

Suitability Policy for the  
Members of the Board of  
Directors



18/06/2021



## **1 Introduction**

This Suitability Policy for the Members of the Board of Directors (hereinafter referred to as "the Policy") is prepared for the compliance of "Quest Holdings SA" (hereinafter referred to as "Quest" or "Company") with the applicable legal provisions concerning corporate governance of societies anonymes and the Suitability Policy for the Members of the Board of Directors (hereinafter referred to as the "Board of Directors" or "BoD"), in accordance with article 3 of Law 4706/2020 and Circular 60/2020 of the Hellenic Capital Market Commission.

The Policy is fully harmonized with the applicable Greek Legislation. Furthermore, during its preparation, the size, the internal organization, the risk appetite, the nature and the complexity of the Company's activities have been taken into account.

More specifically, the Policy complies with the provisions of Law 4706/2020 and the regulatory decisions and circulars issued by virtue of said law, is in accordance with the provisions of the Company's Internal Rules of Procedure, and follows, in its entirety, the Greek Code of Corporate Governance of the Hellenic Corporate Governance Council (HCGC), which has been adopted by the Company. It also incorporates good practices that are followed internationally by companies of similar characteristics to those of Quest.

## **2 Purpose**

The purpose of the Policy is to define all principles concerning the selection, replacement or renewal (or not) of the term of office of the members of the Board of Directors, as well as the criteria for evaluating the individual and collective suitability of the members of the Board of Directors.

At the same time, the Policy reflects the commitment and goals of Quest regarding the appropriate and quality staffing of the Board, which forms part of the implementation of the overall strategy as well as the medium and long-term business goals of Quest, having in mind the corporate interest, the defence of the interests of all stakeholders, transparency, competitiveness, efficiency and the implementation of best practices in corporate governance.

## **3 Scope**

The Policy applies to both existing and prospective new members of the Board of Directors of Quest. Furthermore, elements of this Policy may be applied mutatis mutandis to the members of the BoD of all Quest subsidiaries.

It also applies to third parties to whom the power to represent the Company for the evaluation of the eligibility restrictions set out in § 5 of article 3 of Law 4706/2020 (non-existence of liability for loss-making transactions with affiliated companies) is delegated.

## **4 General framework for the selection, replacement or renewal of term of office of the members of the Board of Directors**

### **4.1 Composition**

According to article 8 of the Company's Articles of Association, the Board of Directors may consist of a minimum of seven (7) members up to a maximum of thirteen (13) members. The number of

members of the Board may be adjusted according to its operational needs, such as the number of Committees that will operate within it, or the need for further delegation of more specific powers and responsibilities to its members, utilizing their knowledge, moral standing, reputation and experience, in implementation hereof and in accordance with the business model and the strategy of the Company.

## **4.2 Roles and Competencies**

The Board of Directors, upon recommendation of the Nominations and Corporate Governance Committee (NCGC), is responsible for selecting, replacing or renewing the term of the members of the Board of Directors and for initiating, guiding and coordinating the process for nominating the appropriate candidates to the Board of Directors, without prejudice to the of shareholders' rights.

NCGC has an advisory nature to the Board, identifying candidates who, in its opinion, meet the relevant criteria. The propositions of NCGC are submitted to the Board of Directors, which recommends, according to these proposals, to the General Meeting of Shareholders, the members of the Board of Directors proposed to be elected in accordance with article 78 of Law 4548/2018.

The selection, renewal of the term of office and replacement of a member of the Board of Directors shall take into account the assessment of the individual and collective suitability of the existing Board of Directors, as well as any changes necessary to adapt the composition of the Board to the culture, values and general strategy of the company. The criteria of individual and collective suitability are detailed in Chapter 5 hereof, and the relevant evaluation process in Chapter 6.

## **4.3 Introductory briefing of new members**

The Chairman of the Board, assisted by the Company Secretary, takes care of the introductory briefing of the new members according to the relevant Training Policy for the Members of the Board of Directors. In particular, he ensures that each new member is informed, prior to undertaking his/her duties, about the vision, principles and values, the culture, business activities, business model, strategy, corporate governance system, operating regulations for the Board of Directors and its committees in which s/he shall participate, and about whatever else is deemed necessary, on a case-by-case basis, in order for the new members to acquire, as soon as possible, the level of knowledge, perception and familiarity with the Company required in order for them to perform their duties effectively.

## **4.4 Succession plan**

The Board of Directors ensures the appropriate succession plan for the smooth continuation of the management of the Company's affairs and the decision-making after resignations or replacements of members of the Board of Directors, especially executive members, as well as members of its committees. In particular, NCGC in collaboration with the Chairman of the Board and with the support of the relevant senior executives, as well as external consultants, where necessary, designs and plans the smooth succession and continuity of the Company's management (i.e., Board members including Chairperson, Vice Chairperson(s), Managing Director, Deputy Managing Director, members of the Board of Directors who are members of the BoD committees), in the context of the wider diligence for the smooth and effective succession and development of the top executive management of the Company and (NCGC), makes relevant recommendations to the Board of Directors. This planning takes into account the findings of the Board of Directors' evaluation, in order to achieve the required changes in composition or skills and to maximize the

effectiveness and collective suitability of the Board of Directors and the time constraints for the appointment of Board members as independent members according to article 9 of Law 4706/2020.

## **4.5 Continuous Supervision**

The suitability assessment of the BoD forms part of the overall supervision of corporate governance by the BoD. The principles and criteria regarding the collective and individual suitability (especially the matters regarding moral standing, independence of will, etc.) are subject to continuous supervision by the Chairman of the Board and the NCGC, and evaluation during the relevant periodic evaluation process of the BoD to which reference is made hereinbelow. The continuous supervision of the Board and the results of the evaluation can provide information for assessing the suitability of the Board.

## **5. Criteria for evaluating the suitability of the members of the BoD**

### **5.1 Individual Suitability**

Individual suitability means the degree to which a person is considered to have in his/her capacity as member of the Board of Directors sufficient knowledge, skills, experience, independence of judgment, moral standing and a good reputation for performing his/her duties as a member of the Board of Directors of the Company or a member of the committees of the Board of Directors.

The individual suitability of the members of the Board of Directors is assessed according to the criteria listed hereinbelow. The criteria apply, except where explicitly stated, to all existing and prospective members of the Board, regardless of their capacity, as executive, non-executive, or independent non-executive members.

Special obstacles, obligations and conditions (such as those of article 3 §§ 4, 5 and 6 of article 9 §§ 1 and 2 of Law 4706/2020 and article 44 § 1 of Law 4449/2017) apply independently from the eligibility criteria.

#### *5.1.1 Adequacy of knowledge and skills*

The members of the Board must have the necessary knowledge, competencies and experience to perform their duties in view of the role (including participation in the Board of Directors or in Committees of the Board of Directors as Chairpersons or their members), the position and the prerequisite skills required by the Company for the position. Adequacy of knowledge and competencies concerns: (i) scientific and professional experience, (ii) theoretical and practical knowledge acquired, and (iii) broad types of soft skills.

Specifically:

(i) For the purposes of the evaluating scientific and professional experience, in addition to the length of service, the previous positions held by the candidate member shall be taken into account, depending on:

- the length of stay in the respective position,
- the size and nature of the entity in which s/he worked or works,
- the track record achieved in previous positions,
- the scale and complexity of the professional activity, the competencies s/he has exercised or is exercising and the number of employees reporting to him/her,

- with regard to executive members, their eventual career within the Group and their participation in the management of companies through participation in other executive bodies, and / or senior positions of responsibility, and / or the exercise of powers delegated to them by the Board of Directors shall be evaluated.

(ii) The assessment of theoretical and scientific knowledge, in addition to the review of academic qualifications, takes into account, in particular, the level and type of education (field of study and specialization, level of study, quality of educational institutions, further professional training) in relation to thematic areas that refer to the criteria of collective suitability and the areas of activity of the Company, or other related areas.

(iii) In terms of soft skills, characteristics such as character, psychosynthesis, collaboration, teamwork, ability to actively participate and clearly express opinions, argumentation / persuasiveness, professionalism, decorum, strategic acumen, determination, courage, a sense of duty, resilience to intense stress and crisis management, adaptability, teamwork, and leadership and chairing skills, where required, shall be taken into account.

Furthermore, non-executive members should have the necessary skills and attitudes to make a constructive assessment of management proposals to the Board, to assist, strengthen and support the work of the executive Management, and to ensure effective management oversight, where required.

Especially the members of the Audit Committee, should collectively have sufficient knowledge in the important sectors in which the Company and its subsidiaries operate and, at least, one of the members should have sufficient knowledge and experience in auditing / accounting pursuant to the relevant provisions of the applicable legislation.

The members of the other Committees of the Boards of Directors and, in particular, the Chairperson of each Committee need to have appropriate professional experience that is relevant to the object of works of the Committee (e.g., in matters of remuneration and staff for the Remuneration Committee) or to have served as members of respective Committees in listed companies, where they operate.

#### *5.1.2 Guarantees of moral standing and reputation*

Good reputation and moral standing are a non-negotiable condition for members to be elected in the Board of Directors and to keep their position throughout their term of office. Good reputation and moral standing are mainly determined by the honesty and integrity of each member.

A member of the Board of Directors is presumed to have honesty and integrity if, during the investigation carried out on behalf of the Company by the Nominations and Corporate Governance Committee (NCGC) for determining his/her suitability, no evidence emerges that objectively contests his/her moral standing and reputation.

The investigation is carried out without prejudice to the legislation on personal data protection. During this investigation the following is sought:

- information and relevant supporting documents for any final administrative and judicial decisions against a candidate or existing member of the Board of Directors, in particular with regard to infringements and offenses related to his/her capacity as a member of the Board of Directors or with regard to non-compliance with the provisions of the legislation of the Hellenic Capital Market Commission or, in general with regard to financial crimes,

- indications of removal of the candidate from positions of responsibility or from other boards of directors,
- any revocation of professional license / certification or right to participate in professional associations, chambers and unions,
- any decision to exclude the candidate member from acting as a member of a Board of Directors, issued by any competent Authority,
- and any other indications that such person is acting in a way that is incompatible with the high standards of behaviour set by Quest.

#### *5.1.3 Lack of conflict of interests*

Conflict of interest means any real or potential situation (professional, personal or other situation or relationship), in which the private interests of the Responsible Person (in this case, a member of the Board of Directors or of a Committee of the Board of Directors) may conflict with the interests of the Company and the Companies of the Group or may affect the ability of the Responsible Person to assess a situation or his/her judgment to make a decision in a manner that is independent, impartial, and aims at the interests of the Company, and which may jeopardise the interests of the Company and the Companies of the Group. The Company has a relevant Policy and Procedure for the Prevention and Management of Conflicts of Interest. According to said Policy, each member of the Board of Directors will declare any real and / or potential conflict of interest situations prior to his/her election but also, on a regular basis, during his/her term of office, or if a potential conflict of interest arises which must be assessed and addressed, as the case may be.

In the event that the relevant situations that create a conflict of interest are significant and not of an individual nature, creating a permanent conflict or posing a significant risk to the Company and the Group, the member in question shall be considered not to meet the eligibility criteria.

#### *5.1.4 Independence of judgement*

Independence of judgement means being free from conditions that prevent the member of the Board of Directors from performing his/her duties in an impartial manner and having the mentality that allows a member of the Board of Directors to perform his/her work as s/he believes to be proper and not to compromise the quality of his/her work.

Therefore, "independence of mind", or "independence of judgment", is a required behaviour during discussions and decision-making within the Board, in the sense that each member of the Board must actively participate in the meetings, making his/her own correct, objective and independent decisions and judgments in the context of the performance of his/her duties and the competencies assigned to him/her. The absence of a conflict of interest does not necessarily mean that the member acts independently.

For the evaluation of the independence of the judgment of the members of the Board of Directors, the Company takes into account whether all the members have the necessary behavioural skills, which include, among others, the following:

- courage, conviction and vigour to make a substantial evaluation and challenge the proposals or views of other members of the Board of Directors, expressing any opposing views or doubts they may have,

- the ability to ask reasonable questions to the members of the Board and in particular to its executive members and to give constructive criticism, and
- the ability to resist the groupthink phenomenon, evaluating the significant assumptions of each important decision and consistently considering the individual risks.

#### *5.1.5 Time Commitment*

All members of the Board of Directors must make available the time required to carry out the duties based on the role and tasks assigned to them in the context of the operation of the Board of Directors and the Committees in which they may participate.

To determine the adequacy of time, the following shall be taken into account:

- The capacity and responsibilities assigned to the member of the Board of Directors and, in particular, his/her participation and role in the Committees of the Board of Directors (member of a Committee or Chairperson of a Committee),
- other professional or other activities and duties of the member outside the Company,
- the number of positions held, in the capacity of member of Board of Directors of other companies, depending on whether such companies are listed or not, their size and complexity, as well as the resulting capacities held by that member at the same time (executive or not) and the duties arising out of said capacities. It will also be crucial not to exceed the limit of holding positions in other Boards of Directors of listed companies or any other eventual restrictions according to the provisions of the Code of Corporate Governance adopted by the Company.

NCGC shall inform each candidate member of the Board of Directors about the minimum expected time required to be devoted to his/her duties and the scheduled meetings of the Board of Directors and any other Committees in which s/he participates as a member.

#### *5.1.6 Eligibility - non-existence of liability for loss-making transactions with affiliated companies*

A condition for being elected as and remaining a member of the Board of Directors of the Company, as well as for being assigned powers to manage and represent the Company to third parties, or for keeping in force the relevant assignment, is that no final court decision has been issued which recognises the member's liability for loss-making transactions of the company with related parties, at least, three (3) years prior to the election or the delegation of powers respectively. For this purpose, each candidate member of the Board of Directors or candidate for delegation of management and representation powers of the Company, shall submit to the Company Secretary a solemn declaration addressed to the Company stating that there is no impediment as a result of the issuance of a final court decision recognizing his/her liability for loss-making transactions of a listed or non-listed company with related parties, in accordance with the provisions of Law 4548/2018, in the, at least, three (3) years, prior to the election or delegation of powers respectively.

## **5.2 Collective Suitability**

Collective suitability means the suitability of all the members of the Board of Directors so that it can effectively exercise its leading role in corporate matters, directing corporate affairs for the benefit of the Company, shareholders and all stakeholders and ensuring good and effective corporate governance and the implementation of the corporate strategy by the executive management.

The members of the Board of Directors should collectively cover with sufficient knowledge and experience some or all the business sectors over which the Company develops its activities in implementation of its business strategy, in the sense that its composition shall, at all times, include a sufficient number of members with knowledge in each field, in order to be able to conduct a good discussion and offer constructive criticism on the recommendations made to the Board and on the resolutions that need to be passed.

Therefore, in order to effectively manage and supervise the corporate affairs, the Board of Directors has collectively the necessary skills related to the Company's business activity and the key risks associated with it.

For this purpose, a suitability table (Appendix) is compiled, updated and monitored on an annual basis by NCGC, which may be updated by NCGC, which includes the respective collective qualifications of the Board, such as, by way of indication, the knowledge and experience in the following areas:

- (a) the areas of activity of the Group (trade of information, telecommunications products and electric - electronic devices, e - commerce, IT services, courier and postal services, green energy production, electronic transactions, any other eventual areas of activity of the Company in the future, etc.);
- (b) business administration;
- (c) strategic and business planning, the implementation of significant and strategic investments and de-investments, and the management of corporate portfolios;
- (d) the financial sector, financing and the operation of markets;
- (e) business development and international activity;
- (f) corporate governance,
- (g) sustainable development and ESG issues;
- (h) management and development of human resources, and remuneration systems;
- (i) audit and risk management,
- (j) modern technologies and digital transformation.

In addition, the suitability table reflects the fulfillment of the, from time to time, diversity criteria and objectives mentioned hereinbelow, as well as the fulfillment of the independence criteria of § 1 of article 9 of Law 4706/2020.

#### *Diversity Criteria*

The Company implements a diversity policy in order to promote an appropriate level of diversity in the Board of Directors and a diverse group of members. Through the accumulation of a wide range of qualifications and skills in the selection of members of the Board of Directors, the variety of views and experiences is ensured, in order to make the right decisions.

This Policy includes the basic diversity criteria applied by the Company when selecting members of the Board of Directors and constitute essential priorities (diversity objectives) of the Company:

- a) adequate representation by gender (at least twenty five percent (25%) on all members of the Board).



- b) ensuring equal treatment and equal opportunities for all potential members of the Board of Directors, regardless of gender, race, colour, national, ethnic or social origin, religion or belief, property, birth, marital status, disability, age or sexual orientation;
- c) the greatest possible representation on the Board of Directors of different age groups / generations;
- d) the participation in the Board of Directors as much as possible of professionals from different branches and areas of specialization depending on the needs and activities of the Company for the collective suitability of the Board of Directors;
- e) the contribution to the Board of Directors of members with significant international work / academic experience that comes either from their activity abroad or in companies and organizations with international scope;
- f) in the context of a long-term strategy of renewal of the Board of Directors, the diversity of the members in relation to the years of their total tenure in the Board of Directors of Quest (new members, former members).

## 6. Monitoring & Implementation Control

The Policy adheres to the general framework of corporate governance, corporate strategy and corporate culture.

The monitoring of the implementation of the Policy is the responsibility of the Board. The NCGC is responsible for its implementation and, where deemed appropriate, the assistance of the Company Secretary, the Legal Services Directorate, the Internal Audit Service and / or the Head of Regulatory Compliance is sought, and the NCGC informs or / makes recommendations to the Board.

In particular, the evaluation of the suitability (individual and collective) of the members of the Board of Directors is carried out at least once (1) a year and in the context of the wider evaluation of the effectiveness of the Board of Directors according to the relevant Board of Directors' Evaluation Procedure prepared by the Company, and, as the case may be, the occurrence of an event that triggered the reassessment, such as:

- in case of a significant impact on the reputation of a member of the Board of Directors,
- in any case of occurrence of an event that may significantly affect the suitability of the member of the Board of Directors, such as e.g., the occurrence of situations that create a permanent conflict of interest, failure to devote adequate time,
- significant changes in Quest strategy and structure that require different knowledge and skills.

In case it is ascertained by the Board of Directors, following a relevant recommendation by the NCGC, that one or more of the criteria of individual suitability according to the Policy cease to exist, the competent statutory body of the Company shall promptly terminate the appointment and replace, within three (3) months, the member of the Board of Directors, for reasons that such person could not have prevented even by showing extreme diligence according to § 6 of article 3 of Law 4706/2020.

The Company Secretary is responsible for keeping a record with regard to the Policy documentation and any amendments thereto. Such record shall be kept in both hard copy and electronic format.

The description of this Policy regarding the diversity applied to the members of the Board of Directors, the objectives of the Policy, as well as the way in which it is implemented and its results

is included in the annual Corporate Governance Statement of the Company pursuant to article 152 of the Law 4548/2018 and article 18 of Law 4706 / 2020.

## 7. Approval and Publicity

The Policy is approved by the Board, in accordance with article 3 § 1 of Law 4706/2020 and is submitted for approval to the General Meeting, in accordance with article 3 § 3 of Law 4706/2020.

Any amendments to the Policy are approved by the Board of Directors, taking into account, among other things, the suggestions / recommendations of the NCGC, the Company's Internal Audit Service, as well as any other external bodies.

Substantial amendments, i.e., in case they introduce deviations or significantly change the content hereof, especially with regard to the applicable general principles and criteria, shall be submitted for approval to the General Meeting in accordance with article 3 § 3 of Law 4706/2020.

The Policy and any substantial amendments to it come into force upon its approval by the General Meeting.

The applicable Suitability Policy is posted, updated, on the Company's website (<https://www.quest.gr/>).

## 8. Amendments

| Version | Date       | Description                   |
|---------|------------|-------------------------------|
| 1       | 18/06/2021 | Initial version of the Policy |

## 9. Appendix

The suitability table is presented, which is updated by NCGC and is used to control the fulfilment of the respective collective suitability criteria (required knowledge and experience, obligations / diversity objectives) and depicts the fulfilment of the obligation to include in the Board of independent non-executive members.



- Desirable qualifications / Experience
- Diversity criteria

**Quest Suitability Table**

|   | Members of the Board of Directors of Quest |          |          |       |           |
|---|--|----------|----------|-------|-----------|
|   | Member 1                                   | Member 2 | Member 3 | (...) | Member 11 |
| IT Sector   |  |          |          |       |           |
| Distribution of technology products and services sector   |  |          |          |       |           |
| Courier sector  |  |          |          |       |           |
| Green energy sector   |  |          |          |       |           |
| e-commerce sector   |  |          |          |       |           |
| Electronic transactions sector  |  |          |          |       |           |
| Audit and Risk Management   |  |          |          |       |           |
| Modern technologies and digital transformation  |  |          |          |       |           |
| Financial sector, financing and market operation  |  |          |          |       |           |
| Strategic and business planning, strategic investments and de-investments, management of corporate portfolios |  |          |          |       |           |

|  |  |  |  |  |  |
|--|--|--|--|--|--|
| Business administration  |  |  |  |  |  |
| Business development and international operations                    |  |  |  |  |  |
| Corporate Governance   |  |  |  |  |  |
| Management and Development of Human Resources & Remuneration systems |  |  |  |  |  |
| Sustainable development & ECG issues                                 |  |  |  |  |  |
| Gender representation criterion (W/M)                                |  |  |  |  |  |
| International work or academic experience criterion (yes / no)       |  |  |  |  |  |
| Generation representation criterion (age)                            |  |  |  |  |  |
| Renewal of Board of Directors criterion – years in office (years)    |  |  |  |  |  |
| Independence criterion (yes / no)                                    |  |  |  |  |  |