

**REPORT OF THE BOARD OF DIRECTORS
OF THE SOCIETE ANONYME COMPANY UNDER THE NAME
“GRIGORIS SARANTIS SOCIETE ANONYME INDUSTRIAL AND COMMERCIAL COMPANY
OF COSMETICS, CLOTHING, HOUSEHOLD AND PHARMACEUTICALS”
WITH REGARD TO THE REVISION OF THE REMUNERATION POLICY OF THE COMPANY
(according to the provision of article 111, paragraph 2 of Law 4548/2018)**

**To the Ordinary Annual General Meeting of Shareholders of the societe anonyme company under
the name “GRIGORIS SARANTIS SOCIETE ANONYME INDUSTRIAL AND COMMERCIAL
COMPANY OF COSMETICS, CLOTHING, HOUSEHOLD AND PHARMACEUTICALS”
(the “Company”) of April 20, 2026**

Dear Shareholders,

The Company’s Board of Directors, following a recommendation from the Remuneration and Nominations Committee, has resolved to revise the Company’s Remuneration Policy. The revised Remuneration Policy is submitted for approval to the General Meeting of Shareholders, in accordance with paragraph 2 of Article 111 and paragraph 2 of Article 110 of Law 4548/2018.

In this context, the Board of Directors wishes to bring the following to the attention of the General Meeting:

I. Changes

Amendment of the Company’s Remuneration Policy to include the following changes:

- 1. Adjustment of the annual fixed remuneration of the Non-Executive Vice Chairman to €150,000.00.*
- 2. Removal of the provision allowing adjustment of the fixed remuneration of the Board of Directors by up to 25% during the term of the Remuneration Policy.*
- 3. Editorial amendments to the text to reflect the current composition of the Board of Directors and the Group’s Management Team.*
- 4. Modification of the minimum threshold of the Short-Term Incentive Plan, as well as of the maximum payout amount in relation to participants’ annual fixed remuneration.*
- 5. Enhancement of the Five-Year Plan, setting a target EBITDA of €120,000,000.00 for 2028, with emphasis on organic growth and excluding any EBITDA that may arise from acquisitions at the time the target company is acquired, effective as of the date of the Annual General Meeting on April 20, 2026, and thereafter.*
- 6. Introduction of three (3) additional three-year cycles to the Incentive Plan, together with the introduction of an additional key performance indicator. It is noted that the total value of shares available for distribution to all participants will not exceed €2,100,000.00 for the 4th three-year cycle (2026–2028), €2,300,000.00 for the 5th cycle (2027–2029), and €2,500,000.00 for the 6th cycle (2028–2030). In any case, the total number of shares to be issued in the new three three-year cycles (4th–5th–6th) will not exceed 1.5% of the total number of existing shares.*

The Key Performance Indicators (KPIs) for the 4th, 5th, and 6th cycles, and their respective

- EBITDA margin: 30%
 - Earnings per Share (EPS): 30%
 - Reduction in carbon emissions (CO₂ CE Scope 1, 2): 20%
 - Operating Working Capital as % of net sales: 20%
7. Revision of the maximum limit of the three-year Long-Term Incentive Plan, as well as of the maximum payout amount in relation to participants' annual fixed remuneration.
 8. Harmonization and clarification of the provisions of the short-term and long-term incentive plans regarding loss of position and change of control.
 9. Removal of the provision allowing deviations from the Company's Remuneration Policy in other cases, except where such deviation is deemed necessary to serve the long-term interests of the Company as a whole or to ensure its viability.

II. Explanation of Changes

The proposed changes aim to enhance transparency across the entire remuneration framework governed by the Company's Remuneration Policy, to strengthen the competitiveness of remuneration, and to more directly align variable remuneration (both short-term and long-term) with shareholders' interests. For all the above reasons, the Board of Directors considers that the revision of the Company's Remuneration Policy is justified and commercially sound. Accordingly, it submits this report to the Company's Annual General Meeting of Shareholders and recommends the adoption of a resolution approving the revised Remuneration Policy.

Marousi, March 27, 2026

The Board of Directors