

ESG REPORT 2023

Caring for the future

MESSAGE FROM THE MANAGEMENT

We have the pleasure to present the Hellenic Dairies Annual Sustainable Development Report (ESG) for the 6th consecutive year to reflect our strategy, key initiatives, and performance across the pillars of social responsibility, environmental sustainability, and economic growth. With over 60 years of experience, sustainable development remains an integral part of our company's philosophy and vision.

2023 was a year characterised by significant challenges on both the national and international levels. The energy crisis and extreme weather conditions impacted operations. In September, the catastrophic Storm Daniel hit Thessaly, causing serious damage to our infrastructures and underlining the need for flexibility in the face of new climate challenges. We are proud to say that our motivation to adopt practices that reduce our environmental footprint and support sustainable development has only grown stronger.

Despite the challenges that have been presented, our company has maintained a strong presence in 47 international markets while remaining true to the principles of respect for people and the environment. In 2023, our exports reached EUR 183 mil., representing 45% of our total sales and recording a 13.7% increase compared to 2022. It is evident that this performance has a significant positive impact on national economic growth while concurrently creating substantial additional value for all partners.

We recognise the catalytic role of technological innovation in achieving our sustainability goals and ensuring our continued success. In this regard, we made investments totalling €29 million in Greece, with the aim of further strengthening our competitiveness.

The well-being of our employees constitutes a fundamental priority. We are committed to fostering a professional and inclusive working environment that values diversity, ensures equal oppor-

tunities, and promotes respect for all colleagues. At the same time, we implement all necessary measures to ensure the health and safety of our employees, thereby promoting a safety culture.

Environmental protection is a key pillar of our strategy for sustainable development. Our goal is to evolve with sustainability in mind, thus, minimising our environmental impact. That said, we continue to produce clean energy through the biogas plant – which covers a significant part of our energy needs – together with our photovoltaic park. Moreover, we focus on the use of environmentally-friendly packaging materials, thereby reducing the percentage of plastic in our packaging products.

As reflected in the pages of this Report, our initiatives are reflected in our indicators and performance, which motivate us to continue our dynamic path towards sustainable and responsible development.

At Hellenic Dairies, further integrating the principles of sustainability into all our activities remains our main priority, not only to be able to respond to today's challenges, but also to ensure a better future for generations to come.

Looking ahead, we remain committed to our goal of becoming one of the most sustainable companies in Greece. We are dedicated to providing products and services that embody our values, while actively contributing to the well-being of society and the environment.

Stelios D. Sarantis
BoD Chair

2023 AT A GLANCE

OUR COMPANY



3

production plants in Greece

Trikala

Larissa

Xanthi



Presence in

47 countries worldwide



7 awards and distinctions



€183 mil.

sales to international markets



2 ESG and sustainable development distinctions



887 employees















3,052 milk producers in the Greek countryside



5,000 fruit and nut producers

AGNO, a member of our family

E	S	G
Environment	Society	Governance
<div><div><div>1,349,243 kwh</div><div>electricity production from photovoltaics</div></div></div>	<div><div><div>7,280</div><div>training hours</div></div></div>	<div><div><div>€494.8 mil.</div><div>Our social product</div></div></div>
<div><div><div>24,482,031 kwh</div><div>energy generated from the biogas plant</div></div></div>	<div><div><div>Zero</div><div>serious accidents or death</div></div></div>	<div><div><div>€29 mil.</div><div>in investments</div></div></div>
<div><div><div>10%</div><div>further reduction of plastic in PET juice packaging</div></div></div>	<div><div><div>Zero</div><div>incident of discrimination for yet another year</div></div></div>	<div><div><div>Greek producers were awarded with a bonus of €150,000</div></div></div>
<div><div><div>2.5%</div><div>reduction in wastewater that was treated compared to 2022</div></div></div>	<div><div><div>436,324</div><div>products were distributed to agencies, schools, and social organisations</div></div></div>	<div><div><div>Collaboration with 4 universities and 5 research organisations</div></div></div>

01

OUR COMPANY



OUR PHILOSOPHY

The deep and unwavering belief that behind every good is something even better and the stable and consistent philosophy for the production of safe and quality products are key to our success.

With our tradition dating back to 1961, the history of the Sarantis family marks six decades of operation with the first cheese products being produced in Perivoli, Grevena, a small village in Pindos.

Over time, and specifically in 1985, the Sarantis family founded ‘TYRAS’, which became the parent company of the current Hellenic Dairies Group, which embraces the companies ‘OLYMPOS’, ‘RODOPI’, ‘TYRAS’, ‘AGNO’, both in the Greek market and in over 47 countries in Europe, America, Africa, Asia & Australia.

Our mission

Today, following three generations of experience and a dedication to the values of the past, we are committed to offering top-quality products that contribute to the modern individual’s healthy and balanced diet.

Our vision

More natural and nutritious food for all.



Our values

We are dedicated to offering top-quality products that contribute to the modern individual’s healthy and balanced diet.

Our values guide our actions and include:



HIGH QUALITY PRODUCTS

For us, the quality and safety of the products is an ethical obligation and this is reflected in all stages of the production process, and particularly in the careful collection of raw materials, their processing, in the absolutely sanitary and safe packaging method and the excellent storage conditions, thereby offering the consumer products of superior quality.



GREEKNESS

We are faithfully oriented towards producing products from Greek raw materials, safeguarding Greek primary production and reinforcing Greek producers.



RESPECT FOR OUR PEOPLE

We respect every single person, that is why we invest in our employees’ continuous training and ensure a better working environment.



AUTHENTICITY

The authentic taste of our products that everyone has come to love, remains unchanged.

This is because our products are produced from quality Greek raw materials with a high nutritional value, according to the traditional method that can only be found in Greece.



TRUST

For us, trust is the foundation of our development. We are committed to fostering a culture of integrity and mutual trust with our consumers, customers, employees, and the society as a whole. Our consumers’ constant preference for our products not only contributes to the continuous development of the company but also contributes to the figures of the Greek economy through primary production that is based purely on Greek values.



SUSTAINABILITY

We recognise that economic development is directly linked to the sustainability of the ecosystem. We actively protect the environment and use our natural resources responsibly. We recognize our responsibility towards society, which is why we strive to be worthy of its trust on a daily basis.

OUR PRODUCTS

Hellenic Dairies, stays true to the tradition of selecting pure and local raw materials, by manufacturing products that stand apart for their quality.

Keeping true to the selection of quality raw materials, which it procures from Greek producers, but also to its unique taste identity, our company progresses in expanding the variety of its products, to keep up with new market trends and changing consumer demand. Our company’s product portfolio includes dairy products, cheese products, natural fruit juices, tea, herbal beverages, and desserts, as well as food for babies and children, forming a wide range of products.



Dairy products
(milk, kefir,
yoghurt, butter,
cheese)



**Natural
fruit
juices**



**Greek
tea**



**Herbal
beverages
and desserts**



**Food for
babies
and
children**

Our brands

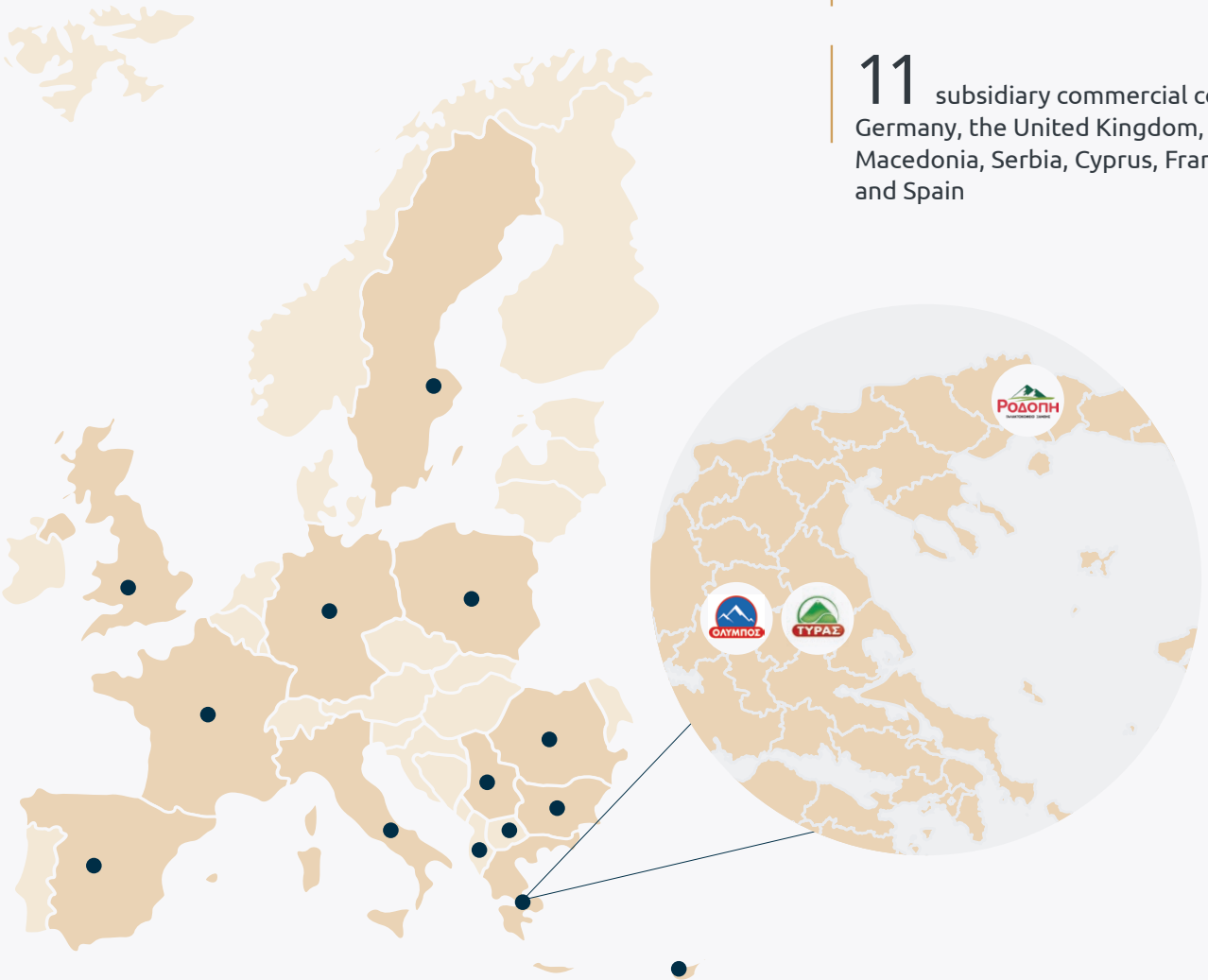
Headquartered in Trikala, Thessaly and specifically in the Municipality of Pyli of the Regional Unit of Trikala, our company operates in the market with the trademarks «OLYMPOS», «TYRAS», «RODOPI» and «AGNO».

OUR PRESENCE



3 production plants in Greece: Larissa, Trikala, and Xanthi

11 subsidiary commercial companies in Italy, Germany, the United Kingdom, Sweden, North Macedonia, Serbia, Cyprus, France, Albania, Poland, and Spain

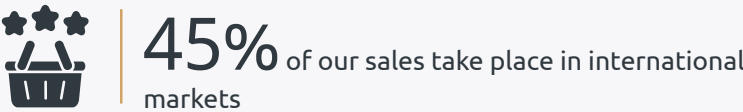
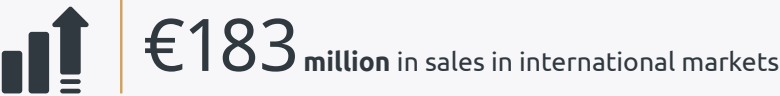
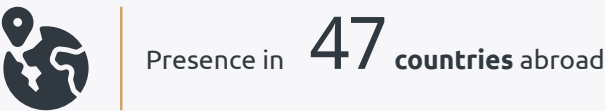


INTERNATIONAL ACTIVITIES

In addition to its leading presence in the Greek market, Hellenic Dairies is also present in 47 countries abroad, with a firmly-orientated philosophy of producing and distributing quality products of high nutritional value and exceptional taste.

In addition to its leading presence in the Greek market, Hellenic Dairies is also present in 47 countries abroad. Our philosophy remains firmly oriented towards the production and distribution of products of high nutritional value and an exceptional taste.

At the same time, the company has established relationships of trust with the leading international retail chains and industrial customers. A catalyst for these achievements was the fact that Hellenic Dairies managed to transfer the philosophy and basic principles of authenticity and Greek tradition to customers and consumers through its products, encouraging them to recognise its value.



“
Hellenic Dairies has consistently promoted Greek products in international markets through its exports, contributing substantially to the Greek economy and strengthening the country’s reputation worldwide.

Our company has managed to establish its brand in international markets as being synonym to quality and taste, significantly increasing its revenue from its exports and contributing to the growth of the Greek economy.

In 2023, the company’s exports increased by 13.7% compared to 2022, with exports accounting for 45% of its total revenue.



Exports by country (2023)

ITALY **25%**

GERMANY **22%**

ROMANIA **9%**

FRANCE **8%**

ENGLAND **7%**

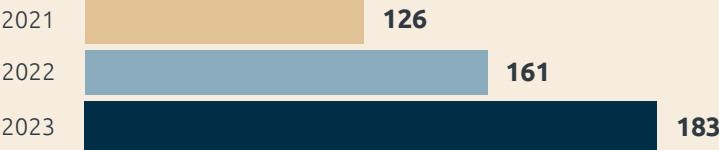
BULGARIA **5%**

SWEDEN **4%**

POLAND **3%**

OTHER COUNTRIES **17%**

Total exports (mil. €)




OUR BUSINESS MODEL


Financial capital	
Total revenue	€406 mil.
Investments	€29 mil.
Productive capital	
Plants	3 in Greece (Trikala, Larissa, and Xanthi)
Intellectual capital	
Collaborations with universities	4
Collaborations with research organisations	5
Human capital	
Number of employees	887
Employee training hours	7,280
Natural capital	
Collection of raw materials and milk	182,090 tn milk received
Social capital	
Fruit and nut producers from the Greek countryside	5,000 producers
Senior management from local communities	100%


Vision
More natural and nutritious food for all.


Mission
Offering top quality products that contribute to the modern individual’s healthy and balanced diet.


Values

**Product authenticity**


**Building relationships of trust with consumers**


Strict production standards


Support of local communities


Respect to employees


Main activities

**DAIRY PRODUCTS**

**JUICES**


**TEA**


**HERBAL BEVERAGES AND DESSERTS**


**BABY FOOD**


Business model that respects the principles of sustainable development


Key sustainable development priorities

**HIGH QUALITY PRODUCTS**
We ensure the production of quality products of high nutritional value

**ENVIRONMENT**
We undertake actions to mitigate phenomena that lead to climate change

**PEOPLE**
We offer our human resources a safe working environment
We create and distribute value to the wider community with a number of actions

**ETHICAL BUSINESS PRACTICE**
We implement the best ethical business practices

**INNOVATION**
Adapting to the new digital world, we incorporate innovation to the core of our business model

Financial capital	
EBITDA	€56 mil.
Financial expenses	€15 mil.
Productive capital	
Amount of produced products	45,400 tn of solid products 97,859 lt of liquid products
Biogas energy production	23,192 MWh
Intellectual capital	
Continuous innovation and expertise for the creation of new products Continuous increase in performance (internal organisation, supply chain management, storage, and distribution of products, etc.)	
Human capital	
Employees with indefinite employment contracts	100%
Employee salaries and benefits	€23.7 mil.
Natural capital	
Waste diverted from disposal	5,512 tn
Social capital	
Tax paid	€10.8 mil.
Investments at community level	€140,000

INFLOWS

VALUE CREATION

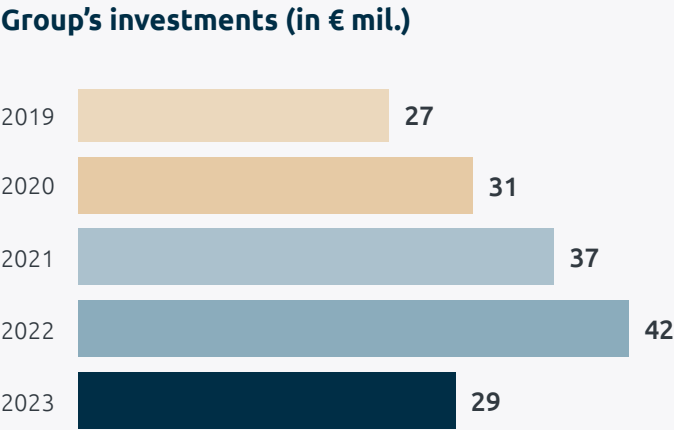
OUTFLOWS

14

15

INVESTMENTS

In keeping with its philosophy, the company, which seeks continuous modernization and technological development and innovation in every phase of its production process, made investments in 2023 to the value of €29 mil. It is worth noting that the company’s investments in the last 5 years amount to €166 mil. The Group’s investments by year are detailed in the graph below.



 The company’s investments in the last 5 years amount to **€166 mil.**



RESEARCH AND DEVELOPMENT

Our company invests heavily in the research and development of innovative products to meet the high expectations of our consumers, who, in addition to quality and nutritional value, are now looking for products that are environmentally friendly.

The company allocates a substantial part of its budget to funds for the research and development of new products, which include both state-of-the-art equipment and qualified scientific personnel with experience in research. In doing so, it creates favourable conditions and each year it is able to launch of a wide variety of new products of high nutritional value that meet the various preferences of consumers and improve their quality of life. At the same time, it ensures its innovative products are as environmentally friendly as possible. To achieve this goal, it conducts in-depth research, it applies the most modern production methods and improves existing ones, in order to satisfy this consumer demand.

 **Innovation Award**
at the “Packaging Awards WorldStar 2023” competition

OLYMPUS’ distinction in the Packaging Awards WorldStar competition

The outcome of our commitments to innovation and sustainability, is OLYMPUS’ distinction in the “Packaging Awards WorldStar 2023” competition in Germany, under the auspices of the World Packaging Organisation (WPO), which is the most important international distinction for innovative packaging. The packaging features that earned OLYMPUS this important distinction are:

- the use of 30% recycled plastic (rPET)
- the use of a non-removable cap
- the compressed bottle that leads to a reduction in the volume of waste

It is also worth mentioning that out of the 488 entries received from 41 countries, OLYMPUS was the only Greek company to be awarded.



COMMITMENT TO DELIVERING HIGH QUALITY PRODUCTS

At Hellenic Dairies, we are committed to offering products that not only deliver excellent taste, but also meet the strictest safety and hygiene standards during the production process.

Product safety and quality

Having experience in managing quality and food safety related processes, Hellenic Dairies uses proven and effective practices to protect customers and consumers in the best possible way.

In particular, a special internal “Food Safety Team” runs regular laboratory tests on raw materials. This Team plays a crucial role in the entire process, as it is responsible for the assessment and full control of all possible risks. At the same time, in order to achieve the highest quality and safety of its products, the company has state-of-the-art machines, such as Food Scan, Milkoscan, Bactoscan, Mocon, Tempo and Vidas, which are managed by qualified employees with specialised knowledge and technical training. Once the results are exported, the testing process is repeated in order to crosscheck and confirm the results.



“

At Hellenic Dairies, we carry out 10,000 tests daily, to ensure that every product that reaches the consumer meets the highest quality and hygiene standards.

Moreover, aiming at the production and distribution of high-quality products, the company implements a Quality Management System to cultivate a sense of trust, safety, and security among consumers. In addition, the company has received certifications for its facilities and products in accordance with internationally recognised standards. The company’s quality and safety systems are systematically evaluated through internal and external audits (customers, accreditation companies). The company’s Quality Management System achieves long-term partnerships with suppliers who meet all necessary and non-necessary quality criteria, as defined by the legislation and the company, thereby fully satisfying customer, and consumer needs.

Additionally, the company fully complies with the requirements of large foreign retailers (Morrisons, YUM! KFC, Subway, Auchan, Monoprix, Upfield, LIDL, EDEKA, Kaufland, TESCO, Carrefour, CONAD, COOP, etc.), regarding the strict private food safety standards they apply, proving that it takes its activity abroad seriously, thus strengthening its reputation.

In accordance with the requirements of the quality systems, the required meetings of the HACCP, Food Defence, Environmental Management and Design Teams have been held, thereby confirming the system updates (ISO 9001, ISO 14001, ISO 22000, BRC, IFS).

Plants’ quality management goals

The excellent quality results that our company brings are the driving force for development.

In this respect, we are constantly setting new quality and safety goals. More specifically, the overall goals that we have set for the year 2024 include:

- Plant certification according to the ‘ISO 45001 Occupational health and safety management’ standard.
- Certification according to the requirements of the ISO 14064-1:2018 standard for the verification of greenhouse gas emissions report.
- Successful transition of the food safety system to the new IFS version (version 8).
- Continuous employee training.
- Continuous improvement of quality systems.
- Certification according to the No Food Waste standard for the Larissa and Xanthi plants..
- Inclusion of the Trikala plant’s new yellow cheese production line into the quality management system.
- Certification of the Larissa plant according to the SMETA-SEDEX standard.



10,000 tests are carried out on our products daily.

02

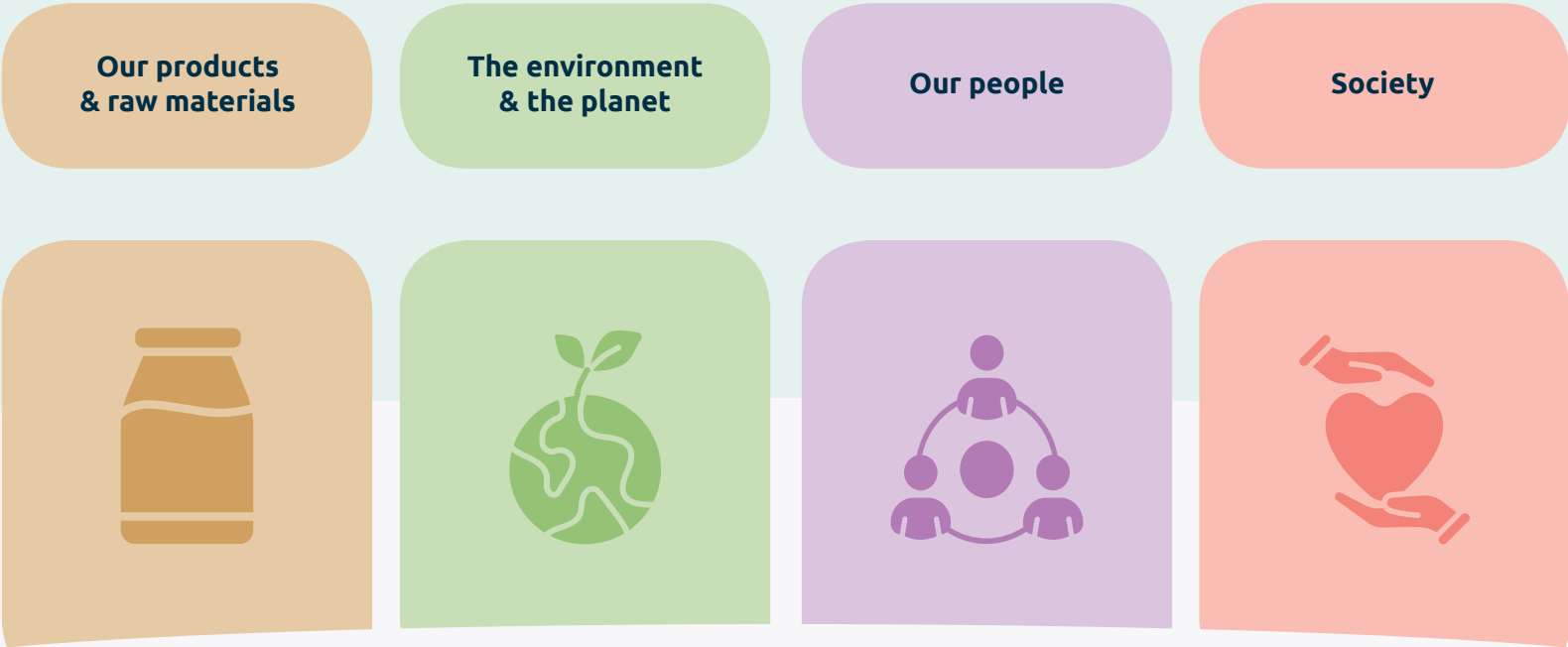
OUR APPROACH TO SUSTAINABLE DEVELOPMENT



CARING FOR THE FUTURE

At Hellenic Dairies we have developed and are implementing a sustainable development strategy, which ensures our responsible operation towards society, our people, and the environment.

For Hellenic Dairies ‘caring for the future’, means that we are implementing a comprehensive sustainable development strategy, ensuring the production of safe and quality products, environmental protection, care for our people and the local communities in which we operate.



“

*By caring for the future,
we shape a sustainable tomorrow.*

- **Caring for our products:** We focus on producing top quality products with a high nutritional value. We select appropriate raw materials and suppliers from local communities, applying the strictest quality management and food safety standards, making our consumers’ health and safety a top priority. At the same time, we highlight investments, research for the development of new products and technology, as vehicles for company’ further development.
- **Caring for the environment:** Our operations aim to protect it in the best possible way, by reducing the impact of our operations to a minimum. In this respect, we use renewable energy sources and have an integrated wastewater treatment plant with parallel biogas production. We have adopted technologically-advanced treatment for water reuse aimed at reducing consumption and use environmentally-friendly r-PET and plant-based packaging. All the while, the reduction of food waste is a key pillar of our strategy.
- **Caring for our people:** We prioritize health and safety, in a pleasant and creative working environment, investing daily in continuous training and development.
- **Caring for society:** We listen to the needs of society as a whole, seeking to contribute wherever necessary. We are there in every difficult situation for the purpose of offering joy and relief. People guide us along the way.

OUR PROGRESS IN 2023

Our products & raw materials

3

GOOD HEALTH AND WELL-BEING

4

QUALITY EDUCATION

8

DECENT WORK AND ECONOMIC GROWTH

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

STRATEGIC GOALS:

- Ensuring our products' excellent quality and safety
- Products with high nutritional value
- Support of the Greek primary production
- Continuous investment in innovation

OUR PROGRESS IN 2023

- ✓ 10,000 daily checks on our products and raw materials
- ✓ Implementation of specialized training programs for milk producers
- ✓ Implementation of certified Quality and Food Safety Management Systems
- ✓ Continuous recording and study of nutritional trends
- ✓ Development of new technologies in the production process
- ✓ Collaboration with scientific and university institutions in Research and Development

The environment & the planet

7

AFFORDABLE AND CLEAN ENERGY

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

13

CLIMATE ACTION

STRATEGIC GOALS:

- Rational use of natural resources and energy
- Use of new packaging materials with a reduced environmental footprint
- Optimal waste management and promotion of circular economy
- Zero food waste

OUR PROGRESS IN 2023

- ✓ 1,349,243 kWh of electricity produced from Solar PV systems
- ✓ 23,191,969 kWh of energy production by the biogas plant with the utilization of the company's waste
- ✓ Development of a comprehensive policy for the reduction of food waste and certification of the company with the «NO FOOD WASTE» label for the second consecutive year
- ✓ 10% further reduction of plastic in PET juice packaging compared to 2022
- ✓ 100% use of plant-based material and non-removable caps in Tetra Pak paper packaging
- ✓ Staff training and briefing on environmental protection, energy management, recycling, and food waste reduction issues

Our people

3

GOOD HEALTH AND WELL-BEING

4

QUALITY EDUCATION

5

GENDER EQUALITY

8

DECENT WORK AND ECONOMIC GROWTH

10

REDUCED INEQUALITIES

STRATEGIC GOALS:

- Protection of our staff's health and safety
- Provision of staff development & training opportunities
- Creation of a work environment of equal opportunities for all, without discriminations
- Creation of jobs in the local communities in which we operate

OUR PROGRESS IN 2023

- ✓ 7,280 employee training hours
- ✓ No discrimination incident
- ✓ Annual staff evaluation based solely on qualifications and work performance
- ✓ 825 jobs in Trikala, Larissa, and Xanthi
- ✓ 100% of senior management is from Trikala, Larissa, and Xanthi
- ✓ Employee health benefits plan (tests, vaccinations, etc.)
- ✓ Maintenance of the blood bank
- ✓ No death or serious accident

Our society

2

ZERO HUNGER

3

GOOD HEALTH AND WELL-BEING

11

SUSTAINABLE CITIES AND COMMUNITIES

STRATEGIC GOALS:

- Support on the institution of the family aimed at addressing low birth rates
- Support of children's and young people's ambitions
- Improvement of quality of life & support of local communities
- Promotion of healthy eating in children and adults

OUR PROGRESS IN 2023

- ✓ The company's social product amounts to €494.8 mil.
- ✓ Continuation of the «Milk Wants Children» programme with HOPEGENESIS
- ✓ Support for young mothers in the municipal unit of Perivoli with a one-time monetary grant for each child that is born
- ✓ Bonus to the amount €365,000 to employees with children
- ✓ Support of young people in scientific student competitions and Greek athletes
- ✓ 436,324 product portions were distributed free of charge to support vulnerable social groups
- ✓ Contribution in the formation and establishment of healthy eating habits during childhood and adult life

LOOKING TO THE FUTURE

Our products & raw materials

3

GOOD HEALTH AND WELL-BEING

4

QUALITY EDUCATION

8

DECENT WORK AND ECONOMIC GROWTH

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE



STRATEGIC GOALS:

- Ensuring our products’ excellent quality and safety
- Products with high nutritional value
- Support of the Greek primary production
- Continuous investment in innovation

FUTURE GOALS

- Ensuring our products’ excellent quality and safety with their authentic taste is a non-negotiable value for our company and is our key priority
- We always seek to stand by and support our farmers
- Innovation is the key pillar of our company’s development aiming at the development of new products of high nutritional value

The environment & the planet

7

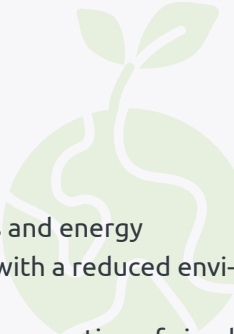
AFFORDABLE AND CLEAN ENERGY

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

13

CLIMATE ACTION



STRATEGIC GOALS:

- Rational use of natural resources and energy
- Use of new packaging materials with a reduced environmental footprint
- Optimal waste management and promotion of circular economy
- Zero food waste

FUTURE GOALS

- Further 30% reduction of plastic in PET juice and tea packaging by 2024
- 20% reduction of plastic PET milk packaging by 2025
- Use of monomaterial in feta cheese vacuum packaging by 2024
- 15% reduction of plastic in the 500 gr yoghurt bucket by 2024
- New 150-170 gr yoghurt pot with a 30% reduction of plastic by 2024
- 2kg feta tub with 20% less plastic by 2024

Our people

3

GOOD HEALTH AND WELL-BEING

4

QUALITY EDUCATION

5

GENDER EQUALITY

8

DECENT WORK AND ECONOMIC GROWTH

10

REDUCED INEQUALITIES



STRATEGIC GOALS:

- Protection of our staff’s health and safety
- Provision of staff development & training opportunities
- Creation of a work environment of equal opportunities for all, without discriminations
- Creation of jobs in the local communities in which we operate

FUTURE GOALS

- ISO 45001 Occupational Health and Safety Management System certification
- Continuous staff training
- Continuous pursuit for zero accidents
- Zero discrimination
- Development of employee health and wellness plans
- Further development of blood bank

Our society

2

ZERO HUNGER

3

GOOD HEALTH AND WELL-BEING

11

SUSTAINABLE CITIES AND COMMUNITIES



STRATEGIC GOALS:

- Support on the institution of the family aimed at addressing low birth rates
- Support of children’s and young people’s ambitions
- Improvement of quality of life & support of local communities
- Promotion of healthy eating in children and adults

FUTURE GOALS

- Development of new programmes aimed at reducing the low birth rate
- Development of new initiatives to support children and adolescents
- Continuation of the reading programme
- Continuous support of the local community (health sector, stray animals, environmental actions)
- Job vacancies in local communities
- Strengthening the importance of food hygiene and safety in the physical, cognitive, mental, and social development of each individual

03

ENVIRONMENT



OUR COMMITMENT TO ENVIRONMENTAL PROTECTION

At Hellenic Dairies, environmental protection is a fundamental value and an integral part of our strategy. We recognize the responsibility to reduce our environmental footprint and conserve natural resources for future generations.

Through innovative practices, investments in new, environmentally-friendly technologies and the adoption of sustainability standards in production, we aim to protect the environment and promote sustainable development at a local level and beyond. Our commitment to environmental protection is reinforced daily with specific actions and initiatives, which reflect our dedication to sustainability and responsible production.

Specifically, the company aims to limit its environmental footprint, by adoption of a number of measures to reduce energy consumption and greenhouse gas emissions, the prevention of pollution incidents, the rational management of resources and waste generated by the production process.

As part of its commitment to environmental protection, Hellenic Dairies has developed and is implementing an integrated Environmental Management System in accordance with ISO 14001:2015.

In addition, the company ensures compliance with environmental requirements and applicable law.

At the same time, the company has developed and implements an Environmental Policy and ensures environmental at all stages of production and organizational levels



through the implementation of the following measures:

- Adoption of more environmentally-friendly technologies and production methods.
- Supplier and partner update in the development of

environmental awareness, as well as their encouragement for active participation in all environmental protection and sustainable development related activities and actions

- Continuous staff training and awareness-raising on environmental protection issues.

Our commitments and goals

Environmental protection is a firm commitment for Hellenic Dairies. Our company recognizes that sustainable development combines traditional operating methods with technologically advanced methods and procedures. To this end, we focus on digital transformation, utilizing ‘smart’ and environmentally-friendly production technologies. At the same time, we actively inform and raise awareness among our staff and partners on environmental issues. The key axes of our environmental policy include the use of renewable energy sources, the conservation of natural resources, the use of environmentally-friendly packaging and the promotion of recycling and the circular economy. Through these actions, we seek to reduce our environmental footprint and contribute to the creation of a sustainable future.

With the ever-increasing impacts of climate change, we are taking a number of energy saving measures while producing and consuming clean energy from renewable sources.

Our company adopts advanced technologies and practices that reduce our facilities’ energy consumption, while investing in the production of clean energy from renewable energy sources, such as solar. These actions not only reduce our dependence on traditional fossil fuels, but also contribute to the protection of the environment, promoting a sustainable and cleaner future for coming generations. Over the past decade, the company has implemented a number of actions aspiring to embrace responsible management and reduction of energy consumption. Specifically:

ENERGY CONSUMPTION REDUCTION PRACTICES

- Use of self-generated electricity from photovoltaic systems.
- Use of self-generated energy from the operation of an installed biogas plant.
- Systematic recording of energy consumption and greenhouse gas emissions.
- Use of motion detectors in the offices and production areas.
- Use of heat from cooling machines to heat water.
- Flue gas heat recovery.
- Exclusive use of LED technology lamps, for reduced consumption.
- Staff training on best energy management practices



Energy Production from RES

Recognising the importance of reducing energy consumption from non-renewable sources (e.g. fossil fuels), Hellenic Dairies has implemented significant investments in RES projects. In particular, the company has installed photovoltaic parks at the Tyras and Rodopi facilities, with a maximum capacity of 1.5 MW, as well as a biogas plant.

The table below presents the total energy produced from renewable sources.

Energy produced from RES

RES CATEGORY	2021		2022		2023	
	kWh	MJ	kWh	MJ	kWh	MJ
Energy produced from biogas	26,193,967	94,298,281	24,482,031	88,135,312	23,191,969	83,491,088
Energy produced from photovoltaics	542,945	1,954,602	781,197	2,812,309	1,349,243	4,857,275
Total energy production	26,736,912	96,252,883	25,263,228	90,947,620	24,541,211	88,348,360

The small decrease in energy production from biogas (5.3%) in 2023 is due to the temporary interruption of the operation of the biogas plant due to the catastrophic damage caused by storm Daniel.



REDUCTION OF CO₂ EMISSIONS

For the purpose of monitoring and taking actions to further reduce its emissions, Hellenic Dairies has, since 2022, started an annual inventory of its carbon footprint, with 2019 as the year.

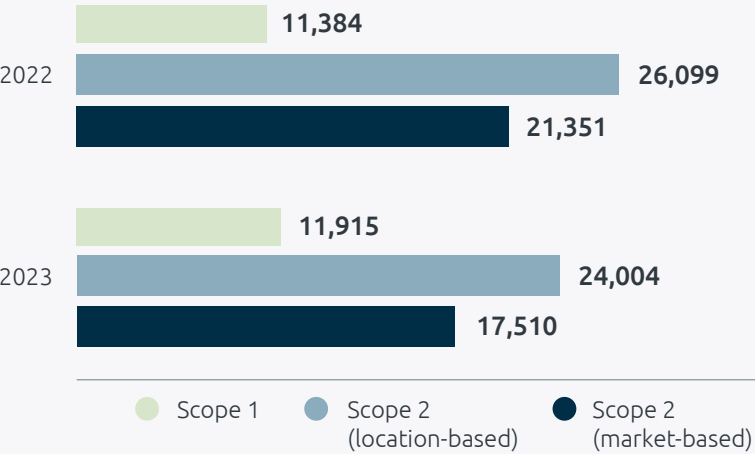
Greenhouse gas emissions measurements are based on direct (Scope 1) and indirect (Scope 2) greenhouse gases (GHG) emissions. Direct emissions are produced during the consumption of natural gas, oil, and LPG from stationary combustion sources, during the consumption of oil and gasoline by the entire vehicle fleet and during the operation of the wastewater treatment system, while indirect emissions come from the company’s total electricity supply.

The following Table presents the annual direct and indirect GHG emissions for the years 2022 and 2023.

GHG emissions for 2022 & 2023 (tn CO₂ eq.)

EMISSIONS CATEGORY / SOURCES		2022	2023
Scope 1	Indirect emissions from stationary combustion sources	10,795.35	11,372.40
	Natural gas	8,075.29	10,298.50
	LPG	2,250.45	1,052.11
	Generator oil	19.26	17.24
	Burner oil	445.73	0
	Biogas combustion	4.80	4.55
	Indirect emissions from mobile combustion sources	588.53	542.13
	Diesel (passenger vehicles & trucks)	458.99	353.51
	Gasoline	129.54	188.62
	Direct fugitive emissions from greenhouse gas emissions in anthropogenic systems	0.01	0.01
Scope 2	Wastewater treatment centres (biological)	0.01	0.01
	Indirect emissions from purchased electricity (market-based)	21,350.63	17,510.14
	Indirect emissions from purchased electricity (location-based)	26,098.89	24,003.76
Total Scope 1		11,384.07	11,914.54
Total Scope 2 (market-based)		21,350.63	17,510.14
Total Scope 2 (location-based)		26,098.89	24,003.76
Total carbon emissions (market-based)		32,734.70	29,424.68
Total carbon emissions (location-based)		37,482.95	35,918.31

Direct and indirect GHG emissions for 2022 & 2023 (tn, CO₂, eq.)



GHG emission intensity

GHG emission intensity (tn CO₂, eq./tn received milk)

EMISSION INTENSITY CATEGORY	2022	2023
Emission intensity – Direct (Scope 1)	0.058	0.065
Emission intensity – Indirect (location-based)	0.133	0.132
Emission intensity – Indirect (market-based)	0.109	0.096
Emission intensity – Direct& Indirect (Scope 1 & location-based Scope 2)	0.192	0.197
Emission intensity - Direct& Indirect (Scope 1 & market-based Scope 2)	0.167	0.162

Air pollutant emissions

The company systematically observes the air pollutant limit values that result from its operation in order to comply with environmental legislation and ensure the quality of the atmosphere in the wider areas of its facilities. During its operation, air pollutant emissions (NOx, SOx, NMVOCs, PM10) arise from the following sources:

- the combustion of natural gas and LPG in the burners of the steam generators
- the combustion of natural gas for the facility’s heating needs
- the combustion of oil for the operation of power generators
- the combustion of biogas in the steam boilers and in the sludge incinerator

The company monitors and logs the air pollutant emissions resulting from its activities, as presented in the following table:

Air pollutant emissions (kg/year)

AIR POLLUTANTS	2022	2023
NO _x	14,154	15,392
SO _x	7,230	6,581
PM ₁₀	24.96	25.44
NMVOCs*	512	495

*NMVOCs: Non-methane Volatile Organic Compounds



WATER CONSUMPTION

We recognize the importance of water as a natural resource and ensure it is managed in a rational and sustainable manner.

The company’s water needs are met through licensed water wells; all the while, good management measures are taken, by way of water reduction actions where possible, to conserve this valuable natural resource. This minimized the potential impacts on water resources.

In particular, water consumption at the Hellenic Dairies’ facilities is carried out:

- ▶ during the dilution of concentrated juices for the production of juices
- ▶ for washing equipment
- ▶ to cover the needs of the cooling towers
- ▶ to cover the needs of the staff
- ▶ for irrigation of the facilities’ surrounding areas

The company continuously monitors and logs the water that is pumped into and discharged from the production plants and on an annual basis evaluates the whether saving and optimization measures should be taken.

In addition, the company takes a number of actions and initiatives such as:

- ▶ the implementation of modern water reuse methods at many stages of the production process,
- ▶ regular inspection of hydrological networks for possible leaks or damage, so that there are no losses, and

- ▶ the training and briefing of its staff and suppliers for the implementation of good management practices.

Presented in the table below are the annual quantities of water pumped by source, as well as the total quantity of water discharged for further treatment before final disposal.

WATER MANAGEMENT (M ₂ /YEAR)	2021	2022	2023
Water pumping	1,987,111	1,580,407	1,573,430
Water network	-	-	-
Water well	1,987,111	1,580,407	1,573,430
Water discharge (quantity to undergo treatment)	1,414,468	1,442,387	1,406,290

Biogas production plant

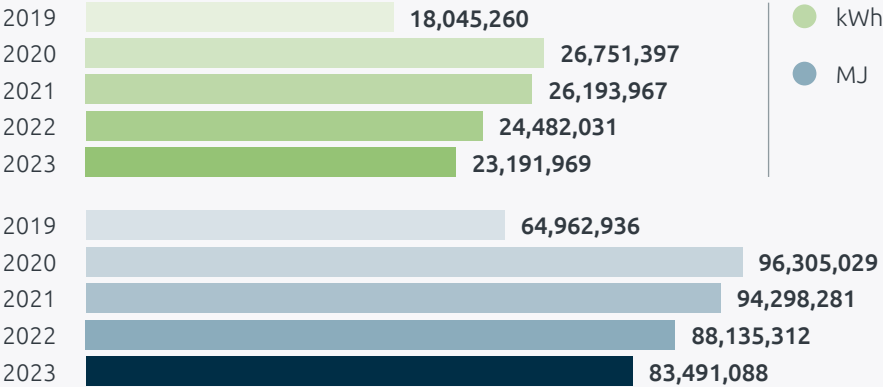


“
Hellenic Dairies was the first company in the dairy industry in Southeastern Europe to install an integrated biogas and wastewater treatment (IBWT) system unit.

Hellenic Dairy, a pioneer in its industry, has installed and operated an anaerobic digestion unit for the last 15 years. The unit receives the biodegradable waste from the product production process and by way of biological anaerobic processes are converted into biogas, which constitute an alternative fuel for energy production. This significantly reduces energy consumption from fossil fuels.

In recent years, a significant amount of biogas has been produced at the company’s facilities, which contributes to the proper management of waste and the production of ‘green’ energy, while reducing the carbon footprint.

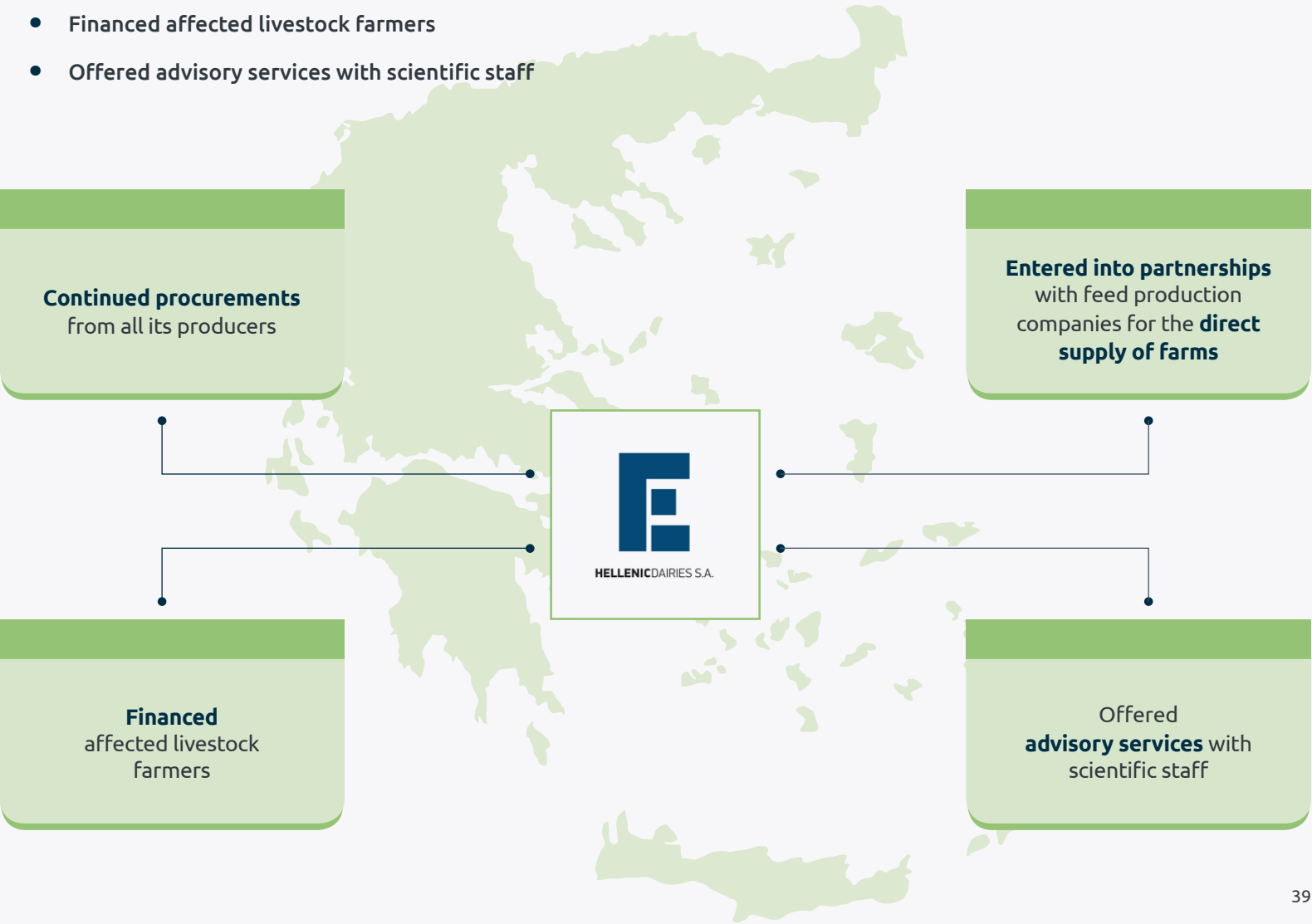
Energy generated from biogas



Actions to support farming and our partners

Following the catastrophic floods, the company moved forward with a number of actions aimed at the essential support and restoration of farming in the area of Thessaly and the company’s partners. In particular, the company:

- Continued procurements from all its producers
- Entered into partnerships with feed production companies for the direct supply of farms
- Financed affected livestock farmers
- Offered advisory services with scientific staff



04

SOCIETY

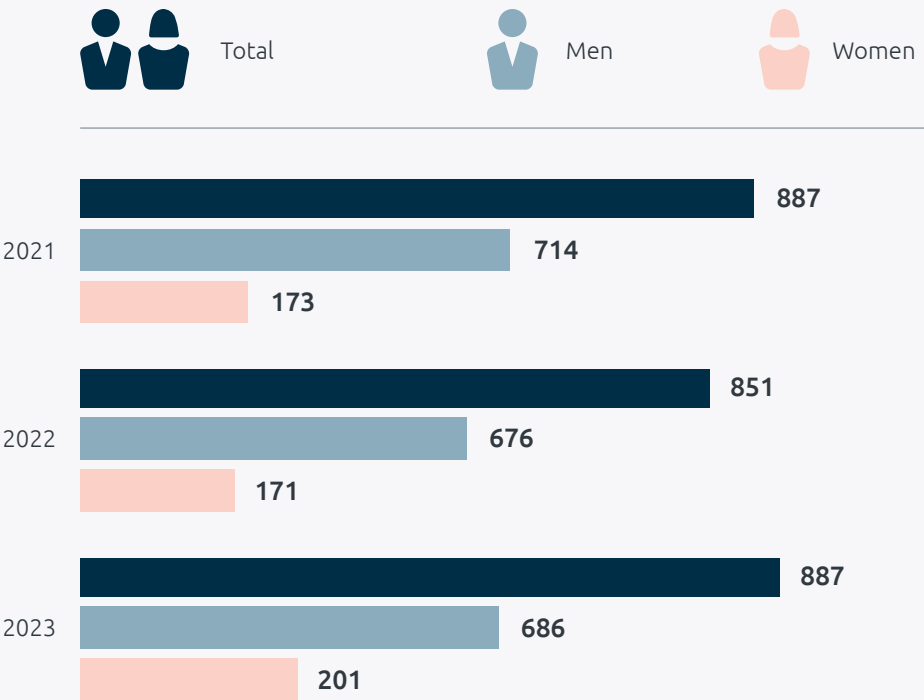


OUR PEOPLE

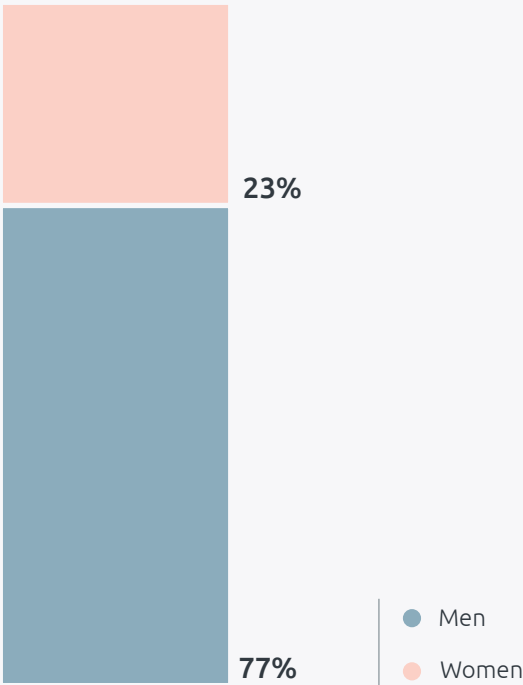
Our people are the cornerstone of our company’s success and development, contributing decisively to our successful course to date. We are constantly striving to meet their needs by providing a safe and pleasant working environment in which each employee can grow.

In 2023, Hellenic Dairies employed 887 employees (31/12/2023) in the areas of Trikala, Larissa, Athens, Xanthi, and Thessaloniki. All of the company’s employees are covered by collective labour agreements and work under a full-time and permanent employment contract.

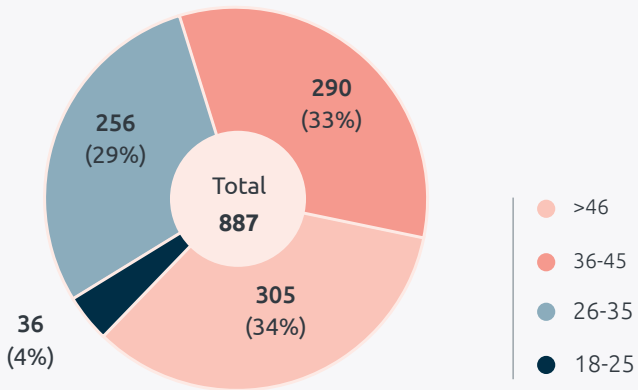
Number of employees



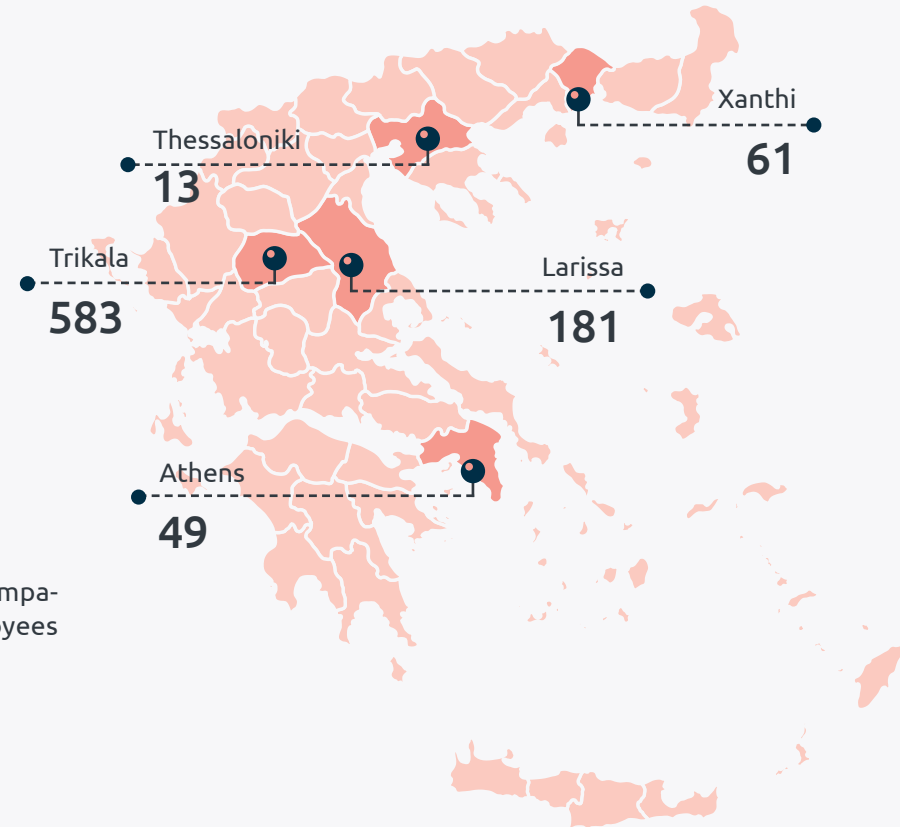
Distribution of employees by gender



Distribution of employees by age group

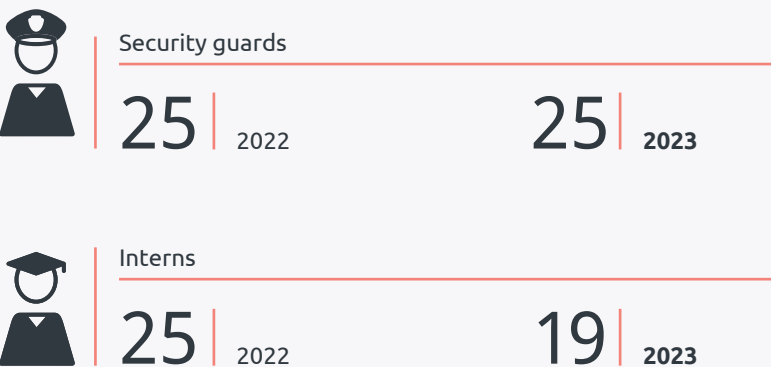


Distribution of employee by geographical region



In addition, Hellenic Dairies collaborated with a security company which guards its facilities. The security company employees 25 people under an indefinite employment contract.

Workers who are not employees



Due to seasonality of production, a corresponding fluctuation is observed in the total number of employees during the year.

OCCUPATIONAL HEALTH AND SAFETY

Our employees’ health and safety is a top priority.

At Hellenic Dairies, our employees’ Health and Safety is a top priority and an integral part of our corporate philosophy. We are committed to creating and maintaining a safe and healthy working environment, which promotes the well-being and productivity of our employees. Through the implementation of strict safety protocols, regular training and awareness raising regarding occupational hazards, we strive to ensure the prevention of accidents and the healthy operation of our facilities. Our commitment to these principles reflects our responsibility to our employees, their families, and the wider society.



HEALTH AND SAFETY RULES

For us, ensuring Occupational Health and Safety is atop priority. In this context, we operate in accordance with the following five basic rules:

- 1. Assess the risk and take the necessary control and protection measures before starting any activity.
- 2. Correct use of Health and Safety equipment and always use the required Personal Protective Equipment, which is provided by the company.
- 3. Perform only those tasks for which instructions have been given.
- 4. Always work with mental clarity.
- 5. All incidents and near misses should be reported.

Health & Safety Policy

At Hellenic Dairies we recognize the importance of Occupational Health and Safety and for this reason we implement a comprehensive Health and Safety Policy. The company takes all necessary measures to protect the Health and Safety of its people and its associates, its equipment, and facilities. Through this approach, we focus on the highest possible protection, risk monitoring and the effective management of emergency situations. In addition, we have carried out an Occupational Risk Assessment (ORA), which identifies and analyses the risks that may affect the Health and Safety of employees.

The company provides employees with all necessary personal protective equipment, ensuring that they are properly equipped to avoid potential risks. In addition, employees are encouraged to actively participate in the safety process by reporting any risks and near misses, as well as making suggestions for improvements that may contribute to strengthening the protection of Health and Safety.

To support the health of employees, Hellenic Dairies has an occupational physician at every facility, who provides advice and guidance on health issues concerning employees and

their families. At the same time, employees are offered free preventive examinations, enhancing their prevention and well-being, thus the company does not only ensure their employees’ occupational safety, but also their overall health and well-being.

RISK IDENTIFICATION AND ASSESSMENT

For Hellenic Dairies, the identification and assessment of occupational risks is a central focus of the Health and Safety Policy. To ensure a safe working environment, continuous internal inspections are carried out by appropriately trained personnel, aimed at identifying potential occupational risks. Based on the findings of the inspections, corrective actions are taken, where necessary, in order to further improve the safety levels in the working environment and ensure smooth production.



Full compliance with the law



Detailed safety manuals



Maintenance and safety guarantee of plant equipment



First aid seminars and preparation for emergency situations



Immediate investigation into near misses and accidents



Continuous internal inspection of plant areas



HELLENICDAIRIES S.A.

5th km Trikala-Pili, 42 100 Trikala
www.hellenicdairies.com