



THEON

SENSORS

Advanced Optronics

Sustainability
Report
2022

Contents

01	CEO Message	5	04	We invest in our people	39	
	Company Profile	7		Our people at a glance	41	
	Our global presence	10		Holistic Approach on Employee Experience	44	
	Our competitive advantages	12		Onboarding	44	
	Our products	13		Performance Management	45	
	Process and production capabilities	15		Growing Through Training	46	
	Ensuring high quality	17		Additional Employee Benefits	46	
	Our strategic partnerships and collaborations	18		Supporting Diverse Workplace	48	
Responsible supply chain	21	Employee Engagement	50			
02	Responsible governance	22	Employee survey	51		
	Governing structure	24	Fostering Employee Wellbeing	52		
	Board of Directors	26	Health & Safety at THEON SENSORS	54		
	Code of Business Ethics	27	05	Environmental Responsibility	57	
	Eliminating Corruption and Unfair Practices	27		Managing our environmental footprint	58	
	Exports and Customs Control	28		Endorsing Circular Economy	60	
	Financial Performance	29		Environmental Awareness and Engagement	61	
03	Our sustainability approach	31		06	Fostering community development	63
	Sustainability pillars	32			Support of vulnerable social groups	65
	How we create value	33			Employee Volunteering	66
	Stakeholder engagement	34	Support of education and science		67	
Materiality Analysis	36	07	Support of culture	68		
04	Appendices		71	Report Methodology	72	
	Report Methodology		72	GRI content Index	74	
	GRI content Index	74				

CEO Message

Dear stakeholders,

We are pleased to present THEON SENSORS' first Sustainability Report. As a leading developer and manufacturer, with a global presence, we recognize our responsibility to sustainable economic, environmental and social development.

Innovation, security and superiority of our systems are the cornerstones of our transformational growth. We provide customized products of high quality, manufactured within our own facilities, prioritizing customer satisfaction and continuous expansion of the Company. In an unstable environment characterized by ongoing challenges, the stability and resilience of the Company is essential for its long-term success and growth.

The past year, 2022, was a milestone for THEON SENSORS, which achieved the highest sales and profitability since its inception in a widely competitive environment, while at the same time, the Company made investments of 3.8 million euros.

Sound governance holds particular significance in our compliance with the complex legislative framework that characterizes the defense industry. Transparency, integrity, accountability are among the core principals of our operation and therefore we have adopted internal control processes to ensure their implementation.

Simultaneously, we stay focused on environmental awareness and actively work to mitigate our environmental footprint, by training our employees to empower their commitment to sustainability and

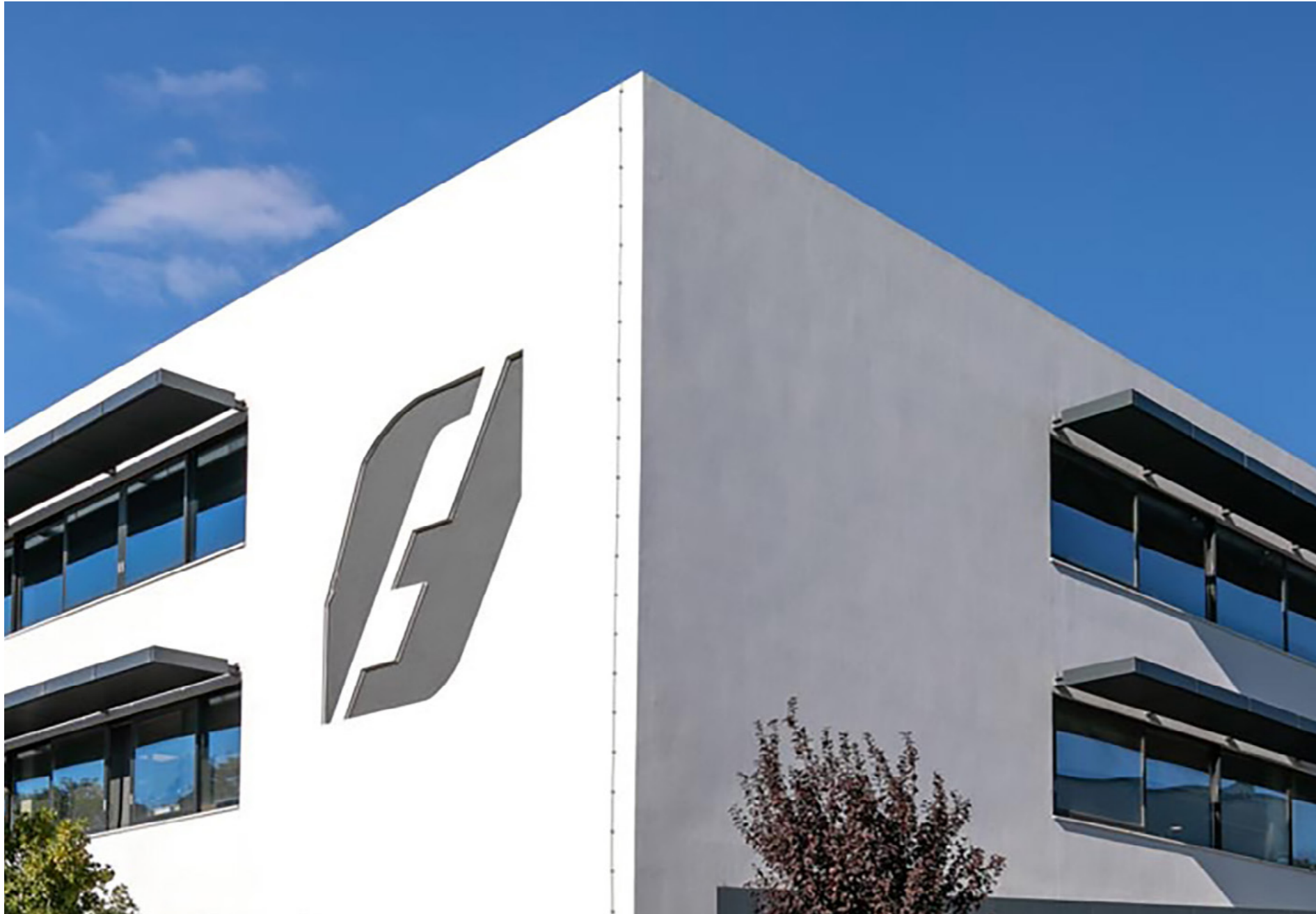
by setting goals to reduce electricity consumption. Our employees are the cornerstone of our continued growth and success, and their vital contributions drive the innovation and development of our Company. The specialized and well-trained employees have contributed to THEON SENSORS' international recognition and its establishment of critical partnerships. To promote their personal and professional development, our Company provides trainings and implements initiatives that develop their capabilities, expand their knowledge, and upgrade their skills. Moreover, we emphasize on strengthening employees' engagement and their interpersonal relationships to foster work life balance, providing them which activities that showcase their talents and expand their personal interests. Health and safety of our employees remains our topmost priority, taking all necessary precautions and fully complying with all the applicable legislation and regulations, while providing them with relevant trainings. In addition, the Safety Task Force Groups include employees from all departments, having as main task to assure the identification of potential safety issues and risks and their immediate communication to the responsible manager.

Furthermore, as part of our commitment to create a positive social impact and through the volunteering of our employees, we have achieved to implement social initiatives that support vulnerable social groups and promote education and science.

We want to thank you for your support all over the years.

Vassilis Savvaidis,
CEO





“

Throughout our 26-year tenure, our unwavering commitment to operational superiority and safety has been the cornerstone of our operations.



01

Company Profile

Our contribution in Sustainable Development Goals (SDGs)



Company Profile

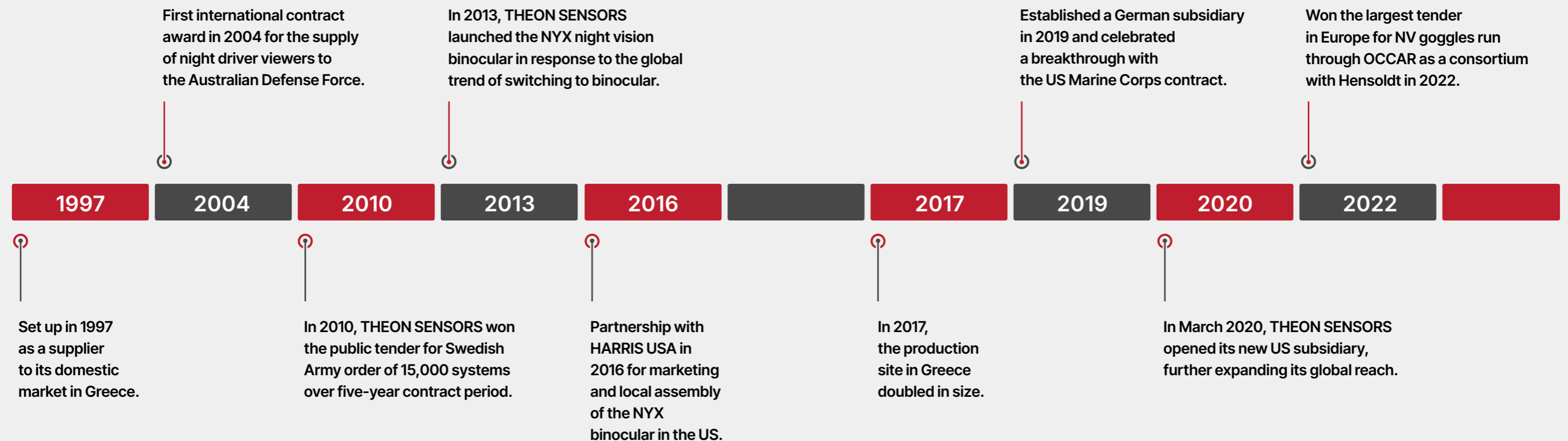
THEON SENSORS is a leading global developer and manufacturer of customizable night vision and thermal imaging systems for military and civil applications, with commercial presence to more than 60 countries. Our passion for continuous transformational growth, has driven the Company to innovative and customized solutions, that fulfill our clients' requirements, building a strong customer network worldwide.

Throughout our 26-year tenure, our unwavering commitment to operational superiority and safety has been the cornerstone of our operations. Our primary objective has been to provide top-tier products to both the defense industry and civil applications, consistently adhering to the highest quality standards.



Our milestones

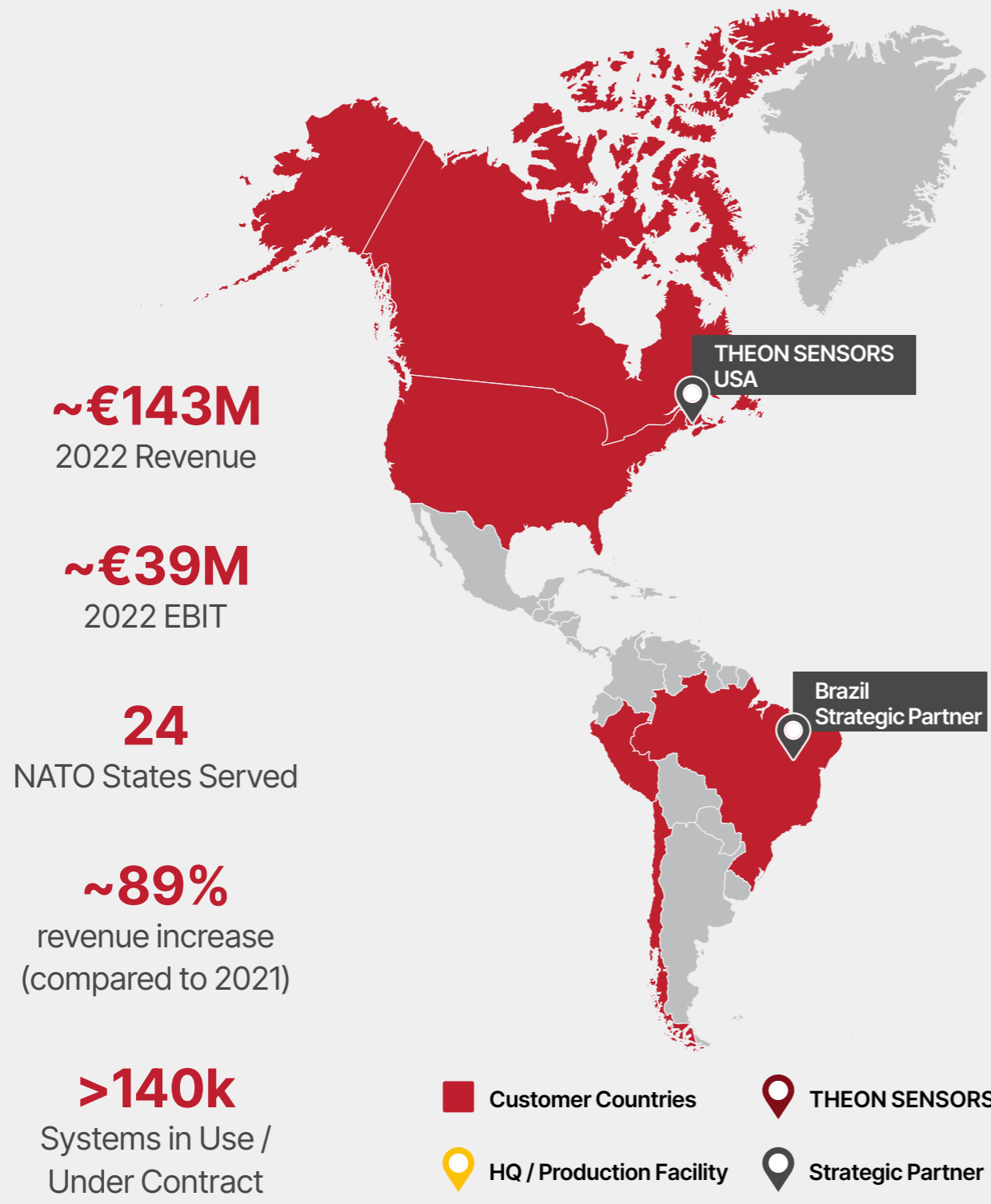
Founded in 1997, THEON SENSORS has experienced significant growth over the past decades. The Company has been at the forefront of innovation in its field, successfully developing and manufacturing advanced optoelectronic devices. What is more, THEON SENSORS' employees have contributed to the Company's success all over the world, achieving various accomplishments and awards.



Our global presence

THEON SENSORS is a leading player in the sector with offices in Athens, Cyprus, Kempen, Arlington, Abu Dhabi, Dubai, Zug, Copenhagen and Singapore, coupled along with manufacturing facilities in Athens, Wetzlar and Plymouth. THEON SENSORS' commercial presence extends to 62 countries, including 24 NATO members, with nearly 120,000 systems manufactured and sold as of 2022.

As a result, the Company is able to adjust, develop and customize its products to specific customer requirements - a capability not many competitors in the market also readily maintain.



“ THEON SENSORS has access to a large customer base and strategic partners across the globe.

Our competitive advantages

THEON SENSORS has capitalized on strong growth momentum as witnessed by historical annual revenue growth rates of almost 50% over the last 5 years, alongside attractive margin and cash conversion profiles. With significant amount of secured backlog and large near-term contract opportunities, THEON SENSORS is well-positioned to continue its growth trajectory into the go-forward period.

- 
World-Class Production Facilities & Vertically-Integrated Operations
- 
Superior Technology, Design & Development Capabilities
- 
Global Blue-Chip Customer Base with Long-Standing Relationships
- 
Ability to Customize Advanced Products to Specifications
- 
Reputation for Excellence

We are a leading Independent provider of highly differentiated Night Vision and Thermal Imaging solutions, and our strongest advantage is that we employ a leadership team with unparalleled track record supported by a highly skilled workforce. On top of all THEON SENSORS aims at further growth beyond its current business plan.

Recent Success as a Market Leader

In 2022, we received OCCAR contract for 29,550 night vision goggles on behalf of Belgium and Germany, through a consortium with Hensoldt.

Our products

THEON SENSORS designs and manufactures cutting-edge optoelectronic devices across both man-portable platform-based systems that allow the visualization of images in low light or obscure conditions using different state-of-the-art technologies.

The main application of the Company's products is for military and security operations, with all systems designed and tested in accordance with military specifications and standards while some products may also be used for civil applications, such as hunting or firefighting. In addition, THEON SENSORS is developing systems that integrate

image intensifying and thermal technology, which results in one fused image for both man-portable and platform-based applications. The Company offers maintenance and product support services for all of its products.

The main product lines are: Night Vision Monoculars and Binoculars, Family of Night Vision Sights, Clip-on Night Sights, Night Driver's Viewers, Digital day and night cameras and upgrade kits for armoured vehicles, Thermal Stand-alone and Clip-on uncooled Sights, Vehicle and Platform based Thermal imaging systems, Optical and Mechanical customized design, ILS and Maintenance Services.


► Night Vision Products

Based on the use of Image Intensifier Tubes (IITs), Night Vision Devices are electro-optic systems used to facilitate detection and recognition under low light conditions. Helmet, head, weapon-mounted or handheld, the products of the NV family (Monoculars, Binoculars, Sights) satisfy every operational need. Mounted or portable applications ensure maximum flexibility with ergonomically advanced systems that increase mission success rates, while customizable goggles can be tweaked, re-designed, and optimized further after user specific requirements.


THEON SENSORS' monoculars and binoculars have the lowest overall weight on the market and feature a 100% fail-safe shut-off mechanism that is independent of gravity.

NIGHT VISION


► **Goggles & Weapon Sights**




Monoculars




Binoculars



Modular




Stand Alone

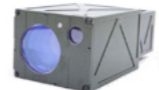


Clip-on

► **Vehicle Systems**



Driver Viewer




Day/Night Camera

► Thermal Imaging


Thermal Imaging devices use passive sensors that capture the infrared radiation emitted by all objects with a temperature above absolute zero (thermal radiation), providing ideal operation regardless of lighting conditions. Based on end user needs, a wide family of uncooled and cooled products is available.

THERMAL IMAGING


► **Weapon Sights & Customized Solutions**



Stand Alone




Clip-on



Customized


► **Vehicle Systems**



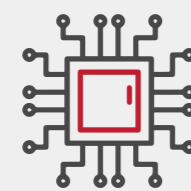
Periscope

► Technology


THEON SENSORS employs an experienced team of PhD holder who are highly skilled experts in their fields, including optical, mechanical and electronic engineering, as well as systems design. Our core competencies are:




Optics
Full in house optical design competence



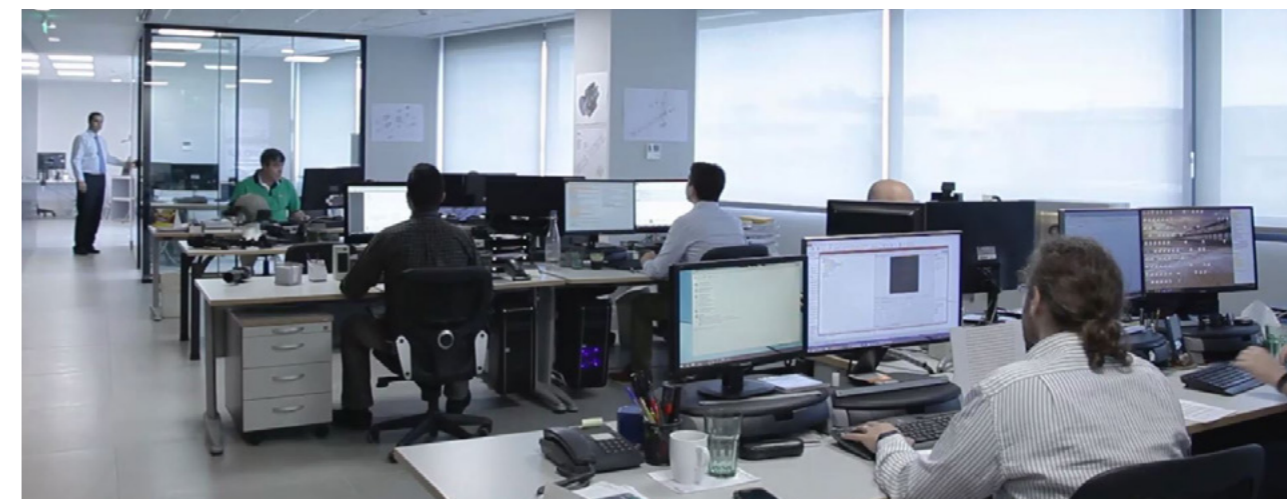
Electronics
Full in house electronics design competence



Mechanics
Full in house mechanical design competence



Verification - testing
Full in house testing competence



All products are designed in-house and as a result, THEON SENSORS is able to adjust, develop and customize its products to specific customer requirements, which it considers a comparative advantage in the market. THEON SENSORS operates two state-of-the-art production facilities in Greece as well as one facility in Germany (under the JV with Hensoldt) and another one in the U.S. (owned by EOTECH).

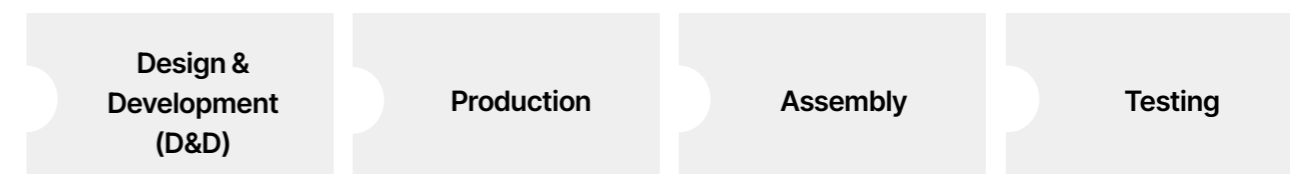
Process and production capabilities

THEON SENSORS is one of the leaders in the industry with a global presence and important partnerships, by tailoring its products to meet the unique requirements of its customers. THEON SENSORS' goal is to offer innovative and high-quality products, that guarantee flexibility, effectiveness and efficiency in the military operations. Through the customization of its products, the consultation of each client about its specific needs and the complete aftersales support the Company maintains excellent client relationships, a key element for its international success.

THEON SENSORS' facility is located in the industrial zone of Koropi, near Athens International Airport. In 2022, the Company further expanded its state-of-

the-art factory, by building two new floors for the office staff and started the expansion into a second facility. The advanced production facility in Greece, covering an area of 8,300 square meters, maintains NATO security clearance and conducts thorough testing of all systems in accordance with standard military test procedures prior to launch.

One of THEON SENSORS' competitive advantages is the extensive range of in-house designed and assembled test and measurement equipment. Our process capabilities include Research, Design & Prototyping, Testing & Evaluation, Product Development & Enhancement, Enhanced Automation & Technology and Aftermarket Support & Modernization.



Process and production capabilities

► Design & Development (D&D)

The Design and Development department is the basis of our operations, bearing the primary responsibility for the creation of innovative products that fulfill the clients' requirements and contribute to our continuous transformational growth and expansion.

Emphasis is given in providing high performing and ergonomically advanced systems that increase soldier's safety and mission success rate during night operations. In order to achieve that, modern and state of the art computer-aided design tools are used, such as:

- ✓ Optical Design: "CODE V" (Optical Research Associates)
- ✓ Mechanical / System Design (CAD/CAM): PTC/Creo
- ✓ Reliability and ILS: Windchill Quality Solutions (Relx 2011)
- ✓ PCB design: Altium designer
- ✓ Image processing/Algorithm Design and testing: Matlab
- ✓ HDL/FPGA design: Xilinx ISE, Synopsys Synplify, Modelsim

► Production

THEON SENSORS uses an international supply chain to produce all components, which is supported by the in-house CNC workshop.

CNC workshop

THEON SENSORS' CNC workshop is equipped with multi-axis CNC machines, which can cut metal and plastics. The machines are programmed either manually or directly through the CAD/CAM connection from the design department.

► Assembly

Optical Assembly: The assembly of optical components is being done in class 100 (FED-STD-209E) flow-boxes which are located in a 10.000 class clean room. Special care is given to ensure that all components are clean and free of dust or other impurities. Our personnel is properly trained to carry out the assembly of such optical elements.

System Assembly: The assembly of the complete system and its accessories is done in a clean room of class 10.000. Electronic modules are being handled in a special area, which is electrostatically protected.

► Testing

THEON SENSORS has an extensive range of test and measurement equipment, much of which is designed and assembled in-house. These instruments enable THEON SENSORS to conduct a variety of tests and measurements of optical elements, component groups and complete systems.

Amongst others, the following equipment are available:

- ✓ Test Stations for day optics
- ✓ Test Stations for night optics
- ✓ Test Stations for thermal systems
- ✓ Calibration and metrology equipment
- ✓ Temperature chamber for low and high temperature tests

For further tests such as weapon shock, cargo drop, salt fog test etc., THEON SENSORS uses certified test laboratories in Greece and abroad.



Ensuring high quality

THEON SENSORS upholds a quality assurance and management system in Design, Production and Trading of Electrooptical System and Sensors in accordance with ISO 9001:2015. THEON SENSORS is also a NATO Security certified company. Its Facility Security Plan is approved and controlled by the Hellenic Ministry of Defense regarding the application of measures that ensure the security of sensitive products, military material, documentation and other information as well as personnel security.

Registered in the Defense Material Manufacturers Registry of the Hellenic MoD, THEON SENSORS has consistently demonstrated exceptional performance in contract fulfillment, earning certificates of achievement from numerous clients.

A fundamental principle and commitment of THEON SENSORS, as well as the philosophy of its staff, is to deliver products and services that meet contractual obligations, adhere to relevant laws and regulations, and achieve the quality objectives established for each contract.

To achieve the above-mentioned THEON SENSORS:

- Has adopted a Quality Management System (Q.M.S.) in accordance with international standard ISO 9001:2015, which is implemented throughout the Company and in all of its activities that have impact on the quality of its projects and the customer satisfaction.

- Develops a company's business development plan incorporating internal and external factors through SWOT analysis and conducts ongoing stakeholder analysis via a risk assessment process. It also continuously reviews and enhances product features, where possible, as well as the efficiency of its processes, thereby improving the Quality Management System as a whole.

- Establishes measurable quality objectives at the Company, departmental/process, and project levels. These objectives are established and reviewed as to the point of achievement during the Management review of the Q.M.S. by the Leadership and at the end of each project, respectively.

- Provides the resources needed for the unobstructed, effective and efficient operation of each department of the Company.

- Invests in the continual upskilling, advising and training of its staff so as they enhance the quality in all their activities.

- Monitors, measures and evaluates critical parameters and Processes, in order to ensure Quality objectives achievement.

Our strategic partnerships and collaborations

Aiming at innovation and the integration of the latest technological developments in our products, we closely monitor international developments in the industry, participating in international exhibitions. Our participation in international exhibitions showcases our commitment to global engagement and industry leadership.

During 2021-2022, we participated in the following exhibitions on the defense sector:

▶ EUROSATORY 2022, one of the largest International Exhibitions of Land Defense & Security

- ▶ DSA & NATSEC ASIA exhibition, in Kuala Lumpur-Malaysia
- ▶ WORLD DEFENSE SHOW, in Riyadh-Saudi Arabia
- ▶ ENFORCE TAC exhibition, in Nuremberg-Germany
- ▶ FEINDEF exhibition, in Madrid Spain
- ▶ AUSA 2021
- ▶ DSEI 2021 at Excel, London
- ▶ IQDEX 2021 (International Defense Exhibition in Iraq), in Baghdad
- ▶ IDEX 2021, at the Abu Dhabi National Exhibition Centre (ADNEC)



▲ EUROSATORY 2022



▲ WORLD DEFENSE SHOW, in Riyadh-Saudi Arabia



OCCAR Awards Consortium Of HENSOLDT and THEON SENSORS

OCCAR awards consortium of HENSOLDT and THEON SENSORS with 29,550-Mikron night vision goggles, with a possibility to extend this to a total of 100,000 goggles, for Belgian Defence and German Army.

The contract includes 4,550 for Belgian Defence and 5,000 for the German Bundeswehr, as well as an option for another 20,000 BNVG for Germany. A full maintenance and repair service for up to 15 years is also included, as well as a series of accessories that will be delivered to the users.

The multinational procurement organisation Organisation Conjointe de Cooperation en matière d'Armement (OCCAR) has contracted a consortium of HENSOLDT and THEON SENSORS for the production and delivery of Binocular Night Vision Goggles (BNVG), supplied with PHOTONIS 16mm 4G tubes, under the Night Vision Capability Programme.

The accelerated delivery schedule of the enhanced MIKRON started in July, while the total current contractual quantity is planned to be concluded in the 3rd quarter of 2024.



UNITED STATES MARINE CORPS CONTRACT

Through a strategic partnership with HARRIS Night Vision USA, now known as ESA - Night Vision, THEON SENSORS has embarked on a significant joint-venture agreement to supply the SBNVG (Squad Binocular Night Vision Goggle) solution to the United States Marine Corps (USMC). As part of this collaboration, THEON SENSORS serves as a subcontractor, delivering its specialized night vision binocular,

the NYX, in a semi knock-down kit format to its American industrial partner. The final assembly and production of the comprehensive SBNVG solution takes place at the Roanoke night vision production facility, further strengthening the ties between THEON SENSORS and the USMC in equipping them with cutting-edge night vision technology. Deliveries started in spring 2020 and will conclude in September 2024.



GREEK HOUSE DAVOS

During the World Economic Forum in Davos, Switzerland, in 2022, we sponsored the GREEK HOUSE DAVOS, the Greek pavilion that represented Greece within the World Economic Forum (WEF) activities. In fact, there was THEON SENSORS participation with speeches and fireside chats of the President and relevant publicity communication material.

DELPHI FORUM

In 2022, we supported the Delphi Economic Forum for the 5th consecutive year, an institution dedicated to convening leaders from various sectors-including academia, business, and politics-to facilitate the exchange of perspectives and good practices, disseminate information on ongoing market developments, address emerging challenges and promote sustainable and responsible economic growth.

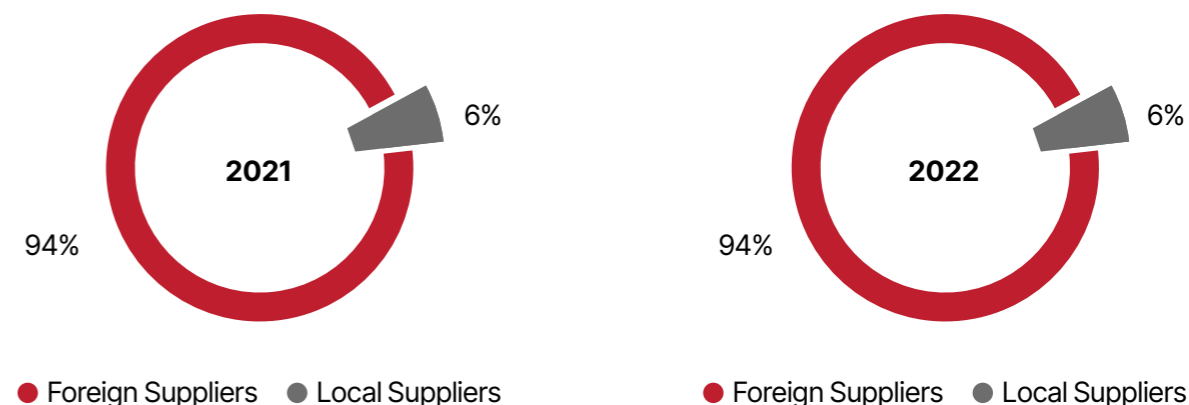
Specifically, each year the aim of the grant is to promote innovation in the field of Defense, Security and New Technologies, as well as ideas for sustainable and competitive growth and entrepreneurship. As a sponsor, we actively participate in the forum by having the President and Management Team deliver speeches and engage in fireside chats on important subjects.



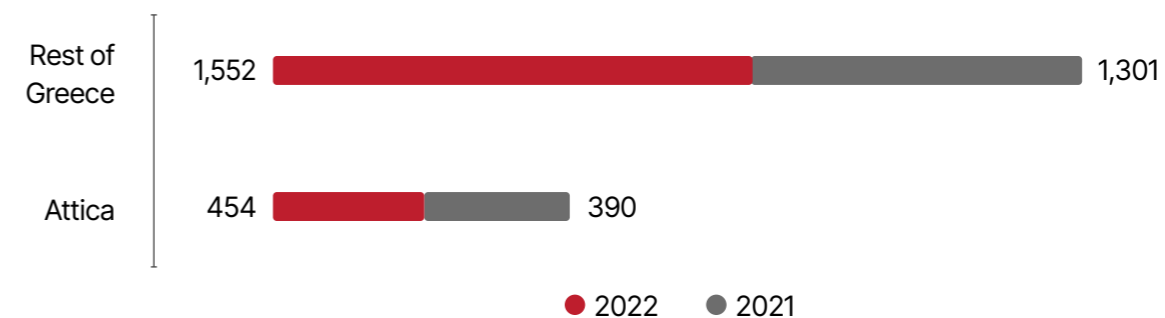
Responsible supply chain

THEON SENSORS, aims to provide high quality equipment, cooperates with an extensive network of suppliers both in Greece and abroad. The Company incorporates best practices and principles ensuring accountability and transparency, and thoroughly assesses all its suppliers prior to any collaboration, as well as evaluating existing suppliers on an ongoing basis.

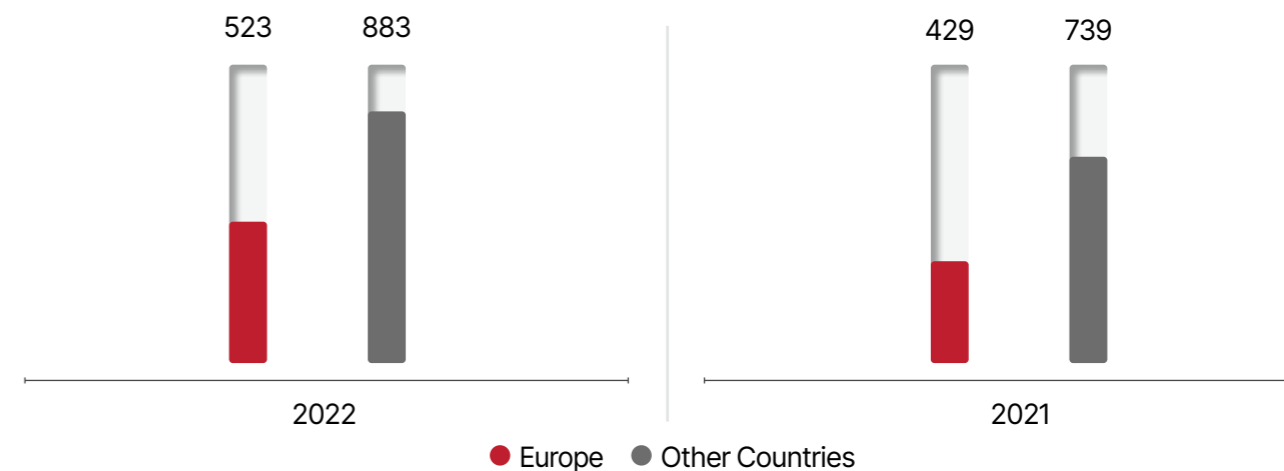
Purchases from suppliers



Distribution of local suppliers by region



Distribution of international suppliers by country of origin





We incorporate sound corporate governance practices and principles in our business operations, ensuring accountability and transparency in every aspect of these processes.

02

Responsible governance



89%

Increase in sales in 2022



0

Tolerance for corruption



3.847.421€

Investments

Our contribution in Sustainable Development Goals (SDGs)



Responsible Governance

The importance of sound corporate governance is paramount in business and especially in the defense industry, where precision and timeliness are key factors and compliance to a complex system of rules and regulations is the defining characteristic of a very closed, niche, global market. We aim to maintain our leading position in the industry and promote our commitment to responsible business practices across our operations. For these reasons, we place great value in corporate leadership and transparent lines of governance which are reinforced by rigorous internal control processes and related mechanisms.

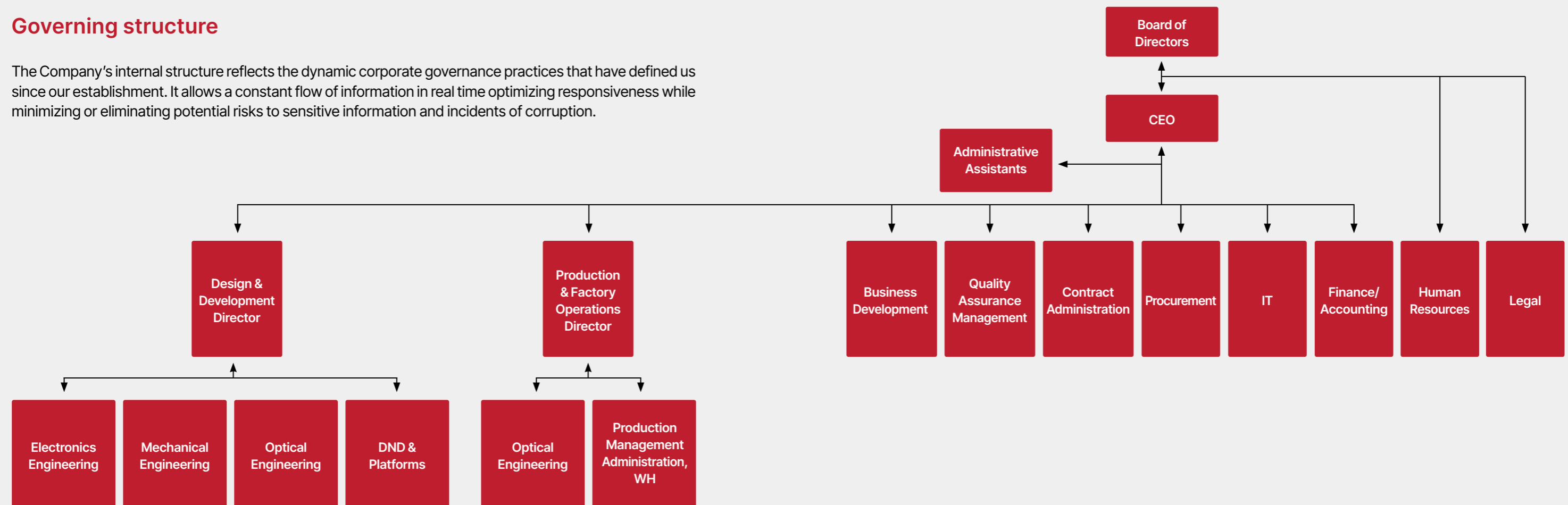
Business at THEON SENSORS starts from unquestionable integrity and responsible conduct that does not jeopardize either our reputation and ability to operate or our clients' reputation. However, responsible business conduct is not merely a moral obligation but one of the cornerstones of sustainability in THEON SENSORS. Such conduct

not only ensures our legal compliance but also strengthens our relationships with our clients and allows us to create value for all our stakeholders. We incorporate responsible business conduct into our corporate governance at every level in order to achieve our goals and thrive in the current environment.



Governing structure

The Company's internal structure reflects the dynamic corporate governance practices that have defined us since our establishment. It allows a constant flow of information in real time optimizing responsiveness while minimizing or eliminating potential risks to sensitive information and incidents of corruption.



Board of Directors

At the top of the Company, the highest governance body, the Board of Directors (BoD), oversees all matters both on the strategic as well as on the operational level. The executive team informs the Board on a wide range of issues including among others, environmental, social, governance, operational, legal, emergencies, etc.

The BoD is elected by the General Meeting of Shareholders and reports to them on annual basis or whenever it is deemed necessary with regard to the Company's progress. The members of the Board combine unparalleled industry knowledge with long experience, providing stable and decisive leadership that nurtures growth and innovation in the Company.

The BoD synthesis as at 31.12.2022 included 4 members and is presented in the following table:

Member Name	Member Title
Ntakos Thomas	President
Papatsas Nikolaos	Vice President
Savvaidis Vasileios	Chief Executive Officer
Hadjiminas Christianos	Executive Member



Code of Business Ethics

At THEON SENSORS we promote transparency, integrity, accountability and ethical behavior throughout our organization and entrust our people with the responsibility to further our ambition and commitment to responsible business conduct beyond the borders of Company. Under this scope, we have adopted a Code of Ethics and Business Conduct.

The Code, which is publicly available at our website, reaffirms the Company's core business principles and ethos and is addressed to all our employees, members of the BoD, officers,

associates, contractors, as well as any agents or third parties when representing or cooperating with the Company.

In the Code, we reiterate our unwavering commitments towards continuous compliance with the applicable legislation, elimination of instances of bribery and corruption, respecting confidentiality at all times and practice fair dealing in accordance with established rules of competition. Specifically, the Code of Ethics and Business Conduct covers mainly the following areas of business at THEON SENSORS:



Eliminating Corruption and Unfair Practices

In the defense industry meetings and negotiations with officials from foreign countries are part of everyday business conduct and the reputations of both parties involved have to remain intact at all times. To achieve this, we have set the Elimination of Corruption as a top strategic priority at THEON SENSORS and strive to create conditions that leave no room for such phenomena in our operations. Our approach toward addressing this issue, which is communicated through our Code of Ethics and Business Conduct, where among other

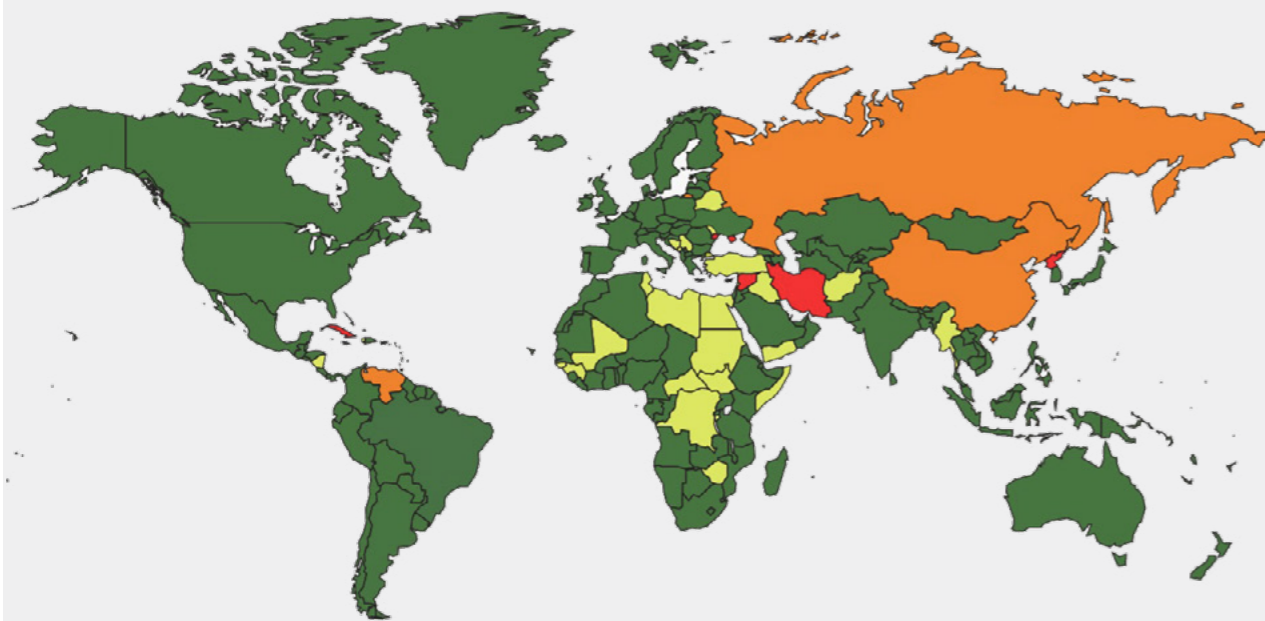
things, we clarify that political contributions are absolutely forbidden by anyone in the Company. Furthermore, we have set the spend limit for business entertainment to the amount of \$10 and have instructed our people to neither attempt to give nor accept and receive any favorable treatment from any party. Finally, we emphasize that dealing fairly with all other counterparties is the only way to conduct business at THEON SENSORS and we expect all our employees, executives and partners in general to respect our rules and our principles.

Exports and Customs Control

Due to the particularities of the Company's products as well as its global reach, a source of major complexity and associated obligations is navigating the exports legal framework, which for THEON SENSORS translates to three distinct and interrelated levels, namely: national, EU and international legislation. Thus, a significant factor in our operations is the comprehensive due diligence processes that are undertaken as part of each business deal, whether it pertains to clients or suppliers and business partners.

In this respect, the role of the Contracts & Purchasing and the Business Development departments at THEON SENSORS are considered as the heart of our operations since they bear the majority of our efforts to address this complex ecosystem confidently and effectively. Finally, we are always aware of the current landscape regarding international embargoes and trade sanctions as well as the changes that can occur at any moment and with particular speed and can render any future business deal potentially invalid.

Map of sanctions



Countries against which there are comprehensive sanctions in place

Countries against which there are financial sanctions in place which are broader than asset freezing

Countries against which there are some limited list based sanctions

Countries against which there are no sanctions in place by US, EU, and UN

Source: sanctionexpert.com

Financial Performance

The past year, 2022, was a milestone for THEON SENSORS as it achieved the highest sales and profitability since its founding, in a widely competitive environment. The increase in the share of the market in which we operate was accompanied by an increase in sales of +89.07% from €75.4m. in 2021 to €142.5m. in 2022, an increase in pre-tax profits of +59.70% from €22.9 m. in 2021 to €36.5m. in 2022 as well as

an increase in EBITDA of +56.86% from €25.2m. in 2021 to €39.5m. in 2022.

THEON SENSORS continues to focus abroad, aiming for even greater market share with innovative products and continuous support to our customers. Foreign markets continue to be the main priority of the Company with sales in the domestic market making up 3.8% of our total turnover.

Company Financial Data (amounts in €)	2021	2022
Revenue (net sales)	75.375.940	142.515.279
Operating profit	23.865.095	37.983.395
Operational costs	7.048.127	9.278.919
Payments to providers of financial capital	8.430.908	8.637.673
EBITDA	25.153.266	39.455.437
Profit / Loss before taxes	22.869.567	36.521.926
Profit / Loss after taxes	17.696.576	28.598.323
Tax payments - indirect (VAT)	0	0
Tax payments - direct	3.029.517	3.838.718
Total payments to government agencies (taxes paid)	3.029.517	3.838.718
Equity	29.487.427	41.398.235
Total investments	3.923.523	3.847.421
Total assets	64.972.699	136.116.173



03

Our sustainability approach



Sustainable development balances the economic, social, and environmental dimensions of growth, ensuring a better future for everyone.

Our contribution in Sustainable Development Goals (SDGs)



Our sustainability approach

Sustainability pillars

THEON SENSORS is committed to sustainable development, balancing economic viability with social responsibility and environmental stewardship. Our mission extends beyond providing superior systems; it encompasses reducing our environmental footprint, enhancing our social impact, and fostering economic prosperity. At the heart of our operations lies the commitment to environmental protection

through sustainable practices, active support for vulnerable communities via targeted initiatives, the well-being of our employees, and an unwavering dedication to transparency and ethical conduct in all our business relationships. To effectively integrate these values, THEON SENSORS has developed a sustainability framework structured around three foundational pillars.



Environmental Stewardship

We are committed to actively reducing our environmental footprint as a key aspect of our sustainability efforts. By implementing strategies to lower energy consumption and monitoring our carbon emissions, we seek to contribute in mitigating climate change and advancing the principles of the circular economy.



Social Responsibility

At THEON SENSORS, we believe that our employees' well-being is a critical driver of our Company's success. We prioritize continuous training, fostering both personal and professional growth, within a context of equity and inclusivity. At THEON SENSORS, we are actively engaged in partnerships with organizations that aid vulnerable groups, directly contributing to the reduction of inequalities within our society.



Economic Prosperity

THEON SENSORS embeds its economic growth in the foundational values of transparency, integrity, and accountability. Our corporate ethos mandates strict adherence to laws, a zero-tolerance approach towards bribery and corruption, and staunch support for fair market practices. Alongside, we place a strong emphasis on robust stakeholder engagement, recognizing its critical role in governance and as a cornerstone of our journey towards enduring economic success and stability.

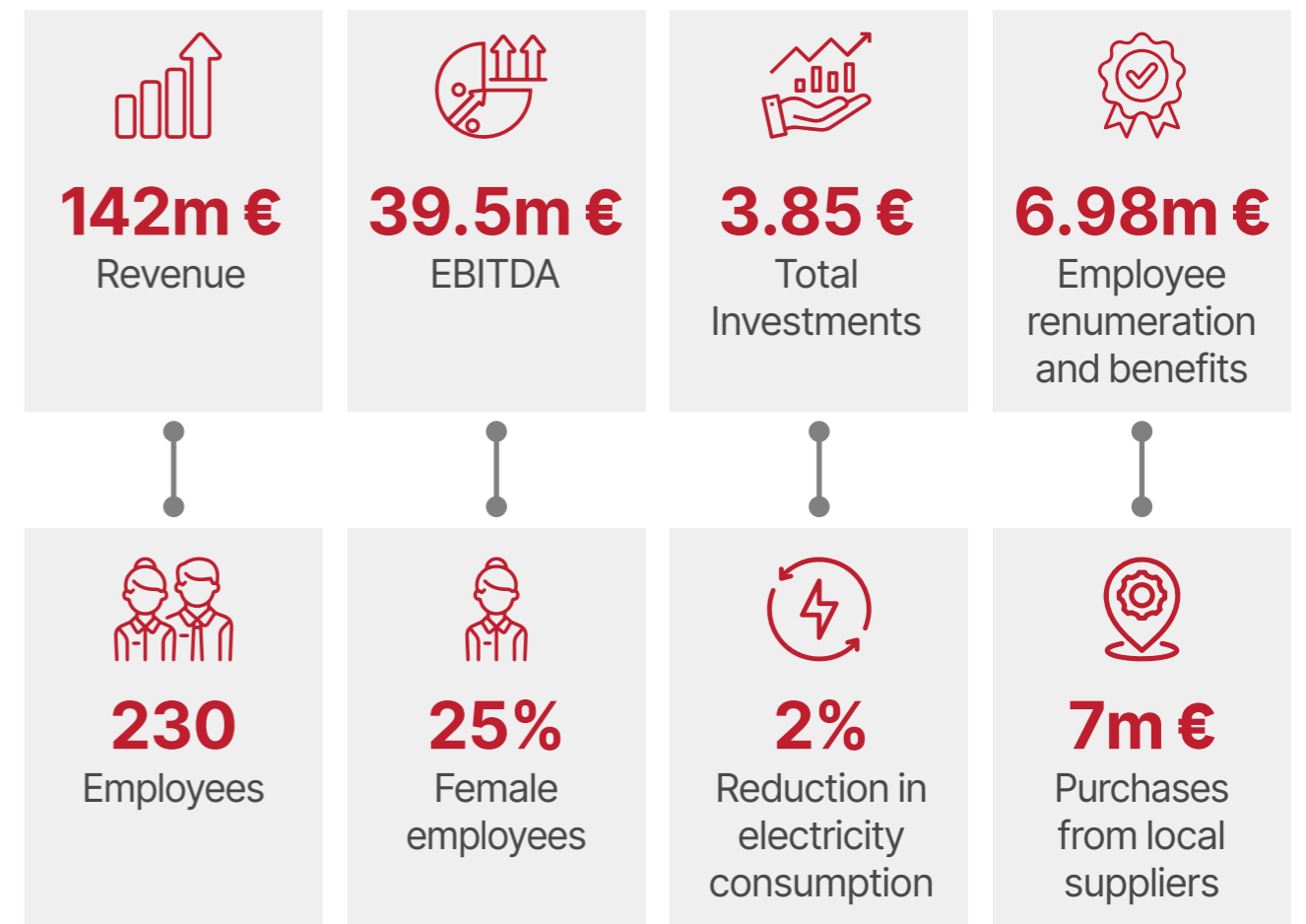
How we create value

Guided by our vision, mission, and core values, we at THEON SENSORS are dedicated to create value for all our stakeholders. Our commitment to safety, quality and innovation ensures the superiority of our systems, bolstering our strategic objectives. This also facilitates the continuous enhancement of our environmental, social, and economic footprint.

Our highly skilled and well-trained employees are pivotal to our success. We are committed to providing a safe, inclusive, and equitable work environment, nurturing both the personal and professional development of our employees, and fostering a culture of advancement and empowerment.

Furthermore, THEON SENSORS actively fosters local community growth. In 2022, our collaborations with local suppliers injected nearly 7 million euros into the local economy, marking a significant contribution to the development and prosperity of the communities where we operate.

In our efforts to reduce our environmental footprint, we are taking measured steps towards reducing our energy consumption and improving waste management practices. We are unwavering in our efforts to mitigate climate change and are devoted advocates for the circular economy, continuously seeking ways to lessen our environmental impact.



Stakeholder engagement

THEON SENSORS fosters a culture of mutual and ongoing dialogue with its stakeholders to understand their needs proactively, respond effectively, and cultivate long-term relationships based on trust and collaboration. Stakeholders encompass groups and individuals that are directly or indirectly, positively or

negatively, impacted by the Company's activities. To facilitate enhanced cooperation and interaction, we have established various communication channels. The table below outlines these channels, highlights the topics of interest, and details the Company's responses for each stakeholder group.

Stakeholder Communication Channels		
Shareholders - Annual communication with ad-hoc updates as required		
Communication Channels	Topics of Interest	How we respond
<ul style="list-style-type: none"> ✓ Press releases, interviews, announcements and presentations ✓ General meetings, participation to forums/ conferences ✓ Corporate website and Social Media ✓ Sustainability Report 	<ul style="list-style-type: none"> ✓ Economic growth ✓ Investments and strategic priorities ✓ Product Safety and Quality ✓ Export and Customs Control ✓ Sound governance and sustainable development ✓ Compliance with applicable legislation and regulations 	<ul style="list-style-type: none"> ✓ Management systems ✓ Good practices ✓ Procedures, policies and codes ✓ Effective control system ✓ Performance monitoring ✓ Financial statements
Employees - Daily communication		
Communication Channels	Topics of Interest	How we respond
<ul style="list-style-type: none"> ✓ Intranet ✓ Town Halls ✓ Social Media ✓ Newsletter ✓ Corporate Announcements ✓ Employee Handbook 	<ul style="list-style-type: none"> ✓ Training and development ✓ Occupational Health and Safety ✓ Well-being ✓ Business ethics ✓ Personal data protection ✓ Additional benefits 	<ul style="list-style-type: none"> ✓ Employee evaluation and development system ✓ Policies, procedures and codes ✓ Training week ✓ Provision of additional benefits package ✓ Occupational health and safety management system ✓ Well-being programs
Customers - Daily communication		
Communication Channels	Topics of Interest	How we respond
<ul style="list-style-type: none"> ✓ Corporate website ✓ Press releases, corporate announcements ✓ Participation in exhibitions ✓ Sustainability Report 	<ul style="list-style-type: none"> ✓ Product safety and quality ✓ Research and development ✓ Portfolio with new innovative products ✓ Protection against potential supply chain issues ✓ Export and customs control ✓ Delivery times ✓ Data protection and security 	<ul style="list-style-type: none"> ✓ Development of new innovative products ✓ After-sales support ✓ Customization of systems ✓ Financial Statements



Stakeholder Communication Channels		
Suppliers/ Business Partners -Daily communication		
Communication Channels	Topics of Interest	How we respond
<ul style="list-style-type: none"> ✓ Press releases, corporate announcements ✓ Procurement Department ✓ Corporate website ✓ Social Media ✓ Sustainability Report 	<ul style="list-style-type: none"> ✓ Product safety and quality ✓ Research and development ✓ Portfolio with new innovative products ✓ Compliance & Anti-Corruption ✓ Payment issues ✓ Business Ethics 	<ul style="list-style-type: none"> ✓ Expand into new markets ✓ Support local suppliers ✓ Research and development ✓ Suppliers' evaluation ✓ Awarding consortiums ✓ Financial Statements
State and Regulatory Authorities- Ad-hoc communication		
Communication Channels	Topics of Interest	How we respond
<ul style="list-style-type: none"> ✓ Press releases, corporate announcements ✓ Corporate website ✓ Email ✓ Presentation at conferences and exhibitions 	<ul style="list-style-type: none"> ✓ Payment of taxes ✓ Compliance with legal framework and regulations 	<ul style="list-style-type: none"> ✓ Sound governance and transparency ✓ Compliance with legal framework and regulations ✓ Financial statements
Local and wider society - Ad-hoc communication		
Communication Channels	Topics of Interest	How we respond
<ul style="list-style-type: none"> ✓ Corporate website ✓ Email ✓ Social Media ✓ Social actions ✓ Sustainability Report 	<ul style="list-style-type: none"> ✓ Sponsorships and donations ✓ Supporting local communities' initiatives ✓ Support of NGOs 	<ul style="list-style-type: none"> ✓ Volunteering actions ✓ Support of associations and organizations that help vulnerable social groups
Financial Institutions - Daily communication		
Communication Channels	Topics of Interest	How we respond
<ul style="list-style-type: none"> ✓ Corporate website ✓ Press releases, corporate announcements 	<ul style="list-style-type: none"> ✓ Company's Financial Performance ✓ Liquidity ✓ Support of social associations 	<ul style="list-style-type: none"> ✓ Compliance with legal framework ✓ Sound Governance ✓ Financial Statements

Materiality Analysis

THEON SENSORS conducted a materiality analysis to identify, assess, and prioritize the issues of utmost importance to the Company and its stakeholders. This analysis is instrumental in pinpointing and evaluating the ESG risks and opportunities that emerge from the Company's activities. It provides a roadmap for addressing the most pressing concerns, aligning business strategy with stakeholder expectations, and enhancing overall performance. By focusing on

material issues, THEON SENSORS ensures that its efforts are strategically placed where they can have the greatest positive impact, both for the business and the broader community.

The materiality analysis was developed by taking into account the GRI Standards, the sectoral standard of the Sustainability Accounting Standard Board (SASB) and followed a three-step approach:

STEP 1

Identifying and understanding Company's material issues. Research and analysis of the most material topics of the sector was carried out and the sectoral guidelines of the SASB standard were incorporated, in combination with the Company's strategic priorities.

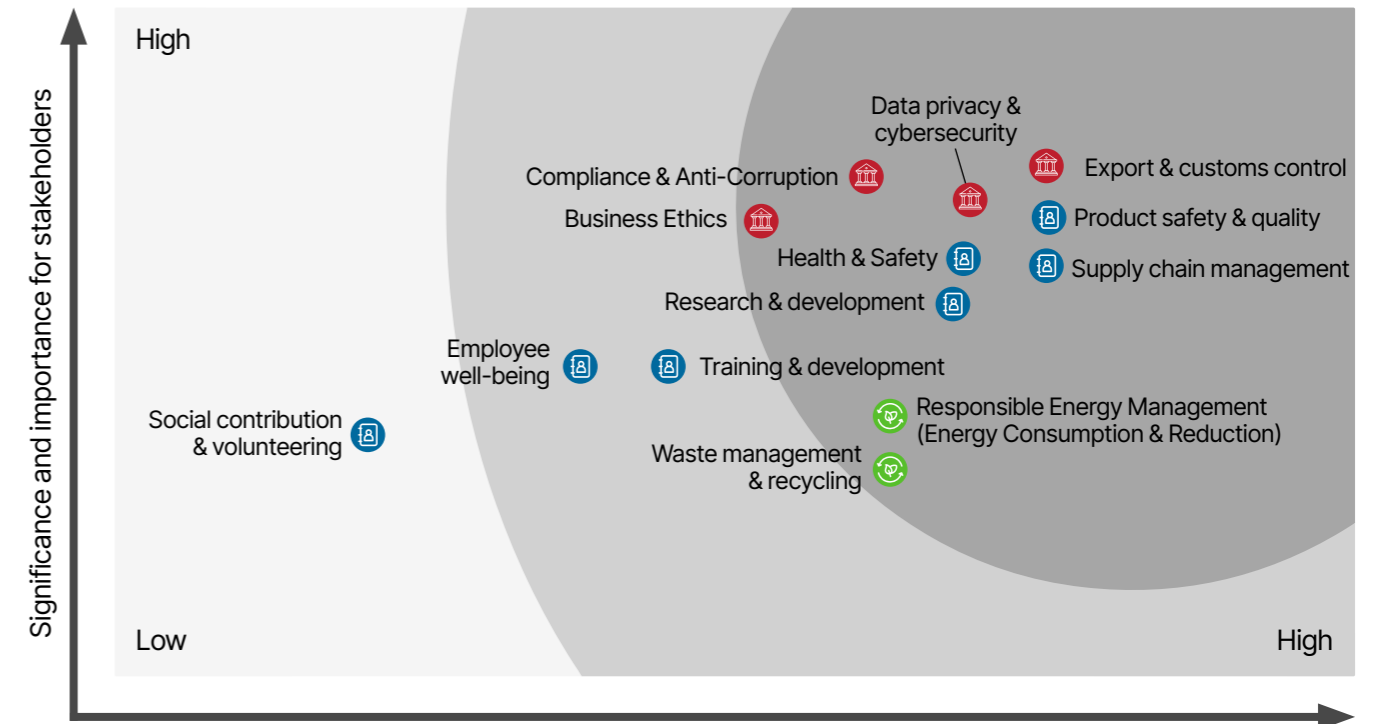
STEP 2

Assessing and ranking identified material issues through documentation for the collective assessment of all sustainable development issues based on specific ESG criteria.

STEP 3

Validation and evaluation of topics by Top Management. Validation of topics and evaluation of relevant targets in order to align with the Company's strategic priorities.

The results of the materiality assessment are presented in the map below:



Significance and importance for THEON SENSORS

Environment Social Governance

Materiality Analysis	SDG's	Materiality Analysis	SDG's
Top priority issues		Top priority issues	
1. Export and customs control		8. Business Ethics	
2. Product safety and quality		9. Responsible Energy Management (Energy Consumption & Reduction)	
3. Supply chain management		10. Waste management and recycling	
High priority issues		High priority issues	
4. Data privacy and cybersecurity		11. Training and development	
5. Health and Safety		12. Employee well-being	
6. Research and development		Emerging priority issues	
7. Compliance & Anti-Corruption		13. Social contribution and volunteering	



Our people are the driving force behind our continuous growth and development, as they deliver high performance for our customers and business partners, meeting their fast-changing needs.

04

We invest in our people



230
Employees
(171 in 2021)



25%
Women Employees
(22,8% in 2021)



318
Training hours
(235 in 2021)



91
New hires
(52 in 2021)

Our contribution in Sustainable Development Goals (SDGs)



We invest in our people

At THEON SENSORS, we have a dedicated team of highly skilled and experienced employees who handle competently everything from design to manufacturing. We place a high significance on our people, as they are considered our most valuable capital.

We go above and beyond to ensure a safe and supportive environment, where every individual feels valued. At THEON SENSORS, we stand firm in our commitment to upholding human and labor rights, and we're continuously working towards a more inclusive and diverse workplace.

encouraging our team to collaborate and share insights. Through this process we are not only strengthening our internal operations but also making a broader positive impact on the industry.

We invest in our team's growth, offering opportunities for learning and advancement. We also believe in the power of shared knowledge by

Our management approach to employee experience remains holistic, ensuring that every interaction and touchpoint within THEON SENSORS is designed to enhance the overall wellbeing and satisfaction of our employees.



Great Place to Work™ Certification

THEON SENSORS, received the Great Place to Work™ certification, standing out for its excellent work environment and corporate culture, following an evaluation carried out by the organization Great Place to Work Hellas!

The evaluation of the working environment was done by the employees of the Company.

Through this evaluation, the employees rewarded the THEON SENSORS for its corporate culture and its working environment as a whole, for the investment that the Group undertakes for

the continuous improvement of the skills of its employees, the broadening of their horizons, their cultural and digital upskilling and reskilling.

The survey confirmed that THEON SENSORS promotes meaningful relationships based on equality and justice, when 89% of employees state that people are treated fairly and regardless of their race and 87% regardless of their sexual orientation, while they are also noted very high levels of staff trust in their management, where 92% believe management is honest and ethical in their business practices.

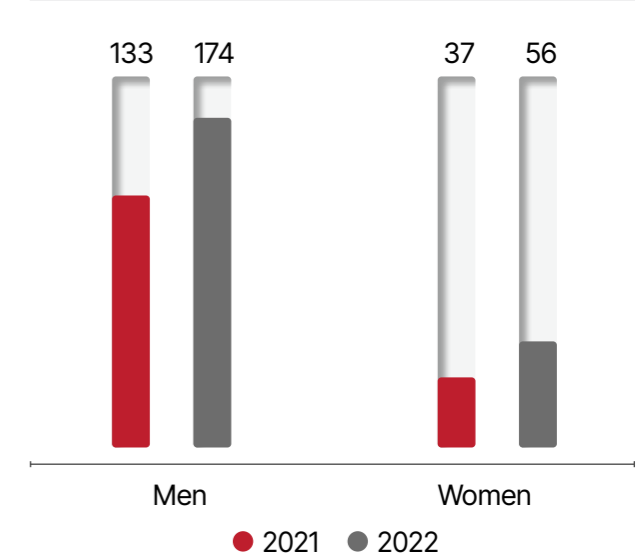


Our people at a glance

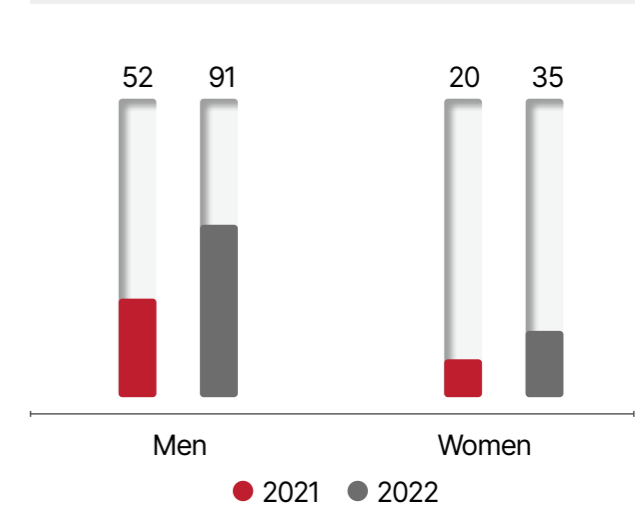
Our team is more than just familiar with our Company's values and guidelines and safeguards comprehensively the security elements that arises as crucial for the defense industry. Within this context we have incorporated our anticorruption policy and all aspects of our transparency and responsible governance values within our Code of Conduct, which is communicated to all hierarchy levels within the organization. As a result of our commitment to compliance, we are devoted to act with honesty and adhere to the highest standards of moral and ethical values and principles through our personal and professional behavior.

All THEON SENSORS products are in-house designed by a team of experienced and qualified engineers specializing in all related engineering disciplines such as optical, mechanical, electronics and system design. The production is strongly supported by competent administration employees and an upper management with clear vision and committed to THEON SENSORS vision and corporate values.

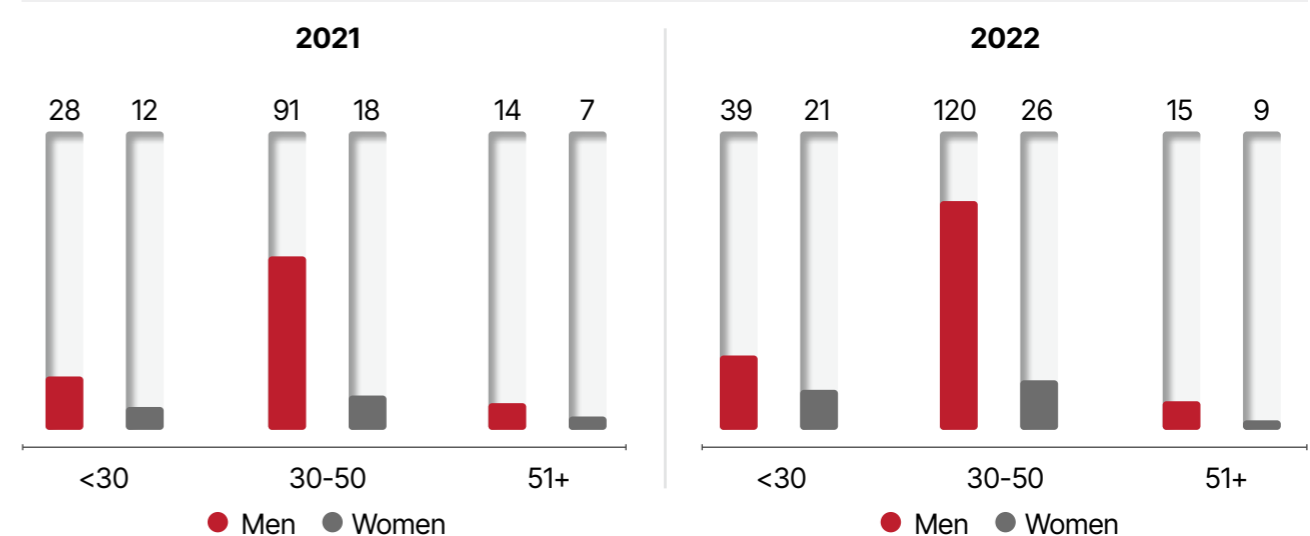
Human Resources Data



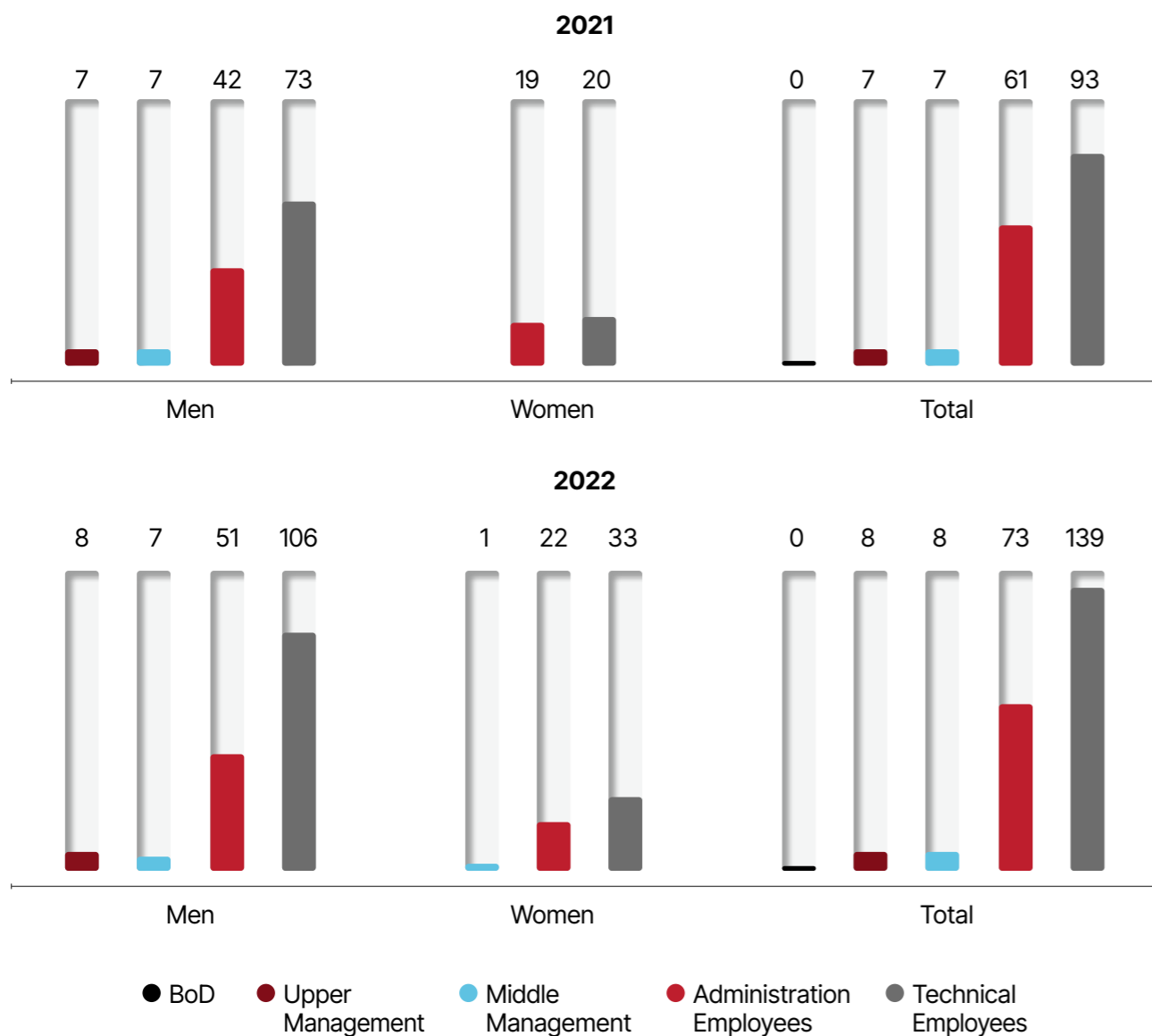
Turnover



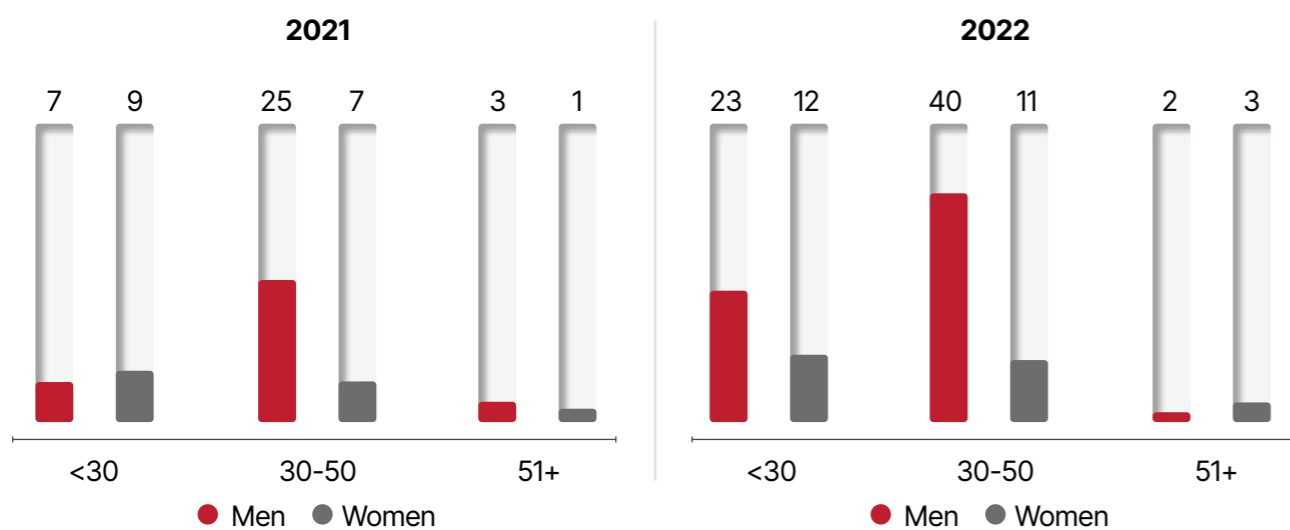
Human Resources Distribution by Age



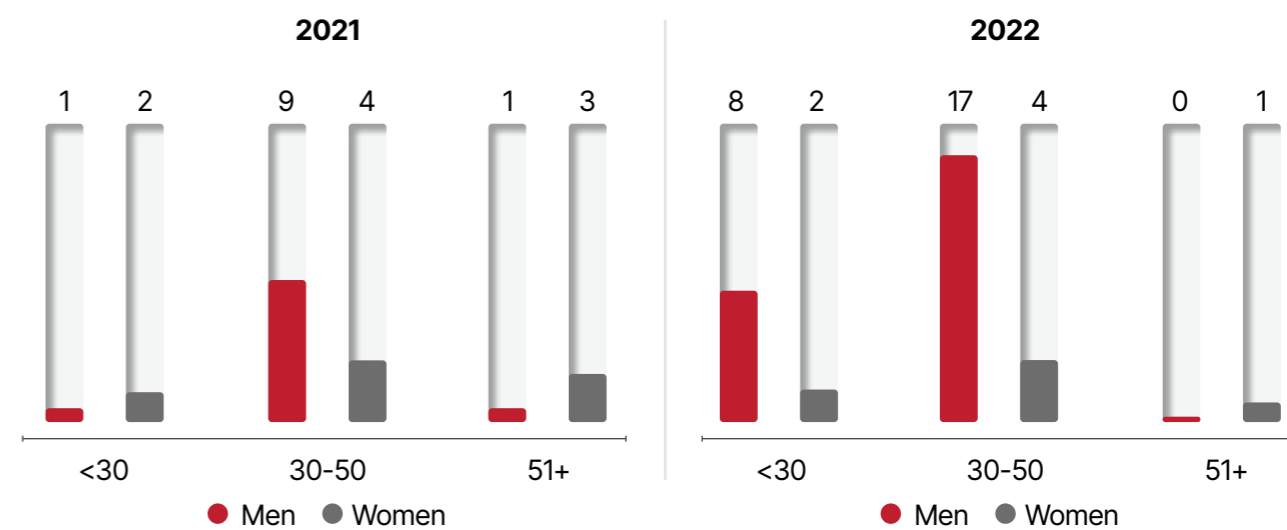
Human Resources Distribution by Gender and Hierarchical Levels



New Hires per Gender and Age



Leaves by Age and Gender





DEMOKRITOS Summer School

In the context of attracting candidates, we participated for the 5th consecutive year in the special session on "Human Resources - Finding a Job" organized in July by the Hellenic Emerging Technologies Industry Association (HETia) in collaboration with the National Center for Natural Sciences NCSR "Demokritos". In this workshop we had the opportunity to present our Company and our needs for human resources to the participating students of the Summer School, which is held for the 58th year by the National Center for Natural Sciences NCSR "Demokritos". The students who participated in the program were more than 400 of Scientific and Technological educational direction.

Holistic Approach on Employee Experience

At THEON SENSORS we understand the importance of the employee experience and how it directly impacts our success. From the moment a new hire joins our team, we work to create an environment where they feel valued, supported, and connected

to our overall mission. We have implemented several initiatives, from comprehensive training programs to collaborative team-building activities, all designed to foster a sense of belonging and purpose.

Onboarding

Onboarding process is essential for the successful integration of new hires into the organization. This procedure includes activities that allow new employees to complete an initial new-hire orientation process, as well as learn about THEON SENSORS and its structure, culture, vision, mission and values. Moreover, during the onboarding process, the employees become familiar with the "Employees Handbook" which includes all corporate documents and policies outlining everything they need to know about working at THEON SENSORS.

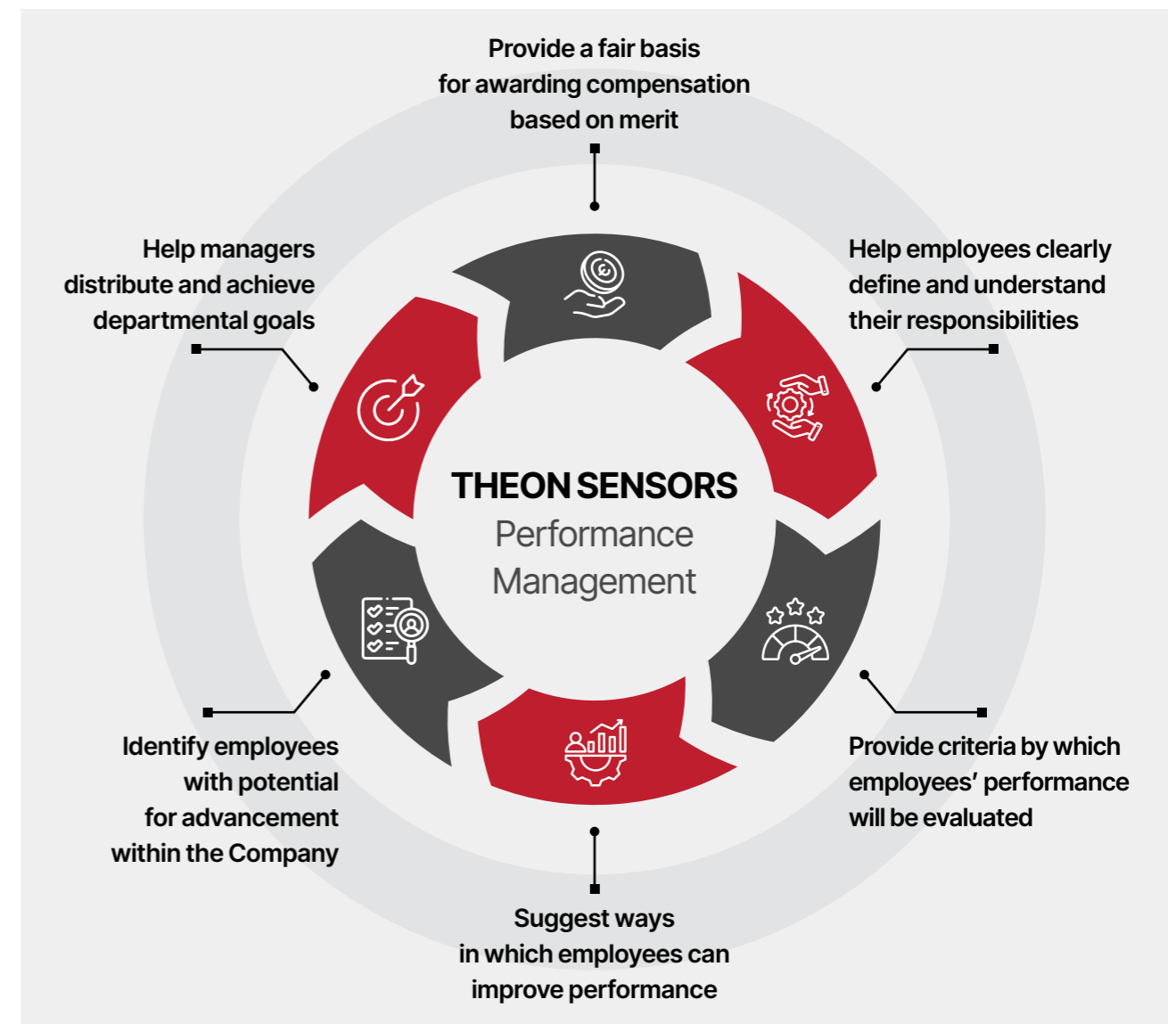
100%
of new hires
completed
the onboarding
process

Performance Management

THEON SENSORS' integrated performance management system plays a pivotal role in driving workforce productivity, fostering higher employee engagement, reducing turnover, and maximizing revenue per employee. Leveraging insights from our performance management system, we are equipped to make informed decisions about human capital management. This system not only store and quantify data from employee-manager interactions, such as individual career aspirations, skill sets, and succession planning fit, but also guide our investments in learning and development to align with both business needs and employee aspirations.

100%
of employees have
a personalized
development plan,
including the upper
management

We prioritize addressing the unique needs and aspirations of every employee, ensuring they remain content, productive, and aligned with our objectives. To guarantee the success of this approach, we are implementing an annual performance review procedure, ensuring that every member of our organization, regardless of their hierarchical position, benefits from this comprehensive evaluation process. The purpose of the performance appraisals is presented below:



Growing Through Training

The personalized approach on employee's development plan could not be supported if training needs were excluded from this process. For this reason, we have incorporated our employees' training needs and respective requests, in

employees individual career development plan, as it imposes significant element of their engagement and personal development. Furthermore, we approve and encourage a wide range of trainings including:





Training Week

A training week was launched in 2022 where **2 trainings were conducted each day** and all employees were eligible to participate

POWER UP WEEK

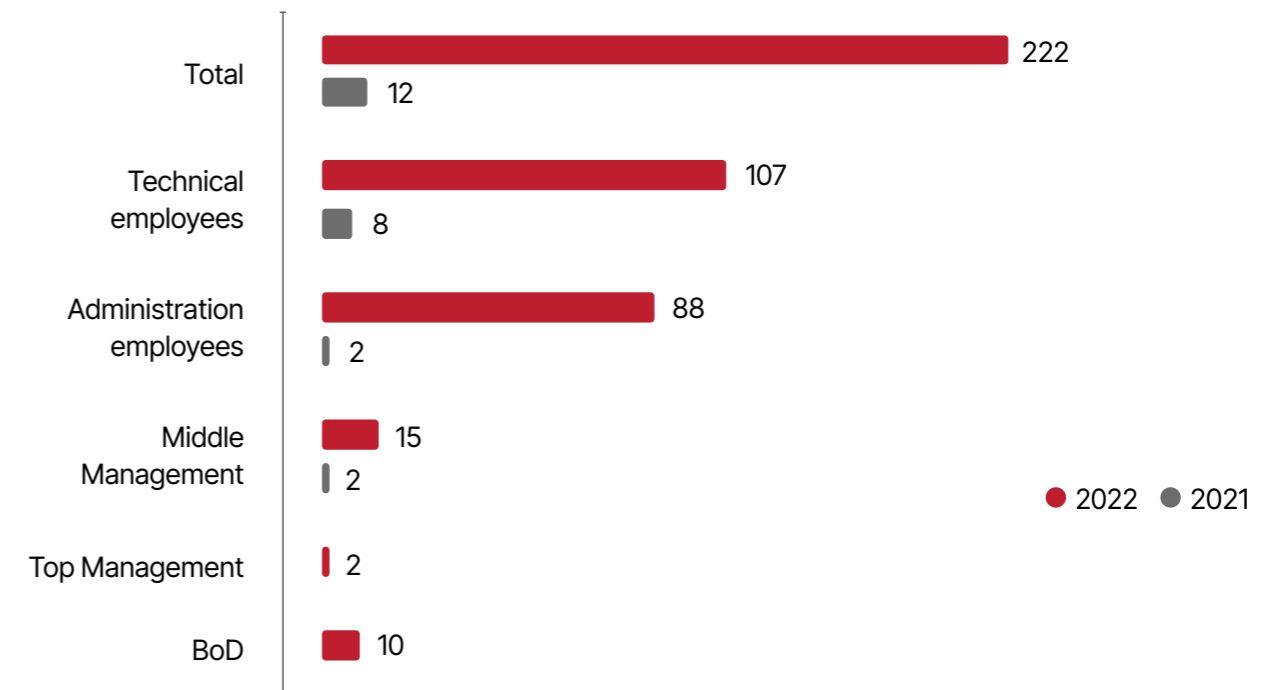
Regarding the first pillar of the human-centered upskilling and reskilling training program, we proceeded to the implementation of a week dedicated exclusively to training, called "**Power Up**". **166 of our employees** had the opportunity to choose and attend remotely among a wide range of trainings focusing on soft skills. Specifically, the program included the following modules: Advanced Communication Skills, The Power of Feedback, Diversity & Inclusion, Negotiation & Conflict Management, Influencing Skills, Workplace Bias, Emotional Intelligence, Thinking Out of the Box and Building Resilient Minds & Mental Toughness. For the "**Power Up**" week, we collaborated with three leading educational companies in Greece to ensure high quality results. We chose remote trainings so that it could be accessed from anywhere, ensuring

the participation even of production workers in the factory who work in shifts.

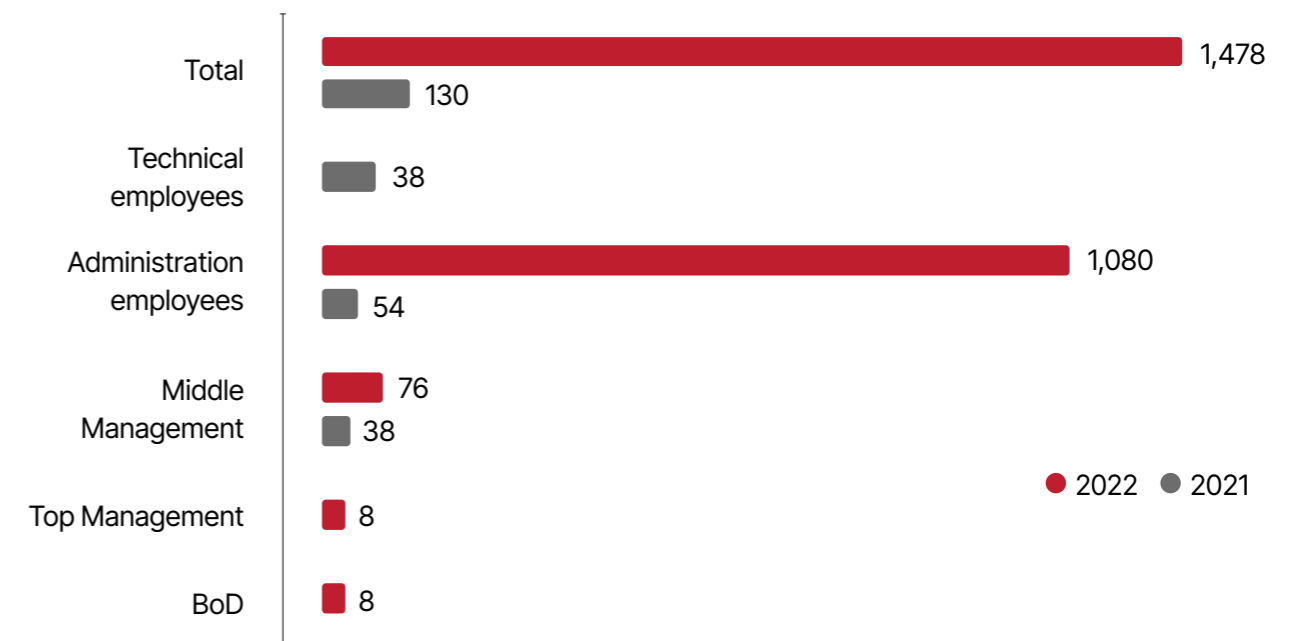
PMI Certification Program

As part of our ongoing commitment to empower our employees and provide high quality products, we have taken steps to obtain PMI certification for our Project and Program Managers. In this context, in collaboration with OTE Academy, we created a special course for preparatory courses, which included a total of 11 participants.

Total Number of Employees Trained by Hierarchical Level



Total Training Hours by Hierarchical Level



Additional Employee Benefits

Fostering a comprehensive rewarding system, we have developed an additional employee benefits plan that is offered to all employees despite their job position or hierarchical level and includes both health care and economic benefits. Medical plan

is provided for all staff and all their first level family members after three months of employment within the Company. Moreover, we have decided to provide advance payment or loan options based on employees' request.

Supporting Diverse Workplace

We are committed to provide an inclusive work environment which respects all aspects of diversity and provides equal opportunities to all employees. Our approach highlights this commitment, and we make further efforts to support it. **During 2022, we have developed a tailored training regarding employee harassment in the workplace in cooperation with the organization Women on Top (WoT) that is specialized in women's professional and economic empowerment and equality at work. WoT mission is to contribute to everyone having equal opportunities in public life, through individual empowerment and change in their educational, work and social environment.**

Through the "Women in Science" program, THEON SENSORS, in collaboration with ADECCO, creates new jobs for women scientists, giving them



the opportunity to work in the largest Company in Greece operating in the aerospace, defense, new technologies and security market, next to experienced executives to gain professional experience and develop their skills.

Actively supporting that equal opportunities for all in the workplace are non-negotiable, the "Women in Science" program is addressed to women scientists with an academic background in STEM (Natural Sciences, Technology, Engineering Science and Mathematics), who will be employed in THEON SENSORS.



With the aim of practical and substantial support of equality, equal opportunities and diversity in the working environment, THEON SENSORS signed the Diversity Charter.

THEON SENSORS' participation in the "Diversity Charter" confirms the Company's commitment to respecting human rights and shaping a culture based on inclusion, promoting equal opportunities to all employees, without exclusion or discrimination, and fully accepting and integrating uniqueness at work. At the same time, an important priority of the Company is the training of its executives at multiple levels with the aim of further cultivating their skills.



Employee Engagement

Employee engagement is crucial factor to our Company's success, given its clear links to job satisfaction and employee morale. Communication is a critical part of creating and maintaining employee engagement. Engaged employees are more likely

to be productive and higher performing, while also display a greater commitment to a Company's values and goals. Under this perspective we have developed substantial communication channels that supports comprehensively our open-door policy.



Employee survey

86%
Employees
Participation Rate

78.7%
Of Our Employees Enjoy
Being Part of The Team

In THEON SENSORS, we recognize that employee's feedback is essential to our success, which is why we conduct employee surveys on a regular basis. We want to understand our employees' aspirations, concerns, and suggestions so that we can identify areas for improvement, celebrate our strengths, and align our strategies with their needs and expectations.

contribute to our shared vision. We share the survey results with our employees and develop a plan to address the key areas of concern identified in the survey. We also keep our employees updated on our progress and solicit their feedback on the implementation of the plan.

Analyzing the survey results allows us to drive continuous improvement and foster a culture of transparency. It also empowers our employees by giving them a platform to influence change and

By listening to our employees and learning from their feedback, we can gain valuable insights into their perceptions regarding the Company, its culture, and its future. This information is essential for creating a workplace where everyone feels valued, respected, and engaged.



HR Award in the category "Most Innovative use of Technology for Learning"

The efforts on employee satisfaction, development and engagement were recognized as THEON SENSORS has won the bronze award in the category "Most Innovative use of Technology for Learning" at HR Awards for 2022, proving that our commitment on our human capital is the basis of our strategy and crucial element of our success.



▲ Corporate Band

Fostering Employee Wellbeing

Under the corporate commitment for the provision of safe, equal, and inclusive workplace, THEON SENSORS has included employee's wellbeing in its corporate strategic approach in order to attract and retain top human capital. The corporate devotion to wellbeing of its people is highlighted through the following initiatives:

► Promoting engagement through Culture

We empower employee involvement in social events and cultural activities. The Company organizes group visits to theatrical performances, concerts and guided museum tours, for more than 60 participants twice a month. Thus, fostering engagement and belonging.

► Christmas Children's Party

This year's Christmas Childrens' Party of THEON SENSORS was held at the Museum of Natural History in Kifissia. Parents and children had the opportunity to tour the Museum's permanent exhibition, as well as the Climate Change Exhibition at the GAIA Center, and then everyone was captivated by the performance of chemical experiments by Mr. Chem in the Amphitheater. Mr. Chem, with the help of the children, prepared impressive colored stars, small volcanoes and steamy cold cookies. Following the Christmas tradition of the Company, a few days before the children's party, all the employees found gifts - a surprise waiting for them in their offices.

► Running Team

THEON SENSORS participated in the 39th Athens Authentic Marathon. The Company's running team consisted of 37 runners who ran and spread the

memorandum that Athens Authentic Marathon emphasizes the power of the human will, giving the message of true values, social consciousness, environmental sensitivity, friendship and solidarity.

► We support employees' wellness

▪ **Gym Subscription:** THEON SENSORS has launched a cooperation with ALTERLIFE Gyms with which it secured a privileged subscription offer, which is not offered in their official price list.

▪ **Webinar "the Prevention of Musculoskeletal Disorders":** In conjunction with the Day for Health and Safety at Work, on 28 April, the seminar on "Prevention of Musculoskeletal Disorders" was scheduled. The topics of the seminar concerned the information and prevention of musculoskeletal disorders.

▪ **Dr Online powered by NN:** We provide our colleagues with direct access 24 hours a day to a large network of doctors who can give medical advice on any problem or question that may arise. Also, depending on their initial diagnosis, they may recommend referral to a specialist doctor for further investigation. Finally, they provide guidance and medical information on prevention and health promotion issues.

► We focus on mental health

▪ **24/7 Psychological Support Line, in collaboration with ERGONOMIA:** Readily available psychologists, who evaluate the request of the employee or their relatives and schedule additional telephone appointments for their more substantial help. In case it is deemed by the psychologist that it is necessary to continue the support through individual sessions, it is possible to hold face-to-face meetings at the local offices of the collaborating counseling psychologists or online, for a limited number of sessions. Already the statistics of using our line show that more and more colleagues are taking advantage of this very important benefit.

▪ **Webinar Stress Management:** The aim of the seminar was to familiarize employees with the concept of stress and its causes. Also, get in touch with the concept of work-related stress and the signs of burnout.

► We promote healthy way of living

The aim of Healthy Food Month – October - is to improve eating habits in the workplace so that they are "in line" with a balanced eating pattern. So, in collaboration with the fitness meals company, we provided healthy and tasty meals with calculated



▲ Running Team

calories to all our colleagues. In collaboration with an experienced nutritionist, we held webinars where the relationship between proper nutrition and psychology was analyzed, instructions were given for planning complete meals at home as well as nutritional education on food labels. This month was also the month when fruit placement was established in THEON SENSORS.

► Corporate Band

At THEON SENSORS, we prioritize fostering a vibrant and dynamic work environment that goes beyond the conventional. We believe in nurturing the diverse talents and passions of our employees, even those that extend outside their professional roles. A testament to this ethos is our very own corporate band, a unique ensemble that boasts participation from not just our talented employees but also from our C-level executives. Under the guidance of a maestro, this band has not only showcased their musical prowess but also hosted a grand concert for the entire THEON SENSORS community. This initiative, more than just a display of musical talent, underscores our commitment to employee engagement, and the celebration of diverse talents. It's a vivid reminder that at THEON SENSORS, we harmonize not just in work but in rhythm and passion too.



▲ Christmas Children's Party

Health & Safety at THEON SENSORS

The importance of providing a work environment that ensures the health and safety of employees, contractors and suppliers is of the utmost importance for THEON SENSORS. Aiming at zero

accidents and occupational illnesses, the Company ensures the promotion of health and safety in the workplace and the achievement of continuous improvement in this area.

Our Safety Approach



Safety Task Force Groups

To manage potential risks effectively and comprehensively, THEON SENSORS implements safety protocols and procedures to assure a safe workplace environment. For this scope, we have launched Safety Taskforce Groups, including employees from all departments. Their main task is

to assure the identification of potential safety issues and risks and their immediate communication to the responsible manager, in order to take precautionary measures and avoid potential incidents. To achieve that, Safety Task Force Groups perform regular safety inspections in all premises and operations.

11
Employees have received First Aid Training

2
Fire Safety and Evacuation drills have been organized

19
Employees have been trained for Fire Safety

Safety culture and awareness trainings

Taking a step further for the enhancement of corporate culture in terms of safety in the workplace, we have developed awareness initiatives including an internal training program for all our employees, wide collaboration with companies specialized in health and safety issues and the construction of fully equipped medical facilities within our premises. An occupational doctor visits also all premises once a week.

use of defibrillator. Following the safety awareness initiative, we have decided to place at least two of our First Aid trained employees to each working shift as an extra precaution measure for the successful coordination of a medical emergency situation. Our planning for the next year also includes a cooperation with Hellenic Red Cross for the provision of dedicated training sessions.

Additionally, we have placed defibrillators in neuralgic points within our buildings and we have also offered First Aid training organized in cooperation with the company INFOLAB. Through these training sessions, 11 employees have been successfully trained and certified to CARPA method and the

Besides CARPA training, we have also conducted a fire safety session and we have established a Fire Safety Team which reports to the Fire Safety Commander and is responsible for any fire safety or evacuation event as well as respective drills to be organized at least once per year.

Occupational Risk Assessment

Ensuring health and safety in the workplace, we regularly conduct Hazard Identification and Assessment in cooperation with our Safety Technician. The results of these assessments are

included in the written Occupational Risk Assessment that is available to all employees and is revised on a 3-year basis. The last revision of our Occupational Risk Assessment has been made in 2020.

Monitoring Health & Safety Indicators

THEON SENSORS seeks to achieve zero accidents and eliminate relevant risks; thus it has established specific indicators for recording and effectively monitoring Health and Safety performance.

	2022	2021
Lost Time Incidents (LTIs)	1	0
LTIFR (Lost Time Injury Frequency Rate) for employees	2.5	0,0
AR (Absenteeism Rate) for employees	1.27%	1.28%

Lost Time Incident (LTIs): (Number of incidents)

Lost Time Injury Frequency Rate (LTIFR): (Number of incidents / manhours worked) x10⁶

Absenteeism Rate (AR): (Number of days of absence form work due to any inability other than accidents and illness / manhours (%))



Our dedication to mitigating climate change and promoting the circular economy is emphasized in our environmental strategic priorities. We communicate this commitment to all our stakeholders, enhancing our contribution to environmental protection.

05

Environmental Responsibility



2%

reduction in electricity consumption for 2023



422tn

CO₂ emissions in 2022



8.241 kg

Non-hazardous waste in 2022

Our contribution in Sustainable Development Goals (SDGs)



Environmental Responsibility

At THEON SENSORS we have defined our environmental strategic priorities by incorporating the protection of the environment in all our operational aspects. Our commitment to responsible behavior is a fundamental element of the Company's strategy, which is also reflected in the environmental policy that we have adopted.

THEON SENSORS recognizes the importance of preserving planet ecosystems for future generations and contributes to European goals for environmental protection by implementing initiatives to reduce the Company's environmental footprint and enhance its overall environmental performance. Under this scope, we have developed a comprehensive

environmental management system for the immediate environmental assessment of our activities, certified in accordance with ISO 14001:2015 Standard. Our Environmental Policy underscores our commitment, emphasizing our dedication to strategic goals for environmentally responsible operations.



2 internal audits on **ISO 14001** during 2021 & 2022

Managing our environmental footprint

THEON SENSORS has developed a thorough plan focused on responsible energy management and carbon emissions reduction. We have incorporated in our strategic priorities the monitoring of all energy resources to achieve prompt supervision of our activities. Furthermore, we have set specific performance indicators, such as electricity consumption in relation to factory opening hours, in order to assure continuous improvement of environmental performance.

Under this holistic approach, we endeavor to additionally take environmental initiatives. We have already installed photovoltaic panels on the rooftop of our office building, and we will continue to identify opportunities to increase our energy efficiency

and the use of renewable energy. We consistently adhere to environmental regulations, evidenced by our yearly reporting of fluorinated gases to the European Union and conducting Energy Efficiency Audits across all our facilities.

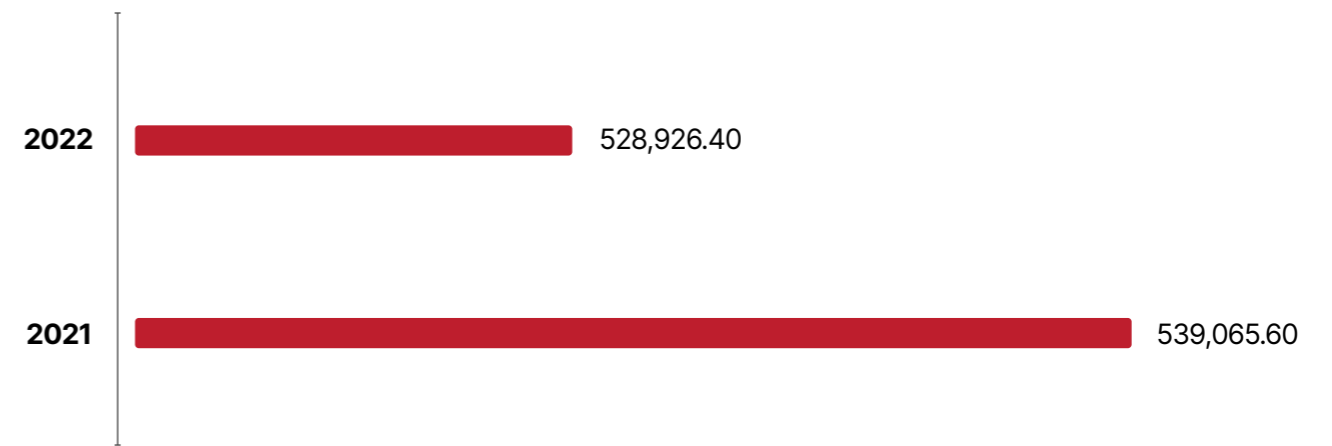
For 2023, THEON SENSORS has set a new energy-related target: a 2% energy savings and a 2% reduction in electricity consumption per factory operating hour each year, using the first semester as the reference period.



Case Study

THEON SENSORS implements the principles of **Green IT**, aiming at the optimal management of energy needs in a way that utilizes alternative energy sources and takes care of the natural environment. Green IT initiatives align the economic viability and optimal efficiency of infrastructure, with the social and ethical responsibilities arising from the need to reduce the energy and environmental footprint of businesses, organizations, and states in the natural environment. In this direction, the Company encourages the use of environmentally friendly technologies and software tools, such as virtual energy management and telecommuting.

Electricity Consumption (kWh)



CO₂ Emissions*



433tn
2021



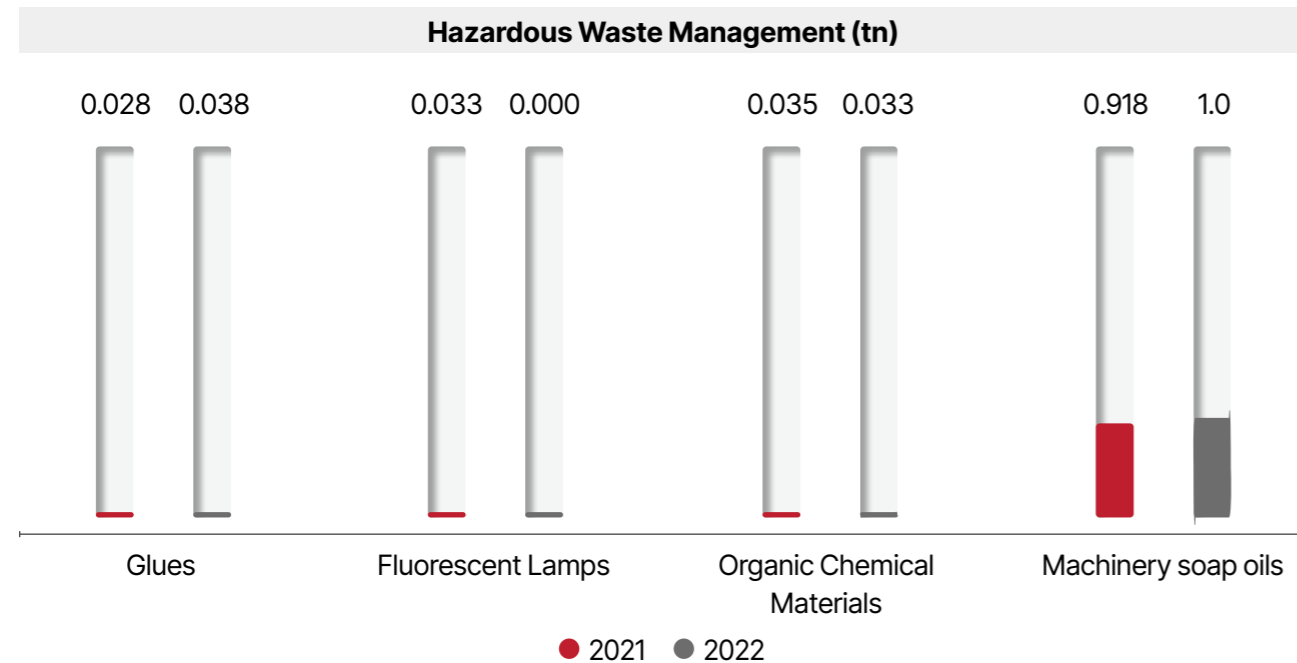
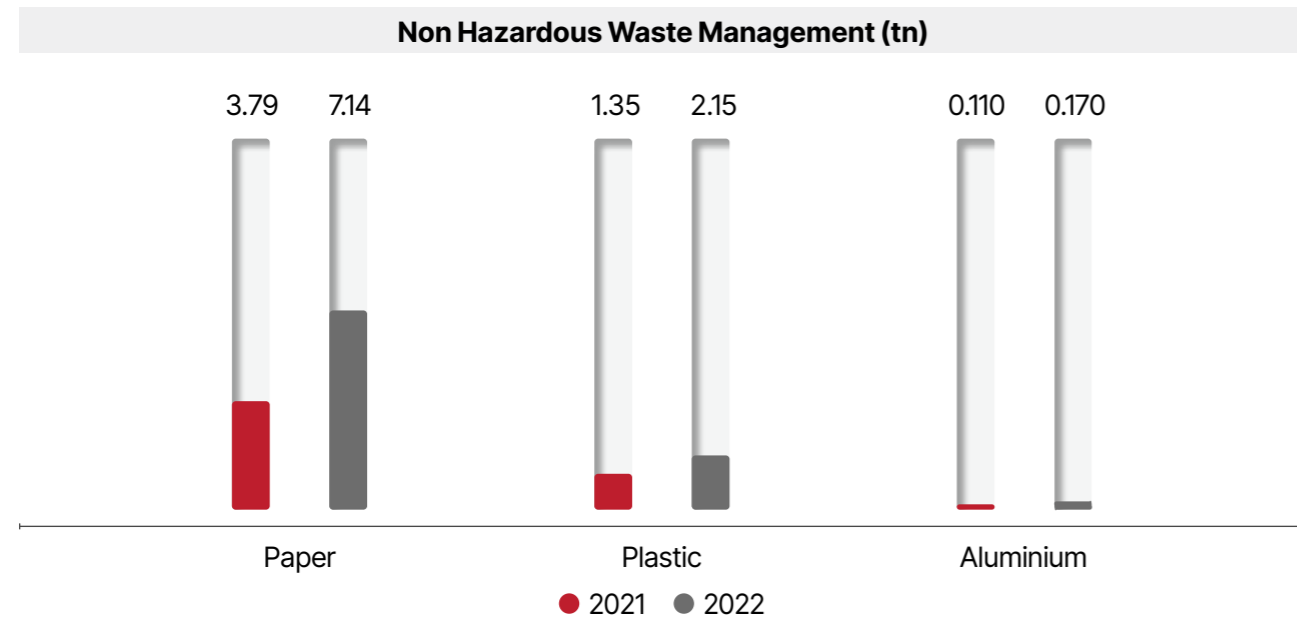
422tn
2022

Endorsing Circular Economy

Another key element of THEON SENSORS' strategic priorities in terms of environmental protection is its commitment to responsible waste management that focuses on recycling and reuse of materials. The amount of waste produced by our operations is submitted to electronic waste registration and hazardous waste management is performed by adequately certified subcontracting companies. THEON SENSORS actively pursues opportunities to reduce its waste production.

The Company minimizes waste quantities at all locations through process optimization, employee training, and the implementation of advanced waste management technologies.

By adopting sustainable practices and continuously monitoring waste streams, THEON SENSORS ensures that resources are used efficiently, and that waste is either recycled, reused, or disposed of in an environmentally responsible manner.



Environmental Awareness and Engagement

THEON SENSORS reinforces employee engagement in its sustainability initiatives, recognizing the significance of collective understanding and commitment to environmental responsibility. The Company has invested in enhancing the environmental awareness of its employees through a tailor-made Environmental Awareness Training. This training is part of the onboarding training, as well as the emergency response exercise that is conducted on annual basis. Furthermore, the Company

communicates its environmental commitments to its suppliers through an assessment that incorporates specific environmental criteria.

Environmental Awareness Training is provided to all employees, regardless of their position or hierarchical level.





“

We try to identify emerging community issues and the needs of vulnerable social groups to design and implement our social contribution program. We also encourage our people to engage in social cause activities, offering their time and efforts to make a positive impact.

06

Fostering community development



4
NGOs supported



3
Blood drives (since 2020)



3
internships



100
saplings planted

Our contribution in Sustainable Development Goals (SDGs)



Fostering community development

At THEON SENSORS, our mission extends beyond our core operations. We recognize the importance of giving back to the communities in which we operate. Through our community engagement initiatives, we address pressing social challenges and champion causes that matter. Our commitment to social responsibility is further amplified by our employees, who actively volunteer and contribute to creating a safer, more inclusive, and sustainable society.

Our social contribution is anchored in four key intersected pillars:



Driven by our responsibility, we support charitable and non-governmental organizations that are dedicated to supporting vulnerable social groups, while the volunteer team of our employees actively engages in social initiatives of environmental awareness and

promotion of social solidarity. Simultaneously, we seek to create cooperative ties with the academic and scientific community, by supporting young graduates in their labor market integration and young scientists for their participation in international organizations.

Support of vulnerable social groups

In line with our commitment to societal responsibility, we actively support organizations that address the challenges faced by vulnerable social groups. Our

goal is to amplify the impact of these organizations, fostering greater social awareness and enhancing the quality of life for those they serve.



Donation to "The Smile of the Child"

We support "The Smile of the Child" organization. They are dedicated to assisting children who have experienced abuse, live in poverty, or have health challenges, ensuring they and their caregivers have the conditions necessary for a dignified life.



SOS Villages

To ensure the adequate care that every child deserves, we extend our support to the organization "SOS Children's Villages", which provides shelter to every child in need.



Eliza Foundation

The Eliza Foundation focus its efforts to the prevention and intervention of child abuse, undertaking initiatives for training of professionals who interact with the victims. We support the Foundation to contribute to its efforts for the protection of children and zero tolerance approach to child abuse.



Cerebral Palsy Greece

We support the Cerebral Palsy Greece to continue providing a wide range of services and educational programs for people of all ages with cerebral palsy.

Philanthropic events

We are committed to participating in philanthropic events, not just for the act of giving, but with a keen focus on the tangible impact we can create. Our involvement goes beyond mere sponsorship; it's about making a meaningful difference in the communities and causes we support. Every event we contribute to is carefully chosen based on the positive change it can bring about, ensuring our efforts resonate and

leave a lasting impact. In 2022 we contribute to the philanthropic events of the following organizations, aiding in their mission to assist those in need:

- ✓ The Hellenic Initiative (THI)
- ✓ Hippocratic Research Foundation Chicago
- ✓ Blue Dream Hamptons Organization

Employee Volunteering

Our commitment to create social impact is deeply rooted in the voluntary programs embraced by our employees. Their active participation in initiatives that champion the values of sports, solidarity, and environmental responsibility not only addresses pressing social needs but also fosters a culture of empathy and collaboration within our organization. By promoting these values, we contribute positively to society but also cultivate a work environment where employees feel a deeper connection to their community and a greater sense of purpose in their roles.



► Voluntary blood donation

During the 2nd Blood drive, 23 blood units were collected. The Blood Donation Day, is powered by THEON SENSORS and has been held in collaboration with Evangelismos General Hospital for the past 2 years, confirming that donating is in our culture and our team demonstrates it with great vigor.

► Running Team

Our Running Team participated in all routes, 42Km, 10Km and 5Km of the Athens Authentic Marathon, aiming to support the historic institution, that promotes solidarity, participation and social consciousness.



► We4all

Our volunteers, seeking to contribute to climate change and environmental protection, participated in the tree planting at the foot of Ymittos-Paiania, along with the Environmental Organization "We4all". The team managed to plant 100 saplings under the guidance of the organizers, contributing to the increase of the green space of the area.

► Cooking for vulnerable groups

Our volunteers cooked in order to support vulnerable social groups and those in need.

Support of education and science

Education stands as a cornerstone in THEON SENSORS' social contribution framework. Our primary goal is to bolster young aspirants at the onset of their professional paths, while also backing institutions and researchers who further scientific advancement and development.

We extend our support through sponsorships for conferences, webinars, events, and workshops. These cover a broad spectrum of subjects, from defense, security, aerospace, and emerging technologies to economic growth and entrepreneurship. Our events feature esteemed speakers from both international and Greek backgrounds. Moreover, our President and managerial team actively engage by delivering keynote addresses and partaking in panel discussions. These seminars and events are orchestrated by organizations such as:

- ✓ Hellenic Emerging Technologies Industry Association (HETiA)
- ✓ Hellenic Association of Space Industry (HASI)
- ✓ Corallia
- ✓ European Space Agency Forum
- ✓ Naval Defence Innovation Forum
- ✓ Athens Democracy Forum
- ✓ Space Tech Forum
- ✓ CEO Initiative Forum
- ✓ Exposec Defense World Forums
- ✓ Digital Economy Forum of Federation of Hellenic Information Technology & Communications Enterprises (SEPE)
- ✓ Southeast Europe & East Med Forum in Washington DC



► Support of the "Robocores" group of young scientists

We are proud to have supported the "Robocores", a dynamic team of young scientists, with a donation that facilitated their participation in the WRO 2022 Educational Robotics Olympiad. Their dedication and innovative approach were evident as they clinched the second-place position in this prestigious competition. The team showcased the Pop2See Smart Class system, a groundbreaking initiative designed to transform the educational landscape for children with vision loss. This system is not just a technological marvel but a beacon of hope, aiming to seamlessly integrate visually impaired students

into regular classrooms. By supporting endeavors like these, we reaffirm our commitment to fostering innovation and inclusivity in education.

► Internships

We seek to support the new generation of scientists, providing them with opportunities for employment and growth, through the introduction of an internship program. Simultaneously, we foster connections with the academic community maintaining an ongoing dialogue with a pool of young talents, contributing to the Company's development, and strengthening its commitment to society. In 2022, 2 students undertook internships at THEON SENSORS.

Support of culture

In our pursuit to spotlight Greece's illustrious cultural heritage and storied history to the world, we extend sponsorships to esteemed museums and cultural institutions. Our intention is not merely to fund but to bolster and magnify their endeavors, cultivating a profound reverence for Greek culture both domestically and internationally. Our support has been channeled to notable establishments including:



- ✓ The creation of Maria Callas statue for the construction of the Maria Callas Museum
- ✓ The Benaki Museum to support its cultural work
- ✓ The Artefact Athens for the implementation of the exhibition "Reality check chapter II: inner sanctum" at the Psychiatric Hospital of Attica in Dafni

► Support of our international footprint

We support through sponsorships the implementation of official festive events organized both by embassies abroad in Greece, as well as by Greek embassies and institutions in various countries around the world. As

part of our support, we have previously backed the commemorative events for March 25th organized by both the Greek Embassy in Rome and the Greek Embassy in Paris.

Moreover, we supported through donations the events and actions of the following institutes:



American-Hellenic Chamber of Commerce



German Hellenic Chamber of Industry and Commerce



French Hellenic Chamber of Industry and Commerce



American Hellenic Institute (AHI)



Hellenic American Leadership Council (HALC)





07

Appendices

Report Methodology

This is the 1st Sustainability Report of THEON SENSORS and aims at informing the Company's stakeholders about its performance on ESG & Sustainability issues. It also reflects the Company's commitment to transparent and accountable operation.

ESG Reporting Standards

The report follows the GRI Standards guidelines of the Global Reporting Initiative (GRI), as well as the standards of the Integrated Reporting Framework of the International Integrated Reporting Council (IIRC), and the Sustainability Accounting Standards Board (SASB). The content of the Report is also defined by the Global Sustainable Development Goals (SDGs).

Scope and limits

The Report covers the period from 01/01/2022 to 31/12/2022 while it also includes data for the year 2021 including the Company's responsible business practices, policies, actions and targets, while it reflects the economic, environmental and social performance of THEON SENSORS throughout the range of its activities. The Report does not include details of subsidiaries, potential joint ventures, partners, suppliers or other third-party data. The terms "Company" and "THEON SENSORS" refer to THEON SENSORS. Updates and additional information on THEON SENSORS regarding the policies and practices it follows are available on the company website <https://www.theon.com>.

Project team

This Report has been prepared by the Company's ESG & Sustainability team, with the expert guidance of Grant Thornton (www.grant-thornton.gr).

Sources of information

The information and data communicated in this Report have been collected based on THEON SENSORS' existing recordkeeping procedures, as well as from databases maintained as part of applicable management systems. When data which has undergone processing is listed, the manner or method of calculation used is stated, in accordance with GRI guidelines.

Communication

We encourage all feedback or comments from stakeholders that may contribute to our Company's efforts to continuously improve performance and actions in the field of Sustainability. Please send us your feedback and comments or the completed contact form at the end of this Report, to the following address:

Mrs. Kallirroi Gogou

✉ gogou@theon.gr

Mr. Nikos Malesiotis

✉ malesiotis@theon.gr



GRI content Index

GRI 1: Foundation	
GRI 1: Foundation statement of use	The information provided in this Report reflects the activities of THEON SENSORS as of 31 December 2022 and presents the economic, environmental and social performance of the Company. The Report is prepared in accordance with the Universal GRI Standards 2021.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No applicable GRI Sector Standard

GRI 2: General Disclosures 2021			
GRI Standards	Disclosure	Reference	Reason for omission
1. The organization and its reporting practices			
2-1	Organizational details	THEON SENSORS Single Member Commercial & Industrial Societe Anonyme Ioannou Metaxa 57, Kropia	
2-2	Entities included in the organization's sustainability reporting	p. 72	
2-3	Reporting period, frequency and contact point	1/1/2022-12/31/2022	
2-4	Restatements of information	This is the first Sustainability Report of the Company, so there are no restatements of information.	
2-5	External assurance	The data in this Report has not been externally verified by an independent third party.	

GRI 2: General Disclosures 2021			
GRI Standards	Disclosure	Reference	Reason for omission
2. Activities and workers			
2-6	Activities, value chain and other business relationships	p. 10-11, 12, 18-20, 21	
2-7	Employees	p. 38-55	
2-8	Workers who are not employees	p. 38-55	
3. Governance			
2-9	Governance structure and composition	p. 22-29	
2-10	Nomination and selection of the highest governance body	p. 22-29	
2-11	Chair of the highest governance body	p. 26	
2-12	Role of the highest governance body in overseeing the management of impacts	p. 26	
2-13	Delegation of responsibility for managing impacts	p. 26	
2-14	Role of the highest governance body in sustainability reporting	p. 24-26	
2-15	Conflicts of interest	p. 27	
2-16	Communication of critical concerns	p. 26	
2-17	Collective knowledge of the highest governance body	p. 26	
2-18	Evaluation of the performance of the highest governance body	p.26	
2-19	Remuneration policies		The information is not available.
2-20	Process to determine remuneration		
2-21	Annual total compensation ratio		The information is not available due to confidentiality reasons.

GRI 2: General Disclosures 2021			
GRI Standards	Disclosure	Reference	Reason for omission
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy	p. 5	
2-23	Policy commitments	p. 58	
2-24	Embedding policy commitments	p. 58	
2-25	Processes to remediate negative impacts	pp. 36-37, 54-55	
2-26	Mechanisms for seeking advice and raising concerns	pp. 24-25	
2-27	Compliance with laws and regulations	pp. 24-25, 27	
2-28	Membership associations	<ul style="list-style-type: none"> ✓ Hellenic Aerospace Security & Defense Industries Group (HASDIG) ✓ Hellenic Emerging Technologies Industry Association (HETiA) ✓ Hellenic Association of Space Industry ✓ Hellenic Photonics Cluster (HPhos) 	
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	pp. 34-35	
2-30	Collective bargaining agreements	100% of employees are covered by the National Collective Labour Agreement	

GRI 3: Material Topics 2021			
GRI Standards	Disclosure	Reference	Reason for omission
GRI 3: Material Topics 2021	3-1 Process to determine material topics	pp. 36-37	
	3-2 List of material topics	p. 37	
	3-3 Management of material topics	pp. 34-35, 36-37	
Export and customs control			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 10-11, 28, 36-37	
THEON SENSORS Indicator	Export and customs control framework	p. 28	
Product safety and quality			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 5, 10-11, 15-17, 36-37	
THEON SENSORS Indicator	Number of quality certifications	p.17	
Supply chain management			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 21, 28, 34-35, 36-37	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	p. 21	
Data privacy and cybersecurity			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 27, 34-35, 36-37	
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the reporting period (2022), no incidents of violations or data forgery occurred / were recorded.	

GRI 3: Material Topics 2021			
GRI Standards	Disclosure	Reference	Reason for omission
Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 5, 34-35, 36-37, 52, 54-55	
GRI 403: Occupational Health and Safety	403-1 Health and safety management system	pp. 54-55	
	403-2 Hazard identification, risk assessment, and incident investigation	pp. 54-55	
	403-5 Worker training on occupational health and safety	p. 55	
	403-9 Work-related injuries	p. 55	
Research and development			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 5, 12, 15-17, 34-35, 36-37,	
THEON SENSORS Indicator	Design & Development (D&D)	pp. 15-16	
Compliance & Anti-Corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 23, 27, 34-35, 36-37	
GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	There were no recorded incidents of corruption during the reporting period.	
Business Ethics			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 27, 34-35, 36-37,	
THEON SENSORS Indicator	Ensuring business ethics	p. 27	

GRI 3: Material Topics 2021			
GRI Standards	Disclosure	Reference	Reason for omission
Responsible Energy Management (Energy Consumption & Reduction)			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 33, 34-35, 36-37, 56-61,	
GRI 302: Energy	302-1 Energy consumption within the organization	p. 59	
	302-4 Reduction of energy consumption	p. 58	
Waste management and recycling			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 33, 36-37, 57, 60	
GRI 306: Waste	306-3 Waste generated	p. 60	
Training and development			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 5, 32, 34-35, 36-37, 39, 44, 46-47, 55, 61	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	p. 47	
	404-2 Programs for upgrading employee skills and transition assistance programs	pp. 46, 55	
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 45	
Employee well-being			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 32, 34-35, 36-37, 40, 52-53	
THEON SENSORS Indicator	Actions about employees' well-being	pp. 52-53	

