



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

### **CHAPTER 1**

#### **INTRODUCTION – GENERAL FRAMEWORK**

The present suitability policy was drawn up by the Board of Directors of the company **“AS COMPANY Societe Anonyme – Industrial Computer and Toy Company”** (the **“Company”**) pursuant to the provisions of article 3 of Law 4706/2020 and the guidelines of the Hellenic Capital Market Commission, according to its Circular Guidelines no. 60/18.09.2020, and was approved by its decision no. [759/3.6.2020] and subsequently by the decision of the Ordinary General Assembly of the Company’s shareholders dated [47/25.6.2021] , pursuant to article 3 of Law 4706/2020.

As "Suitability Policy of the Board of Directors’ Members" the set of principles and criteria is defined, which are applied during the selection, replacement and renewal of the term of the members of the Board of Directors, in the context of the evaluation of their individual and collective suitability. The “Suitability Policy of the Board of Directors’ Members” sets out the suitability, principles and criteria that are applied during the selection, replacement and renewal process for the members of the Board of Directors.

The scope of the Suitability Policy concerns the members and candidate members of the Board of Directors and is in accordance with the Internal Regulations of the Company, as applicable, and with the Corporate Governance Code adopted and implemented by the Company.

The Suitability Policy aims to ensure the quality staffing, efficient operation and fulfillment of the Board’s duties, based on the overall strategy and medium-term business aspirations of the Company and overall aim of achieving corporate interests, goals and strategies. The Board is also responsible for the periodic evaluation, review, modification and implementation of the Suitability Policy.

The Suitability Policy is valid from the date of its approval by the General Meeting of the Company's shareholders. Its amendments are approved by the Board and, if necessary, they are submitted for approval to the General Meeting, according to article 3 par. 3 of Law 4706/2020. Amendments that introduce exemptions or that significantly alter the content of the Suitability Policy, in particular regarding the general principles and criteria applicable, are considered substantial. In case of insignificant modification they will be valid from their approval by the Board of Directors.

The Suitability Policy is compatible with the Company Corporate Governance Code adopted by the Company, in its form and with its possible exceptions or deviations.

This Suitability Policy is posted on the Company's website at the following link: <https://ir.ascompany.gr/en/home-2/>.

## **CHAPTER 2**

### **SELECTION, REPLACEMENT OR RENEWAL OF THE TERM OF THE MEMBERS OF THE BOARD OF DIRECTORS**

#### **II.1. Principles regarding the choice, replacement or renewal of the term of the members of the Board of Directors.**

1. The BoD has a sufficient number of members and a suitable composition.
2. The Company seeks the staffing of the Board of Directors with persons of morality and reputation.
3. The members of the Board must have the skills and experience required based on the duties they undertake and their role on the Board, while at the same time they must have sufficient time to perform their duties.
4. During the selection, the renewal of the term of office and the replacement of a member of the Board of Directors, the evaluation of the individual and collective suitability is taken into account.
5. The candidate members of the Board are aware of, among other things, to the extent possible, before taking the position, the culture, the values and the general strategy of the Company.
6. The BoD and the Nominations Committee constantly monitor the suitability of the members of the Board, in particular to identify, in the light of any relevant new event, cases in which it is deemed necessary to re-evaluate their suitability. Specifically, the re-evaluation of the suitability is carried out in the following cases: a) when doubts arise regarding the individual suitability of the members of the Board, or the suitability of the composition of the body, b) in case of a significant effect on the reputation of a member of the Board of Directors, c) in any case an event occurs that may significantly affect the suitability of the member of the Board of Directors, including cases in which members do not comply with the Company's Conflict of Interest Policy.
7. The BoD identifies as soon as possible the needs for filling positions or replacing its members, and prepares a relevant plan in order to ensure the smooth continuation of the management and the achievement of the company's goal. The succession plan takes into account the findings of the evaluation of the Board of Directors in order to achieve the required changes in the composition or skills and to maximize the efficiency and the collective suitability of the Board.

#### **II.2. Principles applied by the Company**

1. According to article 10 par. 1 of the Company's Statute, the Board of Directors consists of seven (7) to maximum eleven (11) members.

2. In particular, the Board of Directors consists of an Executive President, who shall also act as the Chief Executive Officer, an Executive Vice President from its executive members, a non-executive Vice President from its non-executive members and other executive and non-executive members, some of which are independent. The number of independent members is at least the one provided in the current legal framework and they meet all the criteria of independence according to the Law.

3. The Board of Directors is staffed with persons who have morals and credibility, are of known professional value and suitable for their executive or non-executive role, respectively.

4. The members of the Board have the required skills and experience, based on the duties they undertake and their role on the Board, and / or its Committees. They also have and devote sufficient time for the exercise of their duties on a case-by-case basis.

5. Care is taken so that the candidate members of the Board, before assuming their duties, be adequately informed in accordance with the training policy of the Company for the members of the Board.

6. During the selection, the renewal of the term of office and the replacement of a member of the Board of Directors, the evaluation of the individual and collective suitability is taken into account, in accordance with the provisions of chapter 3 of this Policy.

7. The suitability of the members of the Board shall be evaluated in accordance with Chapter 5 and re-evaluated in any case deemed necessary. The suitability must be re-evaluated, especially in cases where there is any doubt about the individual suitability of a member or members of the Board of Directors or its composition, if there is a significant effect on the reputation of a member of the Board, as well as in any case which may significantly affect the suitability of the member (eg assistance in conflict of interest events).

### **CHAPTER III.**

#### **CRITERIA FOR THE ASSESSMENT OF THE SUITABILITY OF THE MEMBERS OF THE BOARD OF DIRECTORS**

The suitability is distinguished in *Individual*, which concerns the evaluable qualities of each natural person, who has the status of a member of the Board, and *Collective*, i.e. the suitability of the Board of Directors as a collective decision-making body and management of the Company.

##### **A. Individual Suitability.**

The individual suitability of the members of the Board of Directors is assessed based on the criteria of paragraphs 3.1 – 3.4 hereof, which are applicable for all members of the Board of Directors, regardless of their quality as executive or non-executive. Specific barriers, obligations and requirements provided for by the applicable legislation in matters of the functions of the members of the Board of Directors as executive or non-executive are applied regardless of the suitability criteria. It is indicatively mentioned that barriers,

obligations and requirements are defined in article 3 par. 4,5 and 6 and article 9 of Law 4706/2020, as well as article 44 par. 1 of Law 4449/2017.

### **3.1. Sufficiency of knowledge and skills.**

The members of the Board of Directors possess sufficient knowledge, dexterity, skills and experience to execute their tasks, given their role, position and required skills by the Company for the position. The experience consists of the practical and professional experience, as well as of the theoretical knowledge acquired by the member of the Board of Directors over time.

When assessing the theoretical knowledge and skills of a member of the Board of Directors, firstly the level and the type of education or training are taken into account (such as: field of studies and specialization, post gradual studies, further training etc.). The theoretical knowledge may be relevant to the activities of the Company or to other similar fields of activities, depending on the quality, the role and the duties of each member of the Board of Directors, in the framework of a holistic approach to the Company's needs.

When assessing the practical and professional experience, knowledge and skills of a member or candidate of the Board of Directors, the previous positions, the duration of stay, the type of employment held by the member and the special duties taken up over time is taken into account (including any exercise of business activity). In this framework, the overall professional development of the member of the Board of Directors are taken into account, as well as information such as the duration of their stay in any position, the scale and complexity of the business activity, the competences they exercised therein, any prior experience in a position of responsibility, number of subordinates etc.

The skills of the members of the Board of Directors include also those related to the independence of their judgement (required suitability criterion pursuant to Chapter 3.3). It is highlighted that the aforesaid assessment is not limited to academic degrees of the member or the proof of specific time of the professional experience in a particular object and role. The Committee of Candidature performs a meticulous analysis of the theoretical or/and practical training and experience and the skills of the member (or candidate), taking into account any element set before it.

### **3.2. Guarantees of morality and reputation.**

The good reputation, the honesty, the morality and the integrity of the members of the Board of Directors constitute criteria of exceptional importance for the Company, which are thoroughly assessed by the latter. A member of the Board of Directors is presumed to possess such characteristics, so long as there are no objective and proven reasons implying differently.

In order for an evaluation of the reputation, honesty and integrity of a candidate or an existing member of the Board of Directors to take place, the Company may conduct an investigation, respecting the legislation on personal data protection, to request data and certificates regarding any final administrative and court decisions against him, in particular for infringements and offenses related to his capacity as a member of the Board, or by non-

compliance with the provisions of the legislation of the Hellenic Capital Market Commission or in general with financial crimes.

Without prejudice to the provisions of article 3 par. 4 and 5 of Law 4706/2020, for this assessment are taken into account in particular: the relevance of the offense or infringement with the role of the member, the seriousness of the offense or infringement, the general circumstances, including mitigating factors, the role of the person involved, the penalty or measure imposed, the stage of the proceedings and any remedial measures implemented, the time elapsed and the conduct of the person after the violation or the offense, as well as any decision to exclude the candidate member of the Board from acting as a member of the Board, which has been issued by any competent authority.

### **3.3. Conflict of interests.**

The Company has adopted and implements a Conflict of Interest Policy, according to par. 3 (g) of article 14 of law 4706/2020. The members of the Board must always be fully informed of the conflict of interest policy implemented by the Company and included in its Internal Rules of Operation. All real and potential conflicts of interest at the Board level, are subject to adequate notification, discussion, documentation, decision-making and proper management (ie the necessary measures to reduce conflicts of interest are taken).

### **3.4. Independence of judgement.**

Every member of the Board of Directors must actively participate in the meetings and take their own proper, objective and independent decisions and estimations when exercising their duties.

**“Objectivity”** is the unbiased attitude and mentality, which allows the member of the Board of Directors to execute their tasks, as they personally believe, without accepting compromises on their quality.

**“Independence”** is the release from circumstances impeding the member of the Board of Directors from making unbiased judgment within the exercise of their duties. "Independence of mind" or "independence of judgment" is a model of behavior during discussions and decision-making within the Board and is required for each of its members, regardless of whether the member is "independent" according to article 9 of law 4706/2020. All members of the Board actively participate in meetings (except in cases of severe disability) and make their own correct, objective and independent decisions and judgments in the performance of their duties.

When evaluating the independence of the judgement of the members of their Board of Directors, the Company takes into account whether all members of the Board of Directors possess the required skills of conduct, which include in particular: (a) courage, beliefs and strength of character to make material assessment and challenging of the proposals or opinions of other members of the Board of Directors, (b) the ability to pose reasonable questions to the members of the Board of Directors and especially to the executive members and to express criticism, and (c) the ability to resist to the “groupthink” phenomenon.

### **3.5. Time commitment**

The members of the Board of Directors must allocate the time needed for the unhindered execution of their mandate. The expected time needed for every candidate member of the Board of Directors to dedicate to their tasks is defined by the Company, according to its needs, and is notified to the candidate member. When determining the time sufficiency, the quality and the skills assigned to the member of the Board of Directors by the Company are primarily taken into account. The members of the Board of Directors must notify about the number of positions they simultaneously occupy in other Boards of Directors and the functions they maintain at the same time, as well as their other professional or individual commitments, to the extent that they are able to affect the time available for the exercise of their mandate as members of the Board of Directors and/or constitute reasons for conflict of interest.

### **B. Collective Suitability.**

The members of the Board of Directors must collectively be at the position to take appropriate decisions, by evaluating the business model, the risk appetite, the strategy and the markets in which the Company is active, as well as to make material monitoring and criticism against the decisions of higher administrative executives.

For the assessment of the collective suitability, it is examined whether the composition of the Board of Directors reflects the knowledge, the skills and the experience required for the exercise of its competences as a collective body. Namely, the Board of Directors, as a whole, must adequately understand the sectors for which the members are collectively responsible, and to have the required skills in order to exercise actual management and supervision of the Company, especially in matters of its business activity and the major risks connected thereto, the strategic planning, the financial statements, the compliance with the legislative and statutory frameworks, the understanding of matters of corporate governance, the ability to recognize and manage risks, the impacts of technology in its activity and the sufficient representation of each sex.

### **3.6. Sufficient representation of each sex.**

Both genders must be adequately represented in the Board of Directors (25% of the total number of members of the Board of Directors), a criterion which is taken into account by the Committee of Candidature and Remunerations for the submission of approvals to designate the members of the Board of Directors.

The Board of Directors must at any time ensure the equal treatment and equal opportunities between the sexes in general, not only in regards of its members' selection, but in their training as well.

## **CHAPTER IV.**

### **Diversity criteria**

In order to promote an appropriate level of diversity in the Board of Directors and a diverse group of members, the Company applies a diversity policy when appointing new members of the Board of Directors.

Apart from the adequate representation of both sexes, when appointing new members of the Board of Directors of the Company, no exclusion due to discriminations due to sex, race, color, ethnic or social origin, religion or beliefs, property status, birth, disability, age or sexual orientation is made.

## **CHAPTER V.**

### **V.1. Application, Monitoring and Amendment of the Suitability Policy – Evaluation of Suitability**

The monitoring of the application of the Suitability Policy constitutes a collective obligation of the Board of Directors. The Board of Directors is primarily assisted by the Committee of Candidature and Remunerations, which follows and applies the Suitability Policy within its relevant competences, it organizes the performance of the annual self-assessment of the Board of Directors based on the above criteria and makes proposals for the harmonization of the Suitability Policy with the framework of corporate governance, the corporate culture and the risk appetite determined by the Company, including eventual amendments of the Suitability Policy. This process is assisted by the Company's Internal Audit unit and / or the Regulatory Compliance unit, where required. The annual Corporate Governance Statement of the Company includes a relevant report on the monitoring of the implementation of the Suitability Policy.

The Board of Directors proceeds annually to its self-assessment as a whole as well as of any party individually, pursuant to the process provided for by the Company, which is launched and organized by the Committee of Candidature and Remunerations.

### **V.2. Electronic file records regarding the approval documentation and the amendments of the Suitability Policy**

The documentation regarding the approval of the Suitability Policy and any amendments to it, are kept in an electronic file of the Company, under the responsibility of the Board. The Board records the results of the suitability assessment and in particular any weaknesses identified between the projected and actual individual and collective suitability, as well as measures to be taken to address these deficiencies.

This Policy is valid and enforced after its approval by the General Meeting of the Company.

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