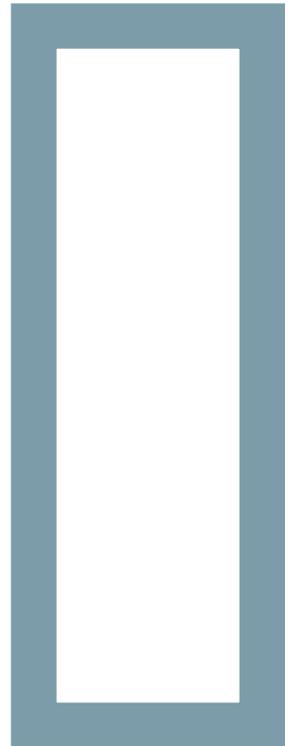
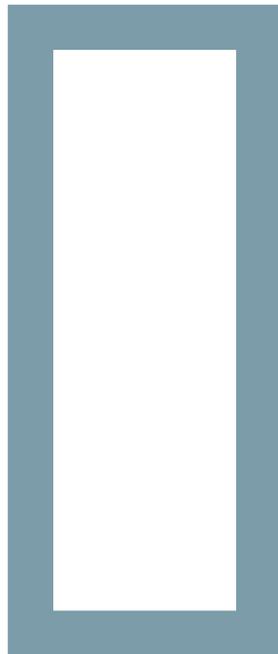
Employees of the Group voluntarily worked for the preparation of the packages.

The employees of the Group in Bulgaria also participated in this action, by collecting and offering 183 books to a hospital of Zlatograd, 52 gifts for children in need in Yambol, 38 kilos of packaged food and 27 packs of cookies, 17 packs of clothes and home accessories and 18 sets of hygiene items to people who belong to vulnerable social groups in the city of Varna.



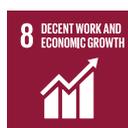


For the Market





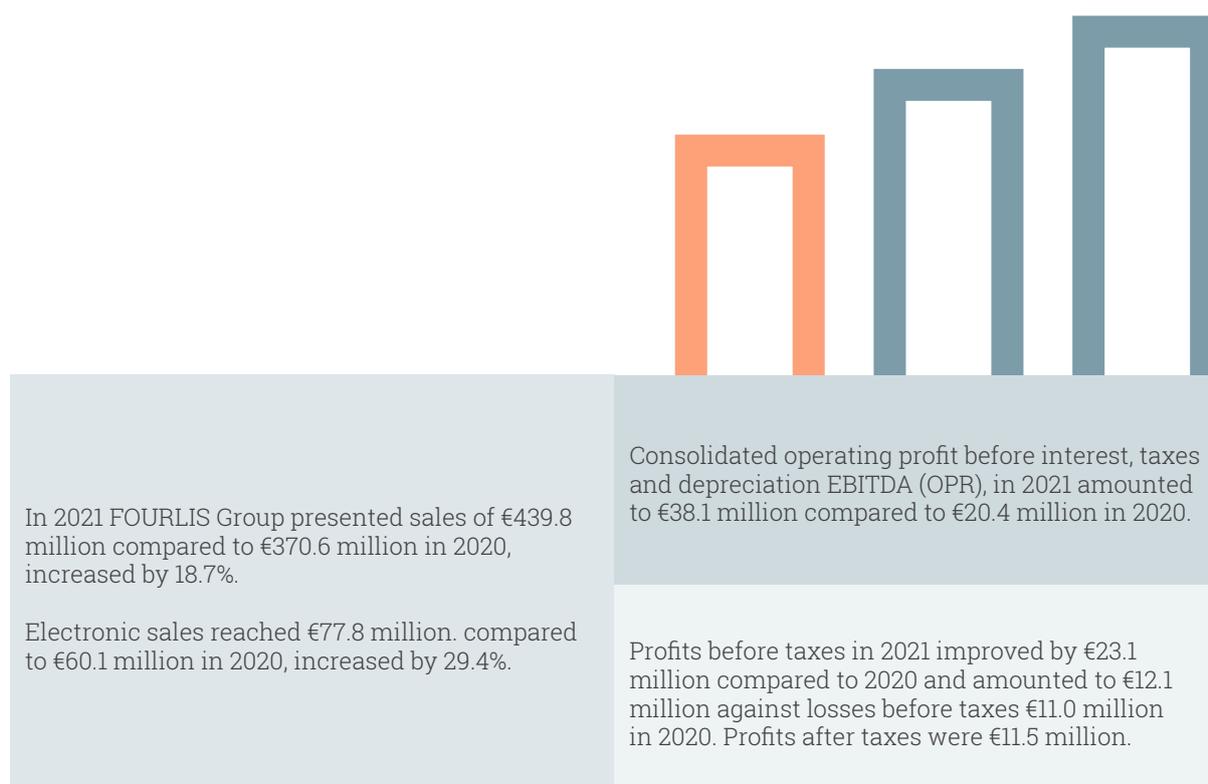
Creating economic value/ economic performance of the company



Management approach

GRI 103-2

The Group carefully monitors the developments related to the energy crisis and the spread of the COVID-19 pandemic, in order to adapt to the specific conditions that arise, exclusively to address and limit the dissemination of COVID-19.



<p>The Group utilized the state support measures in all countries where it operates for dealing with the consequences of the pandemic whether they were related to salary costs, rent costs, tax reliefs, financing, or payment facilitation.</p>	<p>The availability of goods during the fiscal year 2021 was not significantly affected compared to the previous fiscal year.</p> <p>The Management of the Group has implemented remote working in all countries of operation.</p>	<p>The portfolio management service continues to identify, assess and hedge financial risks and to provide guidance for the management of this specific extraordinary risk, in order to provide protection to investors.</p>
<p>The Group has strengthened its infrastructure both in terms of information systems and the operation of logistics centers, in order that its business and commercial operation shall not only continue smoothly but also be further strengthened. In this context, new investments are being made by the subsidiary TRADE LOGISTICS S.A. for the expansion of e-commerce storage and order management buildings and the automation of the provision of the relevant services. Moreover, in order that the coverage of the growing expectations of its consumers is enhanced and a complete positive experience for the customer is created, the Group seeks a harmonious combination of e-commerce with the "traditional" development model, making the most of digital media and new technologies in order to offer an omnichannel experience both physical and online.</p>	<p>The energy cost for the operation of the Group's stores and warehouses is affected by the large increases observed internationally, but it is relatively small part of the Group's operating costs (4.7% of the operating expenses for the year 2021).</p> <p>The Group continues the strictly selected investments in both retail segments in which it operates. In this context, in 2021 it proceeded to the opening of an INTERSPORT store in Thessaloniki and a TAF store in Peristeri. Also, in the second half of 2021 an IKEA small store in Maroussi was added to the network of stores in the home equipment and furniture segment as well as a store in Sofia (Sofia Mall).</p>	

The Group continues to implement its investment program where it is estimated that there is room for expansion in the current circumstances. On July 12th, 2021, the Ministry of Development and Investment approved the establishment of TRADE ESTATES REAL ESTATE INVESTMENT COMPANY (TRADE ESTATES R.E.I.C.). The real estate portfolio of TRADE ESTATES REIC includes all the existing privately owned properties of the Group which are used for the operation of the Retail Home Equipment (IKEA), the supply chain centers in Schimatari and Inofyta, as well as its investment property for retail trading of the Group in Greece.

Critical issues such as inflationary pressures stemming mainly from the energy crisis, supply chain disruptions, pandemic developments, and recent Ukraine-centric political developments are expected to remain at the forefront of the debate and determine the course of the global economy during 2022.

Performance

GRI 103-3, GRI 102-7, GRI 102-48, GRI 201-1*

	2021 (€ mil.)	2020** (€ mil.)	2019 (€ mil.)
Direct Economic Value Generated			
Revenues	439.8	370.6	466.3
Total	439.8	370.6	466.3
Direct Economic Value Distributed			
Operating Costs	108.4	98.8	102.6
Employee Wages and Benefits	66.7	60.0	71.0
Payments to Providers of Capital	13.9	14.3	17.3
Payments to Government by country (Greece, Cyprus, Bulgaria)	2.8	2.7	3.3
Greece	0.9	1.3	1.6
Cyprus	1.1	0.8	1.0
Bulgaria	0.7	0.6	0.8
Community Investments***	0.5	0.3	0.4
Total	192.2	176.1	194.6
Economic Value Retained			
Direct Economic Value Generated	439.8	370.6	466.3
Economic Value Distributed	192.2	176.1	194.6
Total	247.5	194.4	271.7

The complete FOURLIS Group financial results are available in the 2021 Annual Financial Report at www.fourlis.gr.

* Differences in amounts are due to rounding.

** The amounts in the categories "Operating Costs" and "Payments to Providers of Capital" were modified in relation to those that were included in the 2020 Sustainable Development and Social Responsibility Report, in order to be similar and comparable to the corresponding figures of the current period.

*** In addition, IKEA Bulgaria in 2021 proceeded with social and/or environmental-related sponsorships/donations of (approximately) €18,000 in total.

More information regarding these changes is available in the Annual Report of the Board of Directors on the website www.fourlis.gr.





Ensuring business ethics and regulatory compliance

Management approach

GRI 103-2, GRI 102-18

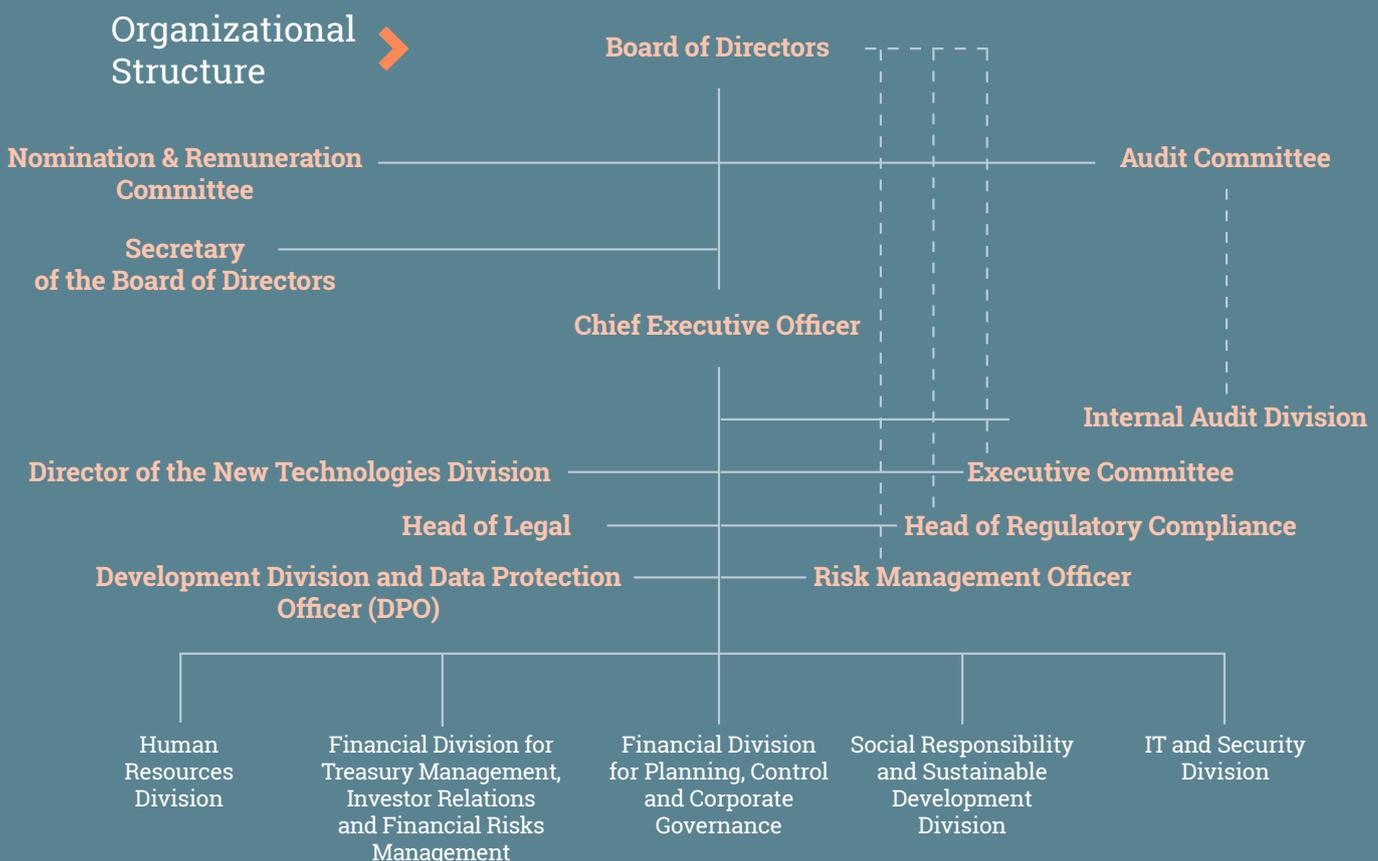


UNGC PRINCIPLES 1, 2, 3, 4, 5, 6, 10

At FOURLIS Group, sustainable development is integrated to its management and governance and constitutes an integral part of the Group's activities.

Business ethics and regulatory compliance 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.



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 management of each one of these pillars is described below.

Board of Directors (BoD) Metric C-G1

The Board of Directors, the independent members as well as the members of the Audit Committee, have been elected by the Annual General Meeting of Shareholders held on 18/06/2021. Pursuant to the Articles of Association, the duration of the Board of Directors and the Audit Committee is 5 years.

More information on the composition, structure and qualifications of the Board is included at the Corporate Governance statement, which is available on the website www.fourlis.gr.

Corporate Governance Code Metric C-G5

The Company with the decision of its Board of Directors dated 28/2/2011 has voluntarily decided to apply the Hellenic Corporate Governance Code which has been drafted by an initiative of the Hellenic Federation of Enterprises (SEV) and then was modified by the Hellenic Corporate Governance Council (HCGC) on 28/6/2013.

In June 2021 the Hellenic Code of Corporate Governance was issued for listed Companies in the stock market according to the article 17 of law 4706/2020 and article 4 of the Decision of the Hellenic Capital Market Commission (HCMC) (Decision 2/905/3.3.2021 of the Board of Directors of the Hellenic Capital Market Commission), which replaces the Hellenic Corporate Governance Code for Listed Companies issued in 2013 by HCGC and is posted on the website of the Hellenic Corporate Governance Council, at: <http://www.esed.org.gr/code-listed>.

The Company includes in the annual Financial Report a Corporate Governance Statement, with which it notifies its voluntary compliance with the Code.

More information is available at www.fourlis.gr.

Code of Conduct GRI 102-16, Metric C-G5

FOURLIS Group has adopted high professional ethics standards ensuring the commitment and cooperation of all its executives. The Code of Conduct is an "active" document of the Group and focuses -among others- 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 related to prevention of violence in the workplace and prohibition of sexual harassment, which are in full compliance with labour legislation.

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 available in all the languages of the countries where the Group operates.

In the Code of Conduct that is posted on the website of the Group, guidance is also provided for the Code of Conduct Line/Whistleblowing system.

More information is available at www.fourlis.gr.

Charter of Operations

- The Charter of Operations of the parent company of the Group (FOURLIS HOLDINGS S.A.) is approved by the Board of Directors. It refers -among others- to the organizational structure and the risk management and internal control systems. The Charter of Operations was renewed within 2020 based on the requirements of the recent Corporate Governance Law 4706/2020.

More information is available at www.fourlis.gr.

Internal Audit Department

- The Internal Audit Department is an independent organizational Department within FOURLIS HOLDINGS S.A., aiming at the monitoring and improvement of the operations and policies related to the Internal Audit System.

The operation of the Internal Audit Department is in accordance with articles 15 and 16 of law 4706/2020, the Greek Corporate Code Governance voluntarily adopted by the Company (<https://www.esed.org.gr/web/guest/home>) and the provisions of the Internal Regulation of operations of the Company. The Internal Audit Department has an Internal Audit Charter approved by the Group's Board of Directors which describe its responsibilities, duties and obligations in the above-mentioned context.

More information is available at www.fourlis.gr.

Audit Committee

- The BoD operation at FOURLIS HOLDINGS S.A. is supported by the Audit Committee. The Audit Committee is appointed to support the Board of Directors in its duties relating to:
 - financial information,
 - internal control systems,
 - the Internal Audit Department,
 - regulatory compliance and risk management systems, and
 - the supervision of the regulatory auditor of the Company and the consolidated financial statements of the Company.

The Audit Committee Charter has been approved by the Company's BoD.

More information is available at www.fourlis.gr.

Nomination and Remuneration Committee

- **Metric A-G4**
The Committee for the Promotion of Nominations and Remuneration of the Company has been established in order to support the Board of Directors, in the fulfillment of its obligations to the shareholders, regarding the assurance that the nomination of candidates for the Board of Directors is done in a meritocratic and objective manner, ensuring the smooth succession of its members as well as the top executives, with the aim of the long-term success of the Company.

Issues related to remuneration (including variable pay) concerning the members of the Board of Directors, are included in the Remuneration Policy (based on Article 110 L. 4548/2018 - Article 9a of Directive 2007/36/EC, Directive 2017/828 EU) and in the Remuneration Report (based on Art. 112, L.4548/2018) which have been approved by the General Assembly and are posted on the website www.fourlis.gr. There is also a relevant reference in the Corporate Governance Statement that is also available at www.fourlis.gr.

Sustainable Development Supervision

➤ Metric C-G2

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, with knowledge on Sustainable Development and ESG matters, who in turn communicate the sustainable development topics to the other Members of the BoD in order to set priorities and corresponding goals, according to the results of the materiality analysis.

Personal Data Protection

➤ Metric C-G6

The Group adheres to both the European legislation, as well as the local legislations of the countries where it operates, in order to protect the personal data of the parties involved in transactions with the Group, maintaining a relevant Policy. Respecting privacy is a core element of the Code of Conduct and the policies that are embedded in Group and its subsidiaries' operations.

FOURLIS Group values the trust of all people involved in transactions with the Group and has designed and implements a personal data and sensitive 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's companies operate.

Some of the practices followed by all Group's 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's 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 related to the use of their personal data.
 - Their consent to the use of their personal data by the Group's companies.

Performance

GRI 103-3, GRI 205-3, GRI 418-1, Metrics C-G6, A-G2, SS-G1

- All new 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 1/1-31/12/2021, 4 cases of small-scale fraud and non-material from a financial perspective, were recorded. These cases were detected by the Group's companies' internal safeguards and were evaluated as non-material and the necessary actions were immediately taken by the Company. Apart from these specific cases, there was no further notification or complaint that the Group Management is aware of, that relates to incidents of corruption and bribery.
- Strict application, by the Group, of the applicable policies and procedures regarding the protection of personal data.
- 2 internal audits were carried out, on personal data matters, by the Internal Audit Department.
- No violation of the provisions of the GDPR and Law 4264/2019 was identified by the Competent Authority.





Ensuring the health, safety and accessibility of customers and visitors



Management approach

GRI 103-2

Facilities

Giving special emphasis on prevention, FOURLIS Group complies with current legislation and applies a Health and Safety Policy for all Group's subsidiaries, in all countries of operation.

The policy includes a wide range of relevant procedures, measures and initiatives, regarding the safe stay of visitors, customers, partners and employees at Group's facilities. Any variations of the relevant procedures by country or region depend on the size of the facilities as well as on the existing national legislation of the country where each Group's company operates.

In this context, some of the practices applied 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.
- Operation of infirmaries equipped with medical beds and automatic external defibrillator at all IKEA stores, as well as at TRADE LOGISTICS distribution center and at FOURLIS Headquarters.
- Provision of wheelchairs at IKEA stores' entrance, as well as of accessible lavatories and parking spaces, aiming to provide safe accommodation and transportation for people with disabilities.



Products

The Group manages the health and safety topic through the compliance of the products traded by its subsidiaries, in all countries of its activity, according to manufacturers and suppliers' specifications, European and/or domestic legislation, and through their compliance with all laws and regulations concerning their labeling and use (e.g., CE approval).



- IKEA products have special labeling and signs aiming to provide information and advice to consumers such as information related to product manufacturing and origin, their environmentally friendly characteristics, their dimensions, their life cycle, whether a product must be used only by adults, 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 followed and applied.

At the same time, IKEA monitors product returns and if an increased number of returns of an item is observed (due to a defect) specific procedures, that have been defined worldwide by IKEA, are followed for the information of all interested parties.

In addition, a Food Safety System according to the international standard ISO 22000 is implemented in all IKEA stores' restaurants. For IKEA stores in Greece, the re-certification has been initiated, while in 2021 it was completed for the stores of Piraeus and Thessaloniki. For the stores in Cyprus and Bulgaria the re-certification process is in progress and its completion has been delayed due to the COVID-19 pandemic.





➤ The Commercial Division of INTERSPORT and The Athlete's Foot, which is also responsible for product compliance, ensures that market provisions are followed, as well as the European Union CE labeling. The products have specific labeling and signs in order to provide information and advice to consumers regarding their use, as well as information about their manufacturing, etc.

INTERSPORT and The Athlete's Foot 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 and The Athlete's Foot respectively. In cases of defective products, INTERSPORT and The Athlete's Foot immediately proceed to their withdrawal and replacement, as well as to all necessary actions, in order to inform any pertinent bodies, such as the Ministry of Development and Investment, consumer associations, but also the consumer community, with a press release.



Employee training on health and safety issues

Group employees are regularly trained, to be able to respond to emergency incidents that affect not only their own safety, but also the safety of the visitors on Group's premises.

In particular, employee training includes the following:

- Performing scheduled annual exercise on store evacuation with the participation of customers.
- Performing scheduled biannual exercise on store evacuation, without the participation of customers.
- Performing regular fire safety exercises.
- Training of First Aid Groups.
- Training of Fire Safety and Firefighting Teams.

More information on how health and safety is managed by the Group is available in the section "Protecting employee health, safety and well-being".

Performance

GRI 103-3, GRI 416-2, Metric SS-S1

Facilities/Stores

In order to ensure compliance to the 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 facilities 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 includes information not only on the number and type of incidents, but also on the way they were addressed. Through these reports the Group is able to receive useful information on the effectiveness of its policies and to improve its practices, where needed.

The implementation of Health and Safety policies led to significant results in 2021. Indicatively:

- There were no fatalities and/or serious accidents of customers, visitors and partners at the Group's companies' stores and facilities.
- In 2021, 4 audits in relation to health and safety matters in IKEA and INTERSPORT stores were carried out in total, by the Internal Audit Department.

Products

There were no cases of non-compliance with the legislation and/or voluntary Health and Safety codes for FOURLIS Group's products. Nevertheless, in 2021, IKEA proceeded with a precautionary recall of HEROISK & TALRIKA serving items. More information regarding any current recalls is available on the company website <https://www.ikea.gr/en/product-recall/>.

Product compliance, labeling and responsible communication



In compliance with the relevant legislation of the European Union and more specifically with the Regulation for energy labeling (EU) 2017/1369, since November 2020 IKEA started, with specific preparatory actions, the transitional period of the implementation of the new directives for the launch of new energy labels, through which customers will be informed about the energy consumption of electrical appliances and light bulbs. From 2021, the new energy labels are available on products sold, while by February 2023, the new energy labels will be available for all lamps, according to the respective regulation.

More information is available on the website <https://www.ikea.gr/en/new-energy-label/>.

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 as well as 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.

The 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.

IKEA aims at constantly making the shopping experience as pleasant as possible, offering free playground facilities and parking, while facilitating its customers' purchases by offering competitive prices and discounts throughout the year. In 2021 the "Instant Loan" program continued. This is a new installment plan without a card (6 to 48 installments), that is provided in stores by a partner bank and ranges from €250 to €15,000.



Aiming to reward IKEA customers and to create added value, the IKEA Family program was developed, which at the end of 2021 numbered 665,243 members in Greece, 105,435 in Cyprus and 178,614 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.





Respectively, INTERSPORT's marketing and communication strategy is defined by its vision, which is to bring sports to the people and that of the Athlete's Foot by its own vision, which is to bring style to sports, always having as a principle to meet consumers' needs. Both INTERSPORT's and the Athlete's Foot's marketing policies focus on 2 areas: corporate communication and product promotion. 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, 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, it constantly supports consumers by offering a wide variety of quality sports equipment in a range of prices, making sporting goods more affordable, while aiming to reward INTERSPORT's customers and to create added value, it developed the "Score For More" program which numbers 634,200 members in Greece, 330,000 members in Romania and 35,800 members in Cyprus. 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.

It is worth mentioning that in 2021:

GRI 417-2, GRI 417-3

- There were no incidents of non-compliance, regarding the provision of information and the labeling of products and services.
- There were no incidents of non-compliance with regulations and voluntary codes, regarding marketing communication, including advertising, promotion, and sponsorship.





Ensuring business continuity and emergency preparedness



Management approach

GRI 103-2

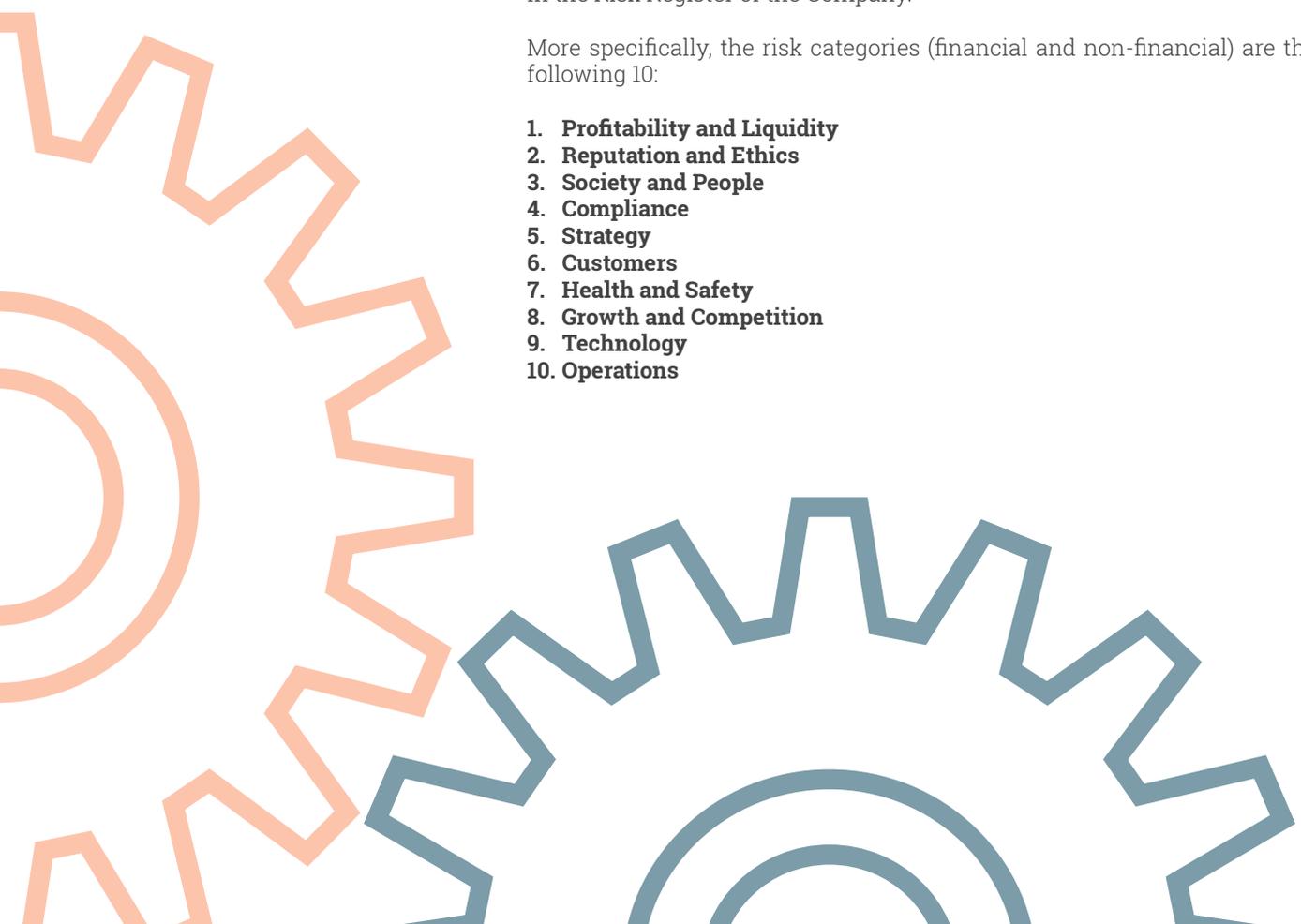
Ensuring business continuity and emergency preparedness is a key priority for the Group.

The Group has adopted the “Enterprise Risk Management” methodology (ERM), which facilitates and enables the organization to identify, evaluate and manage risks (financial and non-financial) through a structured approach. The methodology is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) ERM framework, which provides directions on how to integrate ERM practices and sets out their application principles.

In this context, 100 risks were identified and evaluated, which were recorded in the Risk Register of the Company.

More specifically, the risk categories (financial and non-financial) are the following 10:

1. **Profitability and Liquidity**
2. **Reputation and Ethics**
3. **Society and People**
4. **Compliance**
5. **Strategy**
6. **Customers**
7. **Health and Safety**
8. **Growth and Competition**
9. **Technology**
10. **Operations**



Based on the above categorization, the major non-financial risks identified are the following:

- Risk related to the category "Society and People": The possibility for the Group to face difficulties in attracting, developing, (including training) and retaining of the required skills and talents (including new skills in digital technologies), as well as the relevant impact on the Group's performance.
- Risk related to the category "Strategy": The possibility of misaligning the business strategy with the obligations in the context of Sustainable Development (e.g. Climate and Sustainability), and the corporate governance expectations as well as the relative impact on finances and reputation of the Group.



Tackling the COVID-19 pandemic

The Group has closely monitored and continues to closely monitor the developments regarding the COVID-19 pandemic in order to adapt to the specific conditions arising for dealing with and limiting the spread of the COVID-19 pandemic.

With a sense of responsibility towards its people, customers and society as a whole, the Group complied promptly and fully with the official instructions of the competent authorities for the operation of its physical stores and headquarters in the countries where it operates, harmonized with the current legislation/instructions/decisions and continued its commercial transactions in physical stores according to guidelines.

At the same time, whenever deemed necessary, the crisis management team carried out meetings, so that it could take the necessary decisions according to the developments related to the pandemic, taking appropriate information, prevention and protection measures for the limitation of the spread of the COVID-19 pandemic.

Towards this direction:

Operational and financial level

- The portfolio management service continuously identifies, assesses and hedges financial risks and provides guidance for the management of this specific extraordinary risk, to provide protection to investors.
- The strengthening of the Group's infrastructures continues both in terms of information systems and the operation of logistics centers, so that its business and commercial operation not only continues smoothly but is also further strengthened. In this context, TRADE LOGISTICS makes new investments for the expansion of storage and e-commerce order management buildings, as well as the automation of the provision of relevant services.
- The harmonious combination of e-commerce with the "traditional" development model is sought, making the most of digital media and new technologies to offer an omnichannel experience both offline and online, that meets growing consumer expectations and creates a complete positive customer experience.
- Investments in technology, innovation and services upgrades continue, following the rapid changes in consumer habits and the physiognomy of retail trading.

Health, safety and well-being of employees

- To ensure the health, safety and well-being of employees, FOURLIS Group strictly implemented the legislation in each relevant work topic. In Greece, but also in other countries (Cyprus, Bulgaria, Romania, Turkey), the Group continued to provide regular and comprehensive information to its employees about COVID-19 pandemic topics. The briefing included general information and instructions for the virus, such as:
- proper application of personal and public hygiene rules,
 - procedure in case of symptoms or in cases of contact with a COVID-19 case,
 - use of public areas and public transport,
 - use and disposal of masks and gloves, use of antiseptics and maintaining distances.

In addition, there was constant communication between the employees and the Occupational Physicians, business travel was limited to what was absolutely necessary, while the Group installed bins for the disposal of masks and disposable gloves in the workplace and provided high protection masks, gloves and self-tests for all employees.

Partners and suppliers

- The Group respectively took protection measures for its partners and suppliers. In this context, and following the legislation, it continued the implementation of online meetings using digital media. In cases where there was the need for a live meeting, such as when sampling products, the official guidelines were completely followed by taking all necessary safety measures. For the partners who worked in the Group's companies' premises, the policies and guidelines concerning the employees of the Group were followed.

Health and safety of customers

- For its customers, the Group continued the strict implementation of all laws related to retail stores and followed the guidelines of the authorities regarding the number of customers and visitors in them. In addition, in all stores' areas the following were put in place:
- special markings to maintain social distance,
 - hand sanitizers,
 - equipment for disinfecting objects,
 - special bins for disposing masks and disposable gloves,
 - plexiglass at checkouts and other places where the employee comes into contact with the customer.

In addition, signs were placed in all stores to encourage the use of lifts only by people in need and only with the mandatory use of a face mask. During payments, the use of debit/credit cards was encouraged, to avoid direct contact with used banknotes and further spread of the virus.

Performance

GRI 103-3, FOURLIS Indicator

- The Group continued the remote working for its office employees at a rate higher than the minimum required by law.
- The availability of products, during 2021, was not significantly affected compared to 2020.
- The Internal Audit Department carried out 2 internal audits related to the assurance of business continuity.





For the Environment



GRI 102-11

FOURLIS Group recognizes the importance of protecting the environment, as well as the challenges that arise from climate change.

In this context, the Group monitors its activities' impacts and implements a number of voluntary actions and interventions aiming at reducing its environmental impact through saving and recycling natural resources, reducing greenhouse gas emissions deriving from its operation, and raising awareness among employees and the public on environmental protection issues and on the adoption of a responsible way of life.

The Group's companies are responsible for the monitoring and application of the legislation related to their activities, as well as for the voluntary measures taken and the voluntary implementation of 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.

Reducing energy consumption and greenhouse gas emissions



UNGC PRINCIPLES 7, 8, 9

FOURLIS Group's companies systematically monitor electricity, heating oil and natural gas consumption at their facilities and proceed with the necessary interventions, where and when necessary, aiming at the reduction of their environmental footprint.

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 are presented some indicative examples of such practices for the entire Group:

- 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 efficiency in the workplace.



At the IKEA stores' facilities, which were designed taking into consideration environmental criteria, specific measures are applied 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 natural gas.
- Gradual addition of solar energy use systems for the production of hot water for both general use and for the restaurant. In 2021, the project implementation remained at the same levels as in 2020 (80%)*.
- Gradual installation of inventor systems at boilers to conserve natural gas. In 2021, the project implementation remained at the same levels as in 2020 (60%)*.
- Gradual supply and use of peak power consumption management systems, optimizing/deferring the operation of power-operated installations and appliances. The 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 (90% during 2021) 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 2021, the project implementation remained at the same levels as in 2020 (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.

* The implementation of these projects did not proceed further in 2021, due to the COVID-19 pandemic. In 2022 their continuation is considered.

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, HOUSEMARKET 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 2021 the operation of a photovoltaic electricity production system with net-metering at the IKEA Cyprus store started. The total energy production in 2021 amounted to 370 MWh, while 333 metric tons of CO₂e reached the amount of greenhouse gases that were not released in the atmosphere at the same period.



TRADE LOGISTICS >

Indicative measures implemented by TRADE LOGISTICS, aiming at the reduction of energy consumption at its facilities.

- 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.
- 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 1,000W 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 winter and repositioned during summer.
- Since March 2013, TRADE LOGISTICS has proceeded with the installation and operation of a photovoltaic system to produce electricity on the roof of its warehouse, with an average annual capacity of 1,400 MWh. In 2021, the total energy production reached 1,381 MWh, while the greenhouse gas (GHG) emissions that were not released to the atmosphere during the same period reached 1,262 CO₂e tons.

Greenhouse gas emissions

Since 2012, TRADE LOGISTICS calculates the carbon emissions for all its activities, with the aim of identifying the most compatible solutions to reduce them.

Both the direct (Scope 1) and the indirect (Scope 2 & 3) emissions presented in the table below, concern only TRADE LOGISTICS distribution center in Schimatari. The calculation methodology is based on the GHG Protocol.

Scope 1

Emissions include direct emissions from fuels used by TRADE LOGISTICS equipment, fleet vehicles and firefighting systems.

Carbon dioxide emissions are estimated using the emission factors provided in Table 2 of the Climate Leaders Greenhouse Gas Inventory Protocol - Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment (May 2008). Fire extinguisher leak rates are found on page A-162 of USEPA - Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990 - 2005, April 15, 2007. The GWP is from the Fourth Assessment Report (2007) of the Intergovernmental Panel on Climate Change (IPCC).

Scope 2

Indirect emissions result from purchased electricity. The methodology of calculating emissions from purchased electricity was according to the analysis of Benjamin K. Sovacool "Valuing the greenhouse gas emissions from nuclear power: A critical survey", Energy Policy, Vol. 36, 2008, p. 2950. Based on Sovacool's estimate of greenhouse gas emissions for the production of electricity and according to the analysis of electricity production from data received from the website www.protergia.gr in March 2022 for the year 2020, we have the results presented in the following table.

Scope 3

Emissions include indirect emissions from Group's employees' transportation as well as the total of the transfers that concern all three companies (IKEA, INTERSPORT & THE ATHLETE'S FOOT) served by TRADE LOGISTICS.

Metrics C-E1, C-E2, A-E1

	2021	2020	2019
Direct emissions (tons CO₂e)-Scope 1	77	72	71
Indirect emissions (tons CO₂e)-Scope 2	680	799	863
Other indirect emissions (tons CO₂e)-Scope 3	3,251	3,107	4,159
Total emissions (tons CO₂e)	4,008	3,978	5,093



Replacement of lamps/Air conditions

In 2021 INTERSPORT continued the program of replacement of high consumption lamps with LED bulbs in INTERSPORT and The Athlete's Foot stores. This program will continue in 2022. At the same time, at the stores that are being renovated, energy-efficient technology air conditions are being installed.

Respectively, IKEA completed the replacement of conventional light bulbs with LED bulbs in commercial and non-commercial premises of its stores in Greece, while in Cyprus and Bulgaria the replacement has been completed in most of the stores (commercial and non-commercial areas).

Energy consumption

GRI 102-48

FOURLIS Group Total	2021**	2020	2019
Electricity (kWh)	48,518,241	50,451,760*	52,627,918
Heating oil (lt)	157,196	116,463	117,916
Natural gas (m ³)	607,525	554,828	630,514

* 2020 figures have been adjusted to include all invoices which were not available during the publication of the Report for 2020.

** Consumption in 2021 may be subjected to change as the total of the invoices was not available during the publication of this Report.



Proper materials' management and promotion of circular economy



UNGC PRINCIPLES 7, 8, 9

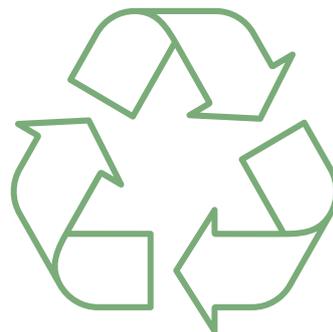
Proper waste management

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's companies with the participation of employees and the use of special recycling bins that have been installed in the workplace for this purpose.

Moreover:

- 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.
- 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 1/1/2021 to 31/12/2021 can be matched and thus assumed to have financed the purchase of:



26
blue bins

from HOUSEMARKET S.A.
(IKEA stores)

196
blue bins

from INTERSPORT S.A.
(INTERSPORT &
The Athlete's Foot stores)

Materials' recycling

FOURLIS Group Total	2021	2020	2019
Paper (kg)	1,901,731	1,811,703	2,161,563
Batteries (kg)	15,637	5,279	4,533
Cooking fat (lt)	6,085	14,445	20,237
Light bulbs (kg)	1,026	2,205	1,485
Aluminium (kg)	970	5	470
Glass (kg)	0	78	0
Plastic (kg)	79,834	86,419	108,963
Metal (kg)	46,080	23,285	20,750
Timber (kg)	146,364	111,070	114,898

Organic waste composting (kg)

IKEA Athens Airport Store	2021**	2020*	2019
Organic waste composting (kg)	N/A	239	12,880

* The decrease compared to 2019 is due to the fact that restaurants remained closed for a long period of time, following the COVID-19 pandemic and the relevant State guidelines.

** In 2021 no composting took place due to a) the extended period of time during which the restaurant of the store remained closed and b) due to the restriction on products available.



Using and saving paper

Aiming at the reduction of paper consumption across FOURLIS Group's 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.
- Electronic archiving and monitoring of merchandise documents, expenses and fixed assets.

Since September 2016, HOUSEMARKET S.A. (IKEA stores in Greece) has proceeded with a system implementation for the invoices' and credit notes' electronic archiving, with significant benefits in paper-saving. Through this practice it is estimated that in 2021, the printing of a total of 871,361 A4 pages was avoided at stores, the e-shop, as well as at the IKEA Pick Up and Order Points.

A similar practice is followed by INTERSPORT in Greece which, since November 2017, has proceeded with the electronic archiving of copies of sales documents, an initiative which, in 2021, resulted in the avoidance of printing 2,623,384 copies of documents.

In 2018, INTERSPORT in Greece proceeded with the replacement of paper boxes with reusable plastic ones for the transportation of its goods from its central warehouse (TRADE LOGISTICS) to its stores in Attica and Thessaloniki. In 2020, this practice was applied for the stores of Patras, while in 2021, it was extended to Trikala. Thanks to this practice, it is estimated that the cardboard boxes that were not used in 2021 reached a total of about 210,000 pieces.

Using and saving ink

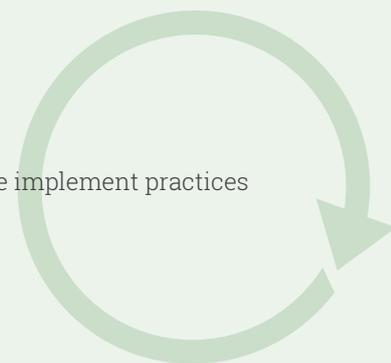
The Group aims at limiting ink consumption and reducing printing. To achieve this goal, it implements new technology practices, such as the use of laser printers, which significantly contribute to the protection of the environment, as they require less ink to operate. Furthermore, in all Group's companies'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

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

Number of used ink cartridges*

	2021	2020	2019
Greece	2,383	2,107	3,083
Cyprus	340	328	435
Bulgaria	566	528	610
Romania	943	898	908
Turkey	32	N/A	N/A
Total	4,264	3,861	5,036

* The data concern all FOURLIS Group's companies. INTERSPORT Turkey is excluded from the years 2019-2020. The decrease between 2019-2020 is due to the reduced needs due to the COVID-19 pandemic.



Responsible water consumption



UNGC PRINCIPLES 7, 8, 9

At FOURLIS Group's facilities a significant quantity of water is consumed, due to the sanitation needs and to the large number of visitors and employees.

The Group monitors consumption per subsidiary and examines the implementation of additional measures, where necessary, in order to reduce water consumption at its facilities.

Water consumption (lt)*

GRI 102-48

	2021	2020	2019
Greece	33,148,220	37,481,348	63,226,707
Cyprus	5,008,000	5,203,000	7,302,000
Bulgaria	23,268,000	28,957,850	55,636,318
Romania	1,823,000	1,567,296	1,554,833
Total	63,247,220	73,209,494	127,719,858

* 2021 data include all Group's companies except from INTERSPORT stores in Bulgaria, INTERSPORT & The Athlete's Foot in Turkey, the IKEA Order and Pick Up Point in Heraklion, Crete, and the IKEA stores in The Mall Athens and Piraeus. 2019 and 2020 data were adjusted to include all invoices that were not available during the publication of the Sustainable Development and Social Responsibility Report of 2019 and 2020. Respectively, the same procedure will be followed in the next Report for the year 2021.



Offering products/services that contribute to a more sustainable lifestyle



UNGC PRINCIPLES 7, 8, 9

Products



IKEA stores offer sustainable products which are presented in detail on its website (<https://www.ikea.gr/en/simple-changes-for-a-more-sustainable-life/sustainable-products/>).

In relation to the restaurants of IKEA stores and the IKEA Swedish food market, the following are mentioned:

- Salmon served in the IKEA stores' restaurants and sold by the IKEA Swedish food market originates from Aquaculture Stewardship Council (ASC) certified farms.
- Seafood served in the IKEA stores' restaurants and sold by the IKEA Swedish food market, originate from fisheries that are independently certified according to the Marine Stewardship Council (MSC) standards.
- IKEA chocolates and coffee are UTZ certified. This means that cocoa and coffee come from sustainable crops that create better living opportunities for producers and their families.
- In 2020, IKEA enriched its meatball line with the new vegetables' meatballs, HUVUDROLL, which are made from pea protein, oats, potatoes, onion and apple and have the same taste and texture as the classic IKEA meatballs. The herbal ingredients of this new product come from sustainable choices, with a very small environmental footprint (4%).



INTERSPORT & The Athlete's Foot stores have products promoting a sustainable lifestyle and are presented in detail on the websites www.intersport.gr & www.theathletesfoot.gr.

A NEW LIFE
"I WANT TO BE A T-SHIRT!.."

#trainforchange



Additional actions and initiatives



The Inter IKEA Group* applies the following, which also apply to HOUSEMARKET (IKEA Stores), the subsidiary of FOURLIS Group, in Greece, Cyprus and Bulgaria:

- IKEA, worldwide, is committed to the use of renewable and recycled materials in all of its products, by 2030.
- In 2020, the gradual withdrawal of all non-rechargeable alkaline batteries from the global product collection of IKEA and their replacement by rechargeable batteries, was initiated. The elimination was completed at the end of 2021.
- With the flat packaging, IKEA achieves a reduction of carbon emissions from transportation from the factory to store and from the store at home, as well as reduction of transportation cost.
- In November 2021, IKEA announced that it is proceeding with the gradual removal of plastic from the packaging of its consumer products. The replacement of the packaging of the new product inventory will be completed by 2025, while for the existing inventory by 2028. With this gradual elimination, IKEA aims to reduce plastic waste and plastic pollution, leading the industry agenda to the development of packaging products based on renewable and recycled materials.



* More information about the Inter IKEA Group is available at: <https://www.inter.ikea.com/en/this-is-inter-ikea-group>.

Human resources

In August 2021, a survey was conducted in IKEA stores in Greece, Cyprus, Bulgaria, in relation to the degree of its employees' awareness, to their opinion on issues of sustainable development and the role of IKEA towards sustainable development. The results showed that IKEA employees recognize the importance of a sustainable lifestyle but have a more general picture of the term "Sustainable Development" which they associate mainly with environmental protection and a better future for the planet and society in general. Employees, particularly concerned about climate change, are eager to take action and learn about Sustainable Development issues. In addition, they consider IKEA as a sustainable company that applies circular economy practices.

From the above-mentioned survey, the institution of the "Sustainability Ambassador" for the voluntary management of sustainable development issues (e.g., trainings, awareness actions, etc.) emerged.

The company encouraged all employees for daily sustainable change through the distribution of a Sustainability Kit that included:

- a reusable shopping bag,
- a reusable water bottle,
- a brochure with best practices for a sustainable life at home.



Consumers

In 2020, the process of removing disposable plastics (e.g., glasses, lids, straws, plates, forks, etc.), as well as their replacement by paper or wooden ones from in-store restaurants, started at IKEA and was completed in 2021.

At the same time, through advertising media channels, the company encouraged its consumers in Greece, Cyprus and Bulgaria to adopt small changes and sustainable habits with a major impact on the environment, such as replacing plastic with reusable polyester recycled bags, reducing the use of one-use plastic with the use of recyclable and reusable bottles, the use of glass containers to store leftover food, recycling, the use of rechargeable batteries, the replacement of LED lamps and the use of faucets with a special mechanism for consumption reduction. Through these channels, the company communicated its own actions in the context of environmental protection such as:

- The removal of all disposable plastics from restaurants and products.
- The availability of exclusively LED lamps, which consume 85% less energy.
- The availability of IKEA water faucets that lead to the reduction of water consumption by up to 50% through their special mechanism.
- The gradual withdrawal of common batteries and the adoption of the use of rechargeable batteries.
- The use of sustainable and recyclable raw materials in the production of IKEA products.
- The reduction of food waste

For the same purpose the company created the online guide to a sustainable life at home: <https://www.ikea.gr/en/simple-changes-for-a-more-sustainable-life/>.





The “Earth Hour”

On the occasion of the “Earth Hour” day, IKEA organized the “Time to change the world together!” competition, and encouraged consumers to take part, recording their own comments on small daily actions that can lead to a better planet.



Ωρα να αλλάξουμε
τον κόσμο μαζί!

Πάρε μέρος στο
διαγωνισμό για
την ώρα της γης.

ΚΑΘΕ ΩΡΑ ΕΙΝΑΙ ΩΡΑ ΤΗΣ ΓΗΣ ΣΤΗΝ ΙΚΕΑ

Ζούμε μαζί 

An action in collaboration with PPC

In September 2021, in collaboration with Public Power Corporation (PPC), IKEA launched a joint action aimed at informing consumers about energy saving, net metering opportunities and sustainable products/habits at home. Specifically, the visitors of the IKEA Airport, IKEA Kifisos and IKEA Thessaloniki stores, had the opportunity to be informed, by experienced PPC executives, about the opportunities of energy saving and consumption of sustainable electricity. They were also informed, by specialized IKEA employees, about affordable sustainable products and habits that can make their daily lives better and can positively contribute to the environment.

“Sustainability kit”

In order to encourage a sustainable lifestyle, IKEA sent to members of the IKEA Family program a Sustainability Kit that included:

- a reusable shopping bag,
- a reusable water bottle,
- a brochure with best practices for a sustainable life at home.



Charging stations for electric cars

Since 2020, 2 charging stations for electric cars operate in the IKEA Sofia store in Bulgaria and IKEA is since then a member of the Eldrive network which provides more than 150 charging points for electric cars. At the same time, it now has electric trucks that can be rented at very preferential prices by customers who do not own a car at all or have a small car, in order to transport their purchases to their destination. In 2021, 2 car charging stations were installed in the IKEA Airport store, while in the IKEA Thessaloniki store, since 2021, a fast-charging station operates.

Eco Tip
of the week



**Small change,
big impact**

Institutions

Since December 2021, HOUSEMARKET S.A. supports, through the Hellenic Advertisers Association, the Planet Pledge initiative in Greece. The aim of the initiative is to make marketing and communication a driving force to address the major environmental issues that threaten the planet.

Media

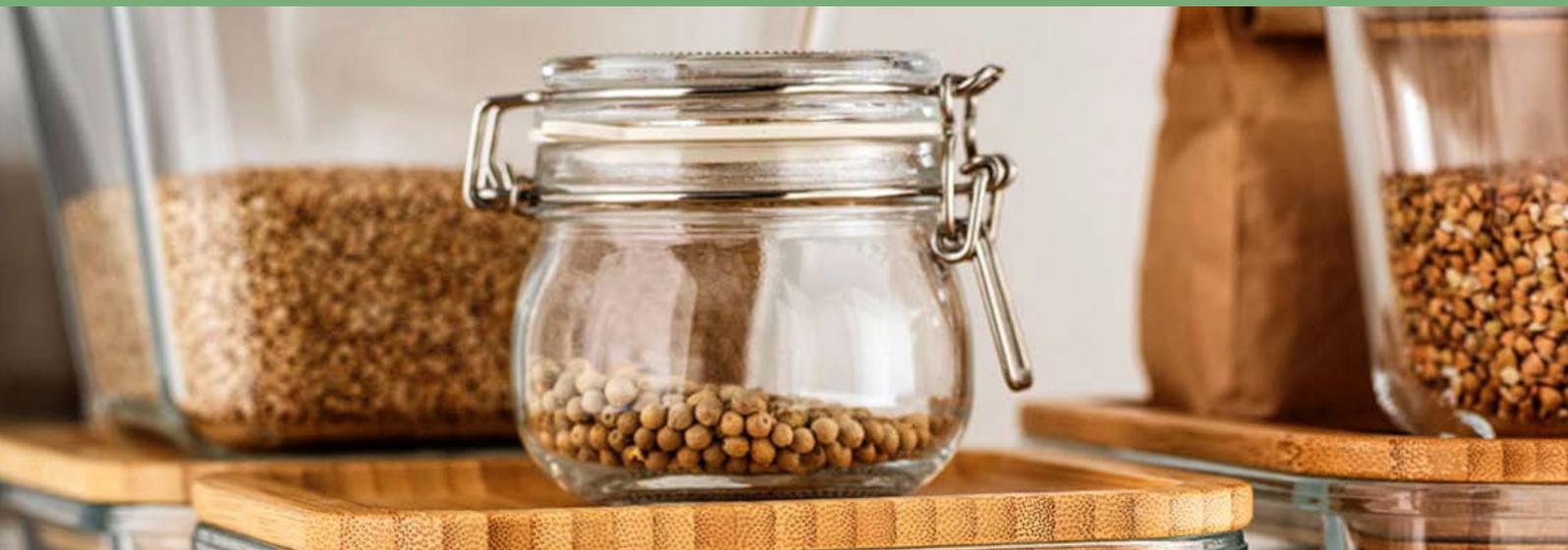
IKEA held a press conference with respect to its actions, in the context of environmental protection.

Reducing food waste

In the context of the commitments undertaken by IKEA worldwide, HOUSEMARKET (IKEA stores), a FOURLIS Group's subsidiary, is committed to reduce food waste by 50% at IKEA restaurants in Greece, Cyprus and Bulgaria, by the end of 2022, as well as to raise public awareness about reducing food waste at home.

In this context IKEA:

- continued the implementation of the waste reduction practices that started in 2016 in all IKEA restaurant's in Greece, Cyprus and Bulgaria,
- continued to raise public awareness about reducing food waste at home,
- in August 2021, invested in an electronic food waste monitoring and recording system in restaurant's kitchens (Waste Watchers), while trained the total human resources employed in stores where the system "Waste Watchers" is applied (Kifissos, Airport, Thessaloniki, Cyprus, Sofia-Bulgaria), on the effects of food waste on the environment and the importance of proper recording and management of stocks,
- in 2021 participated in the International Seminar of the University of Patras "The next day: Prevention of food waste after the pandemic", presenting the Waste Watchers system and the collaboration with the Non-Profit Organization "BOROUME" in the context of which all meals that are not sold in the restaurants of IKEA stores in Greece, are daily offered at Institutions and Organizations to feed people in need. In addition, ways to encourage consumers to reduce food waste at home through proper management of purchases, storage, cultivation and donation were also presented.





At INTERSPORT & The Athlete's Foot:

- Since 2017, a packaging box which is made from recycled materials and is recyclable is utilized for products purchased from the online stores.
- In 2021, the plastic bag was completely eliminated, and only recyclable paper bags are now available in stores.
- The eStore and social media are used to publish actions regarding clothing made of recycled and sustainable materials. Additional related actions are the creation of unique giphys and videos, the collaborations with influencers aiming to inform the public, the utilization of the Google Display Network and discovery ads in Google campaigns as well as relevant newsletters, including their publication on websites.
- In 2021, sustainable windows were implemented in stores (made from Reboard recycling materials) and corners with sustainable products were created, for the targeted awareness of customers and consumers.



EU TAXONOMY Report

Metric A-S1

The EU Taxonomy of the European Council (“the Regulation”) is one of the tools established based on the European Green Deal, which aims to achieve a climate-neutral European Union by 2050. The Regulation establishes the criteria for determining whether an economic activity is characterized as environmentally sustainable, so as to determine the extent to which an investment is environmentally sustainable. The Regulation creates a common classification system that investors can use, when investing in projects and economic activities that have a significant positive impact on the climate and the environment.

EU Taxonomy Regulation 2020/852

The “EU Taxonomy Regulation 2020/852” is supplemented by the “Commission Delegated Regulation (EU) 2021/2178” and the “Commission Delegated Regulation (EU) 2021/2139”.

For an economic activity to be characterized as environmentally sustainable, it shall:

- contribute substantially (complies with the technical inspection criteria) to at least one of the following six environmental objectives:
 1. Climate change mitigation
 2. Climate change adaptation
 3. The sustainable use and protection of water and marine resources
 4. The transition to a circular economy
 5. Pollution prevention and control
 6. The protection and restoration of biodiversity and ecosystems
- do No Significant Harm (DNSH) any of the rest five environmental objectives,
- be carried out in alignment with the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights, including the principles and rights as these are defined in the eight fundamental conventions included in the declaration of the International Labour Organisation (ILO) for fundamental principles and rights at work and the International Bill of Human Rights.

In the Commission Delegated Regulation (EU) 2021/2139, issued on June the 4th, 2021, the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the first two environmental objectives (climate change mitigation and climate change adaptation) and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, are established.

Compliance with EU Taxonomy Regulation 2020/852 - Methodology and accounting policy

According to the Article 8, point (1), of Regulation (EU) 2020/852, any undertaking which is subject to an obligation to publish non-financial information (pursuant to Directive 2013/34/EU), shall disclose additional information related to the way and the degree to which their activities are connected with environmentally sustainable economic activities, as these are defined by the Regulation.

More specifically, according to the delegated Regulation 2021/2178 EU (Article 10, point 2) for the publications that will take place during 2022, concerning the financial year 2021, (without the obligation of the inclusion of comparative information for 2020), arises for non-financial undertakings the obligation to disclose the proportion of eligible and non-eligible, based on the Regulation economic activities, in relation to the following key performance indicators:

- Turnover,
- Capital expenditure (“CapEx”), and
- Operating expenditure (“OpEx”) of the total turnover, capital, and operating expenditure.

For the publications that will take place during 2023, concerning the financial year 2022, the obligations will be increased, as the companies will have to disclose -among others- whether their eligible economic activities are aligned with the Regulation’s technical screening criteria.

This section was included for the first time in the non-financial statement of the Annual Financial Report 2021, following the provisions of EU Regulations 2020/852, 2021/2178 and 2615/10.11.2021 and 209/31.01.2022 letters of the Hellenic Capital Market Commission. Regarding this issue, it has interpreted the relevant directives and as the relevant legislation that governing the European Classification is constantly evolving, the Group monitors any changes aiming at appropriately adapting its approach and the disclosures it publishes.

More information on the accounting policy to identify key performance indicators (KPI) of FOURLIS Group, is available on the website www.fourlis.gr.



About this Report

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

Reporting period

This is the 13th, 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, 2021. The Group's previous Report was published in June 2021 and covered the 2020 financial year. The Report is addressed to all FOURLIS Group's stakeholders and to all those who are interested in the Group's management approach and performance in relation to topics that pertain to its contribution to sustainable development.

Standards and content definition

This 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 (SDGs) framework.

For the preparation of this Report, specific metrics of the new Athens Stock Exchange ESG Reporting Guide (2022) were considered. The Group participates in the ATHEX ESG Index of the Athens Stock Exchange.

Moreover, this Report also constitutes the FOURLIS Group's "Communication on Progress" Report, in compliance with the Ten Principles of the United Nations Global Compact (p. 125).

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 Fourlis, Social Responsibility Director, FOURLIS HOLDINGS S.A., 18-20, Sorou street, (Building A), P.O. 15125, Maroussi, Email: csr@fourlis.gr, Tel.: +30 210 6293000, Fax: +30 210 6293205.

Appendices

Communication on Progress Report - United Nations Global Compact

	UNGC PRINCIPLES	SECTION
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/UN Global Compact FOR OUR PEOPLE/Protecting human rights in the workplace FOR THE MARKET/Ensuring business ethics and regulatory compliance
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/UN Global Compact FOR OUR PEOPLE/Protecting human rights in the workplace FOR THE MARKET/Ensuring business ethics and regulatory compliance
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/UN Global Compact FOR OUR PEOPLE/Protecting human rights in the workplace FOR THE MARKET/Ensuring business ethics and regulatory compliance
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/UN Global Compact FOR OUR PEOPLE/Protecting human rights in the workplace FOR THE MARKET/Ensuring business ethics and regulatory compliance
Principle 5	Businesses should uphold the effective abolition of child labour.	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/UN Global Compact FOR OUR PEOPLE/Protecting human rights in the workplace FOR THE MARKET/Ensuring business ethics and regulatory compliance
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/UN Global Compact FOR OUR PEOPLE/Protecting human rights in the workplace FOR THE MARKET/Ensuring business ethics and regulatory compliance
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges.	FOR THE ENVIRONMENT/Reducing energy consumption and greenhouse gas emissions/Proper materials' management and promotion of circular economy/Responsible water consumption/ Offering products/services that contribute to a more sustainable lifestyle
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	FOR THE ENVIRONMENT/Reducing energy consumption and greenhouse gas emissions/Proper materials' management and promotion of circular economy/Responsible water consumption/ Offering products/services that contribute to a more sustainable lifestyle
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	FOR THE ENVIRONMENT/Reducing energy consumption and greenhouse gas emissions/Proper materials' management and promotion of circular economy/Responsible water consumption/ Offering products/services that contribute to a more sustainable lifestyle
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	FOR THE MARKET/Ensuring business ethics and regulatory compliance

GRI Content Index

GRI 102-55

GRI Standard	Disclosure	Report Section/Reference	Page	Reason for omission	External Assurance
General Standard Disclosures (Core Option)					
GRI 102: General Standard Disclosures 2016	102-1 Name of the organization	FOURLIS GROUP/Business model	14-17	-	✓
	102-2 Activities, brands, products and services	FOURLIS GROUP/Business model	14-17	-	✓
	102-3 Location of headquarters	FOURLIS GROUP/Business model	14-17	-	✓
	102-4 Location of operations	FOURLIS GROUP/Business model	14-17	-	✓
	102-5 Ownership and legal form	FOURLIS GROUP/Business model	14-17	-	✓
	102-6 Markets served	FOURLIS GROUP/Business model	14-17	-	✓
	102-7 Scale of the organization	FOURLIS GROUP/Business model FOR OUR PEOPLE/Creating and retaining employment FOR THE MARKET/Creating economic value/economic performance of the company	14-17, 45-46, 88	-	✓
	102-8 Information on employees and other workers	FOR OUR PEOPLE/Creating and retaining employment	45-46	-	✓
	102-9 Supply chain	FOURLIS GROUP/Supply chain	18-20	-	✓
	102-10 Significant changes to the organization and its supply chain	Establishment of TRADE ESTATES REIC	4-5	-	✓
	102-11 Precautionary Principle or approach	FOR THE ENVIRONMENT	106	-	✓
	102-12 External initiatives	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/UN Global Compact	29	-	✓
	102-13 Membership of associations	FOURLIS GROUP/Memberships	21-22	-	✓
	102-14 Statement from senior decision-maker	CEO MESSAGE SOCIAL RESPONSIBILITY DIVISION MESSAGE	4-5, 26-27	-	✓
	102-16 Values, principles, standards and norms of behavior	FOURLIS GROUP/Values/UN Global Compact FOR THE MARKET/Code of Conduct	11, 29, 90-91	-	✓
	102-18 Governance structure	FOR THE MARKET/Ensuring business ethics and regulatory compliance	89-92	-	✓
102-40 List of stakeholder groups	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Stakeholders	30	-	✓	

GRI Standard	Disclosure	Report Section/Reference	Page	Reason for omission	External Assurance
General Standard Disclosures (Core Option)					
GRI 102: General Standard Disclosures 2016	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 SOCIAL RESPONSIBILITY AT THE GROUP/Stakeholders	30	-	✓
	102-43 Approach to stakeholder engagement	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Stakeholders	31-32	-	✓
	102-44 Key topics and concerns raised	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Materiality analysis	33-35	-	✓
	102-45 Entities included in the consolidated financial statements	https://www.fourlis.gr/Files/IR/Financial%20Reports/Fourlis_Holdings/en/2021/Fourlis_Notes_FY21_en.pdf	-	-	✓
	102-46 Defining report content and topic Boundaries	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Materiality analysis/ Material topics	33-39	-	✓
	102-47 List of material topics	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Material topics	36-39	-	✓
	102-48 Restatements of information	Any restatements are clearly stated in the respective sections of the Report.	88, 110, 114	-	✓
	102-49 Changes in reporting	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Materiality analysis/ Material topics	33-39	-	✓
	102-50 Reporting period	ABOUT THIS REPORT	124	-	✓
	102-51 Date of most recent report	ABOUT THIS REPORT	124	-	✓
	102-52 Reporting cycle	ABOUT THIS REPORT	124	-	✓
	102-53 Contact point for questions regarding the report	ABOUT THIS REPORT	124	-	✓
	102-54 Claims of reporting in accordance with the GRI standards	ABOUT THIS REPORT	124	-	✓
	102-55 GRI content index	GRI CONTENT INDEX	126-130	-	✓
	102-56 External assurance	INDEPENDENT ACCOUNTANT'S ASSURANCE REPORT	134-136	-	✓

GRI Standard	Disclosure	Report Section/Reference	Page	Reason for omission	External Assurance
MATERIAL TOPICS					
Creating and retaining employment					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Material topics	36	-	
	103-2 The management approach and its components	FOR OUR PEOPLE/Creating and retaining employment/Management approach	44	-	
	103-3 Evaluation of the management approach	FOR OUR PEOPLE/Creating and retaining employment/Performance	52-53	-	
GRI 401: Employment 2016	401-1 New employee hires and turnover	FOR OUR PEOPLE/Creating and retaining employment/Performance	52-53	-	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	FOR OUR PEOPLE/Creating and retaining employment/Performance	53	-	
Protecting human rights in the workplace					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Material topics	37	-	
	103-2 The management approach and its components	FOR OUR PEOPLE/Protecting human rights in the workplace/Management approach	54	-	
	103-3 Evaluation of the management approach	FOR OUR PEOPLE/Protecting human rights in the workplace/Performance	56	-	
GRI 406-1: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	FOR OUR PEOPLE/Protecting human rights in the workplace/Performance	56	-	

GRI Standard	Disclosure	Report Section/Reference	Page	Reason for omission	External Assurance
MATERIAL TOPICS					
Protecting employee health, safety and well-being					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Material topics	37	-	
	103-2 The management approach and its components	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Management approach	60-66	-	
	103-3 Evaluation of the management approach	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Performance	67	-	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Management approach	60	-	
	403-2 Hazard identification, risk assessment and incident investigation	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Management approach	61-62	-	
	403-3 Occupational health services	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Management approach	63	-	
	403-4 Worker participation, consultation, and communication on occupational health and safety	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Management approach	63	-	
	403-5 Worker training on occupational health and safety	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Management approach	63	-	
	403-6 Promotion of worker health	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Management approach	64-65	-	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Management approach	66	-	
	403-8 Workers covered by an occupational health and safety management system	FOR OUR PEOPLE/Protecting employee health, safety and well-being/ Performance	67	-	
Creating economic value/economic performance of the company					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Material topics	38	-	✓
	103-2 The management approach and its components	FOR THE MARKET/Creating economic value/economic performance of the company/Management approach	86-87	-	✓
	103-3 Evaluation of the management approach		88	-	✓
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	FOR THE MARKET/Creating economic value/economic performance of the company/Performance	88	-	✓

GRI Standard	Disclosure	Report Section/Reference	Page	Reason for omission	External Assurance
MATERIAL TOPICS					
Ensuring business ethics and regulatory compliance					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Material topics	38	-	√
	103-2 The management approach and its components	FOR THE MARKET/Ensuring business ethics and regulatory compliance/ Management approach	89-92	-	√
	103-3 Evaluation of the management approach	FOR THE MARKET/Ensuring business ethics and regulatory compliance/ Performance	93	-	√
GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	FOR THE MARKET/Ensuring business ethics and regulatory compliance/ Performance	93	-	√
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	FOR THE MARKET/Ensuring business ethics and regulatory compliance/ Performance	93	-	√
Ensuring the health, safety and accessibility of customers and visitors					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT THE GROUP/Material topics	39	-	√
	103-2 The management approach and its components	FOR THE MARKET/Ensuring the health, safety and accessibility of customers and visitors/Management approach	94-97	-	√
	103-3 Evaluation of the management approach	FOR THE MARKET/Ensuring the health, safety and accessibility of customers and visitors/Performance	97	-	√
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/Ensuring the health, safety and accessibility of customers and visitors/Performance	97	-	√
Ensuring business continuity and emergency preparedness					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Material topics	39	-	
	103-2 The management approach and its components	FOR THE MARKET/Ensuring business continuity and emergency preparedness/ Management approach	100-102	-	
	103-3 Evaluation of the management approach	FOR THE MARKET/Ensuring business continuity and emergency preparedness/ Performance	103	-	
FOURLIS Indicator	Controls related to the COVID-19 pandemic risks	FOR THE MARKET/Ensuring business continuity and emergency preparedness/ Performance	103	-	

Athens Stock Exchange ESG Reporting Guide Content Index

ESG Classification	ID	Metric Title	Report Section/Reference	Page/Omission	External Assurance
Core Metrics					
Environment	C-E1	Scope 1 emissions	FOR THE ENVIRONMENT/Reducing energy consumption and greenhouse gas emissions	109 The information concerns only TRADE LOGISTICS and the emission intensity is not calculated, as the denominator was not available.	
	C-E2	Scope 2 emissions	FOR THE ENVIRONMENT/Reducing energy consumption and greenhouse gas emissions	109 The information concerns only TRADE LOGISTICS and the emission intensity is not calculated, as the denominator was not available.	
Society	C-S1	Stakeholder engagement	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY/Stakeholder Engagement/Materiality Analysis/Material Topics GRI Content Index/Collective Bargaining Agreements	30-39	
	C-S2	Female employees	FOR OUR PEOPLE/Protecting human rights in the workplace/Performance	56	
	C-S3	Female employees in management positions	FOR OUR PEOPLE/Protecting human rights in the workplace/Performance	56	
	C-S4	Employee turnover	FOR OUR PEOPLE/Creating and retaining employment/Performance	53	
	C-S6	Human rights policy	FOR OUR PEOPLE/Protecting human rights in the workplace/Management approach	54-55	
	C-S7	Collective bargaining agreements	GRI Content Index	127	
	C-S8	Supplier assessment	FOURLIS Group/Supply chain	18	
Corporate Governance	C-G1	Board composition	FOR OUR PEOPLE/Protecting human rights in the workplace/Performance FOR THE MARKET/Ensuring business ethics and regulatory compliance/Management approach	56, 90	
	C-G2	Sustainability oversight	FOR THE MARKET/Sustainable Development Supervision	92	
	C-G3	Materiality	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Materiality Analysis	33-39	
	C-G4	Sustainability policy	SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY AT THE GROUP/Sustainable Development	29	
	C-G5	Business ethics policy	FOR THE MARKET/Ensuring business ethics and regulatory compliance/ Corporate Governance Code/Code of Conduct	90	√
	C-G6	Data security policy	FOR THE MARKET/Personal Data protection	92-93	
Advanced Metrics					
Environment	A-E1	Scope 3 emissions	FOR THE ENVIRONMENT/Reduction of energy consumption and greenhouse gas emissions	109 The information concerns only TRADE LOGISTICS and the emission intensity is not calculated, as the denominator was not available.	
Society	A-S1	Sustainable economic activity	FOR THE ENVIRONMENT/EU Taxonomy Report	122-123	
Corporate Governance	A-G2	Business ethics violations	FOR THE MARKET/Ensuring business ethics and regulatory compliance/Performance	93	√
	A-G3	ESG targets	SUSTAINABLE DEVELOPMENT AND CORPORATE RESPONSIBILITY AT THE GROUP/ Sustainable Development Strategic Goals	40-41	
	A-G4	Variable pay	FOR THE MARKET/Ensuring business ethics and regulatory compliance/Nomination and Remuneration Committee	91	
	A-G5	External Assurance	The Group proceeds to assurance (limited assurance) of specific metrics of the Athens Stock Exchange ESG Reporting Guide	134-136	
Sector-specific Metrics					
Society	SS-S1	Product quality and safety	FOR THE MARKET/Ensuring the health, safety and accessibility of customers and visitors/Performance	97	√



Independent Accountant's Assurance Report

GRI 102-56

THIS REPORT IS A FREE TRANSLATION FROM THE GREEK ORIGINAL

TO THE MANAGEMENT OF FOURLIS HOLDINGS S.A.

Scope

We have been engaged by FOURLIS Holdings S.A. (hereafter the "Company") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on the following (hereafter the "Subject Matter") as included in the Greek version of 2021 Sustainable Development and Social Responsibility Report (hereafter the "Report") of FOURLIS Holdings S.A.:

1. All the available General Disclosures of the GRI Standard 102 applicable for the "in accordance: Core option".
2. All the available Disclosures on Management Approach (GRI Standard 103) related to three (3) material topics and specifically a) Ensuring business ethics and regulatory compliance, b) Creating economic value/ economic performance of the company and c) Ensuring the health, safety and accessibility of customers and visitors, as those resulted from the Company's materiality analysis.
3. Three (3) GRI topic specific disclosures associated with the above-mentioned material topics and specifically the GRI 205-3, 201-1 and 416-2 (marked in the column External Assurance of the GRI Content Index found on pages 126-130).
4. Three (3) ESG disclosures of Athens Stock Exchange associated with the above-mentioned material topics and specifically the C-G5, A-G2 and SS-S1 (marked in the column External Assurance of the ATHEX ESG Reporting Guide Content Index found on page 131).

The 2021 Sustainable Development and Social Responsibility Report of FOURLIS Holdings S.A. covers the financial year 2021 (1 January 2021 – 31 December 2021).

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by FOURLIS Holdings S.A.

In preparing the Subject Matter, the Company applied the following criteria:

1. GRI Standards (2016) including the GRI reporting principles for report quality; accuracy, balance, clarity, comparability, reliability, and timeliness and the criteria set in the GRI standard 101 for "in accordance: Core option".
2. The Athens Stock Exchange ESG Reporting Guide published in 2022.

FOURLIS Holdings S.A.'s responsibilities

Company's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.



EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (ISAE 3000). Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.



Our procedures included:

1. Reviewed information in order to substantiate data and statements regarding the Company's sustainable development performance -within our scope of work- as these are presented in the Report
2. Interviewed executives responsible for managing, collecting and processing data related to -within our scope of work- the GRI General and Specific Disclosures (marked in the column External Assurance of the GRI Content Index found on pages 126-130), and to the disclosures of the ESG Reporting Guide of the Athens Stock Exchange (marked in the column External Assurance of the ATHEX ESG Reporting Guide Content Index found on page 131) for purposes of both internal information and for reference purposes to third parties.
3. Reviewed relevant documentation, systems and report procedures, including, among others, data collection tools, standards and work instructions.
4. Reviewed the Report for the appropriate transposition and presentation of the -under the scope of our assurance engagement- sustainability data linked to the GRI General and Specific Disclosures and to the disclosures of the ESG Reporting Guide (marked in the column External Assurance of the GRI Content Index and the ATHEX ESG Reporting Guide Content Index found on pages 126-131), including limitations and assumptions relating to how these data are presented within the Report.

We also performed such other procedures as we considered necessary in the circumstances.

Limitation of our Review

- Our review was limited to the Greek version of the Report for the year 2021. In the event on any inconsistency in translation between the Greek and other (if any) versions, as far as our conclusions are concerned, the Greek version of the Report prevails.
- Our work did not cover activities performed by third parties or the performance of any third parties, nor our involvement in stakeholder engagement activities. In addition, it did not include any review of the accuracy of survey results assigned to third parties, nor Information Technology systems used by third parties, but was instead limited to the proper transposition of the final results -within the scope of our engagement- to the Report.
- Our review did not include financial data and the corresponding narrative text in the Report, nor the Information Technology systems used or upon which the collection and aggregation of data was based by the Company.
- We do not provide any assurance relating to future information such as estimates, expectations or targets, or their achievability.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to Subject Matter in order for it to be in accordance with the Criteria.

Restricted use

This report is intended solely for the information and use of FOURLIS Holdings S.A. in accordance with the terms of reference agreed between us and is not intended to be and should not be used by anyone other than FOURLIS Holdings S.A.

Athens, 16 June 2022

For and on behalf of

ERNST & YOUNG (HELLAS)
Certified Auditors Accountants S.A.

Evangelos Analitis



FOURLIS
GROUP OF COMPANIES



TRADE LOGISTICS