

**REPORT OF THE INDEPENDENT NON-EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS
BOARD OF DIRECTORS of the Company "IKTINOS HELLAS SA" ACCORDING TO ARTICLE 9 § 5
LAW 4706/2020, TO THE REGULAR GENERAL MEETING OF SHAREHOLDERS ON 21.06.2023**

This report was prepared jointly by the independent non-executive members of the Board of Directors of the company IKTINOS HELLAS SA, in compliance with the provision of article 9 par. 5. of Law 4706/2020 and the relevant guidelines of the Capital Market Commission, and addressed to the annual Ordinary General Meeting of the Company's Shareholders on 21.06.2023.

In the context of the obligations set out in Article 7 of Law 4706/2020 for non-executive members, the latter

- a) monitor and review the Company's strategy and its implementation, as well as the achievement of its goals,
- b) ensure effective supervision of executive members, including monitoring and auditing their performance, and
- c) examine and express opinions regarding the proposals submitted by the executive members, based on existing information.

In view of the above and in fulfillment of these obligations, regular meetings of the non-executive members of the Company's Board of Directors were held, without the presence of the executive members.

The aim of these meetings was to discuss the performance of the executive members as well as the more general evaluation of the Company's progress and the performance of the duties of the non-executive members pursuant to Article 7 of Law 4706/2020. In these meetings, it was unanimously established that:

- The Board of Directors operates effectively with the long-term interests of the Company in mind as well as the shareholders and interested parties (stakeholders), while also aiming to achieve the sustainability of the Company. The composition of the Board of Directors is characterized by a diversity of knowledge, qualifications and experience and contributes to the achievement of business objectives. In particular, the composition of the Board of Directors, in our opinion, contributes to the effective corporate administration and the management of corporate affairs for the benefit of the Company and all its shareholders and interested parties, ensuring the implementation of the corporate strategy, while at the same time neither were observed nor conflicts of interest between the managers, the members of the Board of Directors and the shareholders were found, including the cases of mismanagement of assets or transactions with related parties.
- The presence of the independent non-executive members is considered constructive, aiming and ensuring in practice the application of the corporate governance rules to which the Company is subject, and the general monitoring and supervision of its business course. Non-executive members (including independent non-executive members) effectively supervise management decisions, express opinions and positions on the proposals of executive members and their opinions are duly taken into account in the discussions and decision-making of the Board of Directors and committees of. It should be noted that the non-executive members of the Council have been guaranteed the possibility of unhindered communication with the management staff of the Company as well as regular information from the heads of services. It is also ensured that the non-executive members have access to

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the necessary information in order to be able to consider and express opinions on the proposals submitted by the executive members.

- The executive members carry out their duties effectively and within the framework of the above-mentioned parameters. The actions of the executive members are in accordance with the provisions of the Operating Regulations, the Corporate Governance Code and the other Regulations and Policies applied by the Company. They are governed by integrity, objectivity and professionalism, and the cooperation between them and between themselves and the non-executive members moves at highly satisfactory levels. They have knowledge and long experience in exercising supervision over the general functions and activities of the Company.
- The Company from the beginning of the fiscal year 2021 adopts and applies the Corporate Governance Code of the ESED (June 2021), while any minor deviations are mentioned in the Company's Corporate Governance Statement for both 2021 and 2022, each of which is part of published Annual Financial Statements. The provisions of the Company's Regulations and Policies are also consistently observed. In addition, the Company has adopted and applies a Code of Ethics, which is posted on its website, and applies the relevant principles and rules of its Operating Regulations.
- In the workplace the Company encourages a generally safe and healthy work environment, free of discrimination, harassment or retaliation and ensures working relationships that promote mutual trust, constructive cooperation, two-way communication and recognition.
- 2022 was a year of extraordinary challenges where The Company's Management was called upon to manage the ever-increasing cost pressures at all levels – materials, energy and transport. Along with energy increases, large and sharp increases in raw material prices of more than 15% multiply our production costs further shrinking our profit margins. Also, within 2022, interest rate increases by the European Central Bank were added with the aim of indirectly controlling the explosive increase in inflation which is at the highest level in recent decades. In addition, the lock down of the Chinese market for the third consecutive year, the largest market for Greek marbles, has negatively affected the company's turnover. However, we should emphasize that Greek marble exports as a whole had a decline in 2022 of the order of 15% compared to 2021, a fact that worries the Greek marble industry. Also indicative of the high global competition is the opposite course of Greece's total marble exports in 2022 compared to Italy and Turkey. Greek exports are down, while Italian and Turkish exports are up. All of the above geopolitical and social upheavals and reshuffles had a negative impact on the company's financials in 2022.
- However, the Company continued to take the required actions to comply with the current legislative and regulatory framework by implementing good Corporate Governance and Internal Control System. The evaluation of the SEE was completed in accordance with the provisions of decision 2/917/17.6.2021 of the EC until 31/3/2023 with a reference date of 31/12/2022 and a reference period from the entry into force of Article 14 of Law 4706/2020 . The evaluation of the SEE was carried out by the company KSi Greece Certified Auditors - Accountants, as it was selected by the no. 680/7.9.2022 decision of the Board of Directors of the Company. The conclusion of the Assessment Report on the Adequacy and Effectiveness of the ESS was unqualified since no material weaknesses were identified. The relevant Analytical Report was submitted to the Board of Directors, while its summary was submitted

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to the Capital Market Commission, in accordance with the deadlines of Law 4706/2020 and Decision 1/891/30.9.2020 of the Capital Market Commission.

Finally, as independent non-executive members of the Company's Board of Directors, we confirm our agreement with the content of the Management Report of the Company's Board of Directors and the Corporate Governance Statement for the year 2022, which is an integral part of the Board of Directors' Report and has approved by the Board of Directors on 4/28/2023. The Report of the Board of Directors has been included in the Annual Financial Report for the year ended 31.12.2022.

May 18, 2023

The independent non-executive members of the Company's Board of Directors

"IKTINOS S.A."

Andreas Koutoupis

Angeliki Meidani