



EPSILONNET
GROUP OF COMPANIES

EPSILON NET GROUP
SUSTAINABLE
DEVELOPMENT REPORT
2022



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A. EPSILON NET SUSTAINABLE DEVELOPMENT REPORT

This Sustainable Development Report for the fiscal year 2022 is an overview of the activities and characteristics of EPSILON NET Group's companies, covering the period from 01.01.2022 to 31.12.2022 and refers to the non-financial indicators of the Group.

It is addressed to all the stakeholders of the Group and has been prepared based on the standards of the ESG Reporting Guide 2022 published by the Athens Stock Exchange (ATHEX) in 2022.



Message from the Chairman of the Board of Directors - ESG targets (A-G3)

“ Facing the great challenges that we are called to address collectively, such as climate change, social responsibility and proper business operations, it is necessary to align with the priorities and imperatives of the modern environment, empower society with new values, continue to operate responsibly, with long term value for the Greek business community and the society in which we operate. At EPSILON NET Group, we have developed and incorporated sustainable development in our operations and in our vision for the future. A vision guided by our objective to promote the power of participation, enhancing the quality of life for all, today and in the future. We delve into our social role and our moral mission, believing that the prosperity of businesses goes hand in hand with the prosperity of society.

The companies of our Group, through active participation in new trends, systematize, collect and record all the data and elements that distinguish us as pioneers in various fields

of society and Greek entrepreneurship. At the same time, we are continuously distinguished in important national and international competitions, receiving important awards. In this context, we make sure to actively participate as members in associations and federations such as:

- ΣΒΕ (Federation of Industries of Greece)
- ΣΕΠΕ (Federation of Hellenic ICT Enterprises)
- ΣΕΠΒΕ (Association of Information Technology Companies of Northern Greece)
- ΣΕΒΕ (Greek Exporters Association)
- ΣΑΕ-ΕΠΕ (Association of SA Companies & Entrepreneurship)
- ΣΕΤΕ (Association of Greek Tourist Companies)

This first Sustainable Development Report of EPSILON NET Group, highlights once again the philosophy of continuous development, provides information on how it is transformed and strategically aligned with developments in all the areas that determine our sustainability: operations, activities, services, actions and targets, short term and long term, in order to respond to the ever-increasing economic, social and environmental requirements. We plan the future of our Group as a whole, our participation in Sustainable Development, the enhancement of our participation in society and in the national climate change policies. We actively participate in the creation of value in the Greek economy, Greek entrepreneurship and Greek society.

Our Group improves its financial performance every year, increases its environmental investments, upgrades its operational investments through the participation of its people in daily training functions, social contribution, the equal participation of both genders in all corporate functions, the enhancement of corporate governance, transparency and accountability procedures. ”

A1 GROUP SUSTAINABILITY - STRATEGIC OBJECTIVES

The growth rate of EPSILON NET Group is the result of planning and strategic initiatives we adopted several years ago, having identified early the upcoming trends of the Greek economy and the international developments at the technological and business level.

Since 2013 we have started to invest in state-of-the-art online applications, cloud, web and mobile technologies, as well as AI technologies that ensure remote employment, direct access to corporate data and procedures from any work location, data security and further utilization thereof through modern analysis and processing methods, enhancing at the same time our organizational structures.

Digital transformation was and continues to be an imperative, whereas the company received a significant boost from its listing in the Main Market of the Athens Stock Exchange.

All these moves enabled us to take advantage of opportunities at the right time and expand. Of particular importance is the fact that EPSILON NET Group is financially healthy, funding its investment plan all these years with its own funds. It should be noted that the majority of our investments are made with our profits and that the company has negative net debt.

Following its listing in the Main Market of ATHEX two years ago, EPSILON NET made a significant number of acquisitions, demonstrating in the most emphatic way that healthy collaborations multiply the company's dynamics and strength.

The beginning was marked by the acquisition of Data Communication with an important share in the accounting firms' market, followed by the acquisition of SingularLogic and the establishment of Epsilon SingularLogic, our central pillar in the sector of business software and digital transformation of companies. This was followed by a significant number of acquisitions of companies strategically positioned in software development in niche markets, such as tourism, catering, retail, pharmacies and pharmaceutical and parapharmaceutical distribution companies.

Our main objective is to develop complementary products and services based on our strategy and the development of all-in-one solutions that correspond to multiple needs of companies. There are very high expectations for high growth rates for the next three years. This is due to the fact that both the Government and private enterprises, also due to the multi-year financial crisis, significantly delayed to start their digital transformation process.

As a result of this hysteresis the growth margins are large, while the need to adopt modern systems skyrocketed, also due to the pandemic and the new needs for digital adaptation to the requirements of tax and labor law, such as the global implementation of MyData and digital work card application.

Further, the strategic cooperation with National Bank Group marks a new era in the provision of modern Fintech digital transactions through the software applications ecosystem of Epsilon Net Group and the new systems concurrently developed by the two groups. Our Group, within a three-year horizon, plans to further expand outside Greece and enhance its activities in other vertical markets

through acquisitions and partnerships that attract intense development interest.

Apart from Greece, the Group already has a presence through subsidiaries in Romania & Cyprus and through partners in Bulgaria, Albania and Croatia. 2022 was a particularly successful year as emphatically evidenced by the following points:

- The 48.69% increase in the Group's turnover and the significant strengthening in all financial sizes, with a further increase in organic results, an increase in the customer base and the maintenance of a healthy financial image, while increasing operating profitability and cash reserves despite the extensive investments and acquisitions made.
- With continuous effort in the training of our potential employees and the users of our applications, through the existing structures of the group and with the decisive role of the training branch Epsilon Training and Epsilon College. Our objective is to train young people in IT. At the same time, we have

set up incubators & hatcheries in order to strengthen start-ups and attract new executives. Finally, we have proceeded with systematic interconnection with university institutions and we are creating our own innovation centre, which will be installed in 2024 at the Group's new privately owned facilities in Thessaloniki.

- An important position in the Group's business planning is the start of the implementation of the integrated strategic agreement with the Group of NATIONAL BANK, in application of a relevant Memorandum of Understanding (MoU) (see the company's press release of 16.11.2022), which will expand and complete the strategic approach "all in one solution". The implementation of the strategic agreement will gradually lead to the creation of a unique "technological ecosystem" for the Greek data, which will provide through the Group's tools the possibility of integrated services to the final customer - business (regardless of its size).

A2 SHORT TERM OBJECTIVES 2023-2024

During 2022, EPSILON NET Group continued the strategic business plan of its companies, while redefining the objectives set during the previous year:

- Formulation of a new Corporate Governance model, based on the new legal framework.
- Formulation of a long term ESG strategy that promotes the transformation, growth and sustainability of the Group's companies.
- Further investigation of the risks and opportunities as they emerge from the current business environment and climate change. The Group focuses on:

- ✓ human rights issues
- ✓ equality and diversity
- ✓ constant reduction of energy consumption
- ✓ gradual reduction of the carbon footprint
- ✓ aims at enhancing the provided technology solutions that contribute in addressing environmental and social challenges.

- At the same time the Group systematically dealt and continues to deal with issues related to Human Resources Development and talent attraction, whereas particular emphasis was given to measures for the health, safety and wellbeing of our employees during the pandemic. In continuation of our progress and our work we aim to create a fair and resilient society and contribute to a thriving economy.
- The management intends to undertake the appropriate initiatives to enhance the level of organization and operation of the Group, which will upgrade its overall efficiency and help in the implementation of the business plan. The management's strategic objective remains the continuous creation of value for shareholders, partners and staff as the largest Business Software & Technology Solutions Group in Greece.

A3 BUSINESS MODEL (A-G1)

The EPSILON NET Group is a rapidly growing group of companies, which has been active since 1999 in the IT sector, with the development of software applications (Software), the creation of digital content on the internet and the provision of integrated information, as well as training and education on issues related to tax and labour legislation and jurisprudence. More than 150,000 customers (accounting firms, businesses and freelancers) trust the products of EPSILON NET Group companies, while it maintains an ever-growing network of more than 500 partners throughout Greece.

The **business model** we have adopted as EPSILON NET aims to achieve maximum performance through synergies between our Business Units and our subsidiaries, maintaining flexibility, competitiveness and implementing strategic moves, which will ensure a dynamic response to the challenges of the constantly evolving market, mainly in the IT and high tech product sectors. Our vision is to establish the Group as a point of reference in the IT sector at the national and international level, providing to every business unit modern software applications that will support their digital transformation and an optimal utilization of information to maximize their growth, as well as unlimited access to scientific information and knowledge, taking advantage of the capabilities provided by high technology. Our mission includes monitoring developments in the information society and the IT sector, creating specialized and reliable products and high quality services, in order to comprehensively meet the needs of all business units.

Our values:

- **Reliability and High Quality of products:** In the current business environment that is rapidly evolving, businesses need technologically advanced and reliable software systems that provide innovative solutions and security.
- **Commitment to the Customer:** we do not establish simple formal business transactions but we build strong relationships of cooperation and trust with our customers.
- **Respect, Meritocracy & Equality:** we respect our people and our main concern is to ensure meritocracy, with particular emphasis on team work and cooperation, offering a pleasant work environment.
- **Continuous training and scientific documentation:** We encourage a continuous self-learning culture

and we encourage all employees to participate in any activity that develops their skills and knowledge. We stand by our position on scientific documentation that governs every activity and function of the organization.

- **Smile and “passion”:** They are sources of inspiration and creativity during the entire life of the company and the Group.
- **Optimism:** We treat every crisis as an opportunity and a new challenge, and with optimism we find solutions and improve.
- **Creativity:** With positive energy, inventiveness, passion for technology, we design and create products and services for every business, regardless of size.
- **Value Creation:** We create value for the Company's stakeholders and shareholders.

EPSILON NET Group activities are divided operationally in two sectors:

• IT Sector, the activities of which include:

1. the development of hybrid technology platforms for the development of IT solutions (PYLON, Galaxy, etc.)
2. the development of cloud, web and mobile technology applications (EPSILON SMART application)
3. the development and sale of business software products
4. The development of new modern digital transaction products and services
5. the design and implementation of private IT projects
6. the development and evolution of knowledge bases and tools for the discovery and mining of data (data mining)
7. the provision of information services through various features provided on the e-forologia, TaxHeaven web portals
8. the provision of specialized support services on business software products to their end users.



• Training Sector, the activities of which focus on:

1. the development of online and asynchronous learning technological solutions
2. the design of educational products and services
3. the professional training of business executives and professionals
4. the provision of undergraduate and postgraduate study programs in the field of economics through academic (Northampton University, National and Kapodistrian University of Athens) and professional organizations (AIA, Institute of Certified Public Accountants of Greece).

The training services are provided through two educational structures (owned by the Company in Athens and Thessaloniki), certified by the Ministry of Education and Religious Affairs.

Moreover, EPSILON NET has been certified by the Ministry of Education and Religious Affairs as a Lifelong learning center and as a College with the distinctive tile "EPSILON

NET College". It is clarified that the company of the Group provides the training process, whereas the monitoring of the exams and final certification of students is performed by the collaborating academic or professional organizations.

Our comparative advantages:

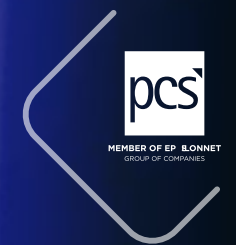
- We provide integrated solutions that cover all the needs of the business, regardless of size and industry (All in One Solution).
- Significant investment in new technology (Hybrid Technology) in the last 5 years that led to the creation of the Pylon platform and the software applications developed based on it.
- Development of modern applications in

cloud environment (EPSILON SMART).

- Products that cover all businesses, regardless of size and industry (All in One Solution).
- Modern information and knowledge products and services that are combined effectively with the software products.
- Provision of specialized training services for business executives that enable the participants to efficiently expand their knowledge on the changes at the tax and labor level and assimilate the knowledge.
- High level Management team.
- Management with vision and strategy. • Commitment to corporate governance principles.

THE COMPANIES OF THE EPSILON NET GROUP (2022-2023)

A4





EPSILON NET S.A.

It operates in the IT (Epsilon Net Software), online digital content creation (Epsilon Net Network) and education sectors (Epsilon Net Training).

- Epsilon Net Software Business Unit: Operates in the provision of integrated software applications to businesses and accounting firms. 19 different products, integrated into three major production lines: Payroll and HRMS applications, applications for accounting firms and Enterprise Resource Planning (ERP) applications for businesses.
- Epsilon Net Network Business Unit: Refers to the on-line creation of scientifically documented content with legal content on financial, fiscal and labor legislation. The reference points of these services are the www.e-forologia.gr portal and the Epsilon7 monthly subscription review in printed and digital format.
- Epsilon Net Training Business Unit: Provides high level professional training and specialization through open or intracompany seminars and workshops. Furthermore, it is the exclusive provider in Greece of AIA International Certification Titles (Association of International Accountants, one of the 6 recognized – certified organizations monitoring certified public accountants in Great Britain, present in more than 85 countries worldwide).

EPSILON SINGULARLOGIC S.A.

Provides cutting-edge and innovative design, development and implementation solutions through the Pylon and Galaxy platforms, creating added value for all businesses and important vertical markets. It is a leader in the Greek IT market, employing the most competent and trained staff in the industry and having specialized know-how in ERP, CRM, RETAIL, WMS, MOBILE, MIS systems and a certified and strong network of more than 500 partners. The company was established following the acquisition of SingularLogic by Epsilon Net and Space Hellas.

EPSILON HR S.A.

It is the leader of the Human Resources – Payroll Management sector, setting new standards in the IT systems market, following the acquisition of the products of the companies SCAN, Data Communication and Epsilon SingularLogic. It offers a unique portfolio of applications that highlights innovation and meets the needs of any business in the Greek market, regardless of size.

DATA COMMUNICATION S.A.

With 35 years of dynamic presence in the market and 3 technological generations of products in its record of achievements, it is one of the largest software producers in Greece. "It has associated its course with innovative applications that drastically improve the operation of accounting firms. As a Microsoft Gold Partner it promotes and supports the entire range of the Microsoft Dynamics business solutions and at the same time and develops its own solutions and add-ons for vertical markets.

EPSILON HOSPITALITY S.A.

It specializes in the Hospitality and Food Service industries, offering products and solutions for hotels, tourist accommodations, food and beverage establishments and retail businesses in the tourism sector. It has a rich portfolio of products that combine Pylon and Galaxy with products and solutions of the companies Sysco S.A. & Hoteliga International Sp. z o.o

HOTELIGA INTERNATIONAL Sp. Z O.O. | HOTELIGA S.A.

It engages in the development of software for the Hospitality industry, offering to hoteliers and owners of tourist accommodations of any nature, an easy to use and comprehensive platform for the online management of their businesses.

iQOM S.A.

A subsidiary of Epsilon SingularLogic and member of the Epsilon Net Group, providing integrated IT solutions. It specializes in the development of standardized retail business software, holding the first place in this field.

TECHNOLIFE L.L.C.

Its activities regard the provision of integrated solutions in the business software sector. It specializes in the implementation and support of ERP software applications, the development of specialized custom applications, the installation and support of network systems and telecommunication networks. Its solutions cover almost the entire range of business activities.

SYSTEM SOFT S.A.

A subsidiary of Epsilon SingularLogic and member of the Epsilon Net Group. Active since 1995 its activities regard the provision of IT solutions for small and medium sized businesses of the private sector. Its activities include the sale of IT and network systems, the promotion of software applications, the provision of software training and support services as well as the provision of technical support.

EPSILON SUPPORT CENTER A.E. | EPSILON SUPPORT THESSALONIKI

It provides top level software support and development services with innovative integrated IT solutions, ensuring optimal support of Epsilon Net's network of partners.

PROFESSIONAL COMPUTER SERVICES S.A.

Provides integrated vertical solutions for the financial and insurance sector, for 30 years. It offers solutions like Wealth Management, Mutual Funds, Pension Administration, Fund Distribution, Brokerage and Corporate Acts. It operates in foreign markets, such as Luxemburg, Romania, Bulgaria, Cyprus, Serbia, Turkey, Poland, Kenya and Malta.



EPSILON CSA S.A.

Operates in the development of software for the Retail Sales and pharmaceutical warehouse sector. It holds a leading position in the pharmacies sector, since most computerized pharmacies in Greece use its software. It features high expertise and a large network of partners throughout Greece.

DIGITAL 4U S.A.

It operates in the Digital Market sector, offering multiple services to its clients and covering the entire range of online promotion, based on their individual needs. It has extensive experience in the creation of e-shop/e-Commerce solutions, both in construction/optimization thereof but also in promotion, providing a full range of solutions.

EPSILON SUPPORT CENTER ATHENS S.A.

It offers high quality support and software development services with innovative integrated IT solutions, ensuring the best support for Epsilon Net's network of partners.

EPSILON SINGULARLOGIC CYPRUS LTD

EPSILON SINGULARLOGIC CYPRUS LTD with registered offices in Limassol, Cyprus, promotes, supports and resells the group's applications in the market of Cyprus.

TAXHEAVEN S.A.

Tax and accounting information portal, providing comprehensive information and training products and

services, on line Data Base Systems and peripheral IT applications for businesses and accounting firms.

HOTEL AVAILABILITIES S.A. | HOTEL AVAILABILITIES LTD

HOTEL AVAILABILITIES SA | HOTEL AVAILABILITIES LTD specializes in the development and sale of Channel Manager systems for hotels and tourist accommodations. It has developed the Hotel Availabilities Channel Manager cloud solution, which is interconnected with a large number - more than 65 - channels (Hotel Availabilities Channel Manager, etc.). At the same time, it provides smart features to the hotel manager, aiming to a specialized approach for each channel.

BOOKONLINENOW I.K.E.

Its activities regard the development of online booking systems (booking engine) for hotels and tourist accommodations, developing one of the most advanced online booking systems in the world. Furthermore, it provides integrated services and innovative tools to increase direct bookings and maximize sales.

HOTELONCLOUD LIMITED

Provides integrated technological solutions for hotels. It constitutes the main strategic partners of BookOnlineNow abroad, in Europe, Africa, Middle East, South-East Asia and Latin America markets. The company's solutions/services also include the provision of Digital Marketing services and tools to increase direct bookings from the hotel's website.

SINGULARLOGIC ROMANIA

The Company operates in the promotion of business

software applications and the provision of installation and configuration services to companies of all subjects and sizes in the Romanian market.

EPSILON EUROPE PLC

Subsidiary of EPSILON NET SA, based in Cyprus, for the future development of the group's activities in Europe.

EVOLUTIONSNT PLC | EVOLUTIONSNT (UK) LTD

Subsidiaries of EPSILON EUROPE PLC, based in the United Kingdom, for the future development of the group's activities in Europe.

Within the financial year 2023, EPSILON NET Group of companies has further developed, by adding the following companies to its portfolio:

OROSIMO SOFTWARE

Company OROSIMO specializes in:

- the implementation of complex IT projects and installation of ERP, CRM, Supply Chain Management in medium & large enterprises with emphasis on activities in the field of industry, logistics, transport in Greece & abroad, and
- the development of special software solutions & systems that meet the specific needs of its customers. .

EPSILON OROSIMO ROMANIA

The Company is active in the promotion of business software applications and the provision of installation and configuration services to companies of all scopes and sizes in the Romanian market.

DIGINET

Specializes in the development, distribution and technical support of modern tax & cash systems and specialized products & technology solutions (Technology Distributor).

NETERA

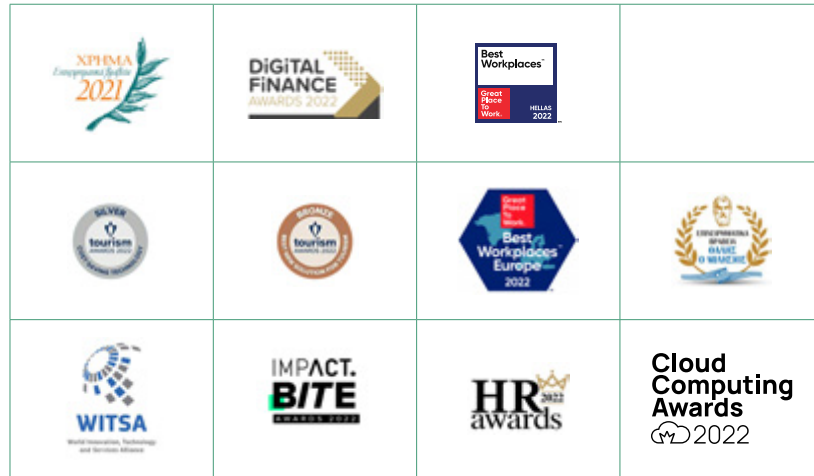
The company supports with its solutions, more than 800 hotels & tourist accommodations providing integrated training and support services to end customers with On premise and On cloud PMS systems, as well as electronic invoicing system for small accommodations.

SCAN

Industrial and Commercial S.A. is an important partner of the EPSILON NET Group having the responsibility of selection, procurement & distribution of access control systems, time and attendance systems and generally integrated solutions with payroll & HRMS systems.

This sector is expected to demonstrate remarkable growth in the coming years. This fact, combined with the utilization of EPSILON NET Group's leading position in payroll systems and multiple distribution channels, is expected to provide a significant increase in the company's revenues.

A5 SIGNIFICANT DISTINCTIONS 2022



The Group's awards epitomize its growth, its technological superiority and its human-centered culture. They constitute a recognition of the corporate vision, the daily effort and the overall progress in the field of IT & business. Within the year 2022 we were awarded and received the following awards:

- Epsilon Net Group: 1st place in the category "Business Innovation" at the CHRIMA 2021 Business Awards
- PCS was appointed "FINTECH of the Year" winning eight awards at this year's Digital Finance Awards 2022
- Great Place to Work 4th place in the category of businesses with more than 250 employees.
- Epsilon Hospitality at the Tourism Awards 2022 received the Silver Award in the category Cost-saving Technology & the Bronze Award in the category Best new solution for tourism
- EPSILON NET Group ranked among the top 10 companies in Europe for the working environment in "Europe's Best Workplaces 2022" - 10th place in the A5 category of large companies (500+ employees)
- "SENIOR MANAGER" award to Ms. Vasiliki Anagnostou, Deputy CEO, at the annual business awards "Thales Milisios"
- The nomination of "Epsilon Smart | On Cloud Platform for SMEs" was named Award Winner by the World Innovation, Technology and Services Alliance WITSA, in the category "Digital Opportunity/Inclusion Award (Private Sector/NGO)", in the context of the "Global Innovation & Tech Excellence Awards WITSA 2022".
- EPSILON NET Group: "ICT company of the year" at the BITE Awards 2022
- Epsilon Net Group: Distinction at the HR Awards 2022 in the category "Most effective Total Reward Strategy"
- Epsilon Net Group companies won a total of eight awards at the Cloud Awards 2022. Epsilon Net Group won the Gold Award in the "Hybrid Cloud" category for the transition of the Athens Agricultural Flower Growers' Cooperative (Anthagora) to the new digital era with the PYLON platform.

A6 CORPORATE RESPONSIBILITY AT EPSILON NET GROUP

EPSILON NET Group, through the values that it has always stood for, develops and creates value, harmoniously combining actions for society, employees and the environment, with responsibility and sensitivity for people.



B. SUSTAINABLE DEVELOPMENT



PREAMBLE

Sustainable development constitutes a global priority that mobilizes governments, civil society and businesses to adopt new practices. Following the establishment of the Sustainable Development Goals (SDGs) by the United Nations a new perception has been formed regarding the role of companies.

An increasing number of companies are measuring, reporting and managing risks and opportunities related to sustainable development. The environmental, social and governance factors, known as ESG Factors are being rapidly incorporated in the operation of businesses and the institutional framework of capital markets. The term "ESG" refers to environmental, social and governance related issues that may affect the ability of a company to create value in the long term.

The EPSILON NET Group of Companies participates in the new initiatives that are developed, aiming to record the ability of the Group companies to create value and establish effective long term strategies. We follow, participate and shape the new challenges that are developing at EU level through the new directives leading to the reform of ESG criteria, the new data on audits and the certifications required. We create long term and sustainable value for all our Social Partners, contributing to the Global Sustainable Development Goals and the respective national priorities.

This report on the Group's sustainable development for 2022 is one more attempt to record the characteristics of our Group that existed in the previous years and are systematically incorporated in a non-financial reporting text.

INTRODUCTION TO THE ATHEX INDEX

As of November 2022 and after the publication of the first Sustainability Report and EPSILON NET's data, the company joined the ATHEX ESG Index, which will monitor the stock market performance of ATHEX listed companies that adopt and promote their practices on environmental, social and corporate governance issues.

B1 SUSTAINABLE DEVELOPMENT REPORT 2022 SUSTAINABILITY REPORT - ESG OBJECTIVES (AG3)

EPSILON NET Group of Companies' sustainability report for 2022 acquires greater weight and substance upon consideration of the events at global scale. The energy

crisis, high inflation, massive and ongoing environmental disasters and ever-increasing social inequalities have been substantial challenges, but have further intensified our

efforts in implementing and targeting ESG practices. The volatility of the economic and social environment creates a new reality that we have to cope with, with our people and our contribution to the protection of the environment as our

first priority. Our goals are set in the context of a marathon effort to perform better from year to year by encouraging our people to consume responsibly, for the collective good..



B2 SIGNIFICANT ISSUES 2023-2024-2025

E

1. Innovation with emphasis on digital transformation and a neutral carbon footprint
2. Enhancement of the initiatives for an increased utilization of an energy mix from renewable sources
3. Further augmentation of the car fleet with hybrid and electric vehicles

S

1. Work environment that promotes health and safety
2. Continuous development of our people
3. Work environment free of discrimination and exclusion
4. Positive impact on society, the economy and the areas we operate
5. Contribution in circular economy through efficient management, recycling and resource recovery
6. Reliable and sustainable supply chain

G

1. Good governance, transparency and business ethics
2. Strengthening of the structures and policies for individual harassment conduct, complaints, etc.
3. Enhancement of the participation of women in management positions and further decrease of pay gap
4. Enhancement of the communication with shareholders and private and institutional investors

B3 THE GROUP'S FIGURES AT A GLANCE (FISCAL YEAR 2022)

In summary

- 24 Companies
- +1.300 Employees
- +40 Products
- +132.000 Customers
- +500 Partners

Human Resources

- 1.312 Employees
- Women → 46%
- Men → 54%
- 80% under 50 years old
- 13,527 training man-hours
- 10.3 average training man-hours per employee (9,8 → 10% higher salary | 10.8 → 90% lower salary)
- 300,962.66€ in staff training
- 229.4€ average training cost per employee

Our sales

- 49% ERP
- 20% Accounting
- 15% HR
- 14% e-Invoicing, Smart Platform
- 2% Educational Services

Financial Figures

2022	
Revenue	
€75,11m	+49%
EBITDA	
€19,35m	+28%
ADJUSTED EBITDA	
€25,05m	+66%
EAT	
€12,60m	+17%
ADJUSTED EAT	
€18,30m	+70%

Taxes and contributions

- €29.58 million

Our Financial Activities based on Taxonomy

Taxonomy In the context of the provisions of the EU Taxonomy the Group, correlating its economic activities to the activities included in the regulation on the European taxonomy system (<https://ec.europa.eu/sustainablefinancetaxonomy/>), has established that its eligible activities under the taxonomy are activities "62.01 - Computer programming activities" of the "Information and Communication" financial sector and "85.5 - Other education" of the "Education"

financial sector. The specific categories, that regard climate change mitigation and adaptation goals include the Group's activities related to:

1) the design of the structure and content of, and/or writing the computer code necessary to create and implement:

- systems software (including updates and patches)
- software applications (including updates and patches)
- databases
- web pages

2) the customization of software, i.e. modification and configuration of an existing application so that it is functional within the customers' information system environment

3) the continuous education in general and continuous professional education and training for any profession, or self-development purposes.

The table below presents the percentage of the turnover, the capital and operational expenses of the Group related to the financial activities eligible as per the requirements of article 8 of the Regulation on Taxonomy and article 10 (2) of Article 8 of the Delegated Act:

	TURNOVER	%	CAPITAL EXPENDITURE (CAPEX)	%	OPERATING EXPENDITURE (OPEX)	%
ELIGIBLE 62.01	73.628.037,18€	98,03%	3.059.246,35€	100%	54.019.114,72€	98,53%
ELIGIBLE 85.5	1.479.288,73€	1,97%	- €	0%	778.976,56€	1,42%
NOT ELIGIBLE	- €	0%	- €	0%	27.513,21€	0,05%
TOTAL	75.107.325,91€	100%	3.059.246,35€	100%	54.825.604,49€	100%

B4 SUSTAINABILITY POLICY (CG4)

Sustainable development refers to a form of development policy that aims to meet the financial, social and environmental needs of society in a manner that ensures short term, medium term and most importantly long term prosperity. It is based on the assumption that development

must correspond to up to date needs, without endangering the prosperity of future generations. In practice this entails creating the conditions for a long term economic growth, simultaneously ensuring the protection of the environment. The goal of establishing policies in the context of sustainable



development is to create value that fulfils the social and environmental commitments and responsibilities of the Company by achieving the vision of corporate excellence.

The Sustainable Development approach concerns EPSILON NET Group, its people (Management – Employees) and all other stakeholders. It is disseminated and adopted by the Group's companies, increasing their competitiveness and aims to create value to the benefit of all stakeholders. In the context of the current Sustainable Development Policy we commit to:

- continuously develop the Company and the Group's Companies, develop the business model and create economic value for shareholders and stakeholders;
- adopt mechanisms to interact with and understand the expectations of shareholders and monitor their effectiveness;
- respond to the expectations of the stakeholders (employees, vendors, customers, shareholders, social organizations, business community, institutional and financial bodies, etc.);
- follow the Group's principles and values;
- ensure business ethics and regulatory compliance;
- monitor the implementation of the internal sustainable development regulations, policies, procedures and instructions at all levels of the Company's and the Group's activities;
- with regard to the environment, to pursue the provision of optimal services, with a view to its protection;
- with regard to human resources, to demonstrate confidence in the capabilities of the staff and support the development of its skills by means of creating equal opportunities while respecting diversity;
- with regard to society, to support local communities with actions that contribute to addressing local issues and their concerns and expectations;
- with regard to the market, to continuously improve the offered products and services;
- with regard to the customers, to establish not just formal business transactions but strong relationships of cooperation and trust;
- with regard to the products, technologically advanced and reliable software systems that provide innovative solutions and security

B5 SUSTAINABLE DEVELOPMENT STRATEGY

The Group's Sustainable Development policy aims to create long term and sustainable value for employees, society, shareholders and other groups of Social Partners.

It is implemented through three inextricably linked core principles that concern the Environment, Society and good corporate Governance and Operation.

Sustainable Development is the driving force through which the Company aspires to remain competitive over time, face modern challenges and, by developing the appropriate partnerships, to contribute to a new efficient development model free of social exclusions, as established in the international level with the Global Sustainable Development Goals.

B6 IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT STRATEGIES

- **Materiality Principle:** We recognize and discuss material issues that reflect our significant financial, environmental and social effects and influence the decisions of our Social Partners.
- **Social Partners Participation Principle:** Through an open and structured consultation we seek to build quality relationships of trust and cooperation with our Social Partners, in order to mutually contribute in Sustainable Development.
- **Accountability Principle:** We fulfil our commitment to transparency and regular information to all our Social Partners, by annually publishing the Sustainable Development Report regarding our non-financial performance.

B7 SUSTAINABLE DEVELOPMENT MONITORING (C-G2)

EPSILON NET maintains the responsibility of monitoring the faithful implementation of the Sustainable Development Policy through its competent staff members, with the aid and participation of the control mechanisms at its disposal and with the methodology it has designed. The overall monitoring of EPSILON NET's sustainable development framework is conducted by the Company's Board of Directors.

C. ENVIRONMENT



Climate change is a reality that created recurrent and multifaceted crises that we are called to address as a global society. We, as an environmentally and socially sensitive Group, assume our part of the responsibility, striving to contribute to the solutions that address crucial challenges, with the main goal of sustainable consumption.



DIRECT EMISSIONS (C-E1), INDIRECT EMISSIONS (C-E2), ENERGY CONSUMPTION AND PRODUCTION (C-E3)

In the context of addressing climate change, the Company has established best practices adopted by all employees of the Group. Initially and with regard to heating management, we behave as follows:

- 1) We have set a constant temperature on the thermostats of the central air conditioning units of our buildings (Syggrou – Melissa – Pylaia) as follows:
 - During the winter season a constant temperature of 22°C
 - During the summer season a constant temperature of 24°C This practice is based on the fact that an increase of one degree in heating or cooling increases energy consumption by approximately 5-10%. It should be noted that the other buildings of the subsidiaries do not have central cooling-heating but operate with independent splits.
- 2) Deactivation of all computers and screens when

employees leave the premises (excluding the units that must operate at all times) considering that the devices continue to consume energy when in standby mode.

- 3) The facilities department in the Group's buildings ensures that all lights are turned off when the personnel leaves, while during the day it monitors areas from which employees or visitors have left.
- 4) Furthermore, we aim at two more actions which can effectively contribute:
 - a. Existence of a regular maintenance schedule for the autonomous air conditioners and central heating/cooling units, because their good operation reduces energy consumption.
 - b. Replacement of light bulbs with economical ones, which consume up to 5 times less energy than conventional ones and also guarantee a longer life.



The total fossil fuel emissions consumed by the Group's company vehicles and facilities in 2022 amounted to 270.19 tonnes of CO₂e, while CO₂e emissions resulting from electricity consumption amounted to 178.26 tonnes. One of our goals is the gradual replacement of part of the conventional vehicles with hybrid vehicles, making our fleet more environmentally friendly. Realizing the needs arising from climate change and through specific directions and encouragement to the personnel of the companies, we try and reduce energy consumption. The imminent relocation of the company to a new, modern building, referenced below, is added to this effort.

As already known, our new offices will be located in an existing building that we intend to radically renovate, with all the modern specifications that affect work functions, environmental sensitivity and energy saving. We intend to include our new building in the projects that will stand out in the city of Thessaloniki, incorporating the most modern mechanical and architectural design. The goal of the architectural design will be the aesthetic and functional upgrade of building spaces combined with the improvement of the work environment, the incorporation of new technologies and the reduction of energy consumption. We aim to create a green building with high standards. Indicatively we believe that our design will include:

- Creation of indoor and outdoor bicycle parking spaces and configuration of changing rooms
- Planting of the surrounding area to improve the microclimate.
- No Smoking signage
- Energy-efficient glazing.
- Configuration of a central collection area for recy-

- cable materials and infrastructure on each floor.
- Use of materials with a low energy footprint
- Use of paints and coatings with low emissions of volatile organic compounds, as well as glues, sealants, floors, false ceilings, walls, thermal and acoustic insulation with the same properties.
- Infrastructure for electric car chargers in parking areas.
- Use of suitable faucet products with very low water consumption.
- Office lighting and air conditioning control system with presence sensors.
- Parking lot lighting control system with sensors.
- Use of lighting fixtures with very low energy consumption.
- Electricity consumption meters for climate control, lighting and sockets. Furthermore, in the context of reducing indirect greenhouse gas emissions (CO₂, NO_x, etc.) originating from the burning of fossil fuels to produce electricity and reducing the energy cost, EPSILON NET group is in search of a partner in order to participate in a program for the purchase of energy produced by a photovoltaic park.

The main goals of our actions are the reduction of our environmental footprint and our increasingly active participation in the global clean energy revolution. Moreover, remote work is expanded even after the end of the mandatory implementation of the measure.

The Group's companies, addressing the environmental issue in a holistic manner, indirectly intervene to the employees' fuel consumption by preventing them from moving to and from the company, simultaneously reducing their energy consumption

C2) WASTE MANAGEMENT (A-E3), EFFLUENT DISCHARGE (A-E4)

In accordance with their activities, the companies of the EPSILON NET Group are not included in those that cause a significant impact to the environment or create a large volume of waste or effluent. However, the Group, realizing the importance of environmental protection, has taken specific actions to improve its environmental performance, even through its partners. In this context we prepared a frame agreement for e-recycle (device recycling program) with a hardware vendor. Through this partnership we contribute to

the reduction and better management of e-waste, calculated -worldwide - in tens of millions of tons annually, of which less than 20% is recycled.

The minimum effluent discharge is sought to be achieved under green management terms, through a tonner recycling program and recycling of all lead batteries through authorized companies. Moreover, at the fleet maintenance level, the cooperating vehicle leasing companies recycle old batteries at the time of their replacement



C3) WATER CONSUMPTION (SS-E3)

The total volume of the water consumed in the facilities of EPSILON NET Group of companies amounted to 1,738.19 cubic meters vis-a-vis the 1,839.11 cubic meters consumed during the previous period, according to the invoices of the local water and sewerage companies. However, monitoring climate change developments as an active player, the Group's Human Resources Management

raises the awareness of all employees and attempts to establish a sustainable and careful consumption practice.

Following the developments on climate change as an active "player", the Department of Human Resources of the Group raises awareness of workers and attempts to structure a sustainable logic and careful consumption

C4) CLIMATE CHANGE RISKS AND OPPORTUNITIES (A-E2)

The foregoing leads us to understand that climate change does not create only risks but also presents many opportunities. Therefore, we implement a series of initiatives in order to address the risks arising from climate change.

The Group implements actions aimed to upgrade and improve the building stock and technological infrastructure. Some of these initiatives include: i) the installation of a system for the measurement of energy consumed; ii) the

replacement of light bulbs with new LED ones; iii) the installation of automatic light operation system in common areas



D. SOCIETY



D1) OUR STRENGTH IS OUR PEOPLE

The 9 national and 4 international awards for the work environment and the 1st place for the best working environment in the Technology sector demonstrate our long term and continuous effort towards a work culture that respects everyday life but also constitutes fertile ground for the achievement of the employees' goals. By providing tools, training, support, safety and guidance, the daily objective is that everyone, as a team, is enabled to achieve high goals and continuous development, with common passion and vision.

The companies of the EPSILON NET Group comply with all measures and obligations regarding the application of the provisions of Part II of Law no. 4808/2021 on the prevention and response to all forms of violence and harassment, including gender-based violence and harassment and sexual harassment, therefore at the beginning of 2022 it drafted a Policy on Combating Discrimination, Violence and Harassment at Work, which, inter alia, provides for a procedure for filing and examining complaints. Through this policy, the company is committed to maintaining a working environment in which all individuals are treated with respect and dignity. Everyone has the right to work in a working environment

that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including violence and harassment.

Therefore, the Company expects that all relationships between individuals on its premises will be professional and free from discrimination, prejudice, violence and harassment.

The Company has developed this Policy to ensure that all of its employees can work in an environment free from violence, unlawful harassment, discrimination and retaliation and will make every reasonable effort to ensure that all individuals bound by the Policy are familiar with it and are aware that any complaint in relation to a breach of the Policy will be investigated and resolved appropriately.

It is expressly and unequivocally stated that all forms of discrimination, violence and harassment that occur in the course of work, whether related to or arising from work, are strictly prohibited.

Reinforcing the above and with respect to uniqueness and adhering to an equal opportunities policy, EPSILON NET Group has signed the Diversity Charter which aims to serve as a commitment to prevent discrimination in the business sector and to implement equality, equal opportunities and diversity in every work environment in Greece. The main pillars that constitute Diversity are: Gender, age, race and color, disability and chronic condition, national and ethnic origin and sexual orientation.

EPSILON NET Group of Companies is an equal opportunities employer and is committed to its human resources to make every effort to uphold the value of respect for diversity. It is the Group's policy to ensure equal employment opportunities without discrimination on the basis of race, color, religion, creed, age, gender,



sexual orientation, national origin, citizenship, disability, personal status, trade union activity, pregnancy (including unlawful discrimination on the basis of legally protected pregnancy/maternity leave), veteran status, or any other characteristic protected by law

D2) FEMALE EMPLOYEES (C-S2), FEMALE EMPLOYEES IN MANAGEMENT POSITIONS (C-S3), EMPLOYEE TURNOVER RATE (C-S4), GENDER PAY GAP (A-S3), CEO -EMPLOYEE PAY RATIO (A-S4), VARIABLE PAY (A-G4)

EPSILON NET Group provides equal opportunities to all employees or prospective employees, pursuant to its policies. There is no discrimination at any level, including diversity related matters or unequal treatment in employment due to age, gender, sexual orientation, religion, etc. The principle of respect is fully supported, the professional development of women is encouraged and equal opportunities in pay and professional development are provided. Our people-

oriented approach is demonstrated in practice, since in 2022 the Group signed Diversity Charter.

At the market level the charter may function as a means to commit to prevent discrimination and apply the principles of equality, equal opportunity and diversity.

In 2022 the employees per company were distributed as follows:

HUMAN RESOURCES 2022	MALE	FEMALE	TOTAL	MALE	FEMALE
EPSILON NET S.A.	167	181	348	48%	52%
EPSILON HOSPITALITY S.A.	19	12	31	61%	39%
EPSILON HR S.A.	79	55	134	59%	41%
EPSILON SUPPORT CENTER S.A.	8	7	15	53%	47%
EPSILON SINGULARLOGIC S.A.	239	197	436	55%	45%
TECHNOLIFE L.L.C.	6	8	14	43%	57%
SYSTEM SOFT S.A.	8	10	18	44%	56%
IQOM S.A.	17	12	29	59%	41%
PROFESSIONAL COMPUTER SERVICES SOCIETE ANONYME	16	19	35	46%	54%
EPSILON CSA S.A.	27	18	45	60%	40%
DIGITAL 4U S.A.	22	21	43	51%	49%
EPSILON SUPPORT CENTER ATHENS S.A.	3	1	4	75%	25%
TAXHEAVEN	5	3	8	63%	38%
DATA COMMUNICATION	54	39	93	58%	42%
BOOKONLINENOW P.C.	6	4	10	60%	40%
HOTELIGA S.A.	2	3	5	40%	60%
HOTEL AVAILABILITIES S.A.	4	3	7	57%	43%
EPSILON SINGULARLOGIC CYPRUS LTD	2	1	3	67%	33%
SINGULARLOGIC ROMANIA COMPUTER APPLICATION SRL	5	1	6	83%	17%
APY	26	2	28	93%	7%
2022	715	597	1.312	54%	46%
2021	498	434	932	53%	47%
2020	309	254	563	55%	45%

During fiscal year 2022 there was recording of the following figures which are categorized:

Per type of contract & area for 2022:

HUMAN RESOURCES	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
ATHENS	445	334	779			
Permanent	437	325	762	98%	97%	98%
Fixed-term	8	9	17	2%	3%	2%
THESSALONIKI	210	232	442			
Permanent	203	224	427	97%	97%	97%
Fixed-term	7	8	15	3%	3%	3%
PROVINCES	60	31	91			
Permanent	56	26	82	93%	84%	90%
Fixed-term	4	5	9	7%	16%	10%
GROUP	715	597	1312			
Permanent	696	575	1271	97%	96%	97%
Fixed-term	19	22	41	3%	4%	3%

Per education level for 2022:

EDUCATION	MALE	FEMALE	TOTAL	MALE	FEMALE
PRIMARY	0	2	2	0%	100%
SECONDARY	119	120	239	50%	50%
TERTIARY	461	510	971	47%	53%
POST GRADUATE	55	43	98	56%	44%
DOCTORATE	2	0	2	100%	0%
GROUP	637	675	1312	49%	51%

Per age group for 2022:

AGE GROUP	MALE%	FEMALE%	TOTAL
<30	7,40%	7,60%	15,00%
30-50	34,10%	30,70%	64,80%
50+	13,50%	6,70%	20,20%
TOTAL	55,00%	45,00%	100,00%

In addition, the new recruitments by location for 2022 are recorded follows:

NEW RECRUITMENTS	MALE	FEMALE	TOTAL	MALE	FEMALE
ATHENS	74	56	130	57%	43%
THESSALONIKI	38	39	77	49%	51%
PROVINCES	17	8	25	68%	32%
GROUP	129	103	232	56%	44%

Furthermore, the EPSILON NET Group encourages the professional development of women, providing equal opportunities in pay and promotion matters. The number of women employed in managerial positions increased significantly in the year 2022 and this is not a symbolic gesture in the context of inclusion, but a reality that is developed through the equal opportunities policies for all that EPSILON NET has been adopting for years. This year's percentage of women employed in managerial positions is as follows::

GROUP	FEMALE	in Managerial positions
2022	46%	44%
2021	47%	25%
2020	45%	21%

With regard to employee departures during 2021 & 2022, the picture of all the companies of the EPSILON NET Group is recorded in the 2 tables below, cumulatively and in detail per departure reason:

YEAR	VOLUNTARY	NON-VOLUNTARY
2022	7%	2%
2021	8%	1%

REASON FOR MOBILITY	2021	2022
OTHER	-	2
TERMINATION	2	10
CONTRACT EXPIRATION	3	12
RETIREMENT	3	3
VOLUNTARY	70	87
TOTAL	78	114

The gap between the average basic salary of men and women during fiscal year 2022 is presented in the following table.

YEAR	GENDER PAY GAP	MALE	FEMALE
2021	31%	27.762	19.168
2022	26%	31.229	22.967

The ratio of the table below refers to the ratio between the total annual remuneration of the CEO and the median total earnings of the employees of a company.

CEO PAY RATIO	
8,6:1	

CEO	OTHERS	RATIO: 8,6
179.974	20.916	

Variable pay was nil in 2022.

D3 EMPLOYEE TRAINING (C-S5), EMPLOYEE TRAINING EXPENDITURE (A-S2)

In the context of the dynamic environment of new technologies, IT and digital transformation of the enterprises where we operate, we ensure continuous training of our people, providing them with the opportunity to develop skills related to the subject matter of their employment. During 2022 300,962.66€ were invested for 13,527 man-hours of training. This is an important investment because it aligns with our conviction that lifelong learning and further training of our people constitutes a key component of addressing the increasing number of modern challenges..

D4 HUMAN RIGHTS POLICY (C-S6)

EPSILON NET Group supports and promotes human rights, inside and outside the Group and demonstrates its commitment by implementing responsible practices in the workplace. The Group's activities are conducted in an ethical and lawful manner in compliance with the legal and

regulatory requirements. With respect to human rights, employees and external partners are treated in accordance with the key principles of this Human Rights Statement, the objective of which is to prevent unethical behaviors related to human rights.



D5 HUMAN RIGHTS STATEMENT

EPSILON NET Group is fully committed to its responsibility to respect human rights.

The observance of the highest ethical standards in the entire range of its activities constitutes an integral part of our values and ethical principles, as described in the Business

Ethics Code. Our internal documents, including the Business Ethics Code and the policies and procedures we develop, reflect the commitment of our Group to respect human rights.

This commitment is governed by the key principles of our culture and follows a wide range of international standards which we adopt, such as the UN Guiding Principles on Business and Human Rights, the United Nations Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization. We strongly support said conventions in our work environment, in all the companies of the Group. As a Group we believe in the fundamental dignity of each person and their right to live and work in safety, without fear of oppression or coercion.

Our regulations, with the Business Ethics Code and the

Human Resources Policy, underline the responsibility, the integrity and the decision making based on our principles and set our standards with regard to the performance of our business practices, ethically and consistently with our moral values. Said principles and standards guide our interactions with colleagues, customers and stakeholders, suppliers, society, communities and our shareholders. Examining our obligations as a Group with an extensive presence and customer base, we incorporated in the Business Ethics Code corporate policies and procedures that establish how these principles should be put into practice:

- **Equal employment opportunities and anti-discrimination:** The Group is committed to create a work environment that promotes personal and professional development and full utilization of the abilities of its employees, regardless of age, nationality, disability, national origin, ancestry, race, religion, gender, sexual orientation, gender identity and/or expression, genetic information of other protected minority status. Discrimination based on any of the aforementioned classifications is prohibited.
- **Prevention of harassment:** The Group condemns all forms of occupational, sexual, online or other harassment against any employee by any person, including other employees, fixed-term employees or interns, contractors, suppliers, customers, carriers or visitors.
- **Diversity and inclusion:** The Group is committed to maintain a work environment that values diversity, equality and inclusion. The employees are expected to respect each other, the customers, the suppliers and any other party that collaborates with us, regardless of any professional, work or interpersonal differences and the extent of any such differences.

- **Data Protection:** As specified in the Business Ethics Code and applicable policies and statements on privacy and confidentiality, the Group respects the privacy rights of persons in accordance with the applicable legal framework and uses personal data in accordance with the provisions of the applicable institutional framework, exclusively for business and work related purposes.
- **Protection from retaliation:** The complainant is provided protection and any form of retaliation or vindictiveness against employees or persons that reported concerns, requested guidance or collaborated with an investigation is prohibited. Any employee that retaliates is subject to disciplinary action.
- **Work standards:** The Group is committed to provide a fair, supportive and inclusive workplace. This commitment includes compliance with applicable laws on working conditions and rights in the jurisdictions in which we operate. The Group complies with the laws on the establishment of professional associations and employee representation. Forced labor or activities that support human trafficking are strictly prohibited.
- **Health and safety:** Employees and other individuals that work in or visit our facilities are expected to always maintain safe and healthy work conditions and comply with the published operating practices and procedures, as defined and indicated as appropriate. The

Group also maintains insurance policies for individuals traveling in the context of performing their job and employs increased measures for the prevention of the spread of epidemics or pandemics.

- **Remote work:** All the aforementioned principles and practices also apply in periods of crisis, when new circumstances and conditions require the adaptation of our employees to new ways and working conditions, e.g. remote work. Under these circumstances we ensure that all the aforementioned principles are applied and implemented, providing, when required, all the necessary resources for the performance of the duties of the employees.
- **Contribution to the community:** We acknowledge our impact on the communities in which we operate and we are committed to collaborate effectively with the stakeholders in said communities in order to ensure that we listen, learn and take into consideration their opinions and needs during the performance of our business activities. We contribute if required and when deemed useful and necessary we participate in a dialogue with the interested parties on human rights issues related with our business activities.

activities or relations that present clear indications of human rights violations.

The governance, prevention and management measures we adopt place particular emphasis in the following activity areas:

- respect of human rights of employees and society
- prevention of human rights violation in our business relations with customers, suppliers and partners.

In order to ensure an effective implementation, we are committed to provide to all employees mandatory training on the Human Rights Statement, on an annual basis.

1.1. Employees

The Group aims to be a "preferred employer" for current and future employees (best working places). The human rights aspect in this context is very extensive and includes, inter alia, the prohibition of forced and child labor, the commitment to fair remuneration and work hours, ensuring the freedom of association, equality, respect and freedom to act. In general, our approach is based on the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization and the applicable labor laws of the various jurisdictions in which we operate. The Group, inter alia, is committed to the following standards:

1.1.1. Health and wellbeing

We preventively address, using modern employee assistance tools (Employee Assistance Programs), the psychosocial risks that lead in low productivity and high rates of absenteeism and presenteeism. There are provisions for a modern prevention and protection system in the workplace, aiming to continuously ensure health and safety at the workplace. By raising health and safety awareness and providing direct and indirect access to medical care to

1. Scope and implementation

The Group consistently pays attention to the manner in which its business activities may affect human rights and is not involved in



its employees, the Group contributes to the reduction of occupational accidents and work-related diseases.

1.1.2. Personal data protection

According to applicable law, the personal data of employees are considered sensitive data and therefore require special protection during management, process (including storing and deletion), transfer, disclosure and/or notification of said data. All individuals processing personal data of employees are obligated to be aware of, comply with and apply the internal and external regulations on data protection. The management of employees' personal data complies with the relevant laws on the protection of individuals with regard to the processing of personal data and the free circulation of such data, national data protection provisions and the relevant laws.

1.1.3. Diversity and inclusion

The Group commits to provide equal employment and promotion opportunities to all employees, respecting the rights of minorities and women, without discriminations. All employees are evaluated based on their performance (evaluated based on specific conduct and target indicators related to work) and understand and support the sincere, fair and corrective feedback of their managers and colleagues. In accordance with the Business Ethics Code, we commit to treat everyone with dignity and respect, regardless of the position and work conditions.

1.1.4. Remuneration

Remuneration consists in fixed monthly salary, benefits and variable pay based on performance linked to profitability and other business performance and targets, at individual and operational level. The Group provides and is committed to continue to provide, a fair and comprehensive remuneration framework that ensures dignified living and to remunerate employees competitively for the industry and local job market, in accordance with applicable labor laws. Moreover, efforts are made to attract and retain talented executives.

1.1.5. Freedom of Association

The Group complies with all applicable laws, rules and regulations on collective agreements, negotiations and the freedom of association, as well as with international

conventions, such as the conventions of '87 and '98 of the International Labor Organization (ILO).

1.1.6. Forced labor and child labor

The Group exhibits zero tolerance for child or forced labor in all its business activities, in and out of the country.

1.2. Customers

In order to detect, prevent and mitigate negative effects on human rights, we have incorporated human rights subjects (e.g. work practices, forced labor, children's

rights, employee and community health and safety, etc.) in the environmental and social due diligence procedures and we ensure their implementation. Our customers operate in all sectors of the economy, including sectors where the risk of negative impact on human rights can be high. In this context, we seek to understand the environmental and social risks associated with a customer or transaction, as we do for every financial risk. Furthermore, due diligence is supplemented by direct interaction with the customers and external tools/databases that are available to support the risk assessment process, examining the collaboration with independent experts, when necessary.

1.3. Suppliers

A supplier is an entity that does not belong to the Group and provides products and/or services to it. We make every effort to collaborate with suppliers whose human rights policies and practices are in line with ours. The suppliers are expected to respect the human rights of their employees, provide equal employment opportunities to all and to not tolerate discrimination or harassment. Our partner suppliers and their supply chains are expected to comply with all applicable laws and regulations of the jurisdictions, countries and areas where they operate, and especially labor law, e.g. to avoid forced or child labor, to comply with workplace health and safety regulations and to provide a fair remuneration and insurance to employees. Wherever feasible, we maintain long term relations with our suppliers. If a partner fails to comply with applicable laws and regulations and/or our requirements, we insist on improvements, following notice, and we reserve the right to terminate the relation if our standards are not met or if any identified deficiencies are not addressed.

1.4. Complaint mechanisms and reports

The Group seeks to engage in meaningful consultation with interested parties in the context of a human rights due diligence process and encourages all interested parties to contact the organization in the event that they have clear evidence of non-compliance with the relevant

procedures, in an effort to prevent or avoid any harm to human rights or involvement in human rights issues in general. Our customers and the public may contact us or submit complaints at the email address info@epsilon.net.gr in order for such complaints to be examined by the competent departments. All complaints, including those related to human rights, are initially processed in accordance with the complaint receipt and examination procedure.



COLLECTIVE LABOR AGREEMENTS (C-S7)

In 2022, 98% of EPSILON NET Group employees were covered by individual labor contracts that exceeded the minimum terms of the National General Collective Labor Agreement (N.G.C.L.A.). Furthermore, no complaint or grievance related to any issue of forced labor has been recorded in the Group's employee grievance management systems.

CLA	YES	NO
2022	98%	2%

D7 STAKEHOLDER ENGAGEMENT (C-S1)

We systematically discuss and cooperate with the Stakeholders, that are determined based on the impact of our business activity. We have proceeded to their accurate mapping and recording of our relationship with them. Stakeholders belong either to the internal environment of the Group (shareholders, employees, commercial network) or exist and operate in the external environment, Greek and international (regulatory authorities, mass media, local government, suppliers, partners, customers, central government, academic community, NGO).

Stakeholders	Two-way communication	Priorities - Dialogue subjects
Shareholders	<ul style="list-style-type: none"> Participation in investment forums Scheduled Shareholder Meetings Targeted Communication 	Economic Development / Results, Management, Investment Plan, Strategic Options, Socio-economic Developments

Highlight:

1-1 meetings were held with a large number of investors either remotely using special communication platforms (Zoom, Teams, Webex) or in our facilities in Thessaloniki and Athens and in meetings abroad, such as Israel, Denmark, Germany for direct contact with shareholders and stakeholders.

Stakeholders	Two-way communication	Priorities - Dialogue subjects
NGOs/Civic Organizations /Collective entrepreneurship associations	<ul style="list-style-type: none"> Partnerships Support Meetings 	Education & Volunteering, Health & Safety, Environment, Social Contribution

Highlight:

After an extensive round of discussions at Group level and a corresponding maturation of the issue, a diversity charter was signed in cooperation with the Cell of Alternative Youth Activities.

Stakeholders	Two-way communication	Priorities - Dialogue subjects
Employees	<ul style="list-style-type: none"> Employee Opinion Survey Internal Communication / ESS Organization of Events Benefits / Education 	Education, Health & Security, Equal opportunities for career development

Highlights:

Through a communication from the Human Resources Department to all the people of the EPSILON NET Group of Companies, the Human Resources Department distributed a "comprehensive" evaluation questionnaire, in order to capture the opinions of all.

Stakeholders	Two-way communication	Priorities - Dialogue subjects
Academic Community	<ul style="list-style-type: none"> Support to Scientific Programs Training course in collaboration with domestic and foreign institutions Provision of software to domestic educational institutions. 	Education, Innovation, IT, Accounting and Payroll Applications, CRM Applications

Highlight:

In the contest of our social and material contribution to the country's educational institutions, we provide free software licenses to University Institutions, Public and Private Vocational Training Centers, and Vocational Lyceums.

Furthermore, we are able to communicate with the following stakeholders:

Stakeholders	Two-way communication	Priorities - Dialogue subjects
Central Government/ Local Government	<ul style="list-style-type: none"> Meetings Participation in Conferences/Seminars 	Internet Security, Economic Development, Environment, Investments in Technology & Infrastructure, Support of Local Economy, Social, Cultural & Educational Institutions
Customers (Individuals - Companies)	<ul style="list-style-type: none"> Customer Satisfaction Surveys Customer Service Center Online Communication Complaints Hotline 	Technical Issues for Products & Services, Quality of Service Telecommunication Charges
Mass Media	<ul style="list-style-type: none"> Press conferences Meetings Press Releases & Presentations 	Management, Financial & Commercial Results Regulatory Issues, Quality of Service, Infrastructure, Technology & Innovation, Social Contribution, Environmental Performance
Suppliers	<ul style="list-style-type: none"> Business Visits Continuous Updates & Support 	Procedural Issues, Financial Issues, Timely Delivery, Safe Delivery Conditions for Employees
Regulatory authorities	<ul style="list-style-type: none"> Participation in Consultations Participation in Surveys Participation in Conferences 	Network Infrastructure & Investments, Regulatory Obligations, Quality of Services & Servicing, Market - Competition, Business Continuity Issues
Commercial Network	<ul style="list-style-type: none"> Communication System Commercial Conferences Meetings with Sales Managers Continuous Provision of Information & Support 	Corporate Governance, Transfer of Knowledge & Good Practices, Initiatives to Support the Needs of Local Communities, Training in New Products & Services, Customer Service, Recycling, Goals and Ecological Consciousness

D8 ✓ SUPPLIER EVALUATION (C-S8)

EPSILON NET's supplier management has been enhanced with feedback on the conduct of each supplier to any department requesting the collaboration. This feedback is continuous and is the result of a continuous and permanent assessment of the suppliers. The Procurement Department relies on a specific assessment policy that examines the quality of the provided services and the financial offers. The

assessment is part of the EPSILON NET Group's effort to continuously improve its products and services. Before being included in the list of approved suppliers all new suppliers are assessed in terms of quality and strategic importance of their items. A review of these partnerships is conducted regularly in order to examine the validity of and update supplier data and to ensure their sufficiency.

D9 ✓ PRODUCT QUALITY AND SAFETY (SS-S1)

We implement our business objectives within the framework of our policy (<https://www.epsilonnet.gr/content.aspx?id=4650>) opting for standard ISO 9001:2015 as an organizational, operation and documentation system, pursuing continuous improvement at all levels. The key elements of the operation of the EPSILON NET Group companies are:

- Excellent internal organization of the company, with increased efficiency and performance;
- Monitoring of developments in the IT industry in search of new technology products in competitive prices

from reliable suppliers, aiming to transfer the competitive advantages to customers; • The commitment to accurately gauge and meet the customers' needs;

- The management's commitment to implement the ISO 9001:2015 standard; • Excellent customer service. For the aforementioned purposes the company prepares every year an action plan, setting the targets and the strategies for their achievement for the following years.



D10 ✓ LABOR LAW VIOLATIONS FINES DATA SECURITY AND PRIVACY VIOLATIONS (SS-S4 | SS-S5)

No monetary fines were imposed during the year as a result of legal proceedings related to labor law or data security and privacy violations.

D11 ✓ HEALTH AND SAFETY PERFORMANCE (SS-S6)

100% of the group's employees, employed with fixed term or permanent contracts, part time or full time, participate in the occupational health and safety management system. There were no incidents (0%) related to the indicator during the year 2022.

D12 ✓ CUSTOMER SATISFACTION - CUSTOMER GRIEVANCE MECHANISM (SS-S8 | SS-S9)

Excellent customer service constitutes an integral part of our mission. In this context we implement practices according to which we strive to receive feedback in order to intervene effectively with a willingness to self-improve where necessary. An automated invitation to participate is sent daily to a random 30% sample of the customers that contacted the company (in the context of their support) and based on the replies we identify any cases that faced a problem with one of our services.

This procedure is not only examined at a short term phase when the resolution of an issue is concluded. The results are reviewed and analyzed as a whole by company executives who draw conclusions regarding trends that emerge for our products from customer service.

D13 SOCIAL CONTRIBUTION ACTIONS

In 2022, the companies of EPSILON NET Group contributed to society in every possible way. After 2 years of restrictions, due to the COVID-19 pandemic, our social activities could once again take place without restrictions.

1) Volunteer Week

This year's Volunteer and Community Service Week activities took place between 5 and 9 December and included the following:

1. Voluntary blood donation
2. Christmas Bazaar by "The Smile of the Child" foundation
3. Sharing is Caring - collection of items for the Orphanage "Melissa", for the Social Youth Support Organization "Arsis" and for the Infant Foundation

"Mother" and the Facility for Unaccompanied Refugees "Medin"

2) Strengthening the blood bank of EPSILON NET Group

The blood bank of the Group was significantly strengthened with 2 actions in Athens and Thessaloniki (17/06 & 05/07 respectively) in the summer of 2022.

3) The 3rd Epsilon Net Coding School in .NET - Web & Desktop technologies took place!

Having one of the largest teams of software engineers, web designers, web developers, web developers, architects in Greece, we once again sought new talents to strengthen our teams, offering a full grant for free scholarships to 30 participants who were selected after an interview.



services as well as all the personnel employed in Thessaloniki

2) The under-establishment Digital Technology Center of the Group, which will initially focus on the areas of INFORMATION SYSTEMS, FINTEC & ANALYTICS

3) The under-development incubator of the Group, which is currently being established, aiming to attract young scientists in the context of the Group's collaborations with the country's academic institutions, the exploitation of scientific capital and the strengthening of start-up entrepreneurship and small business schemes.

09-05-22: For eight consecutive years EPSILON NET Group has been ranked among the top companies with the best working environment in Greece, winning the 4th place in the category of companies with more than 250 employees by the internationally recognized organization Great Place to Work.

15-06-22: EPSILON NET Group demonstrates in practice the sustainability of its people-oriented management strategy and its emphasis on the values of transparency, cooperation and equality, by signing the Diversity Charter, an action that promotes the acceptance of diversity and the policy of equal opportunities in the workplace.

15-09-22: In the framework of the annual business awards "Thales Milisios", Mrs. Vasiliki Anagnostou, Deputy CEO of EPSILON NET Group, was honored

with the business award "Senior Executive". The award ceremony took place on Friday, September 9 at the Thessaloniki Concert Hall. A total of 12 awards were awarded to Greek women who were distinguished for their professional, business and scientific activity in Greece and abroad.

27-09-22: Global Distinction for the "Epsilon Smart" family of applications at the "Global Innovation & Tech Excellence Awards WITSA 2022". Recognizing the high level of technological and business innovation of the Epsilon Smart family of applications, the nomination of "Epsilon Smart | On Cloud Platform for SMEs" was named Award Winner by the World Innovation and Technology Services Association WITSA, in the category "Digital Opportunity/Inclusion Award (Private Sector/NGO)",

05-10-22: More than ten distinctions, including the top distinction "ICT Company of the Year", were awarded to the EPSILON NET Group Companies at the "BITE Awards 2022", as a reward for the high technological level and the dynamic expansion of the Group. For the 11th consecutive year, the Group confirmed its high level of recognition in the most important awarding institution for technological innovation in Greece, receiving a total of 4 GOLD, 6 SILVER and 2 BRONZE awards for the successful development of the Group, the innovative services and IT systems it offers, as well as the successful implementation of specialized and complex corporate IT projects.

D14 KEY MOMENTS 2022

14-02-22: Epsilon Net Group was awarded 1st place in the category "Business Innovation" at the CHRIMA 2021 Business Awards.

25-02-22: The subsidiary of PCS S.A. Group was named "FINTECH of the Year", winning eight awards at this year's Digital Finance Awards 2022. The excellent performance of PCS SA for 2021, Annual Financial Statements for the Period from 1 January 2022 to 31 December 2022 22 was rewarded in the best possible way at the annual "Digital Finance Awards 2022"

05-04-22: The parent company Epsilon Net S.A. has proceeded with the purchase of a stand-alone

building complex of 7,244sqm with a plot area of 2,942sqm, in the area of Eastern Thessaloniki, specifically on 92 Georgiki School Avenue, 3.5 km from Thessaloniki International Airport. The Company has already started the study for the development of the property and its reconstruction, according to the necessary technological and architectural specifications. The new building complex, which will feature modern, high-quality infrastructure, will house all the functions of the company's headquarters as well as the new technological structures that the Group is developing and more specifically:

1) The Group's headquarters and administrative

E. GOVERNANCE





Corporate Governance aims at the responsible operation of the Group, the sustainability of its companies and the safeguarding of the interests of Shareholders and Stakeholders.

EPSILON NET determines the strategy and develops the general directions, policies and principles that govern the operation of all subsidiaries. The company is structured in a manner that facilitates decision making and implementation in the context of the Group's strategy. EPSILON NET Group, following a decision of its Board of Directors taken on July 16, 2021, decided the replacement of the then applicable Corporate Governance Code and adopted the Hellenic Corporate Governance Code (HCGC) issued on June 2021, with the derogations included in the Corporate Governance Statement of the year 2022.

The HCGC has been prepared by the Hellenic Corporate Governance Council that is a recognized body in accordance with article 17 of Law No. 4706/2020 in conjunction with decision 916/07.06.2021 of the Board of Directors of the Capital Market Committee. The Hellenic Corporate Governance Code is adapted to Greek law and business reality and has been prepared based on the "comply or explain" principle, thus including matters that go beyond existing laws and rules.

E1 BOARD OF DIRECTORS COMPOSITION (C-G1)

The Board of Directors is responsible for the management and representation of the company, the management of its assets and the pursuit of its purpose in general. It deliberates in all matters related to the company, within the scope of the corporate purpose, excluding those that pursuant to the law or the articles of association fall under the exclusive responsibility of the General Assembly.

The Company's Board of Directors consists of individuals that meet the moral and reputation requirements and has a sufficient number of members and an appropriate composition that reflects the knowledge, skills and experience

required for the performance of its duties, in accordance with the business model, the strategy and the sustainable development goals of the Group.

In this context, the Vice Chairman of the Board of Directors of EPSILON NET and supervisor of the compilation of the Sustainable Development Report 2021 participated in a series of relevant seminars. The Company ensures that the members of the B.o.D. are aware of and understand the corporate governance regulations of the Company, as established by Law, the Corporate Governance Code and the Business Ethics Code it implements.

The composition of the Board of Directors as reconstituted during its session dated 11/10/2023 is as follows:

- **MICHOS IOANNIS**, *Chairman and CEO, Executive Member*
- **MANIS PANTELEIMON**, *Vice Chairman, Independent Non-Executive Member*
- **ANAGNOSTOU VASILIKI**, *Deputy CEO, Executive Member*
- **KOUTKOUDAKIS IOANNIS**, *Executive Member*
- **PRASSAS VASILEIOS**, *Executive Member*
- **MICHALOPOULOS PASCHALIS**, *Executive Member*
- **GRIMPELAS ANDREAS**, *Executive Member*
- **DASKALOPOULOU AIKATERINI**, *Non-Executive Member*
- **MARINOS GEORGIOS**, *Independent Non-Executive Member*
- **GINOGLOU DIMITRIOS**, *Independent Non-Executive Member*

The term of office of the members of the Board of Directors EXPIRES ON 30/06/2025 and the Chairman and CEO is an executive member of the B.o.D.

The term of office of the Independent Non-Executive Member Dimitrios Ginoglou expires on the next General Assembly in accordance with article 9 par. 4 of Law no. 4706/2020. The Chairman of the Board of Directors and Chief Executive Officer of the Company is an Executive Member of the BoD, however the Board of Directors appoints a Vice-Chairman among its Non-Executive Members.

The Company shall ensure diversity and adequate gender representation on its Board of Directors and in general shall ensure equal treatment and equal opportunities, as well as the concentration of a wide range of qualifications and skills among the members of the Board of Directors. Of the total Board members, 40% are non-executive members, 30% are independent & non-executive members and 20% are women. The Board of Directors convened 42 times in the year 2022. The attendance rate of Board members at the 2022 meetings was 89%. At the meetings of the Board of Directors that had as their subject the preparation of the financial statements of the Company, or whose agenda included matters for the approval of which the General Assembly of Shareholders was required to adopt a resolution with an increased quorum and majority, in accordance with Law 4548/2018, the Board of Directors was quorate and at least two independent non-executive members were present. The function of the Board of Directors is supported by two Committees:



Audit Committee

The Audit Committee is a Committee of the Board of Directors consisting of three (3) non-executive members of the B.o.D., of which two (2) are independent and meet the independence requirements of article 4 of Law No. 3016/2002 and article 9 of Law No. 4706/2020. The members of the Audit Committee are appointed by the Board of Directors and the Chairman of the Committee is elected by its members and is an independent non-executive member of the B.o.D. The term of office of the Audit Committee members is the same as the term of office of the members of the Company's Board of Directors. The Audit Committee convened six (6) times during 2022.

The main responsibilities of the Committee are the following:

- Monitoring of the statutory audit of the individual and consolidated financial statements of the Company;
 - Monitoring of the financial reporting procedure;
 - Monitoring of the effectiveness of the company's internal control, quality assurance and risk management systems;
 - Provision of general directions to the Internal Audit Department with regard to the scope of the work and the activities to be audited;
 - Reception of information on a regular basis with regard to the progress of the Internal Audit Department's work.
- Remuneration & Nominations Committee The Remuneration & Nominations Committee consists of three (3) non-executive members of the B.o.D., of which at least two (2) are independent and meet the independence requirements of article 4 of Law No. 3016/2002 and article 9 of Law No. 4706/2020.

The Remuneration & Nominations Committee convened four (4) times during 2022.

The members of the Remuneration & Nominations



Committee are appointed by the Board of Directors.

An independent non-executive member is appointed as Chairman of the Committee. The term of office of the Remuneration & Nominations Committee members is the same as the term of office of the members of the Company's Board of Directors.

The tasks of the Remuneration & Nominations Committee are the following:

- Submission of proposals to the Board of Directors regarding the Remuneration Policy;
- Submission of proposals to the Board of Directors regarding the remuneration of persons that fall within the scope of the remuneration policy;
- Examination of the information included in the final draft of the annual remuneration report, providing its opinion to the Board of Directors;
- Identification and proposal to the Board of Directors

of individuals suitable to be appointed as members of the Board of Directors. The following regulations are followed for the proper governance of the Group:

1. Audit committee bylaws;
2. Remuneration & Nominations Committee bylaws;
3. Remuneration policy
4. Internal Operation Regulation
5. Internal Operation Regulations of the Board of Directors
6. Code of Ethics & Code of Conduct
7. Suitability Policy for Board Members.
8. Sustainable Development Policy
9. Human Rights Policy
10. Policy against violence and harassment at work

E3 MATERIAL ISSUES (C-G3)

We consult with Stakeholders or their representatives, without exclusions or discriminations and we recognize that they have a direct impact and influence on our sustainable development. During the materiality identification process, we communicate with the Stakeholders in order to determine the most important issues concerning our business activity but also to register the response to their needs, concerns and expectation.

EPSILON NET interpreting the guidelines and following an assessment of the materiality by the Board of Directors, provides the following table of material issues.

Material Issues	Limits within the Company	Limit Outside the Company
Personal Data Protection	Company Shareholders Commercial Network	Regulatory Authorities NGOs / Civic Organizations Central Government / Local Government Customers (Individuals - Businesses) Academic Community Mass Media
Employee Health & Safety	Company Employees Shareholders Commercial Network	NGOs / Civic Organizations / Mass Media
Secure Use of New Technologies	Company Employees Commercial Network	Regulatory Authorities NGOs / Civic Organizations Central Government / Local Government Customers (Individuals - Businesses) Academic Community / Mass Media
Anti-corruption	Company Shareholders Commercial Network	Regulatory Authorities NGOs / Civic Organizations Central Government / Local Government Customers (Individuals - Businesses) Academic Community / Mass Media
Prevention of Discrimination	Company Shareholders Commercial Network	NGOs / Civic Organizations / Mass Media
Diversity and Equal Opportunities	Company Shareholders Commercial Network	NGOs / Civic Organizations / Mass Media
Quality of Service	Company Shareholders Commercial Network	Customers (Individuals - Businesses) / Mass Media
Profitability	Company Shareholders	Mass Media
Procurement Practices	Company Commercial Network	Customers (Individuals - Businesses) / Suppliers

E4 ASSESSMENT OF THE INTERNAL AUDIT SYSTEM

With regard to the Competence & Effectiveness Assessment of the Internal Audit System, the Audit Committee recommended to the Board of Directors the assignment of the relevant evaluation of the Internal Audit System of the Parent Company and its significant subsidiaries, with a reporting period from 17.7.2021 to 31.12.2022 to the audit company "PKF EUROLEGKTIKI SA". The Company, by decision of its Board of Directors,

entrusted "PKF EUROLEGKTIKI SA" (Independent Auditor) to assess the adequacy and effectiveness of the Internal Audit System ("IAS") of the Company and its significant subsidiaries, with a reporting date of 31/12/2022, in accordance with the provisions of point j, paragraph. 3 and par. 4 of article 14 of Law No. 4706/2020 and the Decision 1/891/30.09.2020 of the Board of Directors of the Hellenic Capital Market Commission, as in force. The

Independent Auditor's work was performed in accordance with the International Standard on Assurance Engagements 3000 "Assurance Engagements Other Than an Audit or Review of Historical Financial Information. The conclusion of PKF EUROLEGKTIKI, which is included in the final report evaluating the adequacy and effectiveness of the IAS dated 29/03/2023 states the following: "Based on our

work performed, as described above under "Scope of Work Performed", and the evidence obtained, on our assessment of the adequacy and effectiveness of the IAS of the Company and its significant subsidiaries, as of 31 December 2022, nothing has come to our attention that might be considered a material vulnerability of the IAS of the Company and its significant subsidiaries, in accordance with the Regulatory Framework."

E5 BUSINESS ETHICS POLICY (C-G5)

Upon establishing the commitment to follow its principles and values, Epsilon Net deemed necessary to reinforce the Internal Regulatory Conduct System at all levels, implementing a series of rules to be observed and respected at all levels. The adherence to the Ethics Policy further enhances the common principles framework that must be followed by every person, regardless of sector and hierarchy level. It is an element that determines corporate culture and ensures the healthy development of the Group and its members. It encourages behaviors based on business

ethics and conduct best practices, compliant with applicable law on human rights, work conditions, environment and anti-corruption matters. Its purpose is to provide decision making guidance in cases where dilemmas arise regarding the appropriate conduct and management of issues related to the principles and rules of business conduct. The Group pursues compliance with the business ethics and conduct principles adopted for its relations with all partners (e.g. supplier's and other external partners)

E6 DATA SECURITY POLICY - CUSTOMER PRIVACY (C-G6 | SS-S2)

The Management of EPSILON NET is committed to manage Information Security Management issues with the same responsibility and dedication it demonstrates to all the functions of the company. We believe that in this manner we maximize the benefits gained from the company's

operation, for our customers and employees. The seamless operation of the organization and the performance of its activities absolutely depends on the unimpeded function of its IT systems and the security of the information they process. The ever-increasing emergence of factors

that can lead to a breach of Information Security and an interruption to the regular operation of the Organization makes it imperative to adopt best practices and measures in order to limit the probability such occurrences. For this reason, the Group has established an Information Security Policy that includes and describes:

- The technical security measures and the techniques followed for the protection of equipment, software, data, telecommunications and the proper use of the equipment and confidential information by the users;
- The organizational-administrative measures regarding the roles and responsibilities of employees and external partners;
- The physical security measures in the Organization's facilities.

The Information Security Policy was reviewed in order to include full compliance with the European General Data Protection Regulation (GDPR) and complies with the international standard ISO 27001:2013. The Management provides its full support to the Information Security Management System in accordance with the

aforementioned standard and in consultation with the employees it is committed to establish objective purposes and targets which will be reviewed regularly in order to always meet the specifications set. The proper and secure operation of the Group's IT systems is based in the Group's 2 Data Centers in Pylaia, Thessaloniki and Melissa, Attica, that are ISO 27001:2013 certified. The Group invests in new equipment of the latest technology and in modern software in order to ensure to the maximum extent the secure and uninterrupted operation of the computer systems. A comprehensive Business Continuity Plan has been prepared to ensure the Group's Business Continuity, which, in addition to the Group's 2 Data Centers, also provides for the use of Microsoft Azure cloud computing resources. To this end the Group has procured the required resources in Microsoft Azure. The table below presents a brief image of the results of the implementation of the Information Security Policy for the year 2022, combined with the relevant targets for 2022.

Targets 2022	Results 2022	Targets 2023
Availability exceeding 99%	Availability 100%	Availability exceeding 99%
Shielding against external cyberattacks that can attack the Group's systems	No data breach incidents	Increase in the use of Microsoft Azure Cloud infrastructure
Creation of a new integrated ERP operation infrastructure for the Group's companies	Procurement of new modern equipment and installation and configuration of Galaxy ERP in the Datacenter of Melissa, Attica	Procurement of new equipment and software systems to increase the level of information security of the Group

In addition, during 2022 there were no cases where user data was used for secondary purposes, or requested by government and law enforcement authorities and no fines were imposed.

E7 BUSINESS ETHICS VIOLATIONS (A-G2)

In 2022 there were no financial losses attributed to business ethics violations.

TARGETS 2022	RESULTS 2022	TARGETS 2023
<p>TARGETS 2022</p> <p>Zero incidents of corruption, unfair competition, anti-competitive behavior, antitrust and monopolistic practices.</p> <p>Full compliance with the law and regulations in a social and environmental context.</p> <p>Enhancement of communication and training on anticorruption policies and procedures.</p>	Achieved 100%	<p>Zero incidents of corruption, unfair competition, anti-competitive behavior, antitrust and monopolistic practices. Full compliance with the law and regulations in a social and environmental context.</p>

E8 WHISTLEBLOWER POLICY (SS-G1)

The compliance with the letter and mainly the spirit of the laws, institutional and monitoring rules and principles and market best practices constitutes an integral part of the corporate culture of EPSILON NET.

The Group has developed a Policy against Violence & Harassment in order to ensure that all its employees are able to work in an environment free of violence, unlawful harassment, discrimination and retaliation and will make every reasonable effort to ensure that the persons bound by the Policy are familiar with it and are aware that any grievance related to a violation of the Policy will be appropriately investigated and resolved.

The Policy categorically states that all forms of discrimination, violence and harassment during work, either related to or arising from it, are strictly prohibited.

In the context of this Policy, we encourage the reporting of all perceived incidents of discrimination, violence, harassment or retaliation, regardless of the identity or the position of the perpetrator and a procedure for the receipt & examination of complaints is established. Appropriate mechanisms for the performance of an unbiased, fair, prompt, thorough and objective investigation have been created on the basis of this Policy.

The complaints regarding conduct that constitutes a

violation of this Policy are accepted in writing, anonymously or not, and are promptly and thoroughly investigated. The investigation may include personal interviews with the parties involved and, if necessary, with persons that may have observed the denounced conduct or may have other relevant information.

All evidence collected, in any form, is kept in a relevant file in compliance with the provisions of Law 4624/2019 and the Personal Data Protection Policy.

At a later stage, consultation and adoption of the European directive on Whistleblowing is anticipated. In this case the applicable procedure may change.



E9 CRITICAL RISK MANAGEMENT (SS-G2)

Risk management requires the determination of objective purposes that constitute the basis for the recognition of the most significant incidents that may affect the Company, the assessment of the relevant risks and the response of the Group's companies.

The risks from a fire in the building, risks created by an earthquake and risks created by other similar emergency situations are recognized as such. The foregoing are recorded in the risk logbook.

EPSILON NET Group of companies has established volunteer safety teams consisting of Group employees who receive specialized and continuous training in order to be able to respond to emergency situations and provide aid in relevant circumstances.

Moreover, in addition to the foregoing, the Group's Operations Department has prepared emergency instructions that have been notified to all employees working in the buildings of EPSILON NET Group of companies, in

order to maintain a high level or readiness and effectiveness in emergency response.

The instructions notified to employees are the following:

- Building evacuation instructions
- Instruction in case of an earthquake
- Instruction in case of fire
- Instruction in case of flooding or leakage
- Instructions in case of telephone threat

The Group, in the context of assessment, did not identify any critical risks related to accidents and emergencies that could cause significant environmental and external impact.

E10 SYSTEMIC RISK MANAGEMENT (SS-G3)

The Group's Audit Committee coordinates the preparation of Risk Management. The four most important risks - in estimated, quantitative impact - identified at the Group level during the most recent Risk Management review are the following in order:

- Changes to the Business Model
- IT security
- Shortage of specialized personnel
- Negative change in the activity of large technology providers.

E11 FUTURE GOALS

Sector	Subject	Objective
Environment	Direct and indirect emissions	<ul style="list-style-type: none"> Strengthening the vehicle fleet with a 25% increase in the use of hybrid vehicles by the end of 2023 Reduction of direct and indirect emissions by 30% by 2030
People	Human resources training man-hours	<ul style="list-style-type: none"> Maintain training hours in 2023 and increase by 10% by 2025
	Inclusion	<ul style="list-style-type: none"> Ongoing establishment of diversity programs within the framework of the Group's signed Diversity Charter and continuous development of an inclusive culture
Governance	Evaluation of suppliers	<ul style="list-style-type: none"> Development of supplier assessment forms and ranking thereof on their maturity on sustainable development issues by 2025
	Personal Data	<ul style="list-style-type: none"> Continuous awareness training on privacy issues and maintenance of zero data breaches by 2025





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