

# Sustainability Report

2021-2022



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# Introductory Note

The Sustainability Report for the years 2021 and 2022 (from 1/1/2021 to 31/12/2022) is hereby presented by the Board of Directors of Cyprus Trading Corporation Plc (CTC or CTC Group or the Group). This Report, which has been prepared by CTC (parent company), includes the subsidiary companies of the Group and accompanies the Group's annual financial statements. There are no separate Sustainability Reports by the subsidiaries.

The consolidated Sustainability Report of the Group includes the following companies:

## **CYPRUS TRADING CORPORATION PLC**

Argosy Trading Company Ltd  
Cassandra Trading Ltd  
Artview Co. Ltd  
CTC Automotive Ltd  
CTC AutoLeasing Ltd

## **ERMES DEPARTMENT STORES PLC**

C.W. Artopolis Ltd\*  
Superhome Center (DIY) Ltd

## **WOOLWORTH (CYPRUS) PROPERTIES PLC**

Apex Ltd

*\*As from 01/01/2022 the operations and staff of C.W. Artopolis Ltd have been transferred to Ermes Department Stores Plc.*

# Message from the Chairman

During the past two years, we have had to face increasingly serious challenges in a constantly changing era. In 2021, the Covid-19 pandemic and lockdowns continued for a second year running, extending the unprecedented conditions that caused major problems in the health sector and the economy. At an international level, there was serious disruption of the supply chain and a dramatic decline in tourism. At the beginning of 2022, another global crisis occurred when war broke out in Ukraine, resulting in the imposition of sanctions against Russia and significant increases in the cost of energy, which further affected the economy and consequently the purchasing power of consumers. This was followed by inflationary pressures, which continue to this day, and an increase in borrowing costs due to rising interest rates. Moreover, climate crisis is another factor that affects business activity and brings about changes in consumer behavior, impacting sustainability.

In this environment, thanks to the valuable contribution of our people at all levels, our diversified operations, and the extensive range of high-quality, well-known products that we handle, CTC Group continued to prove resilient.

Argosy increased its market share in important categories. Philip Morris new products, IQOS and HEETS, launched by Cassandra, established the company as the market leader of tobacco products in Cyprus. CTC Automotive began marketing Michelin tyres and Total lubricants, capturing a 25% market share in one year, while doubling the sales of its vehicles, within two years.

Ermes further reduced its expenses through restructuring and terminating stores and activities with no prospects, while in December 2021 it opened its newly renovated ERA Apollon flagship department store in Limassol. Superhome continued to be profitable and further expanded its market presence by opening a new megastore in Lakatamia in February 2021. CTC maintains its significant holding in Hermes Airports, which successfully manages the operation of Cyprus' two international airports which, in 2022, handled a passenger traffic of 9,2 million, which represents 82% of passenger traffic in the record year 2019.

At the same time, we have implemented various initiatives to minimize our environmental impact and promote social well-being. In our workplace, we ensure diversity and equal opportunity, while our Code of Business Conduct and policies promote responsible ethical behavior, fostering a respectful work environment for all employees. Moreover, we strive to contribute towards making a positive difference in the lives of those we serve and continue our co-operation with local organizations which address pressing societal challenges.

In the following pages we present our 2021-2022 Sustainability Report, highlighting our commitments towards society, the environment, and our people, which form our sustainability journey.

Demetris Demetriou, CTC Chairman

# 2021-2022 Highlights

Governance	Market and Products	Our People	Society	Environment
Implementation of our updated CTC Code of Business Conduct	Argosy Trading Company Ltd acquired ISO 22000:2018	7 training topics, 4.138 hours of training	Endowment of €9 million to the University of Cyprus for the building of the Medical School and Health Sciences	21,8% reduction in water consumption 24% reduction of water consumption per sqm (from 2020 to 2022)
Investments in cybersecurity and AI technologies	Superhome Centre DIY awarded with the “Business of the Year” award at the “In Business Awards 2020”	Conducted employee surveys to improve our Performance Appraisal System	Over €85K of financial assistance provided	28% reduction in electricity consumption per sqm (from 2020 to 2022)
Implementation of digital technologies to improve efficiency	Established e-commerce for beauty products	CTC Group was awarded the “Equality Employer” certification	Various in-kind donations of over €145K	Installation of energy-efficient appliances in various premises
	Expansion of product range to include healthier, more environmentally friendly materials and products			8,69% reduction in scope 1 emissions from 2020 to 2022
				Gradual renewal of company fleet with low emission vehicles

# 1 The CTC Group

- 1.1 Brief History**
- 1.2 CTC Structure**
- 1.3 Vision and Values**
- 1.4 Business Sectors**
- 1.5 Group Developments 2021 - 2022**



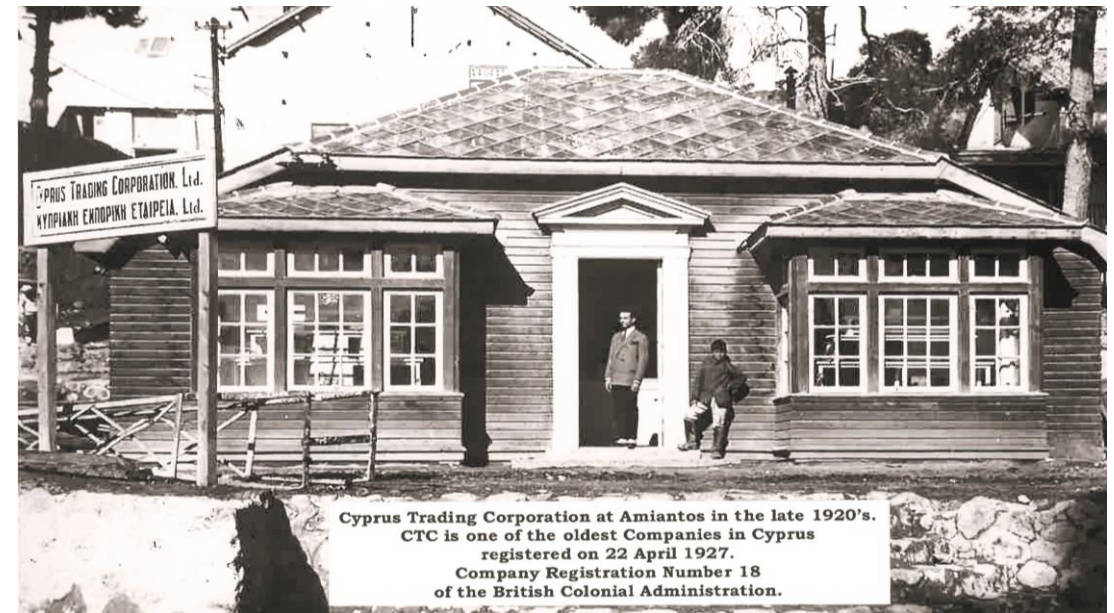
# 1.1 Brief History

CTC is one of the oldest active trading companies in Cyprus, registered on 22 April 1927, registration number 18, under the name Cyprus Trading Corporation Ltd, and was later acquired by the Shacolas Group in 1984. CTC went public in 1989 and was listed on the Cyprus Stock Exchange in 1996. Today, N.K. Shacolas (Holdings) Ltd is the majority shareholder which owns and controls 87% of the share capital of CTC.

The history of CTC is intertwined with that of the Shacolas Group, which started operations in 1953, trading agricultural products. Despite facing significant setbacks in 1974 due to the Turkish invasion, the group recovered and expanded its operations both in Cyprus and abroad (England, Greece, Nigeria and Russia) by establishing new companies and acquiring others.

Today, the CTC Group is one of the most diversified business organizations in Cyprus. CTC has also been involved in different sectors over the years, including insurance, telecommunications, the dairy industry, building materials, hosiery, paper processing, domestic appliances. Presently, Cyprus Trading Corporation Plc is the parent company of subsidiaries operating in distribution and logistics, retail, automotive and engineering, property development and management. CTC is also entrusted by many international suppliers to handle their well-known products in the Cyprus market.

In 2000, CTC's founder and first Executive Chairman, Nicos K. Shacolas, established the international consortium Hermes Airports Ltd to build and manage the international airports of Larnaka and Pafos until 2031. CTC is the biggest Cypriot shareholder with a stake of 11,34%.





# 1.2 CTC Structure

CTC is a leading Group in Cyprus, listed on the Cyprus Stock Exchange, with N.K. Shacolas (Holdings) Ltd holding a controlling stake of 87%. The Group owns and controls several companies, each specializing in a specific industry. Two of them are also listed on the Cyprus Stock Exchange. CTC's diversity of operations, a key factor in the company's strength, is spread over five main business sectors:



## DISTRIBUTION & LOGISTICS

Branded Fast Moving Consumer Goods, Luxury Cosmetics and Fragrances

- Argosy Trading Company Ltd
- Cassandra Trading Ltd
- Artview Co. Ltd



## RETAIL

Fashion, Beauty, F&B, Home Improvement & DIY

- Ermes Department Stores Plc
- Superhome Center (DIY) Ltd
- Fashionlink S.A.



## AUTOMOTIVE & ENGINEERING

Passenger and commercial vehicles, heavy machinery, tyres, lubricants, photovoltaics, professional tools and lighting

- CTC Automotive Ltd
- CTC AutoLeasing Ltd



## REAL ESTATE

Retail outlets, department stores, shopping malls, resorts, residential

- Woolworth (Cyprus) Properties Plc
- Cyprus Limni Resorts & GolfCourses Plc



## INFRASTRUCTURE

Larnaka and Pafos airport terminal development and airport management

- Hermes Airports Ltd






Despite the diversity of activities, CTC remains effective in each category of investments and operations, through its structure with autonomous teams of skilled professionals. Pursuing a strategy of alliances and partnerships with renowned international organisations, has been fundamental to CTC's long-term success. We strive to maintain a dynamic organisation, able to create long-term sustainable, socio-economic value in the community in which we operate.

# 1.3 Vision and Values

## Our Vision

To be leaders in all our operations and, in a spirit of partnership, to achieve continuous sustainable growth, enhancing value for customers, business partners, shareholders, our people and society.

## Our Values

-  **We act with integrity and responsibility**
-  **We behave with respect**
-  **We work as a team**
-  **We are effective**
-  **We seek continuous improvement**

# 1.4 Business Sectors

CTC's business activities are spread over five main business sectors, briefly described here below. Details can be found in [www.ctcgroup.com](http://www.ctcgroup.com).

## 1.4.1 Distribution & Logistics

### Fast Moving Consumer Goods (FMCG)

All operations relative to FMCG are based at the CTC National Distribution Centre (NDC), dealing mainly with: Food, Beverages & Household products, Tobacco, Cosmetics & Fragrances.



### Food, Beverages & Household products

**ARGOSY TRADING COMPANY LTD** is the leading distributor to the grocery retail sector in Cyprus, with a network reaching about 2.000 outlets. It handles a portfolio of well-known international brands, many of which hold one of the top three positions in their respective category in terms of market share. Argosy is also a major supplier in the Food Service/HORECA business, directly servicing 1.700 outlets.



### Tobacco

**CASSANDRA TRADING LTD** is the importer and distributor of Philip Morris International cigarette brands and heated tobacco products. Cassandra is the leading tobacco distributor in Cyprus, covering directly more than 1.800 outlets and operating the stand-alone IQOS stores.



### Cosmetics and Fragrances

**ARTVIEW CO. LTD** is the importer and distributor of the Christian Dior fragrances, makeup, and skincare products in the Cyprus market. It also distributes and manages the Foreo luxury facial devices. Argosy, under contractual agreement, provides logistics, distribution, and other services to the above brands, in addition to a wide portfolio of world-famous brands of luxury and premium cosmetics and fragrances.

# 1.4 Business Sectors continued

## 1.4.2 Retail



**ERMES DEPARTMENT STORES PLC (Ermes)** is the retail arm of the CTC Group. It is one of the most diverse retailers in Cyprus and is also listed on the Cyprus Stock Exchange.

It operates 54 stores of about 60.000 sqm of retail space.

These comprise:

**ERA Department Stores** with Fashion, Beauty and Home departments



**Fashion stand-alone stores:** Armani Exchange, Navy & Green, Next, OVS, Springfield, Women'secret, Zako franchise stores

**Beauty stores:** Glow

**F&B:** Ergon Deli + Café, Ergon To Go, Venue Café

**Home Improvement & DIY:** Superhome Center



# 1.4 Business Sectors continued

## 1.4.3 Automotive & Engineering

CTC AUTOMOTIVE LTD deals with:

- **Vehicles:** Volvo saloon cars, Hyundai saloon cars and vans, Iveco vans, lorries, trucks and buses, Scania trucks and buses
- **Heavy machinery & photovoltaics:** Caterpillar earthmoving equipment, generating sets, marine engines, telehandlers, photovoltaics
- **Tyres:** Michelin, BF Goodrich, Riken
- **Lubricants:** Total
- **Professional tools:** Hilti
- **Lighting:** Philips, Philips HUE, interactPro, Wiz
- **Leasing:** passenger and light commercial vehicles



# 1.4 Business Sectors continued

## 1.4.4 Real Estate

**WOOLWORTH (CYPRUS) PROPERTIES PLC**, a company listed on the Cyprus Stock Exchange, is the property arm of the CTC Group. Owner of property in prime locations, Woolworth has been strategically involved in the development and management of projects such as shopping malls, department stores, retail outlets, resorts, residential. Its current assets include commercial property and plots of land for development in various parts of Cyprus.

**CYPRUS LIMNI RESORTS & GOLFCOURSES PLC**, is currently the owner of freehold land at the foothills of Troodos mountains, in the vicinity of Kinousa village, Pafos district.



## 1.4.5 Infrastructure

**HERMES AIRPORTS LTD** is a consortium formed by a number of international and local companies to undertake the Cyprus government's 25-year contract for the construction and operation of Larnaka and Pafos airports, a BOT (Build, Operate, Transfer) project. Operations commenced on 12 May 2006 and will continue until 2031. The new Pafos and Larnaka airport terminals opened in November 2008 and 2009 respectively, offering world class facilities to millions of passengers annually. CTC is the biggest Cypriot shareholder with a stake of 11,34% and is represented at the Board of Directors.



# 1.5 Group Developments 2021 - 2022

## February 2021:

- Mr. Marios Shacolas stepped down as Executive Chairman and CEO of Cyprus Trading Corporation Plc and Ermes Department Stores Plc. The Boards of both companies appointed Mr. Demetris Demetriou, a senior CTC Group executive, as Chairman. Mrs. Eleni Shacola has taken over General Management at Ermes Department Stores Plc, while Mr. Christakis Charalambous now chairs the Board of Directors at Woolworth (Cyprus) Properties Plc, succeeding Mr. Demetris Demetriou.
- CTC Automotive announced the agreement with the French group TOTAL for the import, trade and distribution of TOTAL lubricants in Cyprus.
- Superhome Center (DIY) Ltd opened its third store in Nicosia, and its sixth in Cyprus, at Lakatamia area, with a total space of 7.500 sqm.

## March 2021:

- In March 2021, the Board of Directors of Cyprus Trading Corporation Plc, Ermes Department Stores Plc and Woolworth (Cyprus) Properties Plc, appointed six of their members to form the CTC Management Board. Their task is to ensure and monitor the implementation of the strategy and decisions of the Boards of Directors, assess the risks and potential returns, overview the Group's operations and refer issues to the Boards of Directors.
- Era Central department store, in Nicosia, ceased operations and the building was handed over to the new owners for development.
- New CTC Automotive department, CTC Smart Energy, commenced operations aiming to provide solutions related to energy saving and efficiency.

## April 2021:

- CTC awarded “Equality Employer” certificate.

## June 2021:

- ERA Apollon department store closed temporarily to enable its full refurbishment.

## July 2021:

- SPAR operations ceased following the decision of CTC Group not to continue its retail food and beverage operations, given that Ermes’ sister companies Argosy and Cassandra are key suppliers of food and tobacco products to the retail trade. The SPAR store operations in Larnaka were disposed of.

## October 2021:

- Two new Ermes Outlets opened at Neo Plaza Retail & Fun Park.

## December 2021:

- Two new Ermes Fashion stores, Springfield and Women’ssecret opened at Metropolis Mall, Larnaka.
- The newly renovated department store ERA Apollon, Ermes’ flagship store, opened in Limassol.

## January 2022:

- ERGON Deli & Café opened at ERA Apollon.



## **2 Materiality Assessment**

- 2.1 Methodology for Identifying Sustainability Material Issues**
- 2.2 Sustainability Strategic Pillars**
- 2.3 Our Stakeholders**

# Our Approach

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CTC reviews its material issues at regular intervals to determine new and confirm existing sustainability topics that are critical for the business, its operations, and stakeholders. We engage with both internal and external stakeholders to identify and validate these topics. This process provides clarity, identifies potential risks and opportunities, and guides our business decisions and strategy to enhance our performance.

## 2.1 Methodology for Identifying Material Issues

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The Group undertook an extensive materiality assessment in 2017 to identify material issues which are important for internal and external stakeholders. This process was carried out through a number of workshops with employees participating from various companies and departments of the Group, guided by specialist sustainability consultants.

Our material issues were reviewed again in 2021 to ensure their validity and suitability to the current business environment. Specialist consultants on sustainability monitored the whole process. The entire process was based on the concept of double materiality, which recognizes that an organisation should address and report on sustainability issues that are both financially material to the organisation as well as material to the external stakeholders, market and environment.

## 2.1 Methodology for Identifying Material Issues continued

In preparation of this report, we followed a two-step process:

Step 1	Step 2
<b>Materiality Review</b>	<b>Confirmation</b>
<p>We undertook a thorough review of material topics in relation to our stakeholders and their expectations.</p> <p>We revisited our stakeholders' groups to ensure inclusivity.</p> <p>We looked at the identified topics and their mapping and reviewed the rated material topics in terms of their perceived importance.</p> <p>We considered all stakeholders that may have an impact on us or be impacted by our decisions, taking into account peer companies and industry standards, employee input, input from the Management, recent regulatory changes, relevant international and national level standards, and guidelines as well as internal business strategy and direction.</p> <p>As part of our review of the topics, we decided to consolidate certain topics, to ensure better management.</p>	<p>We ensured that the list of material topics captures and is inclusive of all stakeholder perspectives.</p> <p>We confirmed that the identified topics continue to cover the needs of stakeholders and organizational aspirations.</p>

The topics are reflected in corporate priorities and the respective action plans are approved by the Group Sustainability Committee and Board of Directors.

## 2.2 Sustainability Strategic Pillars

In our annual review of material issues, we consolidated certain topics into broader categories to allow for more effective management. Our consolidation process involved re-evaluating and merging topics and their respective categories, based on our material issues mapping and prioritization process. In 2017, we identified a total of 33 material issues, and we have since streamlined and updated them to encompass 16.

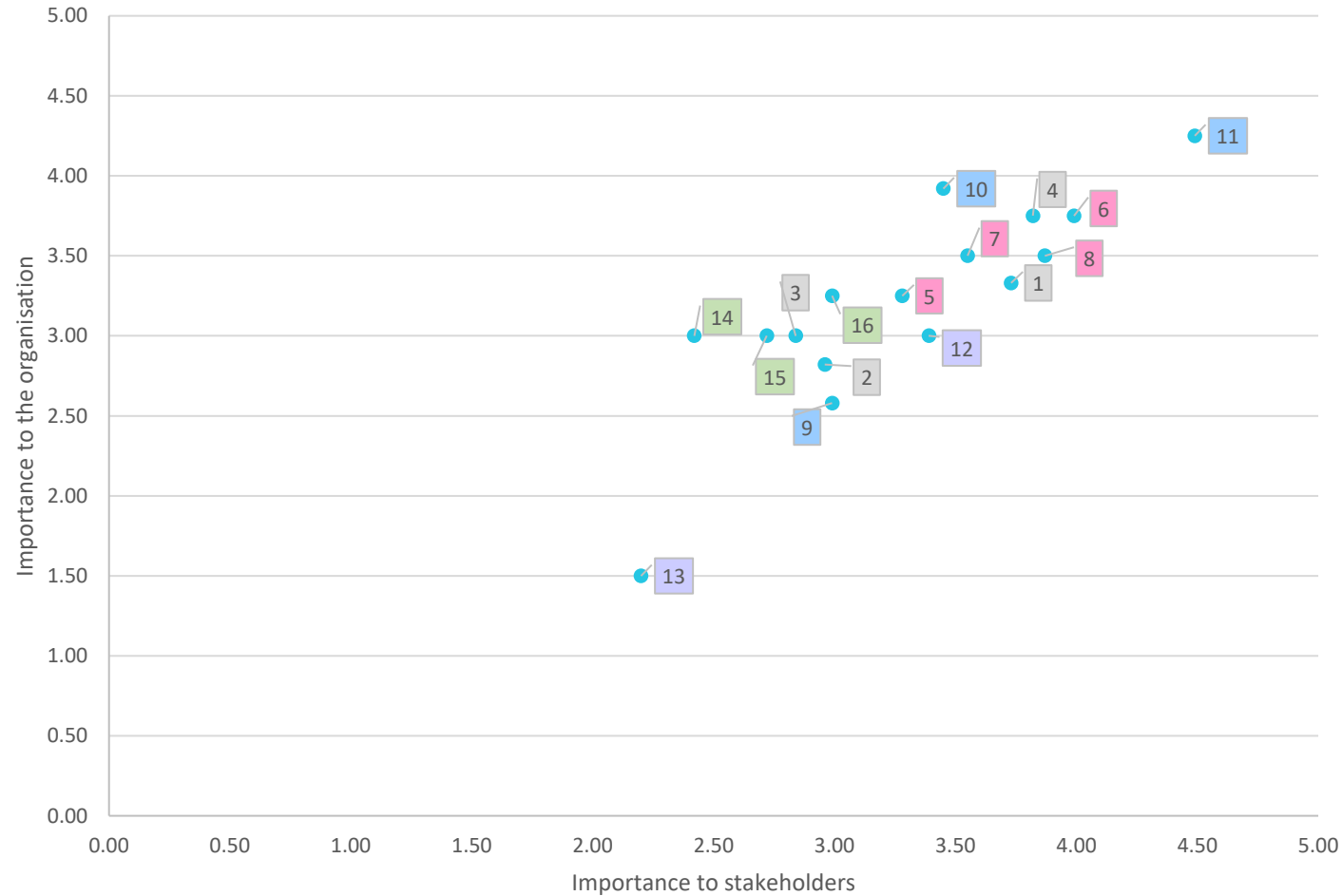
Our consolidated material issues shown in the below table, are categorised into five strategic pillars:

- Governance
- Market & Products
- Our People
- Society
- Environment

Governance	Market & Products	Our People	Society	Environment
<b>1. Corporate Governance, Strategy and Performance</b> (includes: Strategic Direction and Financial Performance).	<b>5. Supply Chain Management</b>	<b>9. HR Management and Practices</b> (includes: Labour Practices, Job Security, Diversity and Equal opportunity, Human Rights, Harassment and Bullying).	<b>12. Economic Impact on Society</b>	<b>14. Climate Change</b>
<b>2. Trading Practices</b> (includes: Anti-Money Laundering, Anti-Corruption, Responsible Marketing, Anti-Competitive Behaviour, Compliance, Risk Management).	<b>6. Addressing Health &amp; Safety</b> (includes: Customer / Consumer Health & Safety, Food Safety).	<b>10. Development, Performance and Motivation</b> (includes: Education and Training).	<b>13. Community Investment</b>	<b>15. Energy Management</b>
<b>3. Operational Effectiveness and Process Standardization</b>	<b>7. Green Operations and Products</b> (includes: Quality of Products and Services).	<b>11. Health, Safety and Well-being in the Workplace</b>		<b>16. Resource Management</b> (includes: Waste Management).
<b>4. Digital Transformation and Data Management</b> (includes: Technology and Digitalisation, Data Security & Integrity).	<b>8. Satisfying our Customers</b> (includes: Customer/Consumer Satisfaction).			

# 2.2 Sustainability Strategic Pillars continued

## Materiality Matrix



- Governance**
1. Corporate governance, strategy and performance
  2. Trading practices
  3. Operational effectiveness and process standardization
  4. Digital transformation and data management

- Society**
12. Economic impact on society
  13. Community investment

- Market & Products**
5. Supply chain management
  6. Addressing health and safety
  7. Green operations and products
  8. Satisfying our customers

- Environment**
14. Climate change
  15. Energy management
  16. Resource management

- Our People**
9. HR management and practices
  10. Development, performance & motivation
  11. Health, safety & well-being in the workplace

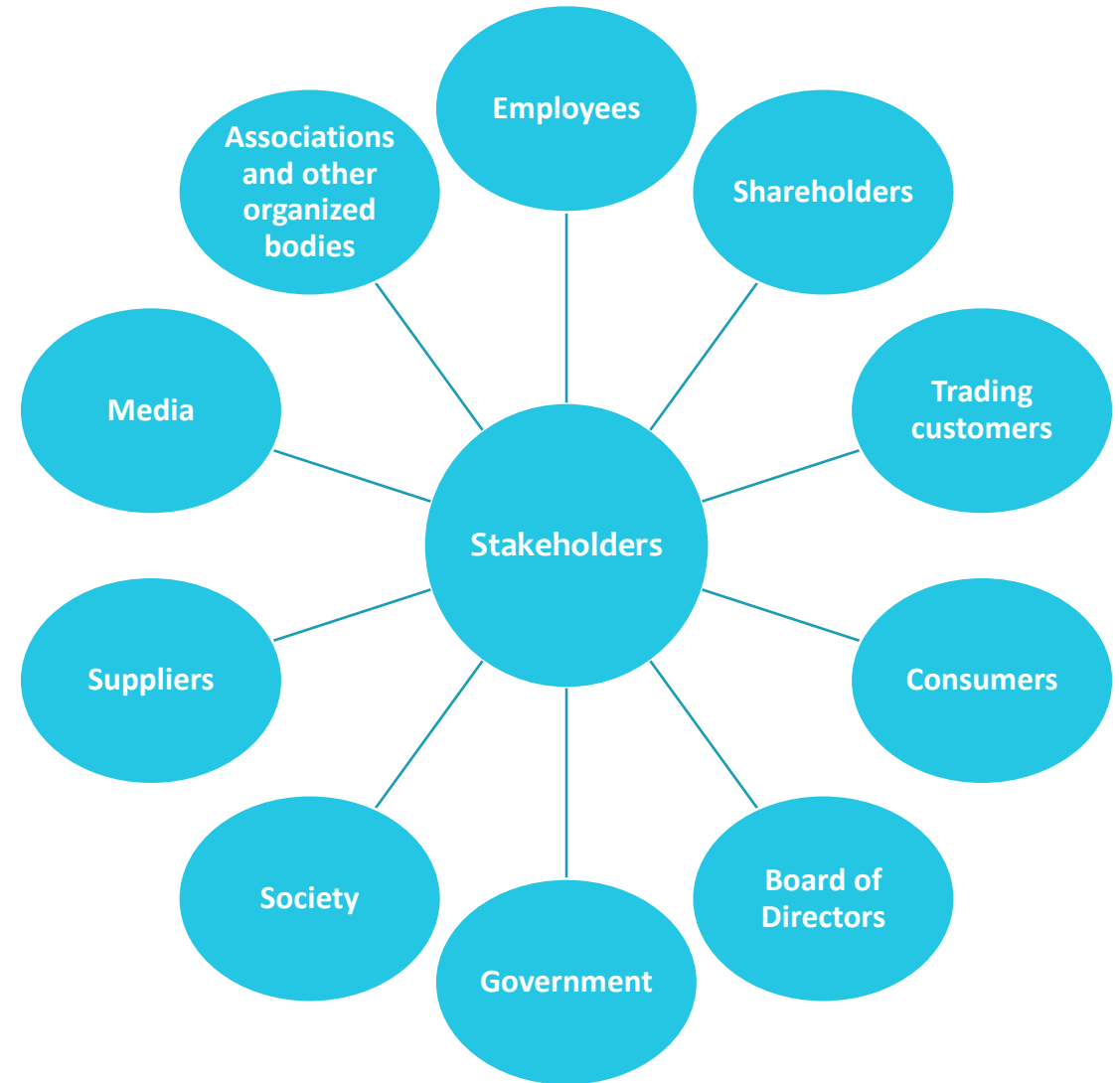
## 2.3 Our Stakeholders

We actively engage with our stakeholders through various communication channels to ensure that their needs and expectations are heard and understood. This allows CTC to better manage risk, capitalize on opportunities and constantly improve its offering and performance as a responsible corporate citizen.

Our stakeholder groups include:

- Employees
- Shareholders
- Trading customers
- Consumers
- Board of Directors
- Government
- Society
- Suppliers
- Media
- Associations and other organized bodies

More information regarding our stakeholder engagement process can be found in Appendix 3.



# 3 Governance

- 3.1 CTC Code of Business Conduct**
- 3.2 Corporate Governance, Strategy and Performance**
- 3.3 Trading Practices**
- 3.4 Operational Effectiveness and Process Standardisation**
- 3.5 Digital Transformation and Data Management**



# Our Approach

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At CTC, we uphold corporate governance principles that align with our values. Our Board of Directors recognizes the importance of responsible and prudent management and sets high standards to ensure that CTC operates with integrity, safeguarding the protection of stakeholders' interests. Hence it has voluntarily adopted the Corporate Governance Code, although CTC is listed on the Alternative Market of the Cyprus Stock Exchange (CSE), which does not mandate its adoption. The Code is also applied by the CSE listed subsidiaries of CTC, Ermes Department Stores Plc and Woolworth (Cyprus) Properties Plc.

## 3.1 CTC Code of Business Conduct

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CTC Group's Code of Business Conduct sets high standards of ethical and responsible business conduct, common principles and values, and determines how all its subsidiaries conduct their business. It is supported by policies and procedures that each employee should implement, thus protecting the reputation and interests of the Group, and shaping its culture.

The Code was completely revised based on our values and was approved by the Company's Board of Directors in March 2021. The revised Code was effectively communicated to all employees, emphasizing their individual responsibility to abide by its provisions. Since then, practicing our values forms part of the basic criteria assessed through our annual Performance Appraisal System.

The Internal Audit Department is responsible for evaluating compliance to the Code across the CTC Group.

Employees are encouraged to report any incident of non-compliance without fear of any repercussions.

## 3.2 Corporate Governance, Strategy and Performance

### Board of Directors

CTC is governed by a 11-member Board of Directors, six of whom are executive and five are non-executive. Two are independent. There are nine men and two women. At every Annual General Meeting, one third of the members of the Board of Directors with the longest period of service, as well as those appointed after the last Annual General Meeting, resign, with the right to be re-elected.

Ermes Department Stores Plc and Woolworth (Cyprus) Properties Plc, subsidiaries of CTC and listed on CSE, have their own Board of Directors and relevant committees. Further information can be found in their respective annual reports.

### Management Board

In March 2021, the Board of Directors of Cyprus Trading Corporation Plc, Ermes Department Stores Plc and Woolworth (Cyprus) Properties Plc, appointed six of their Directors to form the CTC Management Board. Its main task is to ensure and monitor the implementation of the strategy and decisions of the Boards of Directors, to assess the risks and potential returns, to refer issues to the Boards of Directors and to overview the Group's operations.

### Board Committees

Members of the Board of Directors also form the following committees:

- **Nominations Committee:** Responsible for recommending new Board members to the Board of Directors.
- **Remunerations Committee:** Responsible for submitting recommendations to the Board of Directors on matters pertaining to the compensation and contractual terms of the Executive Directors. Remuneration of Non-Executive Directors is determined during the Annual General Meeting.
- **Audit and Risk Committee:** Responsible for matters relative to the services provided by the External and Internal Auditors. These include confirmation of Auditors' independence, matters relating to accounting treatments, review of significant transactions that may lead to conflict of interest, preparation of the Management Report on Corporate Governance with the help of the Compliance Officers responsible for the Code. It also identifies and reports critical enterprise risks to the Board and oversees the monitoring of these risks for the benefit of the shareholders.

The Internal Audit Department, which operates independently, reports directly to the Audit and Risk Committee on administrative and operational matters. It assists the Group to achieve its objectives by applying a systematic and structured methodology in order to assess and improve the Risk Management and Internal Control Systems. It also monitors compliance with the Corporate Governance Code by each company.

## 3.2 Corporate Governance, Strategy and Performance continued

### Other Committees

Additionally, the following committees exist at Group level:

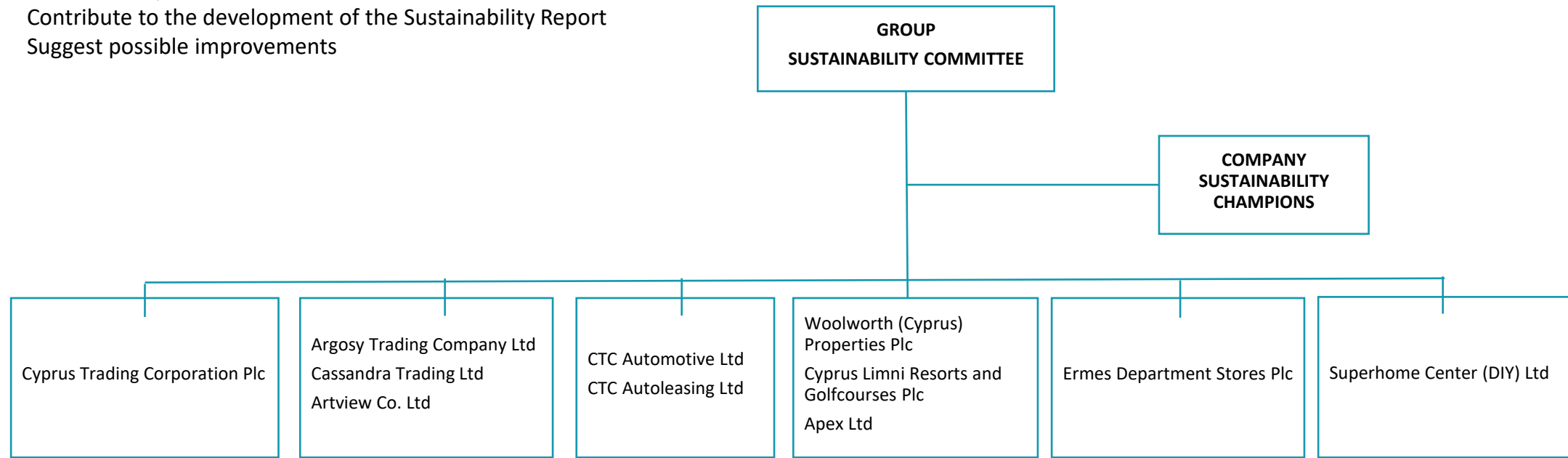
- **Group Finance Committee:** Responsible for monitoring and evaluating the financial and cash flow situation of the Group companies and the effective management of their financial resources, for maintaining contacts with the financial institutions with which they cooperate, for implementing International Financial Reporting Standards and for monitoring tax-related matters.
- **Central Recruitment and Remunerations Committee:** Responsible for the recruitment and remuneration of senior management, as well as the monitoring of the implementation of recruitment and remuneration policies and procedures regarding all other employees. Its purpose is to ensure that the Group employs and retains the best human capital possible relevant to its business needs and to maximise its potential.
- **Central Purchases and Procurement Committee:** Responsible for implementing policies and procedures for non-operational purchases by the Group, ensuring the greatest value for money in all transactions. It promotes transparency and trust in the Group's relations with business associates.
- **General Data Protection Regulation (GDPR) Committee:** responsible for monitoring and evaluating the Group's compliance with the GDPR regulation. In addition, the committee examines and decides on matters concerning the protection of personal data that originate from the companies of the Group. Members of the committee include representatives of key departments such as Finance, Legal, Human Resources, IT, Internal Audit.

## 3.2 Corporate Governance, Strategy and Performance continued

### Sustainability Governance

The Management Board of CTC and the Group Sustainability Committee have the overall responsibility for the development and implementation of strategy. At company level, the Sustainability Champions in collaboration with each company's top management are responsible to:

- Promote the sustainability strategy aiming to create the relevant culture
- Overview the execution of the agreed action plans
- Update the Committee on the progress of the action plans
- Collect all required data
- Contribute to the development of the Sustainability Report
- Suggest possible improvements



## 3.2 Corporate Governance, Strategy and Performance continued

### 3.2.1 Strategic Direction

The strategic direction of the CTC Group is defined by the Board of Directors and conveyed to the Management of each subsidiary. Based on this, each company forms its own strategy, identifies key success factors, sets annual goals and budgets, which are approved by the Board of Directors. Subsequently, specific Key Performance Indicators (KPIs) and action plans are determined.

At present, the following strategic direction is in place:

1. Strengthen the Group's financial performance
2. Focus on growth of our core businesses
3. Enhance efficiency and effectiveness through investing in Human Capital
4. Exploit new opportunities for sustainable growth

### 3.2.2 Financial Performance

For more information on our Financial Performance, please refer to the CTC Financial Statements:

<https://www.ctcgroup.com/investor-centre/ctc-ic/?lang=el&tab=annual-reports>

## 3.3 Trading Practices

Our goal is to achieve a leading position in the business sectors we operate in. We strongly support the principles of a free market and healthy competition, and conduct our business with integrity and responsibility, adhering to ethical practices and complying with relevant laws and regulations of the country as well as the policies and procedures of the CTC Group. Our actions are guided by the CTC Code of Business Conduct, while we also adopt the high standards of business practices of a great number of renowned multinational suppliers with whom we cooperate.

### 3.3.1 Anti-Money Laundering and Anti-Corruption

The financial departments of CTC companies strictly adhere to the law on preventing and combating money laundering, not only in letter but also in spirit. Any form of bribery and corruption is strictly prohibited at all levels. In 2021-2022, there were no incidents of corruption.

### 3.3.2 Responsible Marketing

CTC upholds practices that promote transparent, ethical, and responsible advertising. It ensures that all promotions are conducted in an honest and clear manner, avoiding misleading or greenwashing practices. During 2021-2022, there were no incidents on non-compliance of information relative to products services, labelling and marketing communication.

### 3.3.3 Anti-Competitive Behaviour

We uphold the principles of fair competition and abide by the laws and regulations related to the Protection of Competition. We do not engage in collaborations with competitors or in other activities that might restrict the free market.

### 3.3.4 Compliance

The Group Internal Audit Department ensures compliance with laws and regulations, Group policies and procedures, and the CTC Code of Business Conduct. It functions independently and reports directly to the Audit and Risk Committees of the Group's listed companies on administrative and operational matters.

Both in-house and external legal advisors are responsible for handling legal matters. Appointed Compliance Officers monitor compliance with the Code of Corporate Governance.

Employees are encouraged to report any suspicious activities or concerns without the fear of facing any repercussions. We are in the process of developing our Whistleblowing policy, which will be completed in 2023.

In 2021-2022, there were no incidents of non-compliance with relevant laws and regulations, apart from the late publication of the audited financial statements of the years ended 2020, 2021 and 2022, of the three public Group companies which resulted in the suspension of trading of their shares at the CSE. For the late publication of the 2020 audited financial statements there was an imposition of fines.

## 3.3 Trading Practices continued

### 3.3.5 Risk Management

#### Covid-19

Recognizing the importance of prioritizing the health and safety of our employees, customers, and partners, as well as ensuring business continuity, we implemented a comprehensive set of preventive measures that exceeded the government's health protocols which were carried through 2021. These measures were carefully coordinated by our Human Resources Department in collaboration with Health & Safety Officers. We remained vigilant by closely monitoring the situation and maintaining frequent communication with industry organizations such as the Cyprus Employers and Industrialists Federation and the Cyprus Chamber of Commerce & Industry. To face the increased demand for technological support, as remote work prevailed, the IT departments focused on online collaboration and communication tools as well as facilitating the shift to online shopping.

#### Control Mechanisms

CTC implements various mechanisms to identify and evaluate operational, financial, and technological risks. The role of the committees, policies, procedures, management systems and codes is crucial in identifying, preventing and managing these risks, especially since the Group's activities, operations, investments, and business associates are diverse.

Potential risks are identified, assessed, and evaluated annually, and management develops contingency plans to minimize their impact. The Group delegates and coordinates essential risk management duties to various functions within the organization to achieve an effective risk management system:

- The operations managers of each company are responsible for maintaining effective internal controls and executing risk and control procedures daily to mitigate potential risks.
- The Chief Financial Officer of each company monitors financial risks and reporting issues, and facilitates and monitors effective risk management practices by operations managers.
- The Internal Audit function provides an independent and objective assessment of all elements of the risk management and internal control system.



## 3.3 Trading Practices continued

### Control Mechanisms continued

The Group implements an Internal Control System that aims to safeguard the shareholders' investments and Group assets to the greatest extent possible. In collaboration with the Management of Group companies, the Internal Audit Department identifies, records, and prioritizes the risks associated with the three main groups of CTC, namely Cyprus Trading Corporation Plc, Ermes Department Stores Plc, and Woolworth (Cyprus) Properties Plc.

The results of this exercise are presented annually to the Audit and Risk Committee of each company, as part of the annual audit plan formulation and approval.

The main risks that the Group faces include:

- Significant dependence on foreign suppliers
- A highly volatile retail sector
- Fluctuations in real estate prices
- Uncertainty in the tourism sector
- Financial risks

- Non-financial risks relating to operations, compliance, legislation, and reputation
- Economic and political environment in Cyprus where the Group mainly operates
- Intense competition
- Lack of liquidity in the local market
- Environmental risks
- Health and safety
- Delays in the supply chain

The Group Finance Committee and the Central Purchases and Procurement Committee also play an important role in mitigating these risks.

## 3.4 Operational Effectiveness and Process Standardisation

The Group’s strategy is defined by the CTC Board of Directors. The Management of each company develops annual plans, targets and budgets in accordance with this strategy, using a common procedure, all approved by the Board of Directors. The individual Key Performance Indicators (KPIs) of employees are determined based on these targets and budgets.

The standardization of processes and written policies and procedures are crucial in achieving optimal operational efficiency, given the Group's diversification and size. Each company follows its own processes, abiding at the same time to common Group policies, procedures and manuals including the Authority Levels Matrix, the HR Manual and the Code of Business Conduct.

A number of services are provided at Group level, to support and benefit all companies, such as Financial, Legal, Human Resources, Public Relations, Property management technical services, IT infrastructure and network, and Internal Audit.

### Memberships in various Bodies and Associations

- Cyprus Employers and Industrialists Federation – Member of the Board of Directors.
- Cyprus Chamber of Commerce & Industry (CCCI).
- District Chambers and Business Associations, under the auspices of the CCCI. Member of the Board of Directors of Nicosia Chamber of Commerce & Industry (NCCI).
- Intercontinental Group of Department Stores (IGDS), the biggest department store association in the world.
- Efficient Consumer Response (ECR) Cyprus - One of the founder members, with the aim of improving cooperation among retailers, suppliers and manufacturers for the provision of better and more competitive products to consumers.
- CSR Cyprus, a non-profit, non-governmental organization, member of CSR Europe, aiming to promote the concepts of corporate sustainability and responsibility to Cypriot businesses and organizations.
- Also, among others: The Cyprus Commercial Representatives Association, The Cyprus Advertisers Association and the Motor Vehicles Importers Association.

#### CTC GROUP ISO CERTIFICATIONS

ISO Standard	Certified Companies
22000:2018 Food Safety Management System	Argosy Trading Company Ltd
9001:2015 Quality Management Systems	CTC Automotive Ltd
14001:2015 Environmental Management Systems	Argosy Trading Company Ltd

# 3.5 Digital Transformation and Data Management

## 3.5.1 Technology & Digitalisation

The Group is committed to investing in new technologies and upgrading its IT systems to improve efficiency, productivity, and service delivery to stakeholders while ensuring infrastructure security.

To adapt to the constantly changing world of technology, the Group has partnered with Microsoft to implement cloud technologies that will enable it to digitize processes, reduce paper usage, increase communication speed, and provide self-service to employees and other stakeholders.

## 3.5.2 Data Security and Integrity

CTC Group has taken significant measures to ensure the protection of personal data and safeguard the security of information. In particular, we implement the General Data Protection Regulation (GDPR). We have reinforced awareness of personal data protection across the entire Group via the dedicated Data Protection Officer (DPO).

Beyond regulatory compliance, and in order to assess our personal data collection, management and storage processes, we engaged specialist consultants in legal and IT fields, identified areas that required improvement, developed targeted action plans and offer trainings to our employees. We have also established a robust procedure for handling customer complaints related to personal data protection.

In 2019, we appointed a GDPR Committee which consists of representatives from key Group functions such as Finance, Legal, Human Resources, IT, and Internal Audit. The committee regularly convenes to address personal data protection matters and monitor the progress of our assessment and compliance initiatives.

Notably, since the enforcement of the GDPR, our Group's companies have not incurred data breaches, attesting to our diligent efforts in maintaining compliance and protecting personal data.

### Cybersecurity

To enhance security, the Group has made significant investments in security infrastructure and solutions to adhere to international standards, minimize cyber threats, and strengthen pre-emptive threat recognition. Next-generation perimeter firewalls have been implemented, capable of scanning and analyzing network traffic for faster threat recognition. In addition, the Group has implemented Artificial Intelligence to scan for malicious code and software automatically and quarantine potential threats to prevent further contamination. Moreover, the Group is working to implement Data Encryption on all Databases for its business applications to protect personal data and prevent unauthorized access outside its protected data center environment.

All employees receive education on cybersecurity best practices and organization security policies.

# 4 Market and Products

- 4.1 Supply Chain Management**
- 4.2 Addressing Health & Safety**
- 4.3 Green Operations and Products**
- 4.4 Satisfying Our Customers**

# Our Approach

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Our primary concern is to constantly satisfying our customers' expectations and offering high quality products and services at the best affordable price. We, therefore, monitor and act upon our customers' feedback, being at the same time proactive, given the dynamic business environment in which we operate. In this context, we have expanded our product offering to include green, healthier and more sustainable products in response to growing patterns of behaviour for more conscious and mindful consumption, while preserving our business continuity.

# 4.1 Supply Chain Management

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The management of social, environmental and financial implications of the supply chain are considered a critical element of corporate sustainability. The recent pandemic and war in Ukraine have had profound impacts on many businesses worldwide and undoubtedly on our supply chain and operations. More specifically, at CTC we encountered the following issues:

- Container shortages and severe port congestion, driving shipping rates to nearly 10 times higher compared to 2020.
- Supply shortages of raw materials, especially products originating from China, causing delays in production, particularly affecting the automotive industry.
- Supply chain issues relating to raw materials and products originating from Ukraine and Russia.
- Increase in the price of oil and gas.
- Lack of personnel in specific professions, such as drivers with a professional license.

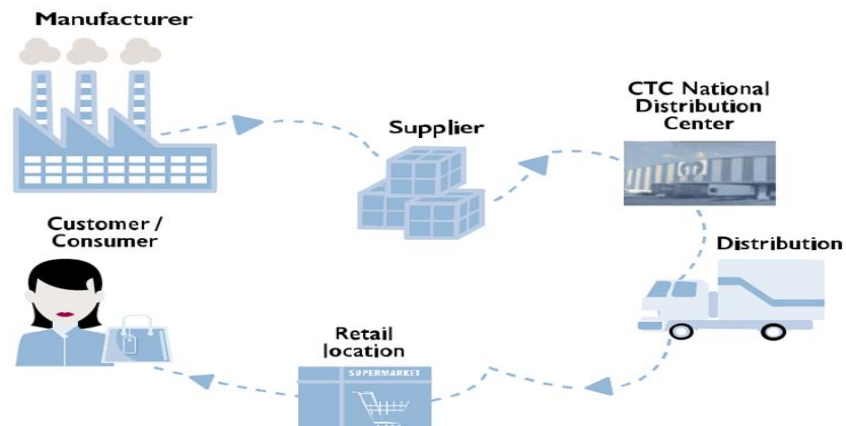
We did our best in handling these challenges. Nevertheless, we could not achieve the constant supply of certain products in the grocery retail sector. In addition, the supply of vehicles in the market proved entirely beyond our control.

# 4.1 Supply Chain Management continued

## Procurement Policy Practices

We select and assess suppliers based on commercial, social and environmental criteria. Our supplier evaluation process considers product quality (e.g. through sampling), working environment and compliance with legislation regarding production and premises. We prioritise reputable brands and providers with a proven track of quality excellence. The majority of our suppliers are established multinational companies.

Regarding products sourced from third countries, we conduct on-site inspections before entering into agreements to verify that acceptable working conditions are maintained. We carefully select our commercial partners (suppliers, trading customers, collaborators) ensuring that they respect human rights and share the values and principles of our Group.



## Procurement planning

Efficient planning and monitoring of supplies are crucial in reducing waste and maintaining product quality. Achieving this requires maintenance of correct stock levels, which are determined by various factors such as:

- Product type
- Expiry dates
- Fashion trends
- Seasonality
- Consumer preferences
- Technological advancements

When placing orders, we consider the existing inventory, pending orders, forecasted sales, reserve / safety buffer and the suppliers' supply chain parameters, including product lifecycle. Products with shorter lifecycles require more frequent orders. Continuous replenishment ensures product freshness and alignment with fashion trends.

# 4.1 Supply Chain Management continued

## Logistics – CTC National Distribution Centre (NDC)

Our NDC houses all FMCG, which are received and stored according to the suppliers' specifications and standards, maintaining optimal quality and minimising losses.

Once products are received, we conduct a thorough inspection to verify the quantity, quality, labelling and expiry dates. Any non-conforming products, such as damaged goods are handled based on the returns policy and terms of agreement with the relevant supplier. Waste generated in the warehouse, such as packaging waste, is separated and dealt with in accordance with the relevant legislation, utilizing a waste hierarchy approach. Our waste hierarchy approach prioritises waste prevention, followed by waste preparation for re-use, recycling and recovery, with only residual waste going to disposal.

We handle food-related products with utmost care to ensure top quality and minimum potential impacts. Our facilities feature four different temperature-controlled zones: frozen, chilled, air-conditioned, and ambient, also available in a fleet of more than 70 commercial vehicles. All temperatures are recorded, and text messages warn of any temperature-related problems.

There is a defined cleaning and disinfecting schedule as well as pest control for all installations and outdoor spaces. Detergents and disinfectants used are compatible to the products. The cleaning products are stored in separate areas.

Our Warehouse Management System (WMS) provides valuable insights into the location, characteristics, and the expiration dates of products within the warehouse. Our technology enables the preparation of orders with the First Expire First Out (FEFO) system, and in the case of cosmetics, the First In First Out (FIFO) system is used. In addition, we utilize voice picking avoiding the use of paper.

In 2021, we successfully upgraded our Enterprise Resource Planning (ERP) system. This brought immediate benefits, such as increased productivity and reduced errors. With its user-friendly interface, real-time information, and process improvements, the upgraded system has significantly eased the everyday lives of its users and contributed to their overall satisfaction.

## Product traceability

Our digital systems encode all products and enable immediate traceability in case a recall of a specific batch from the markets is required for any reason.

## Awards

The dedication and hard work put forth by Argosy and its employees have earned them prestigious accolades in both Greece and Cyprus. In Greece, the company was honored with the Warehouse Distribution Center Infrastructure award in 2018. In Cyprus, Argosy received recognition in various categories, including FMCG, Supply Chain Risk Management amid COVID-19, and Innovation in Transport-Distribution, all in the year 2021.



# 4.2 Addressing Health & Safety

## 4.2.1 Customer / Consumer Health & Safety

At CTC we implement appropriate systems in compliance with legal requirements. This ensures the safety and well-being of our customers / consumers and promotes effective risk management.

During 2021, we took additional measures for the protection of our customers / consumers in regard to the pandemic. These included:

- Revision of risk assessments to include the coronavirus pandemic.
- Implementation of all government protocols by all employees in all premises.
- Informative banners placed at the entrance of all stores.
- Personal protective equipment, like face masks and shields, gloves, antiseptics, made available at numerous locations for both customers and employees.
- Temperature control of customers carried out at all entrances.
- UV fog disinfectant machines at all showrooms and workshops for vehicle disinfection for every test drive and after sales service, respectively.

In 2021-22, we had no incidents of non-compliance with any regulations concerning health and safety for any of our 40 (48 in 2020) product and service categories. Regarding customer accidents in our premises, we had 24 in 2021 and 22 in 2022, all non serious.

## 4.2.2 Food Safety

Ensuring the provision of safe food is a top priority. To achieve this, we have established a food hygiene and safety policy, which outlines fundamental principles and objectives for continuous improvement.

Argosy Trading Company Ltd has upgraded its Food Safety Management System to align with both internal and external stakeholder requirements as well as the operating framework and has obtained ISO 22000:2018 certification.

Argosy implements ISO 22000:2018 management system in order to:

- Increase customer confidence
- Identify and address potential risks and threats
- Comply with legal requirements

These objectives are achieved through the:

- Evaluation and monitoring of suppliers (quality systems) and products purchased
- Continuous training of staff to ensure professional competence
- Continuous monitoring of compliance with the ISO 22000:2018 system
- Establishment of appropriate personal hygiene measures
- Continuous upgrading of company infrastructure and technology

## 4.3 Green Operations and Products

As a Group we observe market trends and customer requirements around more sustainable products, services and operations. Based on the above, we continuously enrich our portfolio, in line with our vision, new EU regulations and our sustainability objectives.

### Food

We have widened our range of food products to include more plant-based, non-genetically modified products, suitable for vegetarians and vegans. Furthermore, we have added products which are gluten free. At the same time, we support our suppliers' initiatives in promoting green products and building awareness on environmental protection.

### Fashion Retail

In our fashion stores we provide clothes made of sustainable materials, such as recycled fibres, organic cotton / linen / wool fibres which are produced without the use of harmful chemicals, pesticides and insecticides.

### Automotive

Our automotive and engineering operations are aligned with the new trends for clean energy to promote green and sustainable products in the market. In addition to offering hybrid and electric cars in the market, the newly formed CTC Smart Energy department aims to provide high-quality solutions related to energy savings and energy efficiency, such as lighting, photovoltaics, charging stations for electric vehicles and battery energy saving systems.

### 4.3.1 Quality of Products and Services

CTC has a strict policy of importing high-quality products from reliable manufacturers and suppliers. We do our utmost to safeguard that quality is maintained until the products reach the end consumer. This is achieved through technology and company procedures, efficient supply chain management, the right warehousing conditions also extended in the distribution vehicles, and traceability measures in the market.

CTC is committed to continuously improving the quality of its offering by:

- Implementing certification standards
- Providing ongoing training to its employees
- Monitoring customer feedback through various surveys
- Maintaining an effective customer complaint management system

## 4.4 Satisfying our Customers

Customer and consumer satisfaction is of utmost importance. We strive to offer innovative, sustainable and high-quality products and services, by closely monitoring market trends and customer preferences. We continuously identify areas of improvement in order to enrich our offering and ultimately enhance our customer satisfaction and experience.

In this context we have upgraded retail stores and opened new ones such the Ermes flagship department store ERA Apollon in Limassol and the new Superhome megastore in Lakatamia. Moreover, CTC Automotive is planning the expansion and upgrading of its After Sales Service Centres in both Nicosia and Limassol.

### 4.4.1 Customer / Consumer Satisfaction

#### Customer Surveys

We use market, customer or product surveys to keep up with current trends and customer consumer views, to identify areas of improvement and achieve service excellence, carried out by specialist organizations. Internal surveys, such as follow-up calls and online questionnaires, are also conducted. In 2022 Ermes conducted 3 customer on-line surveys, one for ERA Apollon, one for ERA Beauty e-Commerce and one for all ERA Department Stores focusing on customer service. Superhome used mystery shopping results in order to improve customer service in its stores. In 2021 mystery shopping was conducted twice in the year, while in 2022 it was conducted every month in all stores.

For Argosy and Automotive customer surveys have been conducted directly by suppliers and all areas of improvement were communicated to them.

#### Product Return Policy

Each company provides customers and consumers the necessary information on the product return procedure that varies according to product type.

#### Reward Programme

Ermes Group customer reward programme "Unique by Ermes" aims to enhance customer engagement and satisfaction. The programme features a dynamic three-tier reward system that offers rewards according to transactional behaviour.

The programme spans across multiple product categories, including fashion, cosmetics, home improvement and DIY, and is offered at various stores operated by the Group. Participants in the scheme are retail profiles and brands such as ERA Department Stores, Armani Exchange, Next, OVS, Navy & Green, Springfield, Women'secret, Zako, Glow Beauty, ERGON, and Superhome Center.



## 4.4 Satisfying our Customers continued

### Complaint Management

We have enhanced our complaint management system through the allocation of dedicated roles within our companies and targeted training sessions. These measures ensure more effective monitoring and handling of complaint management.

Argosy's Market Development Department manages consumer complaints related to FMCG products through a structured process:

- Complaints are received via phone or email (either directly from consumers or trading customers).
- Relevant departments are notified and if required, the supplier is contacted.
- A response must be given to the customer within 48hrs of receiving the complaint.
- All complaints are documented and assessed.

Customers in Group stores can report complaints either in writing, or verbally at the Customer Service Desk, or to a member of the store management team. In the case of Superhome most of the complaints are received through specific platforms. If the issue cannot be resolved immediately, it will be escalated to the person in charge of handling complaints at the company's Head Office, who will address it within 48hrs.

The Brand Manager or After Sales Manager handles complaints in our automotive operations. In case a customer contacts the supplier directly, the complaint is dealt with in collaboration with the supplier.

Complaints may also be reported on our websites or social media, which are monitored by the Marketing Departments of the companies and forwarded to the person responsible to resolve them.

Complaints formally received are only being reported for the year 2022, which is the year that the reporting process was properly handled by all companies.

#### Number of complaints officially received, recorded and handled

Company	2022
Argosy	24
Cassandra	0
Artview	0
Ermes	68
Superhome	75
Automotive	94

*Note: Comments in social media are not counted*

## 4.4 Satisfying our Customers continued

IN BUSINESS  
AWARDS  
2020



BUSINESS  
OF THE YEAR

Superhome Center (DIY) Ltd, member of the CTC Group, was awarded the “Business of the Year” award at the “In Business Awards 2020” ceremony, held at the Hilton Nicosia on June 30, 2021.

The “In Business Awards” is an annual event which recognizes local personal and business success, highlighting long-term professional entrepreneurship. The winners are selected through voting by both the people and the Selection Committee.

The award is an indication of people’s recognition of Superhome Center as a business that has demonstrated outstanding growth and achievement in 2020, a particularly difficult year, due to the coronavirus pandemic and lockdowns.

During the last 22 years, Superhome Center has been the pioneer in the field of DIY & Home Improvement. It features 6 stores, the largest chain in its sector in the Cyprus market, more than 60.000 products in 19 specialized categories and an online store, demonstrating excellent customer service and cooperation with employees and suppliers.

The award was received by the General Manager of Superhome Center (DIY) Ltd, George Giovanni, who in a short speech, stated that “success is not measured by what you have achieved, but by the resilience and courage you have shown in the battle against adverse situations”. He expressed his warm thanks to the people who honoured Superhome Center with their vote, as well as to all the company’s employees for their effort in satisfying customer needs.



# 5 Our People

**5.1 HR Management and Practices**

**5.2 Development, Performance and Motivation**

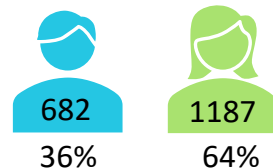
**5.3 Health, Safety and Wellbeing in the Workplace**

# Our Approach

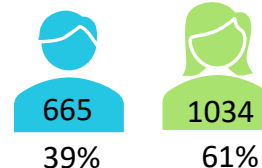
At the core of our achievements lies our dedicated workforce, hence we prioritize the creation of an environment that fosters their growth and well-being. We promote a knowledge-driven organizational culture, empowering our employees through continuous investment in education and training, which not only enhances their skills but also facilitates their future career progress. Above all, we are committed to a working environment that offers equal opportunities for advancement to all individuals within the Group, where mutual respect prevails. We adhere to transparent and fair processes, free from any form of discrimination or bias. Moreover, ensuring the health and safety of our employees during their work is an important aspect of our operations, prompting us to constantly enhance our systems, processes, and work methods.

## Total Number of Employees

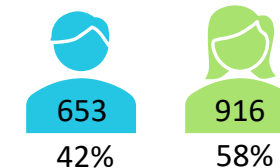
2020: 1.869



2021: 1.699



2022: 1.569



### Notes

The total number of employees is the average number of the year to cater for monthly variations. For comparison purposes with years 2021 & 2022, Fashionlink S.A. is not included in 2020 figures.

# 5.1 HR Management and Practices

## Our Employees in Numbers

CTC Group is one of the largest employers in Cyprus with approximately 1.600 employees in 2022. In order to effectively manage our people, we have devised an action plan in partnership with external consultants, based on an extensive Human Resources study. This plan undergoes regular evaluation to ensure alignment with the latest market trends, and developments within the Group.

# 5.1 HR Management and Practices continued

## Our Employees by age

<b>2020</b>	<30 years old, 456, 24%	30-50 years old, 929, 50%	>50 years old, 484, 26%
<b>2021</b>	<30 years old, 366, 22%	30-50 years old, 875, 51%	>50 years old, 458, 27%
<b>2022</b>	<30 years old, 300, 19%	30-50 years old, 810, 52%	>50 years old, 459, 29%

## Employees by gender and contract type (headcount)

	2020		2021		2022	
	Male	Female	Male	Female	Male	Female
<b>Permanent employees</b>						
Permanent full-time employees	503	589	486	537	490	502
Permanent part-time employees	168	586	168	480	152	397
<b>Temporary employees</b>						
Temporary full-time employees	2	4	1	5	4	5
Temporary part-time employees	8	9	10	12	7	12
<b>Supervised workers</b>						
Supervised workers	46	188	54	180	54	143

### Notes

The total number of employees is the average number of the year to cater for monthly variations.

For comparison purposes with years 2021 & 2022, Fashionlink S.A. is not included in 2020 figures.



# 5.1 HR Management and Practices continued

## Employee hires

Employee hires by gender	2020 (1)	2021	2022
Male	117	129	141
Female	189	256	263
<b>Total</b>	<b>306</b>	<b>385</b>	<b>404</b>

Employee hires by age group	2020 (1)	2021	2022
<30	125	169	193
30-50	155	147	160
Over 50	26	69	51

Employee turnover by age group	2020 (1)	2021	2022
<30	210	246	237
30-50	290	381	217
Over 50	71	120	65
<b>Total</b>	<b>571</b>	<b>747</b>	<b>519</b>

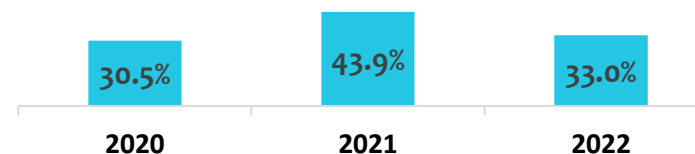
  

Employee turnover by gender	2020 (1)	2021	2022
Male	213	279	209
Female	358	468	310
<b>Total</b>	<b>571</b>	<b>747</b>	<b>519</b>

Employee turnover (contract type)	2020 (1)	2021	2022
Full-time employees	178	309	181
Part-time employees	393	438	338

Termination reason	2020 (1)	2021	2022
Resignation	368	517	451
Dismissal	132	36	41
Redundancy	43	129	1
Retirement	11	15	3
Death	0	3	2
Internal transfer	7	1	8
Expiration of contract	10	13	13
Transfer of Business	0	33	0

## Employee turnover rate (2)



### Notes

1. For comparison purposes with years 2021 & 2022, Fashionlink S.A. is not included in 2020 figures.
2. Employee turnover is primarily affected by employees working in the retail stores and F&B.

# 5.1 HR Management and Practices continued

## 5.1.1 Labour Practices

As a responsible employer, we ensure labour laws and employee rights are fully adhered to and are included in our CTC Employment Agreements:

- All employees are employed of their own free will and with full understanding of all terms of employment.
  - Our rewards and benefits package is either at par or higher than the minimum legal requirements and those prevailing in the market. As from 01/01/2023, the minimum monthly salary for full-time employees is €885, rising to €940 after six months of continuous employment.
  - Part-time employees receive the same benefits as full-time employees.
  - We do not employ anyone below 16 years of age.
  - We ensure that men and women receive equal pay for equal work, and we apply common criteria excluding gender discrimination.
  - We comply with all provisions of the law concerning working hours, rest periods, special leaves and overtime.
- We implement the regulations and best practices relating to working conditions and health and safety at work.
  - We develop and enhance the skills and capabilities of each employee through training programmes.
  - We ensure confidentiality for employees who wish to raise their concerns without fear of consequences.
  - We always treat each employee on an individual basis and at the same time encourage teamwork in order to achieve common goals.

# 5.1 HR Management and Practices continued

## HR Manual, Policies and Procedures

Our HR Manual serves as a comprehensive source of policies and procedures related to human resources. It is easily accessible to all employees through our intranet and online training platform. To ensure its relevance and compliance, we conduct regular reviews and updates to align with changing laws, regulations, and organisational policies. We employ various communication channels such as meetings, email announcements, and notice board postings to inform employees of important updates. The most recent revision of our manual took place in late 2022 and was officially released in January 2023.

All our new hires go through briefings which are carried out on their first day at work, outlining their rights and responsibilities.

The signed acceptance of our HR Manual and the CTC Code of Business Conduct is a prerequisite for employment at any of our companies.

## Integrating our values

Our values guide our decision-making and shape the culture of our Group. To ensure that they remain at the forefront of our actions, we took a number of initiatives to reinforce their communication to everyone of our employees:

- Lunch bags on which our values were imprinted.
- Employee desk calendars prominently displaying our values.
- Posters placed in company premises.
- Employee newsletters which regularly highlight the importance of practicing our values on a daily basis.

Moreover, we have incorporated practicing our values into our qualitative criteria of our Annual Performance Appraisal System.

# 5.1 HR Management and Practices continued

## Strengthening communication and engagement

We strive to strengthen communication channels enabling the continuous exchange and uninterrupted flow of ideas and information. By doing so, we aim to enhance transparency, collaboration and achieve organisational alignment. To achieve this, we conduct training workshops, seminars, surveys, host internal meetings and share regular announcements.

In 2020, we introduced the quarterly newsletter "The HR Department informs you" as a valuable communication tool that keeps employees updated on important HR-related issues, policies, and procedures. This newsletter promotes a sense of belonging by sharing employee achievements, success stories, and experiences.

Furthermore, we have invested in upgrading our intranet infrastructure. This constitutes a reference point for all policies, procedures, manuals and official documents. It also projects news and information that would interest our staff.

## 5.1.2 Job security

COVID-19 pandemic continued, for the second year running in 2021. In addition to the health issue, job retention was also of major concern. Understanding the challenges and uncertainties of this situation, we continued to implement measures to safeguard jobs and provide stability. We continued implementing alternative work arrangements, such as work from home, and new methods of service, delivery and execution. We also continued adopting the government support schemes to preserve jobs and support incomes during lockdown.

Beyond COVID, our aim has always been to ensure business continuity and maintain a supportive and resilient work environment where our employees feel valued and confident about their future with us.

# 5.1 HR Management and Practices continued

## 5.1.3 Diversity and Equal Opportunity

We are committed to creating an inclusive workplace where everyone feels valued, respected, and empowered to contribute with their unique perspective. As such, we implement procedures for all companies of the Group that uphold objectivity and transparency to safeguard the right of all employees to work in an environment free of any kind of discrimination, unequal treatment and harassment. Employees are encouraged to report freely any complaint regarding their working conditions, without fear of negative consequences.

Opportunities are accessible to all, based on their capabilities and contribution. Our decision-making processes concerning salary increases and promotions, are based on our formal Annual Performance Appraisal System which contains both quantitative and qualitative criteria.

### Employee Promotions

Promotions	2020	2021	2022
Number of men promoted	29	21	24
Number of women promoted	13	30	32

### Senior Management\*

	2020	2021	2022
<b>ORIGIN</b>			
Cypriot	17	16	18
Greek	2	1	1
<b>AGE</b>			
<30 years old	0	0	0
30-50 years old	6	6	8
>50 years old	13	11	11
<b>GENDER</b>			
Male	12	8	10
Female	7	9	9

\*The management team includes the Executive Directors, General and Financial Managers and Senior Managers at Group level.

# 5.1 HR Management and Practices continued

## **CTC Group certified “Equality Employer”**

The National Certification Body for the Implementation of Good Practices in Gender Equality in the Working Environment announced that on 7 April 2021 it decided to award CTC Group the “Equality Employer” certification. It should be noted that the companies of the Group had also been certified for specific Good Practices in the past.

“Equality Employer” certification is granted for the implementation of a comprehensive system of promoting gender equality in the workplace, in all areas of the Group’s activities. Among others, the Group was assessed on its practices related to recruitment, promotion, professional training, performance evaluation, equal remuneration, work / life balance and harassment / sexual harassment. In the course of the assessment, all the Group's policies and procedures were examined, while part of it involved the completion of a questionnaire which was sent out to 190 members of staff by the Labour Relations Department of the Ministry of Labour, Welfare and Social Insurance.

Congratulating CTC Group, the National Certification Body underlined that certification has been awarded in recognition of the Group’s commitment to promoting equal treatment and equal opportunities between men and women, at all levels of its activities.

The achievement and official certification of gender equality in the workplace contributes to the creation of a just society, in which everyone participates on an equal basis and has the opportunity to reach his / her full potential, as noted in the relevant Guide of the Labour Relations Department. It also ranks CTC Group among the organisations considered as role models on the basis of their work environment and renders it an employer of choice for all those who choose to work in an organisation with people at its core.

# 5.1 HR Management and Practices continued

## 5.1.4 Human Rights

Our CTC Code of Business Conduct addresses major human rights issues like discrimination, fair wages, working hours, health & safety, harassment, by specifically stating: “we respect human rights and accept diversity, such as colour, gender, origin, nationality, culture, religion, age, disability, marital status, sexual orientation and political beliefs. As a result, any form of racism, discrimination, harassment (verbal or physical), or any kind of oppression is not tolerated by any employee.” We ensure equal treatment and opportunity to all employees with the aim of creating a fair working environment and a diverse workforce.

Each person is employed, developed and assessed purely on objective criteria based on his / her performance, knowledge, experience and personality. We pursue transparency in our processes and procedures, and we have open communication with all employees.

Over and above, we carefully select our commercial partners (suppliers, trading customers, collaborators). We make sure they respect human rights and share the values and principles of our Group.

## 5.1.5 Harassment and Bullying

We strive to provide a workplace where all individuals are treated with dignity and respect, and are protected from any forms of discrimination, intimidation, harassment or similar misconduct.

As a Group we have a Code of Harassment and Sexual Harassment, which:

- Safeguards the right of each employee to work in a professional environment, free from any forms of discrimination, including those of bullying and sexual harassment.
- Renders any form of harassment, a disciplinary offense.
- Defines an effective procedure of reporting such incidents, without fear of negative consequences.
- Protects, from vindictive behaviour, people who in good faith make allegations of harassment against themselves or their colleagues.

We prevent and suppress any kind of bullying (physical or verbal), whether it comes from employees, customers, visitors, suppliers, or from any other persons. Training on how to prevent harassment and sexual harassment is included in the employee induction programme and is offered to all employees.

All complaints are thoroughly investigated, and appropriate measures are taken against the offenders, including police involvement and termination of employment. The Equality Committee addresses all forms of discrimination and harassment and responds promptly with confidentiality and sensitivity.

In 2021, there was one incident of harassment (physical) resulting in the offender being fired. In 2022, no incidents of harassment or bullying have been reported.

# 5.2 Development, Performance and Motivation

## 5.2.1 Education and Training

We invest in the education and training of our employees which allows their further development and strengthening of their knowledge, skills and abilities, aiming to building long-term careers in the Group.

### Training Opportunities

Training can be on-the-job, usually for a new hire or transfer (e.g. being trained by a superior, observing how a colleague carries out his job, rotation) or outside the workplace (e.g. seminars, conferences, university courses). Taking into account the strategic direction of the Group, the specific needs of Operations / Departments and the annual performance appraisal of each employee, training programmes are designed accordingly.

The below tables do not include on-the-job training hours.

Training programmes	2020	2021	2022
<b>Total number of training programmes</b>	<b>161</b>	<b>270</b>	<b>344</b>
Internal with internal trainer	65	156	201
Internal with external trainer	41	41	60
External	55	73	83

Participants	2020	2021	2022
<b>Total number of participants</b>	<b>1.056</b>	<b>1.447</b>	<b>2.122</b>
Men	460	717	690
Women	596	730	1.432

Training hours	2020	2021	2022
<b>Total number of training hours</b>	<b>1.406</b>	<b>2.147</b>	<b>1.991</b>
Internal with internal trainer	167	387	482
Internal with external trainer	276	387	541
External	963	1.373	969

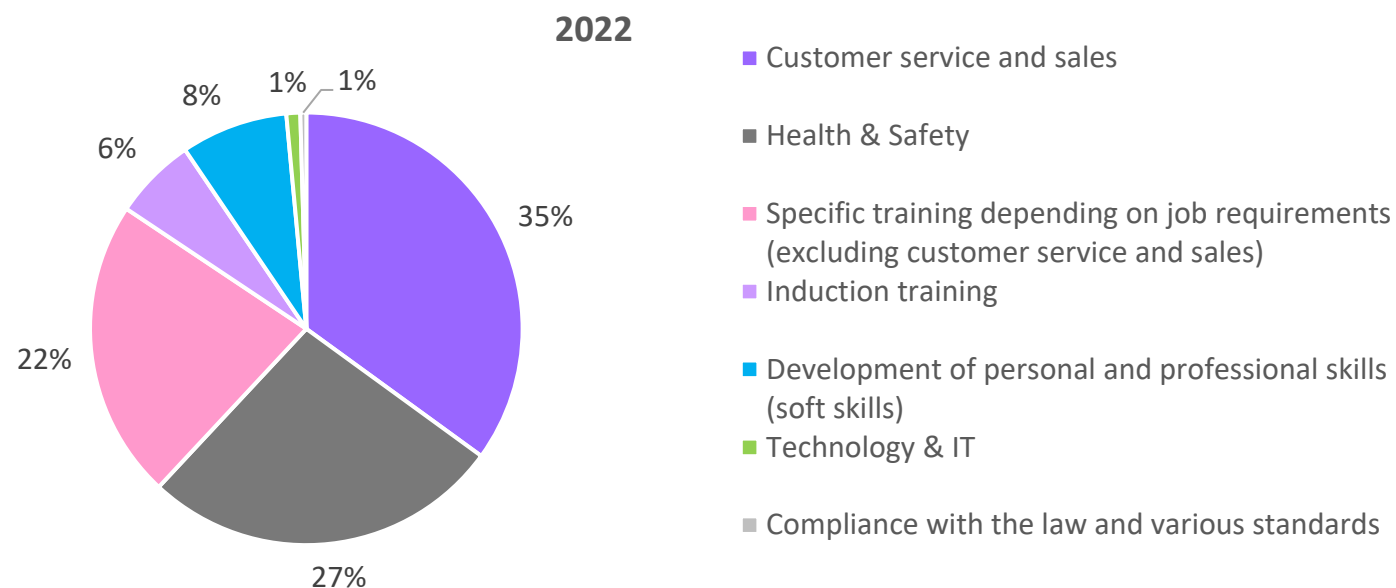
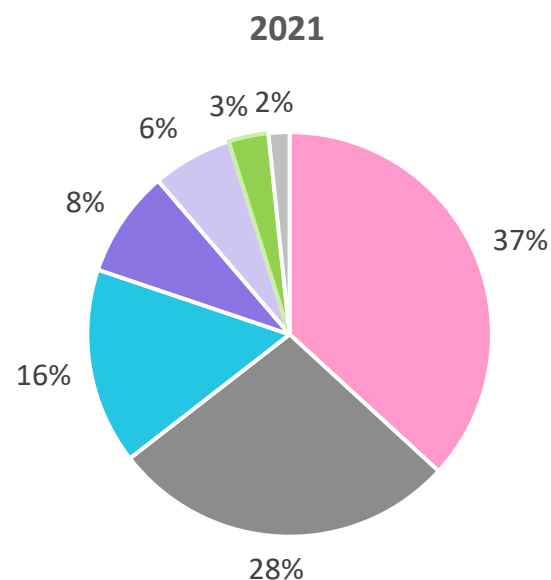
People training hours	2020	2021	2022
<b>Total number of people training hours</b>	<b>5.534</b>	<b>7.330</b>	<b>10.599</b>
Men	2.905	3.831	4.019
Women	2.629	3.499	6.580

Average training hours	2020	2021	2022
<b>Per employee</b>	<b>3</b>	<b>4,3</b>	<b>6,8</b>
Per man	4,3	5,8	6,2
Per woman	2,2	3,4	7,2



## 5.2 Development, Performance and Motivation continued

Training topics (based on people training hours)	2020	2021	2022
Compliance with the law and various standards	660,5	123	47
Customer service and sales	853,5	627	3.710
Development of personal and professional skills (soft skills)	1.028	1.150	357
Health & Safety	1.244	2.029	2.856
Induction training	251	470	653
Specific training depending on job requirements (excluding customer service and sales)	1.420	2.699	2.376
Technology & IT	77,5	233	110



- Customer service and sales
- Health & Safety
- Specific training depending on job requirements (excluding customer service and sales)
- Induction training
- Development of personal and professional skills (soft skills)
- Technology & IT
- Compliance with the law and various standards

## 5.2 Development, Performance and Motivation continued

### E-learning

Our online training platform, known as the CTC Academy, hosts an induction training programme for new hires to help them familiarize themselves with the company. It also provides an overview of important policies and procedures, as well as a series of courses which is continuously updated with new courses for existing employees.

The trainings follow modern gamification approaches, ensuring, through quizzes, that the required level of knowledge is gained. Participants are rewarded with certificates and badges.

The platform is considered a valuable learning tool.

### Academic/professional qualifications

CTC encourages its employees to obtain academic or professional qualifications at educational institutions. To this end, it has a special sponsorship scheme in place, by which course fees are partly or fully subsidised by the company. The company decides whether a particular course of study is essential for the advancement of a particular employee within the Group.

Moreover, CTC maintains special relations with universities and colleges in Cyprus, which offer scholarships to the Group employees and / or their family members.

Due to covid-19, no sponsorships were awarded in the period 2021-2022.

### Internship programme

CTC Group collaborates with universities and colleges in Cyprus to provide students and graduates with valuable work experience through placements within our companies. The "Come and Join Our Team" internship programme is specifically designed to attract capable young individuals eligible to be employed by the Group in the future. Through this opportunity, we foster a mutually beneficial relationship where students gain practical experience, while the Group benefits from their ideas and innovative thinking.

## 5.2 Development, Performance and Motivation continued

### Assessing our employees' performance

Performance management is carried out in a variety of ways and at different levels. New hires are assessed by their supervisor upon the completion of the first three months and specific KPIs are set and agreed upon the completion of the probation period (six months). These KPIs are evaluated during the formal Annual Performance Appraisal System, conducted at the beginning of each year. The objective is to assess each employee's performance during the previous year, to set targets / new KPIs for the current year, to identify key strengths and weaknesses and provide necessary tools to help all employees reach their full potential.

High performers constitute our "talent pool" and are given a personal development plan to enable their advancement to higher positions. Low performers undergo close supervision and further training to raise their performance at the organisational expected level.

To further advance our approach, in 2022, we conducted employee surveys in order to receive feedback on our Performance Appraisal System. Based on our findings, we proceeded with changes that we deemed necessary to improve our procedures. Moreover, in 2023, we plan to collaborate with external consultants in order to enable top and middle management to receive confidential and anonymous feedback from colleagues. By doing so, we aim to strengthen our culture of continuous improvement and enhance the effectiveness of our Group.

### Completion of Performance Appraisals

	2020	2021	2022
Total number of employees (December previous year)	1.917	1.777	1.477
Number of eligible employees	1.762	1.453	1.168
Number of appraisals completed	1.041	1.097	1.094
Number of non eligible employees (e.g. trial period)	155	324	309
Number of appraisals not completed for no valid reason	721	356	74
Completion rate*	59%	75,5%	93,6%

\* Completion rate is calculated as the Number of appraisals completed / the Number of eligible employees, while in our previous Sustainability reports it was calculated as the Number of appraisals completed + the Number of non eligible employees / the total number of employees.

## 5.2 Development, Performance and Motivation continued

### Rewarding our people

At CTC, we maintain a results-orientated culture using qualitative and quantitative metrics to recognize and reward performance. We acknowledge and value the hard work of each and every employee, their ongoing efforts and dedication in achieving organisational success.

### Remuneration

Our salaries take into consideration market benchmarks and account for market changes. We participate in biannual market surveys on employee salaries and benefits in order to be updated and better understand expectations in a constantly changing market.

### Performance related rewards

Salary increases, bonuses and commissions are based on well defined, pre-agreed and transparent quantitative and qualitative criteria. KPIs are evaluated formally during our annual performance appraisals.

We also offer incentives related to sales, which, due to the nature of the scheme, are evaluated on a monthly basis.

### Incentives schemes in retail stores

For our employees in the fashion stores, we follow an incentives scheme, which rewards employees based on achieving targets related to critical success factors. The scheme has proven to be successful and will also be extended in our DIY stores.

## 5.3 Health, Safety and Well-Being in the Workplace

At CTC Group, we are committed to safeguarding the well-being of our employees, by upholding high standards of health and safety measures in the workplace, in line with the applicable laws and regulations.

### Health and Safety Management Systems

Each company within the CTC Group has developed its own Health & Safety Management System tailored to their specific needs, operations and premises. Ermes Department Stores Plc, Superhome Center (DIY) Ltd, and Argosy Trading Company Ltd, along with Cassandra Trading Ltd and Artview Co. Ltd, which operate at the same premises (NDC), have developed their Health & Safety Management System based on the principles of the new standard ISO 45001:2018. CTC Automotive Ltd, certified with ISO 9001:2015, is also working towards adopting the principles of the new standard.

All four companies, Ermes, Superhome, Argosy and Automotive employ a full-time Health & Safety Officer each, although the latter employs less than 200 people, which is the legal requirement.

The Health & Safety Management Systems include integrated processes that support their implementation. They consist of manuals, procedures, instructions, and leaflets, which are regularly reviewed to ensure ongoing improvements in health and safety matters within each company. These include:

- Health & Safety Committees that have a defined role and responsibility in risk evaluation and management of health and safety issues, updated periodically.
- Designing and implementing emergency procedures and plans.
- Reporting, investigating, and analyzing incidents and accidents.
- Ensuring the provision of suitable equipment and safe installations.
- Providing personal protective gear based on the type of work.
- Conducting workplace inspections for health and safety issues.
- Providing safety measures for associates and subcontractors on company premises.
- Implementing fire safety and fire protection regulations.
- Following road safety rules.
- Regularly informing and training employees about safety and health policies and systems, as required by law, and ensuring they know the location of relevant equipment such as Automated External Defibrillator (AED), first aid kits, fire extinguishers, and emergency exits in each area.

## 5.3 Health, Safety and Well-Being in the Workplace continued

### Road Safety

Since 2009, CTC Group has been a signatory to the European Road Safety Charter and has been promoting activities and programmes to increase road safety awareness among its employees and the wider community.

The Group uses modern electronic fleet management and telematics systems to maintain low levels of traffic violations. Argosy, Artview and Cassandra, all located at the CTC National Distribution Centre (NDC), operate a fleet of over 215 vehicles (the Group's largest fleet), which in 2021 and 2022 covered 4.164.842 km and 4.352.381 km, respectively.

In 2021, NDC installed a fleet telematics system, which warns drivers when they exceed the speed limit and bear relative consequences in case of repetitive violations.

The number of accidents involving company vehicles has decreased by 51% since 2016. The total number of accidents has remained low, with 27 accidents recorded in 2021 and 28 in 2022.

CTC Group collaborates with organisations, such as the NGO Reaction and the Police Traffic Department, to actively participate in campaigns, seminars, conferences, and other events to promote the importance of road safety.

We have implemented numerous measures, including:

- Automated reminders for drivers to perform maintenance checks on their vehicles.
- A monthly checklist for heavy commercial vehicles to identify any external or mechanical faults, with specific instructions for how to address them.
- Immediate warnings to drivers who exceed speed limits, with consequences for repeat offenders.
- Processing and analysis of truck tachograph data to ensure compliance with driving and rest period regulations.
- Appointment of a committee to examine the circumstances surrounding road accidents, in order to identify preventive measures to be taken.
- Sending prompt email briefings to employees regarding road safety issues and any potential problems on the road network.
- Prohibition of smoking in company vehicles.

## 5.3 Health, Safety and Well-Being in the Workplace continued

### Health and Safety Incident Indicators for Own Employees

Indicators	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Number of hours worked</b>	N/A	N/A	<b>3.014.347</b>	N/A	N/A	<b>3.125.050</b>	N/A	N/A	<b>2.769.234</b>
<b>Number of accidents</b>	15	16	<b>31</b>	12	15	<b>27</b>	8	10	<b>18</b>
Non serious	15	16	31	12	15	27	8	9	17
Serious / Fatalities	0	0	0	0	0	0	0	1	1
<b>Total number of hours lost due to accidents</b>	2.081	580	<b>2.661</b>	1.431	2.089	<b>3.520</b>	540	2.176	<b>2.716</b>
<b>Injury Rate</b> (Number of accidents / Number of hrs worked x 200.000)			<b>2,06</b>			<b>1,73</b>			<b>1,29</b>
<b>Lost Day Rate (LDR)</b> (Number of hours lost due to accidents / Number of hours worked x 200000)			<b>176,56</b>			<b>225,28</b>			<b>196,15</b>
<b>Sick leave days</b> (all recordable absences due to accident injury or sickness)	3.637	7.326	<b>10.963</b>	3.594	7.521	<b>11.115</b>	3.131	7.897	<b>11.028</b>
<b>Total actual absentee hours lost</b>	26.978	50.529	<b>77.507</b>	23.434	51.619	<b>75.053</b>	23.562	53.289	<b>76.851</b>
<b>Absentee rate</b> (Total actual absentee hours lost/Number of hours worked x 200000)			<b>5.143</b>			<b>4.803</b>			<b>5.550</b>

## 5.3 Health, Safety and Well-Being in the Workplace continued

### Well-being in the Workplace

We have attractive benefits and practices for our employees which contribute towards the creation of a positive and healthy working environment, taking into account work-life balance.

### Attractive Benefits Package

All employees, on either part-time or full-time basis, enjoy the same benefits which are communicated to them during the induction process:

- Life insurance\*
- Personal accident insurance
- Topping up of sickness allowance up to 100% of salary, for a specific period (20 working days for a five-day work week employees and 24 working days for a six-day work week employees). Social Insurance Services cover 60% of the monthly salary.
- Annual leave, increasing according to years of employment, up to 23 working days for a five-day work week employees and up to 26 working days for a six-day work week employees.
- Paid study leave\*
- Subsidisation of an academic or professional qualification based on specific criteria\*
- Topping up of maternity and paternity allowances up to 100% of salary. Social Insurance Services cover 72% of the monthly salary.
- 13<sup>th</sup> salary
- Provident Fund\*

- Personal discount card for use in CTC Group stores and an additional one for a family member
- Telephone allowance (where required)
- Company car (where required)

### Parental leave

Leave	2021	2022
Number of men that took paternity leave	8	13
Number of men who returned to work after paternity ended	8	13
Number of women that took maternity leave	32	33
Number of women who returned to work after maternity leave ended	22	22

*Note: the number of women returning to work after maternity leave also includes women who started their maternity leave in the previous year.*

*\*These benefits apply on completion of the six-month probation period.*



# 5.3 Health, Safety and Well-Being in the Workplace continued

## Healthy and Flexible Working Environment

In addition to the benefits package, the Group provides the following:

- Psychological support - The Group collaborates with an approved psychologist who provides psychological support to employees, or members of their families, if needed. Sessions are carried out in strict confidence.
- Free afternoon - Working hours are scheduled in such a way so as to give employees one or two free afternoons per week, depending on the company and department. This makes it easier for employees to take care of their personal and family obligations.
- Flexible working hours - Within certain parameters set by some of the companies of the Group, employees have flexibility with their starting and finishing times.
- Casual Friday - Some companies of the Group have adopted "Casual Friday". On this day, employees may dress casually.
- Fruit day - Some companies of the Group offer to employees free fresh fruit once a week.

## Highlights in 2021 and 2022

- For our 2021 annual calendar, we organized a professional photo shoot at different locations within the Group. Our team members had a great time dressing up in stylish outfits from Era Department Stores, thanks to the expertise of a professional stylist. The atmosphere resembled a fashion event, and everyone involved had an unforgettable experience.
- The Group organized a photography competition, centered around the theme "Capturing Optimism and Hope". A collection of more than 200 captivating pictures were provided from 88 entries from colleagues across all Group companies. During a brief ceremony held at the CTC headquarters, we proudly announced the 13 selected photos. The first, second, and third place winners were awarded a cash prize of €500, €300, and €200, respectively. Additionally, CTC Group vouchers worth €50 each were granted to each of the remaining 10 photographers. All 13 photos decorated our 2022 Group calendar.
- The Group organized two theatrical events "Christmas Color Troubles" for employees to enjoy with their children.

# 6 Society

**6.1 Economic Impact on Society**

**6.2 Community Investment**

# Our Approach

We have a long-lasting commitment to giving back to the community, with particular focus on children and young people.

We actively collaborate with the local community, relevant stakeholders, and non-governmental organizations (NGOs), and participate in various projects that advance people welfare.

## Nicolas K. Shacolas honoured with the “Lifetime Achievement Award” by the International Chamber of Commerce - Cyprus Committee

In 2022 the International Chamber of Commerce (ICC), based in Paris, - Cyprus Committee presented the Group’s Founder and Honorary Life Chairman, Nicolas K. Shacolas, with the Lifetime Achievement Award in recognition of his overall contribution to the world of business and to the Cyprus economy. The modest ceremony was attended by members of the ICC Board of Directors and representatives of the Cyprus Chamber of Commerce and Industry (CCCI) and the Shacolas Group.

# 6.1 Economic Impact on Society

We consider that the most important economic impact we have on society is primarily through:

- The employment of about 1.600 individuals (2022). As one of the biggest employers in Cyprus we recognize the responsibility we have towards the economic wellbeing of hundreds of families.
- The cooperation with local suppliers of goods and services. Our diversified operations benefit a number of local businesses.

	2020	2021	2022
Total payroll cost	€33.626.763	€32.856.705	€33.307.206
Local purchases of goods and services (Electricity cost is not included)	€67.611.164	€73.238.420	€68.256.175

Purchases from Trade Suppliers	2020	2021	2022
Trade Suppliers within Cyprus (%)	26%	26%	25%
Trade Suppliers abroad (%)	74%	74%	75%

Purchases from Non-Trade Suppliers	2020*	2021	2022
Non-trade Suppliers within Cyprus (%)	94%	99%	99%
Non-Trade Suppliers abroad (%)	6%	1%	1%

\* Restatement from percentages disclosed in the 2020 report.

## 6.2 Community Investment

As a responsible corporate citizen, we are committed to investing in society through donations, sponsorships, and philanthropy. We identify and prioritize most impactful areas contributing to sectors such as education, healthcare social awareness, sports and urgent relief needs deriving from disasters, in line with principles of sustainable development and the 17 United Nations Sustainable Development Goals.

### Education

#### Medical School and Health Sciences “Nicos K. Shacolas”

Our biggest community investment to date is in the field of higher education which will contribute towards providing adequate qualified medical staff in the health service of our fellow citizens. The building of the Medical School and Health Sciences “Nicos K. Shacolas”, an endowment of €9 million to the University of Cyprus, is due to operate in 2025. The building was designed by Spanish architects SV60 Arquitectos, Seville, Spain.

#### Educational Awards

Between 2021-2022, we donated more than €40.000 in awards to excellent students, institutions and various educational events.

### Donations

Monetary contributions and in-kind donations are pivotal in supporting humanitarian and disaster relief efforts. Our Group remains proactive and exerts great efforts to help and empower aid recipients in responding to and overcoming crises.

#### Assistance following the deadly forest fires in Larnaka District

In line with its commitment to social responsibility, CTC made a contribution of approximately €90.000 worth of products and goods available for those affected by forest fires in Cyprus. These items were distributed through the Crisis & Disaster Management Centre of the NGO Reaction and the Office of the Commissioner for Citizens. Specifically:

- CTC Automotive donated a specialized IVECO Daily fire engine to NGO Reaction, a state-of-the-art vehicle designed for firefighting and disaster response. It is fully equipped with the necessary tools and equipment and can accommodate up to seven people.
- Superhome donated generators, chainsaws, high-pressure water jet machines and other specialized equipment to Reaction.
- Argosy provided additional essential items specifically requested by the Office of the Commissioner for Citizens to help those affected by the July 4<sup>th</sup> 2021 fire.

## 6.2 Community Investment continued

### **Aid to Evia wildfire victims**

As a demonstration of tangible support and solidarity, our Group participated in providing humanitarian aid to the victims of the wildfires in Evia, Greece. Recognizing the challenges they faced, including rain and mudslides, the group prepared a container filled with clothing and selected food items worth €30.000 for families affected by the disaster and was sent to the Deputy Regional Head of Evia.

### **Argosy supports the Ronald McDonald House**

Argosy has an ongoing commitment to providing a range of its products, such as food, snacks and coffee capsules, to the guesthouse Ronald McDonald House. These products are made available to the families staying at the House, who have children receiving medical treatment at the Makarios Hospital or other healthcare institutions in Nicosia. The annual total retail value of the products is estimated to be €5.000.

### **Superhome donates computers to the Mentally Handicapped Welfare Association**

Superhome Centre (DIY) took the initiative to upgrade nine computers no longer meeting the company's operational needs, and generously donated them to the Mentally Handicapped Welfare Association. This association provides care for adults facing severe multiple disabilities, who often struggle to find acceptance in other institutions. The primary aim of this donation was to create new opportunities and interests for these people.

### **Offering financial assistance to Ukraine**

The conflict in Ukraine and the subsequent humanitarian crisis have brought global attention and concern of governments, organizations, and individuals alike. CTC Group has joined a collective effort to offer essential items to the Ukrainian people affected by the war, contributing €20.000.

### **Sophia for Children Foundation**

The Sophia for Children Foundation aims to fight poverty and its repercussions, mainly concentrating on the most vulnerable of all social groups, children. It is purely run by Cypriot volunteers.

Based on our decision to focus on contributing to children and young people's welfare, we, the CTC Group, have a longstanding relationship of support with the Sophia for Children Foundation. This involves sponsorships, financial donations, offering of free products traded by our companies, as well as services, such as HR and accounting. Moreover, members of our staff are volunteering in various ways to assist the Foundation's events.

Supporting this cause, Argosy has been offering, every year, free Melissa pasta and other foodstuff for the meals of 17 full-day primary schools and 10 kindergartens. Moreover, with €15.000 each year it undertakes the entire lunch programme "I cook and I offer", which provides nutritious meals to the children of two schools in the Limassol district, namely in the villages of Apsiou and Apefia.

## 6.2 Community Investment continued

### Supporting social causes and spreading awareness

#### Ermes supports the Europa Donna Cyprus foundation

During Breast Cancer Awareness Month, the Women'secret stores, part of the Ermes Group brand portfolio, with their campaign "I do care" and the messages "Prevention saves lives" and "#becomeanexplorer", actively supported the non-governmental organization Europa Donna Cyprus. The aim was to raise awareness and promote preventive measures against breast cancer. Through this campaign, Women'secret contributed to spreading a message of solidarity, hope, and awareness about the significance of preventive screenings and protection against breast cancer. As part of this campaign, Women'secret committed to donating a percentage of sales from every bra purchased at their stores to Europa Donna Cyprus.

#### Raising awareness on femicide

In collaboration with the Diotima Center for Women's Research and Studies, Lacta, whose products are distributed by Argosy, presented a thought-provoking short film addressing the issue of violence against women. The video was circulated within our Group as part of our efforts to raise awareness about femicide and promote a culture of respect and equality.

#### Argosy supports Migrant Info-Centre

Argosy participated in the Migrant Info-Centre (MIC) project which is a collaboration between the University of Nicosia, TEPAK, and CARDET, and is co-financed by the European Asylum, Migration, and Integration Fund, along with the Republic of Cyprus. Through this project, Argosy generously donated food to support our fellow citizens in need. The food was distributed by the MICs ensuring equal treatment to all.

#### Kids Fest "Back to Nature"

In collaboration with Kellogg's Cereals, Argosy proudly supported the "Back to Nature" Children's Charity Festival, in the Acropolis park Nicosia, which gave children the opportunity to enjoy a joyful and carefree experience filled with music, dancing, art, interactive games, and special appearances by their beloved character Coco from Kellogg's Coco Pops children's cereal. This festival aimed to support the non-profit organization Sophia for Children Foundation in their efforts to combat child poverty in Cyprus and Kenya.

#### World animal day: Whiskas and Pedigree "Give them food & love"

Every October, on World Animal Day, Argosy partners with Whiskas and Pedigree to provide support to stray animal shelters in Cyprus. This longstanding initiative, ongoing for 13 years, relates to donating free meals to these shelters based on every purchase of Whiskas and Pedigree products on that particular day. Over the course of 2021-2022, we were able to provide over 59,000 meals, and the number continues to increase every year.

## 6.2 Community Investment continued

### Promoting Health and Wellbeing

#### **Incentivizing young people to promote vaccination against Covid-19**

The Group actively engaged in the Government's campaign aimed at incentivizing Covid-19 vaccination among young adults aged 18-30. As part of this initiative, we contributed by offering 400 vouchers worth €50 each, which were included in a raffle for individuals who had received at least the first dose of the Covid-19 vaccine. Similarly, the Group offered €50 vouchers to its employees aged 18-30 who took the first dose of the vaccine.

#### **We walk "with our Heart" in the Linear Park of Nicosia**

To celebrate World Heart Day, Argosy which is the distributor of Becel ProActiv products in Cyprus, organized an event to encourage the public to exercise and walk while providing free cholesterol tests and advice from expert nutritionists.

#### **Melathron Agoniston EOKA rehabilitation centre**

Recognizing the continuous need in upkeep with their high standards through upgraded technology and services we contributed the amount of €10.000 to the Melathron, which is considered to be one of the leading specialized centers in the rehabilitation of the nervous, musculoskeletal and vascular systems in Cyprus.

### Supporting sports initiatives

#### **The Davis Cup**

Argosy participated as a sponsor of the Tennis World Cup, the Davis Cup, hosted by the Herodotou Academy in Larnaka, through the well-known brands Actimel, Elite & BeKind Mars. Actimel played a significant role as one of the major sponsors, while BeKind Mars bars were freely distributed. Elite toasts were the proud official sponsors of the Cyprus Tennis Referees in 2021.

#### **4th Radisson Blu International Larnaka Marathon**

For the second consecutive year, Argosy, in collaboration with Kellogg's Special K bars, supported the Radisson Blu Larnaka International Marathon, on 21/11/2021, providing nutritious Kellogg's Special K Protein bars to runners and spectators.



## 6.2 Community Investment continued

### Volunteering

#### Blood donations

Our annual blood donation took place in collaboration with the mobile blood bank unit of the Nicosia General Hospital. Employees of the CTC Group companies responded willingly to the call, resulting in the collection of a number of much needed bottles of blood.

#### Support to the Volunteer Group "Hug With Love"

In collaboration with the volunteer group "Hug with Love" our Group employees embarked on a food collection campaign aimed at assisting individuals who are experiencing hardship and difficulties. The initiative involved gathering a range of essential items to be distributed among those in need. The donated items comprised vital dry food provisions, including canned food, pulses, cereals, flour, and powdered milk for children, clothing and footwear for both children and adults, along with baby and household equipment, toys, and school supplies.

#### Christmas donation to the Neonatal Intensive Care Unit of the Makarios Hospital

Superhome Center (DIY) employees generously donated storage lockers to the Neonatal Intensive Care Unit at the Makarios Hospital in Nicosia. In addition to the lockers, they also purchased Christmas gifts, including fairy tales, toys, and activity books for the hospitalized children.

#### Donations to the Pediatric Ward of the Makarios Hospital

The Ermes Group headquarters employees came together to support the courageous children fighting for their lives in the pediatric oncology ward of Makarios Hospital in Nicosia. During a conversation with the Pancyprian Association of Parents of the Pediatric Oncology Unit, members of staff identified the pressing need for clothing and shoes for these children. Hence, they purchased and delivered vouchers totaling €1.060, with the hope of providing some comfort and assistance to the children and their families during this challenging time.

# 7 Environment

- 7.1 Climate Change**
- 7.2 Energy Management**
- 7.3 Resource Management**

# Our Approach

As one of the largest companies in Cyprus, it is our duty to minimise the environmental impact of our activities and products across the entire value chain. We are committed to conducting our business with compassion towards individuals, communities, the environment, and the planet, thus contributing to the advancement of a sustainable society. To achieve this, we have implemented processes and mechanisms to reduce emissions, promote sustainable resource use, and contribute to a low-carbon circular economy.

In line with our environmental commitments, we have set the following objectives:

- Protect the environment
- Comply with all legal requirements
- Continuously reduce and prevent pollution
- Reduce resource use
- Enhance employee awareness of environmental issues

We achieve our objectives through:

- Strict selection and cooperation with reliable partners and collaborators
- Continuous training of employees
- Compliance with environmental management controls
- Continuous upgrading of infrastructure and working environment.

## 7.1 Climate Change

At CTC we recognize that global warming and its associated consequences have direct and indirect impacts on our business and activities. Therefore, we continuously seek ways to mitigate and adapt to these changes. We have started introducing and implementing methods to reduce emissions and move towards renewable energy sources.

We monitor closely the dynamic environment in which we operate, which influences the future direction of our business and the products that we handle. As such, some factors we consider include:

- Changes in habits, food preferences, and lifestyle
- Variations in seasons (long summers vs short winters) and their effects on clothing and skincare product choices
- Impacts on agriculture and potential food shortages
- Infrastructure costs related to energy consumption reduction and investments in energy-efficient and green products
- Raw material costs affecting the final price for consumers
- Health issues related to climate change

A continuous assessment of new developments in relation to our operations as a business is necessary.

# 7.1 Climate Change continued

Emissions (in Kg CO2)			
Scope 1	2020	2021	2022
<b>Direct CO2 emissions</b> Includes: fuel consumption for heating/ hot water	38.582,10	20.705,23	5.261,47
<b>Direct CO2 emissions</b> Includes: fuel consumption of LPG	2.718,35	1.041,37	1.198,86
<b>Direct CO2 emissions</b> Includes: business travel from owned / leased vehicles	2.166.437,64	2.331.795,17	2.009.268,02
<b>TOTAL Scope 1</b>	<b>2.207.738,09</b>	<b>2.353.541,76</b>	<b>2.015.728,35</b>
Scope 2			
<b>Indirect CO2 emissions</b> Includes: electricity energy consumption	41.460.605,12	34.645.584,78	30.484.928,18
(1) Calculation is based on the document "Cyprus Building Energy Performance Methodology" (August 2009) by Infotrend Innovations and BRE for the Ministry of Energy, Commerce, Industry & Tourism.			
(2) Calculation is based on Defra Conversion Factors.			

## Argosy Certification with CYS EN ISO 14001: 2015

Argosy is certified with the Environmental Management System Certificate of Conformity CYS EN ISO 14001:2015. This certification acknowledges our efficient environmental management in the import, storage, and distribution of food, cosmetics, chemical cleaning products (FMCG), and other company activities. It recognizes our commitment to identifying, evaluating, and managing environmental impact.

## 7.2 Energy Management

Proper energy management is a crucial aspect of our sustainable business practices. We are dedicated to continuously seeking ways to reduce energy consumption across all our premises and operations. By implementing sustainable consumption practices and increasing energy efficiency, we strive to contribute to a shift towards a low-carbon economy.

Our actions for energy conservation include:

- Using energy-efficient fixtures, fittings, and materials in present buildings, under construction or renovation.
- Replacing conventional lighting with energy-efficient LED technology and implementing intelligent lighting control systems
- Renewing our company fleets with vehicles that have lower fuel consumption and emit fewer emissions.
- Utilizing telematics to optimize the efficiency of commercial vehicle delivery routes and further reduce energy consumption
- Improving employee understanding and awareness of energy consumption. During 2021-2022, we have deployed online communication.

### Energy Audits

We are in the process of updating the energy audits carried out in all CTC buildings. These audits have allowed us to identify units with high energy consumption that require attention and interventions. The major categories that have been identified for improvement are lighting, air-conditioning and photovoltaics. All companies have already initiated actions to address these issues.

During 2021-2022:

- National Distribution Centre (NDC) based companies changed their lighting to LED in office and warehouse areas. They also replaced the chiller servicing the airconditioned areas at the NDC.
- Superhome replaced the air-conditioning system at Strovolos store, achieving a reduction in kwh consumption by about 12%.
- We have communicated energy-saving practices to all employees.

Following the completion of the updated energy audits which will take place in 2023, CTC will finalize its energy management strategy until 2026.

## 7.2 Energy Management continued

Energy	2020	2021	2022
Electricity Consumption (Kwh) <sup>(1)</sup>	19.339.772,89	16.160.828,80	14.220.043,00
Sqm <sup>(2)</sup>	124.351,03	134.919,53	127.527,12
Electricity per sqm (Kwh/sqm) <sup>(1)</sup>	155,53	119,78	111,52
Liquified Petroleum Gas (LPG) (kg) <sup>(3)</sup>	9.924,59	3.802,00	4.377,00
Diesel (Lt) <sup>(4)</sup>	14.546,00	7.780,00	1.977,00
Owned / Leased vehicles – Diesel (Lt) <sup>(5)</sup>	711.015,47	741.290,08	628.867,93
Owned / Leased vehicles – Petrol (Lt) <sup>(5)</sup>	121.874,56	154.351,32	144.318,26

### Notes

During 2020-2022 the numbers are affected by the covid lockdowns and the closure of a number of Ermes stores.

(1) Our operations reduced their electricity consumption although a number of new stores opened. The reduction in electricity is also due to the closure of the SPAR supermarket.

(2) The change in square footage is due to the closure and opening of new stores and premises, such as: 2 stores at the Neo Plaza, the Metropolis Mall, and the Mall of Engomi, the fully renovated Apollon department store, the Superhome Center Lakatamia and the new Michelin warehouse.

(3) Reduction in LPG consumption is due to the closure of Venue Café at the Mall of Engomi and the Mall of Cyprus.

(4) Reduction in Diesel consumption is related to covid lockdowns, as well as the closing down of a number of Ermes stores, in 2021, primarily Olympia Department store in Limassol, which was using diesel for its heating and generators.

(5) At CTC Automotive fuel consumption increased primarily due to the purchase of a number of vehicles for the needs of the new Tyres & Oils operation. However, total fuel consumption was impacted by the pandemic as well as the gradual renewal of our fleets.

## 7.3 Resource Management

We recognize the importance of preserving natural and often scarce resources and the impact of waste production on our ecosystem and communities. Therefore, we prioritize non-recoverable materials reduction, reusing materials, and recycling waste from our operations in ways that benefit the environment, our business, and local communities. To achieve this, we have implemented policies and procedures for waste reduction and sustainable resource management.

### 7.3.1 Waste Management

Our actions for waste management include:

- Reducing the volume of non recyclable or non-biodegradable materials
- Collecting, recovering and recycling waste materials

Currently, we recycle PMD, Paper, Wood, Batteries and Oil. We launched an ongoing campaign to reduce paper waste, change printing habits and reduce printing.

### Recycling

**Packaging waste:** Since 2004, we have assigned to Green Dot (Cyprus) Public Co. Ltd the collection, recovery and recycling of our waste. CTC was one of the founding members and shareholders of Green Dot.

**Electrical/electronic waste and batteries:** Since 2009, we have assigned to WEE Electrolysis Cyprus Ltd the collection of obsolete electronic devices and A.F.I.S Cyprus Ltd the collection of batteries and accumulators. CTC was one of the founding members of both companies.

**Vehicles:** Since 2005, we have signed an agreement with the company authorized to collect vehicles at the end of their life cycle, as well as collect and manage metallic waste.

Vehicle recycling (in tons)	2020	2021	2022
Batteries	4,43	4,61	6,43
Iron / Aluminum parts	15,49	11,25	22,92
Not chlorinated oils and oil filter	13,97	12,48	18,17
Absorbents & Filter materials hazardous	0,18	1,34	1,91

## 7.3 Resource Management continued

### Plastic

At Superhome Center, we have replaced all single-use plastic products, such as cutlery, plates, straws, with sustainable alternatives, in compliance with the new EU legislation, effective July 3rd, 2021.

Regarding the amount raised from the sale of lightweight plastic carrier bags with a wall thickness of less than 50 microns (mm), this was used by the Ermes Group to finance the sale of reusable carrier bags, which are placed next to the counters at Superhome megastores and are sold at a price below cost.

Although we had in mind to invest in an event at ERA department stores, with the aim of educating people about recycling and against the use of plastic bags, through art, unfortunately, the restrictions imposed due to the pandemic, forced us to cancel this plan.

### Partnership with "AKTI"

Argosy has established a partnership with research center "AKTI", which functions under the auspices of the Ministry of Education and Culture. It relates to their "Tiganokinisi" programme, an educational and environmental initiative which focuses on collecting cooking oil, which is then converted into biofuel and sold. Argosy supplies cooking oil in damaged packaging or returned by the retailers. The revenues generated from this programme are utilized to support environmental education and the development of environmental infrastructure for students and schools across Cyprus.



## 7.3 Resource Management continued

Recycled waste from sales invoiced by Green Dot (in tons)			
Household	2020	2021	2022
Glass	292,82	535,56	394,17
Paper	893,96	1.033,84	1.176,03
Steel	111,32	94,44	94,80
Aluminium	46,31	50,66	50,13
PET	77,37*	78,76	78,11
HDPE	63,02	57,44	53,01
Drink cartons	3,47	0,71	0,69
PVC	23,60	18,61	18,61
PE	25,59	21,19	21,20
PP	128,02	102,58	102,58
PS	0,15	0,13	0,13
Other	135,93	190,99	186,45
Non-Recoverable	1,01	3,78	3,80
Commercial			
Paper	760,51	753,62	730,61
Plastic	37,03	37,13	36,24
Wood	226,93	227,33	213,02
Other	4,47	4,47	4,48

\*Restatement from number (8,76) disclosed in the 2020 report.

The higher numbers in 2020-2022 are due to the increased consumption of Dettol and other disinfectants in PET packages because of Covid.

Recycled waste from operational processes collected by other authorized recyclers (in tons)	2020	2021	2022
Paper	77,58	89,29	125,56
Plastic	3,61	4,65	12,54

Information includes Kaniklides, JV IS Recycle, Germantec ltd and C.E.I

Recycled waste from operational processes collected by WEEE (in tons)	2020	2021	2022
Household Appliances	44,51	32,09	38,74
IT and Telecommunications Equipment	1,47	0	0
Consumer Equipment	80,87	89,97	92,15
Electrical and electronic tools	79,48	35,28*	14,88
Medical devices	0,75	0	0
Light bulbs	11,32	12,38	11,75

\* The decrease in electrical and electronic devices is due to the fact that Superhome ceased the scheme of replacing old electronic devices with new ones with discount.

Recycled hazardous waste from operational processes by A.F.I.S.	2020	2021	2022
Batteries (pieces)			
Non-rechargeable	1.628.911	1.521.986	1.436.155
Rechargeable	122.245	148.921	191.604

# 7.3 Resource Management continued

## Water Management

We recognize the importance of sustainable water use and have implemented water management processes to ensure appropriate and responsible consumption. Through our efforts, we have successfully reduced our water consumption by 21,8% since 2020, thereby reducing our impact on water scarcity, which is a chronic issue in Cyprus. In 2021-2022, we intensified communication within the company to emphasize the importance of water conservation.

	2020	2021	2022
Water Consumption (m <sup>3</sup> ) municipality water	19.845,45	17.415,22	15.513,30
Premises (sqm)	124.351,03	134.919,53	127.527,12
Water intensity [Water Consumption (m <sup>3</sup> ) / (sqm)]	0,16	0,13	0,12

### Project Poseidon “Water is in our hands”

Argosy actively participates in the innovative programme "Poseidon," in collaboration with our partners at Reckitt, with the message "Water is in our hands." This programme focuses on our flagship product, Finish, a range of dishwasher detergents that Argosy distributes throughout Cyprus.

The initiative, led by Reckitt, aims to raise consumer awareness about the environment and sustainability by encouraging simple daily habit changes. Due to the advanced technology of Finish Quantum Ultimate tablets, there is no need to pre-rinse dishes before placing them in the dishwasher to achieve optimal cleanliness and shine. By simply removing solid residues from the dishes, with paper, we can conserve up to 40 litres of water per wash.

Goal: Save 1million litres of water in a year

How: We supported 50 local small businesses (HORECA) to save water by giving them a kit with various tools to assist them.

On a local level, our strategic partners include NGO Akti, Strovolos Municipality and the Water Board of Nicosia, as well as the National Geographic on a global level.

# 8 Our Commitments

**8.1 How we contribute to the SDGs**






**8.2 Action Plans**

# 8.1 How we contribute to the SDGs





In 2015 the UN set up 17 Sustainable Development Goals (SDGs) to serve as a "blueprint to achieve a better and more sustainable future for all", by the year 2030. We have identified 14 SDGs that are relevant to our activities and on which we have an impact. The relevance of our strategic priorities to the selected goals is shown in the following pages.






# 8.1 How we contribute to the SDGs continued

	Indicative SDGs Targets	Governance	Market & Products	Our People	Society	Environment	Our Impact
		Relevance to Strategic Priorities					
	1.1 1.2						All employees of the Group are paid at least the salary provided by national labour laws.
	2.3						The Group selects suppliers and local products, including food producers, boosting agricultural productivity and local small businesses.
	3.8						<p>The Group offers its employees all the privileges they are entitled to by law, e.g. social security, breaks, annual leave, proper working hours, etc..</p> <p>The Group also offers attractive benefits and practices for all employees which contribute towards the creation of a positive and healthy working environment, taking into account work-life balance. An attractive benefits package is available to all employees, on either part-time or full-time basis.</p> <p>In addition to the benefits package, the Group also provides psychological support services to employees, or members of their families, if needed, free afternoon and flexible working hours.</p>
	4.3						The Group encourages its employees to obtain academic or professional qualifications at educational institutions and cooperates with universities. It provides seasonal training programmes to its employees every year, giving access to affordable and quality technical, vocational and higher education, including university education. To this end, it has a special sponsorship scheme in place, by which course fees are partly or fully subsidised by the company. The Group also invests in the training of newly hired employees.

# 8.1 How we contribute to the SDGs continued

	Indicative SDGs Targets	Governance	Market & Products	Our People	Society	Environment	Our Impact
<b>Relevance to Strategic Priorities</b>							
	5.1 5.C						<p>Any form of sexism, racism, and discrimination is not tolerated by the Group, thus ensuring the enforcement and monitoring of equality and non-discrimination on the grounds of gender, giving in addition equal opportunities for promotion and recruitment.</p> <p>The Group implements equal opportunity in all its activities and safeguards the right of all employees to work in an environment free of any kind of discrimination, unequal treatment and harassment. A CTC Code Against Harassment and Sexual Harassment is also implemented overseen by an Equality Committee.</p>
	6.3 6.4						<p>Through the proper and responsible environmental management of the Group's liquid waste from its operations, the Group indirectly contributes to the improvement of water quality, reducing pollution and the percentage of raw wastewater it produces.</p> <p>The Group aims at the continuous reduction of water consumption from its operations, through water saving systems and awareness of staff and guests, ensuring that water consumption is sustainable, reducing the impact of water scarcity.</p>
	7.3						<p>Aiming to increase energy efficiency, the Group focuses on the creation of energy efficient buildings and the reduction of gas emissions, contributing to the global effort of organizations to improve energy efficiency.</p> <p>The Group is also offering a full range of residential, commercial and large-scale turnkey photovoltaic solutions, with cutting-edge solar modules.</p>

# 8.1 How we contribute to the SDGs continued




	Indicative SDGs Targets	Governance	Market & Products	Our People	Society	Environment	Our Impact
		Relevance to Strategic Priorities					
	8.7 8.8						<p>The Group opposes child labour and does not employ anybody under the age of 16. It also avoids cooperating with suppliers who employ minors. With regard to the sourcing of products from third countries, an on-site visit takes place before any agreement is signed, in order to ensure that working conditions are acceptable.</p> <p>Protecting labour rights and promoting safe and secure working environment for all employees is a priority of the Group. Health &amp; Safety measures are taken for the protection of all members of staff and visitors on Group premises. Employees are also systematically trained to minimize any risks.</p>
	9.4						<p>Aiming to increase the efficiency of resource use and the adoption of clean and environmentally friendly technologies, the Group seeks to upgrade its infrastructure and retrofit its facilities to make them sustainable, creating more energy efficient buildings, to continuously reduce the consumption of chemicals, to reuse and to use printing paper more efficiently as well as upgrading the lighting to LED, which have a longer lifespan.</p> <p>Also, the Group promotes green and sustainable products in the market, such as a full range of residential, commercial and large-scale turnkey photovoltaic solutions, LED Lighting, electric cars, clothes made of sustainable materials, such as recycled fibres or organic cotton / linen / wool fibres which are produced without the use of harmful chemicals, pesticides and insecticides and reduced water consumption.</p>

# 8.1 How we contribute to the SDGs continued

	Indicative SDGs Targets	Governance	Market & Products	Our People	Society	Environment	Our Impact
		Relevance to Strategic Priorities					
	10.2						<p>The Group promotes equality, considering all candidates regardless of race, religion, culture, gender, skin, sexual orientation, age or disability, language and background.</p> <p>Regarding harassment and sexual harassment, an updated CTC Code Against Harassment and Sexual Harassment was published in 2018. Furthermore, an Equality Committee was set up comprising members at Group and company level, with the purpose to address all forms of discrimination and harassment.</p>
	11.6						<p>The Group contributes to the overall reduction of the environmental impact of cities, paying particular attention to air quality, through the reduction of carbon dioxide emissions, and its waste management, through recycling. The Group's fleets mostly consist of low-emission and lower fuel consumption vehicles, ensuring efficient fuel consumption and general reduction of GHGs, as well as compliance with relevant environmental legislation.</p>
	12.5 12.6						<p>In order to contribute towards achieving the environmentally sound management of chemicals and all wastes throughout their life cycle, the Group implements environmental policies. It also ensures the purchase of products which meet quality, safety and health criteria, as well as the proper management of the waste generated.</p> <p>Non-conforming products and waste created in the warehouses of the Group (e.g. packaging) are handled through the application of the waste hierarchy approach, giving top priority to preparing waste for re-use, recycling and recovery.</p> <p>The Group is implementing a sustainability strategy, has established a sustainability governance committee, and is publishing a sustainability report according to global standards.</p>



# 8.1 How we contribute to the SDGs continued

	Indicative SDGs Targets	Governance	Market & Products	Our People	Society	Environment	Our Impact
		Relevance to Strategic Priorities					
	13.3						In addition to professional and personal development, the Group upgrades the training programmes it provides to raise the awareness of its employees on climate change and environmental management.
	16.2 16.5 16.6 16.7						<p>(16.2) The Group respects the rights of the children and complies with international laws on child labour, contributing to the end of abuse, exploitation, trafficking and the fight against all forms of violence and torture of children.</p> <p>(16.5) The Group complies fully with the relevant law on preventing and combating money laundering. At the same time all actions relating to bribery and corruption are strictly prohibited at every level.</p> <p>(16.6, 16.7) CTC is listed on the Alternative Market of the Cyprus Stock Exchange (CSE). Through the CTC Code of Business Conduct, all employees commit to apply the highest possible standards of transparency and ethical business conduct and not violate relevant laws and regulations. CTC Group applies voluntarily the Corporate Governance Code in order to safeguard the shareholders' best interests.</p> <p>The Group places great emphasis on giving equal opportunities for promotion and does not tolerate any form of sexism, racism and discrimination ensuring an inclusive business environment.</p>

## 8.2 Action Plans

Pillar: Governance		
OBJECTIVE	ACTION & IMPLEMENTATION	GOAL
Full compliance with legislation and regulations	<ul style="list-style-type: none"> <li>In 2021-22 we delivered 170 hours of employee training on compliance with the law and standards</li> </ul>	<ul style="list-style-type: none"> <li>Zero incidents of non-compliance</li> </ul>
Evaluation and improvement of current procedures and standardisation of common processes across the Group	<ul style="list-style-type: none"> <li>Completed recording of procedures at Superhome with the assistance of external consultant</li> </ul>	<ul style="list-style-type: none"> <li>Ensure alignment and communication of procedures internally and externally as required</li> </ul>
Clear and effective communication of strategy	<ul style="list-style-type: none"> <li>Supervision of the ways of communicating the Group strategy, as stated in the KPIs setting procedure</li> </ul>	<ul style="list-style-type: none"> <li>Ensure alignment with CTC Group strategy</li> </ul>
Continuous upgrading of the Group IT infrastructure with the aim of maximizing security and productivity	<ul style="list-style-type: none"> <li>Working to achieve full centralisation of the Group IT systems</li> <li>Working to create a Disaster Recovery Site</li> <li>In the process of acquiring certification with ISO 27001 standard for Data Security Management</li> <li>Working to achieve full implementation of Office 365 system in all companies</li> <li>Started the implementation of threat analysis and self containment using Artificial Intelligence</li> <li>Implementation of Data Encryption of Databases</li> </ul>	<ul style="list-style-type: none"> <li>Completion by 2024</li> <li>Completion by end 2025</li> <li>Obtain certification by 2025</li> <li>Full implementation by 2023</li> <li>Will be completed by 2023</li> <li>Implementation by 2026</li> </ul>

## 8.2 Action Plans continued

Pillar: Market & Products		
OBJECTIVE	ACTION & IMPLEMENTATION	GOAL
Timely availability of products to customers / consumers	<ul style="list-style-type: none"> <li>Integration and Completion of the Imports and Stock Management Systems for Ermes has been cancelled</li> </ul>	
To be Choice No. 1 for our customers	<ul style="list-style-type: none"> <li>Conducting customer / consumer satisfaction surveys at regular intervals. Evaluation of the findings and application of corrective / improvement measures - procedures, services and products</li> <li>Ermes Department Stores e-commerce for Beauty products</li> <li>Improve procedure of customer complaints monitoring</li> <li>Expansion and upgrading of CTC Automotive Nicosia and Limassol After Sales Service Centres for passenger vehicles, spare parts and Hilti products</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing close monitoring</li> <li>Completed</li> <li>Minimum customer complaints</li> <li>To be completed by 2025</li> </ul>

## 8.2 Action Plans continued

Pillar: Our People		
OBJECTIVE	ACTION & IMPLEMENTATION	GOAL
Ensuring maximum performance by every employee	<ul style="list-style-type: none"> <li>• Maintaining an upgraded online training platform for all companies of the Group.</li> <li>• Gradual development of the CTC Academy</li> <li>• Training on key managerial skills (communication, monitoring, problem solving)</li> <li>• Provision of explanatory sessions for understanding the new Code of Business Conduct and the Group Values</li> <li>• Initiated an incentives scheme at Superhome stores</li> <li>• Strengthen management leadership qualities and capabilities through assessments and subsequent training</li> </ul>	<ul style="list-style-type: none"> <li>• Reassess platform by 2024</li> <li>• Reassess in conjunction with training platform by 2024</li> <li>• Ongoing</li> <li>• Completed</li> <li>• Complete by 2023</li> <li>• 2023 -2024</li> </ul>
Ensure Health, Safety & Well-being in the Workplace	<ul style="list-style-type: none"> <li>• Adopting the principles of the new standard ISO 45001:2018 for health and safety management</li> <li>• Over 4800 hours of Health &amp; Safety training delivered during 2021 and 2022</li> <li>• Initiate the development of a common template for incident recording evaluation and actions</li> <li>• Initiate the design of an emergency procedure in case of whirlwinds</li> <li>• Organize a number of social and other events for employees and their families</li> </ul>	<ul style="list-style-type: none"> <li>• Completed in 2022 for Argosy, Cassandra, Artview, Ermes and Superhome. Automotive to complete by 2024.</li> <li>• Ongoing to ensure that Health &amp; Safety training is offered to employees across the Group</li> <li>• 2024</li> <li>• 2023</li> <li>• Organize 4 events per year</li> </ul>
Road safety	<ul style="list-style-type: none"> <li>• Installation of Bluetooth feature in all new vehicles</li> </ul>	<ul style="list-style-type: none"> <li>• In each new vehicle</li> </ul>

## 8.2 Action Plans continued

Pillar: Our People <small>continued</small>		
OBJECTIVE	ACTION & IMPLEMENTATION	GOAL
Ensure uniformity of policies across the Group	<ul style="list-style-type: none"> <li>Review of the HR Manual</li> <li>Initiated the upgrade of the Group Intranet to be used as a single reference point for all common processes and procedures</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Complete by 2023</li> </ul>
Employee engagement	<ul style="list-style-type: none"> <li>Engage employees through interactive surveys with the objective of adopting their suggestions on productivity and other improvements</li> <li>Create strategy for talent management and succession planning</li> <li>Certify CTC Group as a great employer</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>2024</li> <li>2024</li> </ul>
Effective communication	<ul style="list-style-type: none"> <li>Launched HR newsletters to strengthen internal communication and enhance employee engagement</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>

## 8.2 Action Plans continued

Pillar: Society		
OBJECTIVE	ACTION & IMPLEMENTATION	GOAL
Support society in various ways	<ul style="list-style-type: none"> <li>• Provide financial support to various organizations, on a case-by- case basis following evaluation</li> <li>• Encourage the participation of employees in voluntary initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Ongoing</li> </ul>
Support children and young people	<ul style="list-style-type: none"> <li>• Run the "Come and Join Our Team" internship programme</li> <li>• Support the "Sophia Foundation for Children"</li> <li>• Support students by offering awards and scholarships</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Ongoing</li> <li>• Ongoing</li> </ul>

## 8.2 Action Plans continued

Pillar: Environment		
OBJECTIVE	ACTION & IMPLEMENTATION	GOAL
Create awareness around environmental topics and climate change	<ul style="list-style-type: none"> <li>Inclusion of climate change and environmental issues in the Group's training programmes</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>
Waste Management	<ul style="list-style-type: none"> <li>Initiated communication and signage to improve awareness around water consumption</li> <li>Committed to campaigns to change printing habits and reduce office printed material</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Ongoing</li> </ul>
Management and reduction of energy and fuel consumption	<ul style="list-style-type: none"> <li>Adoption of a central energy management strategy until 2026 following energy audits' recommendations</li> <li>Gradual change of conventional light fixtures and bulbs with LED technology products at Group premises</li> <li>Use of energy efficient fixtures, fittings and materials</li> <li>Replacement of the air-conditioning system at Strovolos Superhome store. Initiative led to 12% reduction in kwh consumption.</li> <li>Gradual renewal of company fleets with low-emission and lower fuel consumption vehicles</li> <li>Developed guidance documents focusing on energy saving practices at workplace</li> </ul>	<ul style="list-style-type: none"> <li>2023</li> <li>Completion by 2023</li> <li>Ongoing</li> <li>Completed</li> <li>To be completed by 2028</li> <li>Ensure implementation and make improvements as required</li> </ul>

# 9 Appendices

**Appendix 1: About the Report**

**Appendix 2: GRI Content Index**

**Appendix 3: Stakeholder Engagement**



# Appendix 1: About the Report

The present biannual Sustainability Report of CYPRUS TRADING CORPORATION PLC (“CTC Group”, “CTC” or “Group”) covers the reporting period of 1/1/2021-31/12/2022 and it is the 5<sup>th</sup> Report of the Group. The previous report covered the reporting period 1/01/2020-31/12/2020.

This report covers the information from the following Group’s subsidiaries:

- Cyprus Trading Corporation Plc: Argosy Trading Company Ltd, Cassandra Trading Ltd, Artview Co. Ltd, CTC Automotive Ltd, CTC AutoLeasing Ltd
- Ermes Department Stores Plc: C.W. Artopolis Ltd, Superhome Center (DIY) Ltd
- Woolworth (Cyprus) Properties Plc: Apex Ltd

There are no separate Sustainability Reports by the subsidiaries. As from 01/01/2022 the operations and staff of C.W. Artopolis Ltd have been transferred to Ermes Department Stores Plc.

## Standards

The report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. Its content follows the 8 principles of the GRI, thus ensuring the accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability of information presented. We have evaluated our impact on the environment, society, and economy against the United Nations' Sustainable Development Goals.

## Additional Information

Information on Financial performance can be found on the Group website: <https://ctcgroup.com/investor-centre/ctc-ic/>

## External assurance

We did not commission independent assurance of our Sustainability Report. The content of the report is to the best of our knowledge and abilities accurate and correct.

## Support and guidance

The development of the 2021-2022 Sustainability Report of the CTC Group was carried out with the support and guidance of the Sustainability Knowledge Group (<https://sustainabilityknowledgegroup.com/>)

## Explanatory Note

The Report has been drafted in good faith and with the greatest possible care, in the context of the information available to the Management of the Group, so as to reflect the truth.

The Report includes forward-looking statements, which are not facts but assumptions and expectations based on Group plans, as available to the Management at the time of writing this Report. As future developments and events may affect these statements, the Company undertakes no obligation to update them.

The use of the male gender is merely for practical reasons and refers to both genders. All content is the property of Cyprus Trading Corporation Plc.

# Appendix 2: GRI Content Index

GRI content index		
Statement of use	The CTC Group has reported the information cited in this GRI content index for the period 1/1/2021-31/12/2022 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	4, 8, 92
	2-2 Entities included in the organization's sustainability reporting	4, 92
	2-3 Reporting period, frequency and contact point	92, 100
	2-4 Restatements of information	63, 76
	2-5 External assurance	92
	2-6 Activities, value chain and other business relationships	9, 11-14, 34-36
	2-7 Employees	43, 44
	2-9 Governance structure and composition	24-26
	2-10 Nomination and selection of the highest governance body	23, 24
	2-11 Chair of the highest governance body	15
	2-12 Role of the highest governance body in overseeing the management of impacts	18, 24, 27
	2-13 Delegation of responsibility for managing impacts	24-26
	2-14 Role of the highest governance body in sustainability reporting	18
	2-22 Statement on sustainable development strategy	5
	2-23 Policy commitments	23, 28, 35, 51
	2-24 Embedding policy commitments	23-26, 28-32
	2-25 Processes to remediate negative impacts	28, 48, 51
	2-26 Mechanisms for seeking advice and raising concerns	28, 39, 40, 47, 51
	2-27 Compliance with laws and regulations	28
	2-28 Membership associations	31
2-29 Approach to stakeholder engagement	17, 18, 21, 39, 40, 96-99	

# GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	17-21
	3-2 List of material topics	19, 20
	3-3 Management of material topics	23-32, 34, 35, 43, 47, 48, 51, 52, 57, 63, 70, 72, 74, 79-90
<b>GRI 202: Market Presence 2016</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	46
	202-2 Proportion of senior management hired from the local community	49
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	63-68
	203-2 Significant indirect economic impacts	63-68
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	63
<b>GRI 205: Anti-corruption 2016</b>	205-3 Confirmed incidents of corruption and actions taken	28
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	73
	302-3 Energy intensity	73
	302-4 Reduction of energy consumption	73
<b>GRI 303: Water and Effluents 2018</b>	303-5 Water consumption	77
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	71
	305-2 Energy indirect (Scope 2) GHG emissions	71
	305-5 Reduction of GHG emissions	71
<b>GRI 306: Waste 2020</b>	306-2 Management of significant waste-related impacts	74-76
	306-4 Waste diverted from disposal	76
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	45
	401-3 Parental leave	60

# GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	57, 58
	403-2 Hazard identification, risk assessment, and incident investigation	57, 58
	403-3 Occupational health services	57, 58, 60
	403-5 Worker training on occupational health and safety	53
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	57, 58
	403-9 Work-related injuries	59
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	52
	404-2 Programmes for upgrading employee skills and transition assistance programmes	52-54
	404-3 Percentage of employees receiving regular performance and career development reviews	55
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	24, 43-45, 49
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programmes	63-68
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	37
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	37
	417-2 Incidents of non-compliance concerning product and service information and labelling	28
	417-3 Incidents of non-compliance concerning marketing communications	28
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	32

# Stakeholder Engagement continued

Stakeholder Group	Method of Communication	Material Topic
<b>Trading Customers</b>		
(Frequency of engagement: continuous)	<ul style="list-style-type: none"> <li>• Meetings and continuous feedback</li> <li>• Complaint management</li> <li>• Sales</li> <li>• Marketing, advertising, social media</li> <li>• Customer satisfaction surveys</li> <li>• Questionnaires</li> <li>• Training</li> </ul>	<ul style="list-style-type: none"> <li>• Digital transformation and data management</li> <li>• Supply chain management</li> <li>• Satisfying our customers</li> <li>• Trading practices</li> <li>• Addressing Health &amp; Safety</li> <li>• Green operations &amp; products</li> <li>• Resource management</li> </ul>
<b>Consumers</b>		
(Frequency of engagement: continuous)	<ul style="list-style-type: none"> <li>• Customer satisfaction surveys</li> <li>• Complaint management</li> <li>• Reward scheme</li> <li>• Media and social media</li> <li>• Advertising and promotional activities</li> <li>• Sales monitoring</li> <li>• Website</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfying our customers</li> <li>• Addressing Health &amp; Safety</li> <li>• Trading practices</li> <li>• Green operations &amp; products</li> <li>• Resource management</li> <li>• Digital transformation and data management</li> </ul>

# Appendix 3: Stakeholder Engagement

Stakeholder Group	Method of Communication	Material Topic
<b>Shareholders</b>		
(Frequency of engagement: at regular intervals)	<ul style="list-style-type: none"> <li>• Annual Reports</li> <li>• Annual General Meetings</li> <li>• Through Board Members appointed as Shareholder Liaison Officers</li> <li>• Website</li> <li>• Cyprus Stock Exchange</li> <li>• Cyprus Securities and Exchange Commission</li> <li>• Online platforms</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfying our customers</li> <li>• HR management and practices</li> <li>• Development, Performance and Motivation</li> <li>• Corporate governance, strategy and performance</li> <li>• Trading practices</li> <li>• Operational effectiveness and process standardisation</li> <li>• Community investment</li> <li>• Economic impact on society</li> <li>• Green operations and products</li> <li>• Climate change</li> <li>• Resource management</li> <li>• Energy management</li> <li>• Digital transformation and data management</li> </ul>
<b>Employees</b>		
(frequency of engagement: daily)	<ul style="list-style-type: none"> <li>• Training workshops and seminars</li> <li>• HR surveys</li> <li>• Annual appraisal and feedback meetings</li> <li>• Events</li> <li>• HR newsletter</li> <li>• Announcements and emails</li> <li>• Internal meetings and announcements</li> <li>• Training workshops and seminars</li> <li>• 180° Feedback system</li> </ul>	<ul style="list-style-type: none"> <li>• HR management and practices</li> <li>• Development, performance and motivation</li> <li>• Health, safety &amp; well-being in the workplace</li> <li>• Digital transformation and data management</li> <li>• Satisfying our customers</li> <li>• Green Operations and Products</li> <li>• Corporate governance, strategy and performance</li> <li>• Addressing Health &amp; Safety</li> </ul>

# Stakeholder Engagement continued

Stakeholder Group	Method of Communication	Material Topic
<b>Media</b>		
(Frequency of engagement: continuous)	<ul style="list-style-type: none"> <li>• Press releases</li> <li>• Press conferences / interviews</li> <li>• Group media spokesperson</li> <li>• Invitations to participate in group events</li> <li>• Daily Media Monitoring</li> </ul>	<ul style="list-style-type: none"> <li>• Trading practices</li> <li>• Economic impact on society</li> <li>• Community investment</li> <li>• HR Management and Practices</li> <li>• Digital transformation and data management</li> <li>• Resource management</li> </ul>
<b>Associations and other Bodies</b>		
(Frequency of engagement: at regular intervals)	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Correspondence</li> <li>• Website</li> <li>• Announcements</li> </ul>	<ul style="list-style-type: none"> <li>• Trading practices</li> <li>• Economic impact on society</li> <li>• Community investment</li> <li>• HR management and practices</li> <li>• Addressing health and safety</li> <li>• Satisfying our customers</li> <li>• Resource management</li> <li>• Health, safety &amp; well-being in the workplace</li> </ul>
<b>Government</b>		
(Frequency of engagement: at regular intervals)	<ul style="list-style-type: none"> <li>• Official announcements</li> <li>• Monitoring of laws and regulations</li> <li>• Meetings and negotiations</li> <li>• Inspections</li> <li>• Letters</li> <li>• Online platforms</li> </ul>	<ul style="list-style-type: none"> <li>• Trading practices</li> <li>• Economic impact on society</li> <li>• HR management and practices</li> <li>• Addressing health and safety</li> <li>• Digital transformation and data management</li> <li>• Climate change</li> <li>• Health &amp; Safety</li> </ul>

# Stakeholder Engagement continued

Stakeholder Group	Method of Communication	Material Topic
<b>Board of Directors</b>		
(Frequency of engagement: at regular intervals)	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>• HR management and practices</li> <li>• Corporate governance, strategy and performance</li> <li>• Operational effectiveness and process standardisation</li> <li>• Digital transformation and data management</li> <li>• Trading practices</li> <li>• Satisfying our customers</li> <li>• Health, safety &amp; well-being in the workplace</li> <li>• Economic impact on society</li> <li>• Community investment</li> <li>• Green Operations and Products</li> </ul>
<b>Suppliers</b>		
(Frequency of engagement: continuous)	<ul style="list-style-type: none"> <li>• Meetings and continuous communication</li> <li>• Training / support</li> <li>• Questionnaires</li> <li>• Business agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Supply chain management</li> <li>• HR management and practices</li> <li>• Trading practices</li> <li>• Satisfying our customers</li> <li>• Green operations &amp; products</li> <li>• Digital transformation and data management</li> <li>• Development, Performance and Motivation</li> </ul>
<b>Society</b>		
(Frequency of engagement: continuous)	<ul style="list-style-type: none"> <li>• Surveys</li> <li>• Media and social media</li> <li>• Announcements / press releases</li> <li>• Website</li> <li>• Events</li> </ul>	<ul style="list-style-type: none"> <li>• HR management and practices</li> <li>• Trading practices</li> <li>• Digital transformation and data management</li> <li>• Community investment</li> <li>• Economic impact on society</li> <li>• Addressing health &amp; safety</li> <li>• Climate change</li> </ul>



The background of the page is an abstract composition of overlapping geometric shapes in various shades of blue and purple. The shapes are semi-transparent, creating a layered effect. The colors range from a deep, dark blue to a lighter, almost white blue, with some purple tones interspersed. The overall effect is modern and professional.

### **Contact point**

For any feedback or comment regarding the Sustainability Report, please contact us:

#### **Cyprus Trading Corporation Plc**

200 Lemesos Avenue, 2025 Strovolos

P.O. Box 21744, 1589 Nicosia, Cyprus

T: +357 22740300

E: [csr@ctcgroup.com](mailto:csr@ctcgroup.com)

[www.ctcgroup.com](http://www.ctcgroup.com)