Annual Report
2020

www.frigoglass.com

Contents

Strategic Report

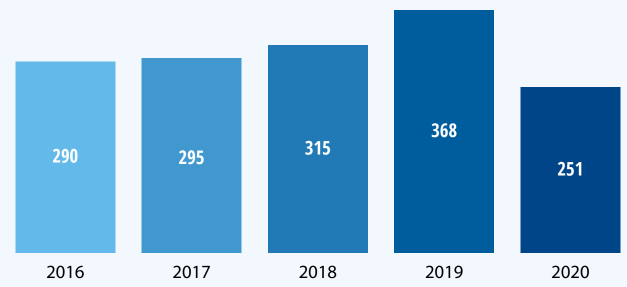
We are one of the global leaders
in the Commercial Refrigeration market
with long-standing relationships
with global beverage brands

We create value for our customers
by building on our position
as the principal supplier of glass containers
and complementary packaging solutions in West Africa

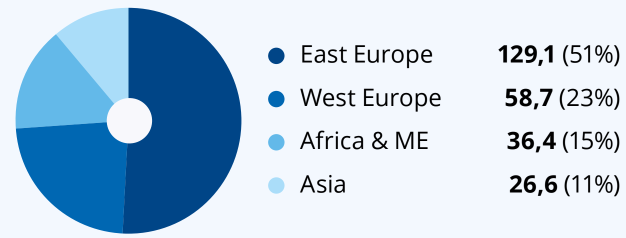
Commercial Refrigeration

We manufacture and sell beverage coolers and provide integrated after-sales customer service for our products and a range of cold-drink equipment through our unique and innovative platform Frigoserve. Our beverage coolers are strategic merchandizing tools for our customers, serving not only to chill their products, but also as a retail space that encourages immediate consumption of our customers' products, enhance their brands, enabling increased market penetration and driving their profitability. We also support our customers in achieving their sustainability goals and reducing their carbon emissions across their value chain through innovative, highly-energy efficient cooler solutions, which consume substantially less electricity than conventional coolers.

Sales evolution 2016-2020 (€m)



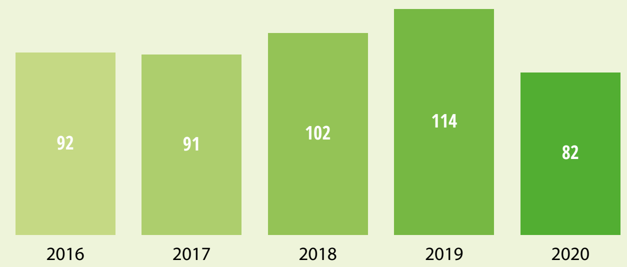
2020 sales brakedown by georgraphy (€m)



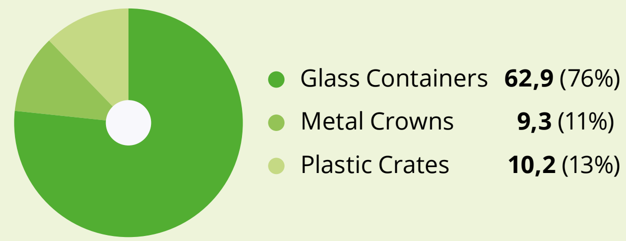
Glass

We are the only glass container producer in Nigeria with multiple furnaces, which enable us to produce all three colors of glass containers concurrently and in separate facilities without risk of contamination. In addition, following a scheduled rebuild, we are also increasing our capacity by 35,000 tons per year at our Guinea facility, located in Agbara, Ogun state. The furnace rebuild is expected to be completed in June 2021 and would enable us to produce lightweight, non-returnable glass bottles using Narrow Neck Press and Blow ("NNPB") technology.

Sales evolution 2016-2020 (€m)



2020 sales brakedown by operation (€m)



Our business

Commercial Refrigeration Europe

Production plants and sales offices

- Russia
- Romania

Sales and service offices

- Greece
- Germany
- Norway
- Poland
- Hungary
- Cyprus
- Switzerland

Commercial Refrigeration Asia & Africa

Production plants and sales offices

- India
- Indonesia
- South Africa

Sales and service offices

- Kenya
- Nigeria

Glass

Production plants[1] and sales offices

- Nigeria

[1] We operate two glass plants (with a total of three furnaces), two plastic crates facilities (for returnable glass bottles) and one metal crowns plant.

Letter to our stakeholders

The past year was extraordinary as COVID-19 pandemic presented unprecedented challenges for our employees, our businesses and communities. Despite the hindrances, our people rose to the occasion.

We are grateful with the agility that our teams responded to the rapidly changing environment and the commitment exhibited to serve our customers. We are also deeply grateful to our customers and suppliers for their continuous support in a tough market environment.

Equally, we extend our deepest sympathies to everyone who has been affected by COVID-19 and express our immense gratitude to healthcare workers who have worked tirelessly to help keep our communities safe. Our thoughts remain with all those who have suffered from the effects of the pandemic and we will continue our efforts to support our communities during this difficult time.

Our response to COVID-19 challenges

Safeguarding our teams has been our number one priority. Most of our office-based employees continue to work remotely through our constantly improving digital workplace capabilities. We have also increased the pace of internal communications, also through separately held virtual meetings, and overall support from our Human Resources function.

Securing business continuity has been a key focus area due to the varying measures adopted by governments in different parts of the world. Across our manufacturing sites, we have managed to limit interruptions to the minimum, maintaining a seamless execution of our customers' orders.

Actions were also taken in the early phase of the pandemic, to secure a full operational and efficient supply chain, with very few exceptions during the second quarter of the year. Importantly, this strong focus allowed us to continue supplying customers with coolers, as well as glass containers and our complementary offerings.

Finally, we pro-actively took measures to mitigate the impact on our financials, focusing on achieving benefits both in the short and long term. We rightsized our production to reduce costs with the highest savings achieved in our plants in Romania and Russia.

We have also taken several initiatives to reduce our fixed operating expenses base, primarily through organizational changes implemented early in the crisis and by evaluating other less essential expenses. Strict prioritization of capital spending to essential projects, aiming at achieving improved cost efficiency and initiatives to improve working capital, supported our cash flow generation this year.

Strong progress against our key priorities

Although 2020 proved to be a very challenging year, we have made strong progress on our key strategic priorities. We focused on the successful execution of our coolers commercial strategy. In 2020, we gained market share with key customers in Asia and Europe, as well as enhanced our customer base in the low and medium priced market segment in Europe and Africa.

Strong progress was also made on new product developments. Our innovation pipeline includes the launch of ICOOL II and the expansion of PLUS and MAX ranges. All new products are targeting all price segments of the market and will support the post pandemic recovery phase in Europe. In Asia, we are also launching new products to strengthen our market position and expand our customer base.

We also expanded Frigoserve's geographical reach to Africa. In addition, our strategic move to enter Switzerland in early 2021 will enable us to consolidate our presence in central Europe in the upcoming years.

On the sustainability front, we won for the fourth year in a row a distinctive rating from EcoVadis, a leading CSR rating agency. Last October, the agency upgraded our rating from Gold to Platinum. This recognition is highly valued by our stakeholders.

In Glass operations, during the second half of the year, we saw good volume growth in our complementary metal crowns offering, supported by commercial initiatives to enhance our customer base. Pricing initiatives throughout the year partly offset the impact from Nigeria's Naira devaluation.

Improving our cost efficiency last year was critical to mitigate the impact from the pandemic. Downsizing our production and reducing our operating expenses defended our operating profitability. Ongoing product standardization through extensive diagnostic phases and component outsourcing projects, together with procurement related initiatives, improved manufacturing efficiencies and set the base for further savings this year.

In an organization with a pro-active cash management mindset, we have also made good progress on improving our liquidity. Following the successful refinancing early last year through the issuance of the €260 million of Senior Secured Notes, we extended the bulk of our debt maturities to 2025. Initiatives to maximise the utilisation of existing stocks and reduce the need for new material purchases resulted in the reduction of inventory last year, supporting cash generation from working capital.

2020 financial performance

Evidently, the effects of COVID-19 had a significant impact on our performance. Orders in the Commercial Refrigeration business were significantly reduced after the adoption of strict measures by local authorities to contain the impact of the virus in several of

our markets, primary during the second quarter. The restrictive measures during the periods of lockdown resulted in a material slowdown of beverage consumption in the on-trade channels, where cooler investments mainly take place. In Glass operations, social distancing and the temporary suspension of production of some of our key customers during the first lockdown in late March also resulted in lower year-on-year orders for glass containers and our complementary offerings.

As a result, our sales declined by 31%, with trends improving in the third and fourth quarter, compared to the highly impacted second quarter of the year, primarily driven by the gradual reopening of outlets in the on-trade channels during the third quarter following the gradual lift of governments' measures. Similarly, EBITDA declined by 43% as a result of low production cost absorption, high idle cost and the adverse impact from currency movements, more than offsetting our cost mitigation initiatives implemented throughout the year.

Despite the challenges, we generated adjusted free cash flow of €18 million, supported by initiatives to improve working capital and our pre-emptive measures to strengthen our liquidity position by strictly prioritizing capital spending.

Our Board

Boards must reflect an appropriate mix of skills, experience and diversity. We continue to rejuvenate our Board to best execute our long term strategic goals. As part of that continuous renewal, there were several non-executive director changes in 2020 and 2021. In December 2020, Mr. Filippos Kosteletos and Dr. Zulikat Wuraola Abiola joined the Board, replacing Messrs. Evangelos Kalousis and Jeremy Jensen that steeped down. In February 2021, Mrs. Kathleen Verelst was appointed non-executive member of the Board, replacing the resigned non-executive member, Mr. Loukas Komis. Let us take this opportunity to thank Loukas Komis, Evangelos Kalousis and Jeremy Jensen for their years of service and their valuable contribution to the Board.

Following these changes, we believe that our Board is well diverse, combining members with international experience, background, independence, knowledge and skills to effectively execute its responsibilities.

During 2020, we remained firm in assuring continuity in the Board's proceedings. All regularly scheduled meetings, including those of the Board's committees, were performed as planned, combining both physical presence when allowed early in the year and virtual meetings.

Looking ahead

Our performance continues to be impacted by the COVID-19 disruptions. Great uncertainty is still apparent on the length of the pandemic and the pace and scale of the economic recovery, despite the various governmental measures and the increasing vaccination rates that makes us optimistic about 2021. This year, our business will be also challenged by the collateral damages caused by the fire incident in our commercial refrigeration manufacturing facility in Romania. We are grateful that there were no casualties during this unfortunate incident.

While ambiguity remains in the market, our fundamental strengths position us well to capture the potential recovery in our markets. We have a strong brand name, a diverse geographic footprint, a product portfolio and talented skillful teams that keeps us in the forefront in terms of innovation in our industry.

Most importantly, we have the winning culture, ownership and long term mindset to overcome the challenges. We will continue to drive performance through our fundamental strengths and our strong customer-centric orientation.

On behalf of the Board, we would like to thank all our stakeholders for their unwavering support.

Haralambos (Harry) G. David
Chairman of the Board

Nikos Mamoulis
Chief Executive Officer

Haralambos (Harry) G. David
Chairman of the Board

Nikos Mamoulis
Chief Executive Officer

2020 financial highlights

Sales (€m)

333.2

2019: **482.3**

250,8
82,4

368,4
113,9

EBITDA[1] (€m)

42.2

2019: **74.1**

21,2
21,0

39,0
35,0

EBITDA[1] margin (%)

12.7%

2019: **15.4%**

8,5%
25,4%

10,6%
30,7%

EBIT (€m)

20.9

2019: **50.1**

7,6
13,3

23,8
26,3

EBIT margin (%)

6.3%

2019: **10.4%**

3,0%
16,2%

6,5%
23,1%

Net Profit (€m)

-15.8

2019: **5.6**

-28,7
12,9

-7,5
13,1

Adjusted FCF[1] (€m)

18.0

2019: **21.3**

Capex[1] (€m)

14.1

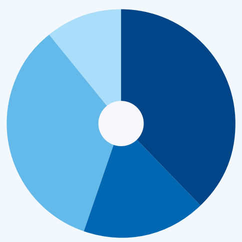
2019: **30.5**

5,9
8,2

9,2
21,3

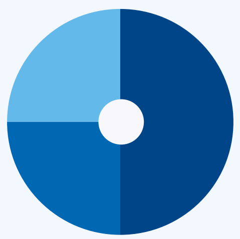
Commercial Refrigeration | Glass

2020 Group sales by geography



East Europe	**129,1** (39%)
West Europe	**58,7** (18%)
Africa & ME	**118,9** (35%)
Asia	**26,6** (11%)

2020 Group sales by customer group



Coca-Cola	**167,3** (50%)
Breweries	**84,4** (25%)
All other	**81,6** (25%)

[1] For details on APMs, refer to 'Alternative performance measures' section

Our response to COVID-19 challenges

1

Safeguarding our teams

#1 priority health & safety
Improved digital capabilities
Regular internal communications and HR support

2

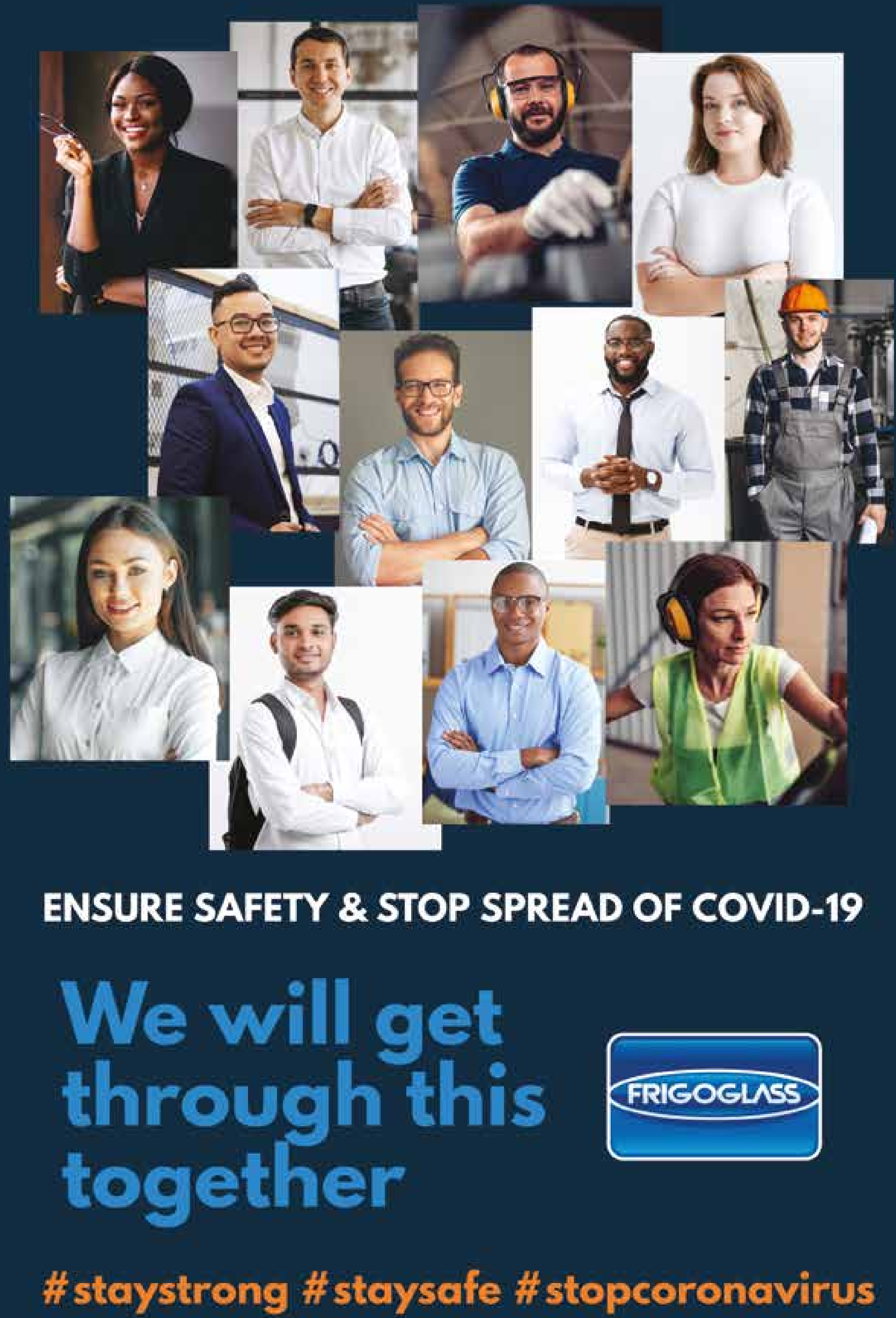
Business continuity

Minimal production interruptions
Operational supply chain
Continued customer support

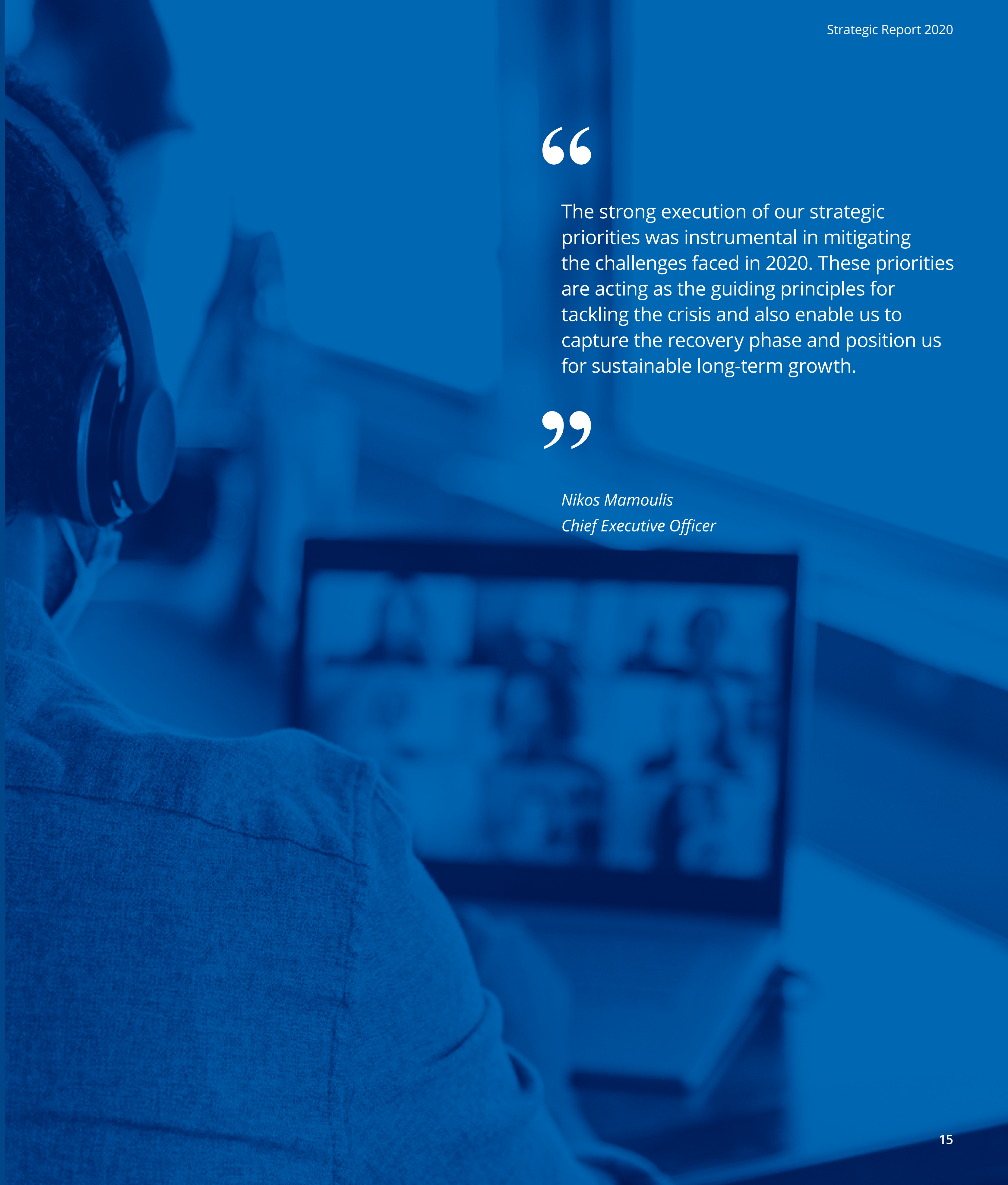
3

Proactive cost mitigation

Production down-sizing
Non-essential expenses reduction
Capex reduction
Working capital improvement initiatives



Our strategic priorities



> "The strong execution of our strategic priorities was instrumental in mitigating the challenges faced in 2020. These priorities are acting as the guiding principles for tackling the crisis and also enable us to capture the recovery phase and position us for sustainable long-term growth."

Nikos Mamoulis
Chief Executive Officer

Customer focus

Commercial Refrigeration

The year started strongly across all our geographies and customer groups. Solid orders and high capacity utilization rates were demonstrating the effectiveness of our commercial refrigeration solutions and the strong execution of our customer centric business model.

As of late March, the impact of COVID-19 significantly disrupted the execution plans of our clients. With the HoReCa industry being severely hit by the pandemic, our customers switched their market activation initiatives almost completely to the retail channel. Our commercial and supply chain teams effectively managed to support our customers with on time deliveries, in this highly volatile market environment.

Despite the challenges, 2020 proved to be an exceptional year in terms of successful execution and customer satisfaction.

We continued to innovate and develop products and solutions that will meet the customer and market demand in the upcoming years. In 2021, we focus on introducing market leading innovations that will be a key success factor for our customers in the post pandemic era.

Glass

We continued working closely with the leading brands of West Africa, to support their rapidly evolving needs during the pandemic. 2020 was materially impacted by COVID-19 with glass containers' sales significantly lower compared to last year and export markets even more heavily impacted after recovering somewhat in 2019.

While the furnace capacity expansion project in Agbara was ready to kick-off in March 2020, it was postponed due to the pandemic. In this environment, it was prudent to switch two of our furnaces into streaming mode due to COVID-19 related restrictive measures and the anticipated reduction in demand, driven by capital investment freezes from all of the large brewers which saw sales in the Beer segment significantly declining in terms of volume. The project is expected to be completed in June 2021. This €28.5 million investment will pioneer NNPB technology for the first time in West Africa, enabling lightweight glass container production to support our customer's growing needs for packaging suited for modern trade in addition to considerably increasing capacity by 35,000 tons per year.

On a positive note we saw the start-up of the new state of the art GB Foods filling plant producing well-known brands such as Bama and Jago mayonnaise. Despite significant logistical challenges to receive moulds for production, we were able to commence supply during lockdown. At the tail end of the year, Nigerian Breweries launched a new global brand and a new beer segment into the market with Desperados in a returnable 45cl glass bottle.

Our plastic crates operation was also impacted by lower capital spending in the Beer segment, while Crowns operations saw market share gains in a very tough market environment.

Despite all of the pandemic related challenges we faced in Glass container operations, such as staff being unable to access the plants due to mobility restrictions, we achieved one notable success in 2020, the use of more than 65% cullet in the production of green bottles, thanks to a concerted effort to secure additional cullet from multiple sources. There remains a lot of work to do to increase the availability of cullet for flint and amber bottles in particular, but the double digit increase in green cullet usage last year is a significant step towards our goal of achieving 50% average recycled content across all three glass colours by 2025. We also made modifications to our packaging specifications to enhance our customer experience, enabling us to maintain glass weight savings, but still ensuring safe product transportation.

Innovation leader

Development update

In 2020, we focused development resources on various mid- to long-term projects, including ones related to the COVID-19 pandemic.

On the new products, following the Design for Manufacture and Assembly (DFMA) methodology, we aimed at increasing manufacturing automation during assembly process on the final phase of the production line. This allows for better modularity and parts standardization, therefore more streamlined sourcing, less transport-related emissions and faster response time.

A number of new features were also designed and registered under intellectual property rights to secure our competitive advantage in the segments of energy consumption, serviceability and business expansion into new sales channels. Energy labelling for all commercial refrigerators introduced in March 2021, presenting our low energy consuming products directly to the end consumer. In the coming years technology advancement at competitive cost will help us reach top energy rating levels.

Our innovation pipeline was enhanced to capture the pandemic related needs. We launched options in order for consumers to be able to enjoy cold drinks without the risk of being infected, applying touchless solutions for door openings and payments. We expect such features, combined with Internet of Things (IoT) solutions, to be applicable in the market also in the post COVID-19 era.

Market penetration

2020 has been a challenging year across all industries due to COVID-19.

Our customers have been challenged by the beverage consumption slowdown driven by the closure of the HoReCa channels where the majority of our commercial refrigeration equipment is being deployed.

Despite the challenges, we continued to strengthen our cooperation by effectively supporting our customers in their market activation initiatives, successfully executing our innovation pipeline.

In Europe, we have introduced a new product range that will offer significant commercial and sustainability benefits to our clients. We have also renewed and expanded our consumer product range.

In India, we have continued to penetrate the evolving white market successfully promoting our locally produced solutions.

Greener product portfolio

Our recently launched EasyReach Express 2.0, an open-front cooler characterized by modern, sophisticated looks, achieves a 35% reduction of energy consumption compared to its predecessor. The specific product offering uses environmentally friendly HC refrigerant and not only complies with the upcoming energy regulations but also enables our customers meet their ambitious sustainability goals.

Demand for EasyReach Express 2.0 is expected to pick-up when market conditions normalize.

Research & development

In 2020, we maintained the ISO17025 quality system of our labs as well as the Safety Accreditations of our Strategic Customers and third parties, securing their status as internationally recognized independent labs.

We also doubled our testing capacity of our hub in Russia, with significant investments in equipment and infrastructures, completing the ISO17025 Quality System. The objective is to be able to test new configurations locally, avoiding transportation of samples to external labs, thus reducing time to commercialization and outbound freight, consequently total emissions.

Connectivity expansion

Our connectivity solutions have become an integral part of our product offering. We provide connectivity capabilities and digital services, while enhancing technical excellence.

In 2020, about 40% of our sales included IoT enabled coolers, a rate that is expected to significantly increase in the years to come.

Frigoserve

Thanks to the commitment, ingenuity and hard work of our people, in 2020 we delivered a resilient performance in what was an extremely challenging year, grasping every opportunity to grow our business activity.

Our main focus is our people. We took all necessary measures to protect our teams against COVID-19 infections, operating either in the office or in the market. Continuous trainings and audit assessments enabled us to achieve a solid performance, serving our customers without any interruptions.

We maintained the existing business and successfully expanded into new geographies and sectors. Our customer centric approach resulted in the successful entrance into the Coffee services business, capitalizing on our deep knowledge and expertise in Europe. Our strong focus on enhancing our offering with Draught services for Brewery customers also supported our top-line development this year.

Within this volatile environment, we established a well-performing organization in South Africa, we grew our customer base and market share in Russia and secured a new contract in Switzerland that will support our effort to consolidate our presence in West Europe in the upcoming years.

Committed to our cost leadership journey, we implemented several productivity improvement initiatives and focusing on business sustainability, as well as set the base for further operational and financial efficiencies.

A major investment in 2020 was the remote support and training through Augmented Reality technology. The launch of this tool allowed us to be closer to our customers and technicians even from distance as well as enabled us to support customers and protect Frigoglass people by reducing travelling needs. This investment is expected to bring in several productivity benefits.

We continue to invest in our Spare Parts software, enjoying already the benefits of improved efficiency and increased customer satisfaction. The first phase of our Spare Parts outsourcing warehousing plan was finalized successfully resulting in less administration work streams, as well as lower complexity and associated cost. We have initiated already the second phase, aiming to operate one main Spare Parts warehouse in Europe that is expected to be completed in 2021. Out of this initiative we anticipate to improve our cost and working capital efficiency.

Our main priority in 2021 and beyond, is to enhance our customer base by utilizing our existing infrastructure and continue our inorganic expansionary plans in new geographies. We are still in a growth phase and have ample opportunities to tap by leveraging on our extensive commercial refrigeration sales network. Balancing start-up related costs through identified cost reduction and efficiency improvement initiatives remains amongst our top priorities this year.

Frigoserve's presence

Quality first

Striving to provide increased quality
of product and services to our customers

Improved quality metrics

Good progress was made in 2020 thanks to a robust Quality approach across the entire value chain.

All metrics related to Frigoserve have improved by 45%, compared to 2019, demonstrating the quality of the relationship with our strategic partners.

With over 99% level of conformity, the quality of materials procured from suppliers had a significant impact on Quality, resulting in a much-improved overall situation at the earliest stages of our manufacturing process. As an example, line rejection metric that captures defective parts found on the shop floor has improved by 62% versus 2019, while already at an excellent level.

Similarly, we saw a 34% improvement in Final Product Audit (FPA), reflecting our strong focus to deliver high-quality products to our customers. In addition, with a First Time Fix Rate of 98%, Frigoserve has achieved a high score when it comes to support our customers in maintaining any of our product wherever they are placed.

System certifications in 2020

In 2020, the Head-Office, the Greek service related operations, all plants and product development labs maintained their certifications.

The transition from OHSAS18001 to ISO45001 was successfully completed in 2020 for the Head-Office, whereas for the rest of our operations the transition was postponed to 2021 due to COVID-19. Early in 2021, our plants in Romania and South Africa upgraded their systems.

Following the issuance of Russia's product development lab certification under the ISO17025 Standard in 2020, all Group's labs are now certified for their technical competence on testing and calibration procedures.

Cost leadership

2020 was a year where our Cost Leadership initiatives were swiftly re-oriented to manage the post-COVID business environment, while continuing on the right track to develop the longer-term cost efficiency initiatives launched in the previous years.

Agile rightsizing

In an effort to maintain our significantly enhanced cost efficiencies achieved over the recent years, we quickly reviewed the production capacities and operational cost structure of our larger manufacturing entities, proceeding with a right-sizing action plan in the first half of the year - soon after the COVID-19 pandemic started affecting our business.

In Romania, Russia and India, we scaled-back our Direct Production labour force but still maintained our core production expertise in place in anticipation of a market rebound and ramp-up of the post COVID-19 season. In South Africa, we shifted our fixed production cost structure from a permanent to a flexible one in the second half of the year, enabling our plant to react to the expected market volatility with high cost efficiency as a primary objective. Furthermore, we implemented fixed operational cost right-sizing actions with a special focus on our European operation overheads.

This agile right-sizing succeeded in limiting the negative impact on production cost/unit from an initial expectation of about 30% at the beginning of the pandemic by almost half, to 16% by the third quarter of 2020.

Continuous improvement in digital manufacturing

Despite the COVID-19 challenges, our key priority to digitalize shop floor activities continued unabated. We successfully completed the first phase of a state-of-the-art Manufacturing Execution System (MES) in our Russian plant. Our Engineering, Production and IT teams worked to connect the production equipment with an online monitoring system, which is able to follow uptime performance, stoppage reasons and output KPIs in a continuous manner and automatically alert Plant Management in case of deviations from performance targets.

Our Continuous Improvement (CI) teams used this information to execute focused Lean projects where double-digit improvement opportunities were discovered - and firmly grasped. One of the key factors to make this possible was the participation of all our plant Managers to a Lean Champion training course, designed to enhance their role in selecting, defining and prioritizing Lean Projects in their Organizations. The Lean teams completed more than 20 projects, significantly supporting our cost reduction initiatives in 2020.

Efficiency

Using the significant lessons and experience acquired through the implementation of Design for Manufacture and Assembly (DFMA™) methodology, introduced in 2018 and applied in 2019 in existing products, our Product Development Teams embarked on a new development campaign in 2020 to design the new ranges of coolers for our European customers. Our trend-setting new products were designed not only to fulfill the customer's needs, but also to reduce assembly parts in order to reduce production costs.

Procurement cost control

In 2020, we focused on continuing our long-term partnerships with key strategic suppliers, while at the same time closely monitoring operational procurement activities, in a joint effort with our plants, to secure competitive raw material availability.

Throughout the first quarter, there was strong demand for our products. In an effort to secure raw materials availability, achieve shorter lead times and ensure high quality in both products and services, a significant amount of high volume orders were placed with our global strategic suppliers.

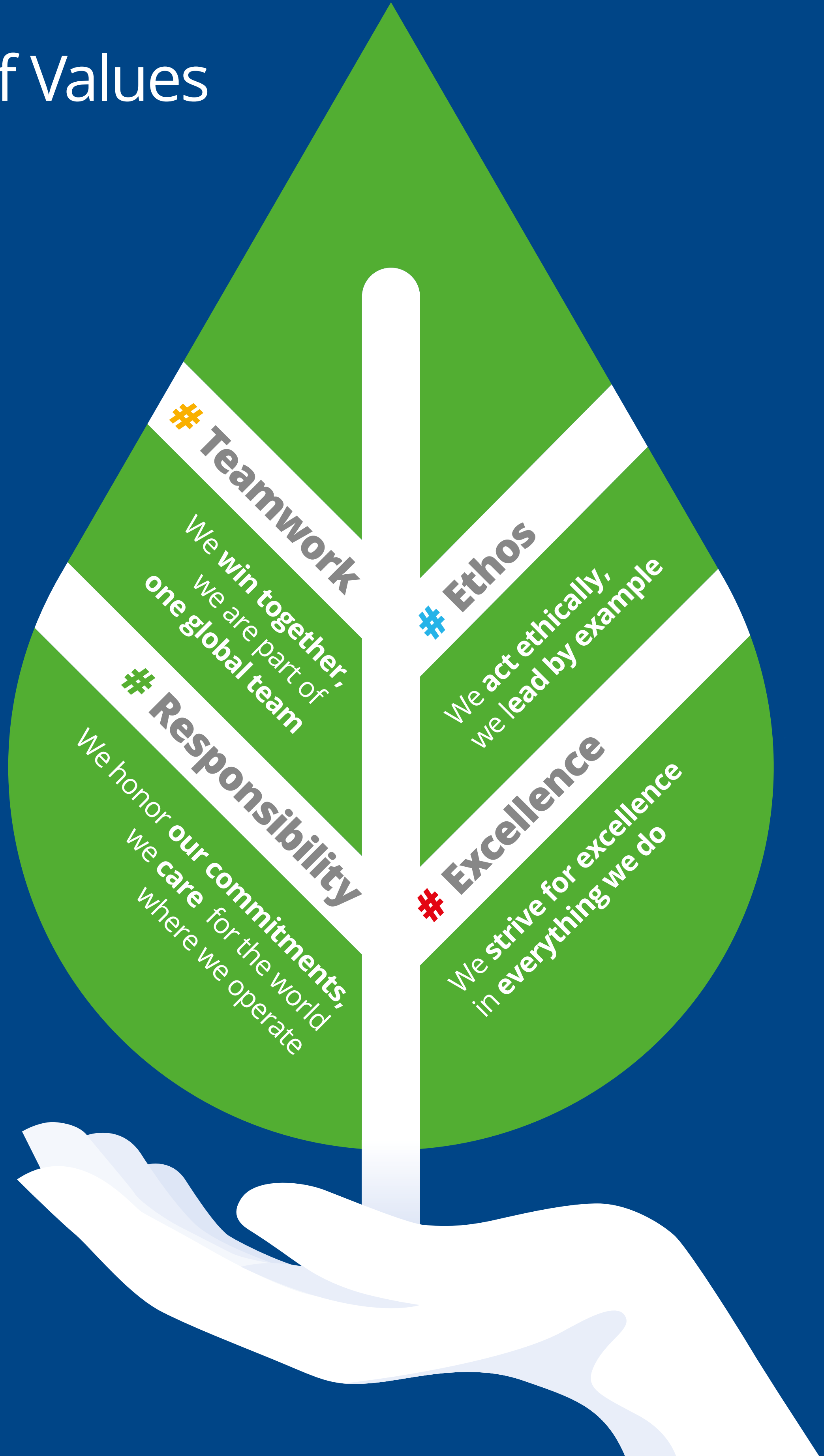
However, due to the COVID-19 pandemic and its consequences, our customers cancelled a substantial part of their cooler orders, leading us to subsequent open order cancellations.

Our suppliers responded as real partners to our raw materials cancelation initiative. They accepted a substantial volume reduction of all open orders while deliveries for the remaining ones were extended into the fourth quarter of 2020. Our suppliers also accepted the extension of their payment terms so we can mitigate the financial burden caused by our customers cancelled orders.

Furthermore, due to already executed orders and goods in transit, inventory levels increased. Inventory reduction was prioritized, cross-plant stock transfers were utilized and all new order placements were tightly monitored and controlled.

From October onwards, we experienced the unforeseen challenge of increased commodity pricing, primarily initiated by the announcement of the COVID-19 vaccines availability and its implied global demand increase expectations. Nevertheless, we have identified savings to partially offset the impact from escalating commodity pricing.

Tree of Values



Winning organization

At Frigoglass, we know that our success as an organization depends on our people. We are proud of our culture and the positive contribution our people make to the world in which we operate. Our TREE of Values "Teamwork, Responsibility, Ethos, Excellence" guides all aspects of our business actions, from decision making, to the way we interact with our colleagues, customers and suppliers.

In 2020, in the midst of COVID-19, we focused on securing the well-being, health and safety of our employees, on ensuring business continuity and steering the company successfully through this unprecedented crisis.

We worked closely with our operations and partnered with the business to develop solutions that were responsive to organizational needs, increase business effectiveness and sustain a culture of high-performance and ongoing development.

COVID-19 pandemic

Responding quickly and effectively to challenges is part of our DNA as a company. Since the beginning of the COVID-19 pandemic we had adjusted our operations to address the situation at hand. We focused on the continuous evaluation of the situation and the transparent communication to our employees. We implemented comprehensive hygiene standards across all our locations and provided our employees with clear guidance about the measures they should take - increased disinfection, distancing, use of masks etc.

We quickly facilitated remote working and supported employees in setting up a suitable workplace at home. In addition, we scaled up internal communications and online interaction with employees.

We are concentrated on defining the "new normal" and we will be looking to retain some of the practices we have implemented during the crisis, as they can help us to accelerate the delivery of our business goals

Performance dialogue

Our performance management philosophy is designed to be employee-centric and give our people the tools to own their careers, understand what's expected of them and to grow. In 2020, our employees had the opportunity to align individual with organizational goals and support growth and development through continuous performance dialogue and feedback. The majority of these conversations were held remotely. The dialogues were meaningful and focused on empowering employees rather than just rating them.

Learning and development

In 2020, we offered to our employees a wide range of learning and development opportunities. These include online learning resources and interactive learning experiences that are designed to increase the personal and professional effectiveness. Our e-learning platform, Frigoglass Academy, offers world-class programs, covering a wide range of topics.

Diversity and inclusion

We strongly believe that diversity and inclusion are key to the success of our company. Across our operations, we focus on attracting, developing, and engaging people with different experiences, thinking and ideas. By embracing an inclusive culture, we build a team of people who bring their differences to work in order to deliver growth and build a winning organization.

Sustainability

We are proud that Sustainability is deeply embedded in our culture and well incorporated across our business activities. Working closely with our people, customers and partners, as well as innovating in ways that serve our business and secure a sustainable future remains among our key priorities. In 2020, we made progress in all our sustainability pillars and ambitious commitments.

Sustainability strategy

Frigoglass approach is based on four sustainability and responsibility pillars, which are essential to the business and our stakeholders.

Marketplace

Quality and innovation are two important drivers in our sustainability strategy.

Frigoglass aims to create value for its business and customers by developing high quality, reliable products and services, continuously enhancing their efficiency, whilst following fair business practices and ensuring regulatory compliance with applicable laws in all areas of our operation.

Environment

Frigoglass creates value by recognizing and reducing its products' impact on the environment. In our operations, we measure performance through regularly monitoring the environmental impact of our products and undertaking actions to improve the efficiency of materials' use.

Workplace

Our people are our greatest asset. Engaging and developing our people for the long term is our firm objective. We are therefore strongly committed to attracting, developing and retaining the best people to successfully support our business strategy, whilst providing them a safe and inclusive working environment.

Community

It is important for us to be a responsible corporate citizen by supporting the local society. We work closely with our community stakeholders to find out how we can achieve greater social impact through our business operations and focus our efforts on creating value for the communities in which we operate.

Thirteen material issues

In 2020, we monitored our performance according to the sustainability guidelines produced by the Global Reporting Initiative (GRI Standards) in combination with UN Sustainable Development Goals (SDGs), ensuring that we stay up to date with global developments on sustainability reporting.

The issues that are material for our organization reflect the wider context of our economic, environmental and social impacts and influence our stakeholders, their decisions and assessment on us.

The materiality analysis provides strategic direction and focus on our sustainability strategy, which highlights business imperatives, monitors results and drives progress.

Our top material issues for 2020 remain as follows:

1. Sustainable product design
2. Regulatory compliance
3. Product energy and material efficiency
4. Economic performance
5. Information security
6. Use of recyclable materials
7. Product lifecycle impact assessment
8. Customer satisfaction
9. Ethical business conduct and culture
10. Product solutions, connectivity and IoT
11. Occupational health and safety
12. Sustainable sourcing and supply chain
13. Inclusion, diversity and equal opportunities.

During the year, we improved our performance across all sustainability pillars: the share of our green coolers was 82% of our total volume; our direct operations implemented various additional measures of improving energy efficiency and reducing environmental impact; our people worldwide were systematically educated through the regular trainings on the "Frigoglass Academy" platform; finally, the local communities in the regions where we operate were supported with targeted programs that improve people's wellbeing and development.

Frigoglass approach, policies and targets, as well as Key Performance Indicators (KPI) associated with each of the above focus areas are presented in detail in the upcoming 2020 Sustainability Report.

Awards & recognitions

Our efforts were highly recognized and valued when we were promoted to the newly introduced Platinum Recognition Level by EcoVadis - a leading CSR rating agency, which is the highest level available within this rating. The award represents the recognition of our responsible business practices in relation to Environment, Labor, Fair Business Practices and Sustainable Procurement, and places us in the top 1% of all suppliers assessed by their global platform.

Besides EcoVadis, our sustainability progress is validated annually by several independent global organizations and programs, such as CDP, which provide reliable and objective assessment.

Going forward, we commit to continue focusing on strategic projects of global impact and delivering on our sustainability goals.

ecovadis

Distinctive sustainability recognition

Dedicated to responsible business

Significant milestone reached for 4th consecutive year

October 2020

"

2020 was an extraordinary year that presented unprecedented challenges in our business, colleagues and communities. I am grateful with the agility that our teams responded to the rapidly changing environment and the commitment exhibited to serve our customers.
I am also grateful to our customers and suppliers for their continuous support in a tough market environment.

"

Nikos Mamoulis
Chief Executive Officer

FINANCIAL REVIEW

Financial review

Income statement

Following a resilient performance in the first quarter, we faced significant operational challenges for the remainder of the year due to the impact of the COVID-19 pandemic. Orders in the Commercial Refrigeration business were severely reduced following the adoption of strict restrictive measures by local authorities to contain the impact of the virus in several of our markets, primary during the second quarter. Severe restrictive measures during the periods of lockdown had a material impact on beverage consumption in the on-trade channels, where cooler investments mainly take place. In Glass, social distancing and the temporary suspension of production of some of our key customers during the first lockdown in late March also resulted in lower year-on-year orders for glass containers and our complementary offerings. Overall, Group sales declined by 30.9% to €333.2 million in 2020, reflecting an improved trend in the third and fourth quarters, compared to the second quarter of the year, primarily driven by the gradual reopening of outlets in the on-trade channels during the third quarter following the gradual lift of governments' measures. Renewed restrictions in the fourth quarter continued to put pressure on our customers' cooler investments, whereas Glass business' sales were supported by easier restrictions in Nigeria.

Commercial Refrigeration sales decreased by 31.9% to €250.8 million, driven by the adoption of COVID-19 measures by governments in most of our markets that resulted in lower cooler investments from key customers.

Glass business sales declined by 27.6% to €82.4 million, reflecting challenging market conditions in Nigeria, primarily influenced by the COVID-19 pandemic, as well as Naira's devaluation. Social distancing measures, including the closure of the on-trade channels, that have been introduced in several States late in March and early April materially impacted beverage consumption and, consequently, demand for glass containers, plastic crates and metal crowns. The temporary suspension of production of main breweries in the country following the lockdowns, also adversely impacted beer consumption. Soft-drinks consumption affected to a lesser extent, as measures were not applied to businesses categorized as essential services. Following the easing of the pandemic related restrictions, beverage consumption in the on-trade channels showed improved trends in the third and fourth quarters. Specifically, in the fourth quarter, our glass containers volumes materially recovered, compared to the previous two quarters.

Gross profit decreased by 40.1% to €59.8 million as a result of lower year-on-year sales. Gross profit margin declined by 280 basis points to 18.0%, driven by the low production cost absorption, high idle cost and the adverse impact from currency movements, largely driven by the Nigerian Naira. These factors outpaced our production related right-sizing initiatives, implemented early in the crisis to contain costs through the reduction of permanent shifts and other production overheads, and lower discounts in the Commercial Refrigeration, as well as, pricing in the glass container business.

Administrative expenses decreased by 34.6% to €16.9 million, driven by lower employee related and travelling expenses, as well as, third-party fees. Selling, distribution and marketing expenses decreased by 15.9% to €19.2 million, primarily due to lower warranty related cost, as well as, employee related and travelling expenses. Development expenses decreased by 24% to €2.9 million, primarily reflecting lower year-on-year employee related and miscellaneous expenses. The operating expenses reduction primarily reflects decisive steps to reduce our fixed base, driven by layoffs initiated at the early phase of the pandemic.

Non-cash impairment charges of €1.9 million in 2020. The impact of the crisis triggered the need for impairment reviews, resulting in an impairment in the Commercial Refrigeration business in South Africa. Non-cash impairment charges of €1.1 million in 2019 relate to the performance of our business in Indonesia.

Net finance cost amounted to €12.4 million, compared to €17.8 million in 2019. Net finance cost was supported by foreign exchange gains primarily caused by the impact of Naira's devaluation on hard currency denominated monetary assets, more than offsetting the higher effective interest cost following the recent issuance of the €260 million Senior Secured Notes due 2025.

The implementation of several cost reduction initiatives resulted in pre-tax restructuring costs of €1.1 million. These exceptional costs were essentially associated with the organizational restructuring executed in the Commercial Refrigeration businesses in Romania and Russia as well as the Group's central functions. In 2019, we incurred pre-tax restructuring costs of €4.8 million related to the discontinuation of our Commercial Refrigeration plant in Greece.

Income tax expense amounted to €16.2 million, compared to €13.9 million in 2019. This increase reflects deferred taxes in 2020 that were primarily related to unrealized foreign exchange gains in Nigeria as well as the recognition of a deferred tax asset in Nigeria in 2019.

Frigoglass reported a net loss of €15.8 million, compared to a net profit of €5.6 million in 2019.

Free cash flow

We generated adjusted free cash flow of €18.0 million in FY 2020, a decline of €3.3 million compared to the prior year, driven by the lower operating profitability and the settlement of accrued expenses. Free cash flow was benefited by a €14.7 million cash inflow from net trade working capital, compared to an outflow of €23.3 million last year as well as pre-emptive measures to improve our liquidity position by strictly prioritising capital spending mostly towards maintenance related projects. The inventory reduction following the low production and our initiatives to maximise the utilisation of existing stocks and reduce the need for new material purchases in the Commercial Refrigeration business, together with the lower trade receivables due to sales decline, supported the cash generation from working capital in the fourth quarter.

Capital expenditure

Capital expenditures reached €14.1 million, of which €11.3 million related to the purchase of property, plant and equipment and €2.8 million related to the purchase of intangible assets, compared to €30.5 million in 2019, of which €25.9 million related to the purchase of property, plant and equipment and €4.6 million related to the purchase of intangible assets. The reduction reflects measures taken during the year to preserve capital resources, maintaining our capability for a swift ramp-up.

Net debt

Adjusted net debt amounted to €255.6 million in December 2020, compared to €235.0 million last year. This increase mainly reflects the higher interest payments following the issuance of the €260 million Senior Secured Notes due 2025 and the associated expenses to the bond issue. At December-end 2020, we recorded an increase in our cash position at €70.2 million, compared to €54.2 million in December 2019. Together with the undrawn credit lines, we maintained a relatively high liquidity position in view of the sustained uncertainty, with cash balance more than sufficient to cover our near-term financing costs and working capital needs.

Consolidated Income Statement

(in € 000's, unless otherwise indicated)	FY 2020	FY 2019
Sales from contracts with customers	333,238	482,337
Cost of goods sold	-273,405	-382,434
Gross profit	59,833	99,903
Administrative expenses	-16,914	-25,869
Selling, distribution and marketing expenses	-19,211	-22,843
Development expenses	-2,853	-3,755
Operating expenses	-38,978	-52,467
Other income/(loss)	2,017	3,750
Impairment of PPE & right-of-use assets	-1,925	-1,088
Operating profit/(Loss)	**20,947**	**50,098**
Finance costs	-12,633	-21,276
Finance income	232	3,504
Net Finance (costs)/income	-12,401	-17,772
Profit before tax and restructuring costs	**8,546**	**32,326**
Restructuring gains/(Losses)	-1,076	-4,843
Profit/(Loss) before tax	**7,470**	**27,483**
Income tax expense	-16,228	-13,883
Profit/(Loss) for the period	**-8,758**	**13,600**
Attributable to:		
Non-controlling Interests	7,040	8,034
Shareholders	-15,798	5,566
Profit/(Loss) for the period	**-8,758**	**13,600**
Depreciation	19,285	22,868
EBITDA	**42,157**	**74,054**
Basic EPS (€)	**-0.04**	**0.02**
Diluted EPS (€)	**-0.04**	**0.02**

The Financial Statements should be read in conjunction with the relevant notes to the complete Financial Statements for the year, which can be found on our website: www.frigoglass.com.

Consolidated Statement of Financial Position

(in € 000's)	31 Dec.2020	31 Dec.2019
Assets		
Property, plant and equipment	106,698	129,439
Right-of-use assets	4,178	5,312
Intangible assets	11,990	11,973
Deferred tax assets	240	2,984
Other long-term assets	366	2,067
Total non-current assets	**123,472**	**151,775**
Inventories	81,164	107,250
Trade receivables	55,115	97,523
Other receivables	21,814	28,791
Current tax assets	2,502	3,880
Cash and cash equivalents	70,243	54,170
Total current assets	**230,838**	**291,614**
Total Assets	**354,310**	**443,389**
Liabilities		
Non-current borrowings	252,655	223,458
Lease liabilities	4,027	3,419
Deferred tax liabilities	15,050	18,149
Retirement benefit obligation	5,145	4,462
Other long term liabilities	2,732	2,327
Provisions	3,975	4,326
Total non-current liabilities	**283,584**	**256,141**
Trade payables	42,180	81,450
Other payables	39,382	59,252
Current tax liabilities	9,559	11,666
Current borrowings	59,702	60,259
Lease liabilities	2,095	2,059
Total current liabilities	**152,918**	**214,686**
Total Liabilities	**436,502**	**470,827**
Equity		
Share capital	35,544	35,544
Share premium	-33,801	-33,801
Other reserves	-37,465	-10,319
Retained earnings	-92,973	-76,264
Attributable to equity holders	**-128,695**	**-84,840**
Non-controlling interest	46,503	57,402
Total equity	**-82,192**	**-27,438**
Total liabilities and equity	**354,310**	**443,389**

Consolidated Cash Flow Statement

(in € 000's)	FY 2020	FY 2019
Operating activities		
Profit/(Loss) for the period	**-8,758**	**13,600**
Adjustments for:		
Income tax expense	16,228	13,883
Depreciation	19,285	22,868
Provisions and stock options	2,111	6,227
Restructuring gains/(losses)	1,076	3,879
Impairment of PPE & right-of-use assets	1,925	1,088
Finance costs, net	12,401	17,772
(Profit)/Loss from disposal of property, plant & equipment	-328	-374
Decrease/(increase) in inventories	15,604	-7,566
Decrease/(increase) in trade receivables	33,034	-18,944
Decrease/(increase) in other receivables	2,497	-1,238
Decrease/(increase) in other long-term receivables	4	-1,136
Decrease)/increase in trade payables	-33,964	3,188
(Decrease)/increase in other liabilities	-17,824	8,303
Retirement benefit obligations paid	-1,099	-5,641
Less:		
Income tax paid	-11,171	-10,800
Net Cash flow from operating activities	**31,021**	**45,109**
Investing activities		
Purchase of property, plant & equipment	-11,298	-25,868
Purchase of intangible assets	-2,805	-4,586
Proceeds from disposal of property, plant & equipment	367	375
Proceeds from disposal of subsidiary	-	2,391
Net cash flow used in investing activities	**-13,736**	**-27,688**
Cash flow from operating & investing activities	**17,285**	**17,421**
Proceeds from borrowings	409,153	126,409
(Repayments) of borrowings	-372,650	-122,979
Interest paid	-16,740	-13,948
Payment of lease liabilities	-2,104	-1,788
Dividends paid to non-controlling interests	-592	-570
Bond issuance cost	-8,594	-
Net cash flow used in financing activities	**8,473**	**-12,876**
Net increase / (decrease) in cash & cash equivalents	**25,758**	**4,545**
Cash & cash equivalents at the beginning of the period	**54,170**	**49,057**
Effects of changes in exchange rate	-9,685	568
Cash & cash equivalents at the end of the period	**70,243**	**54,170**

Commercial Refrigeration Europe

In a challenging year, we gained market share with some of our key customers and enhanced our customer base in the low to medium priced market segment, following our strong focus on improving our customer-centricity.

The range extension of ERE2, Max, Plus and Flex range enabled us to successfully increase our penetration with both existing and new customers. Internet of Things (IoT) continues to play an important role for our customers, were we offer individual solution to meet our customer requirements. Currently, we have placed more than 600.000 connected coolers across the region.

The sustained pressure in beverage consumption in the on-trade channels caused by the varying degree of restrictive measures across our markets drove order development in the year. Nonetheless, we saw a sequential improvement in our customers' cooler investments in the fourth quarter, compared to the third quarter and the heavily impacted second quarter.

East Europe

Sales in East Europe declined by 31%, driven by customers' lower year-on-year cooler investments in Russia, Poland and Romania, largely in the second quarter of the year.

West Europe

In West Europe, sales declined by 37%, driven by lower orders across almost all countries. Sales in Italy returned to growth in the second half, whereas Spain and Greece showed a significant improvement in trends compared to the first half of the year.

Sales (€m)

East Europe

129.1

2019: **187.3**

West Europe

58.7

2019: **92.9**

Commercial Refrigeration Africa and Middle East

Thanks to our unique cooler asset management and aftersales service, we managed to win a new partnership in South Africa.

Our sales in Africa and Middle East declined by 30% year-on-year, following a significant deterioration in the second quarter due to lockdown in South Africa. Strict lockdown measures and multiple alcohol bans imposed by government in South Africa led to a significant decline of cooler investments from the beverage company in the market. Sales in Nigeria returned to growth in the second half, while sales in South Africa were weak despite the incremental revenue stream from Frigoserve's customer base expansion. Our sales in the region were also impacted by the weaker Nigerian Naira and South African Rand.

Despite the challenges, we successfully launched our new full-glass door cooler range across the region, where also Solar and Hybrid coolers continue to play an important role in areas with less stable electricity supply.

Sales (€m)

Africa & Middle East

36.4

2019: **52.2**

Commercial Refrigeration Asia

Following strong growth momentum in the first quarter, sales in Asia declined by 26% in 2020. Our Asia business was materially impacted by the strict lockdown in India, primarily during the second quarter of 2020.

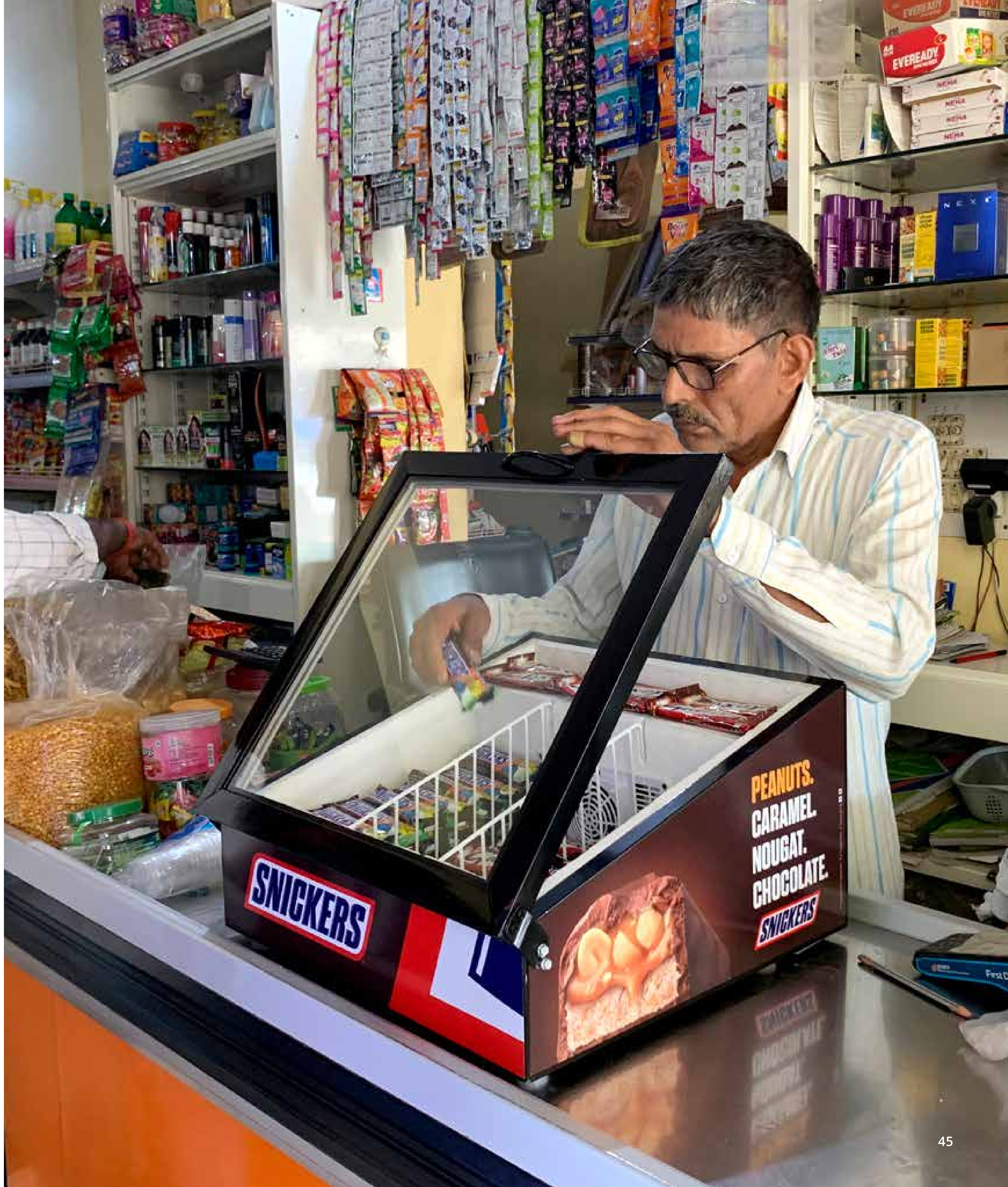
Our market share remained stable despite the lower sales in the region. During this challenging year we managed to expand our customer base and sales in the white market channel, thanks to our new Norcool cooler product range of, chest coolers and freezers.

Sales (€m)

Asia (€m)

26.6

2019: **36.0**



Glass

Sales in our Glass operations decreased by 28% year-on-year, driven by the combined impact of currency devaluation and COVID-19. Customer demand was strong in the first quarter of the year, and recovered well in the fourth quarter, however the second and third quarters were very heavily impacted by reduced demand, most notably from our beer customers.

The beer segment declined by almost 50% in terms of volume as all brewers restricted capital spending for returnable glass bottles during the pandemic and only placed orders during the last quarter of the year as demand started to return. The spirits segment contracted by almost 7% in terms of volume, due to material shortages hampering liquid supply, interrupting the impressive growth trajectory of the past few years. Despite difficult operating conditions the soft drinks segment grew, driven by driven by a key customer glass float expansion strategy. The food segment was the stand-out performer of 2020, growing by more than 90%, albeit from a small base, driven by the opening of the new GB Foods mayonnaise factory during lockdown, which is giving significant traction to the segment. The pharmaceuticals segment grew by almost 40% as demand increased during the pandemic and cosmetics grew by 50% due to the addition of a sizeable new local customer.

COVID-19 dampened demand in neighboring countries which saw export sales contract by more than 65%, a situation made considerably worse by the ongoing operational logistics challenges such as container availability, and associated port congestion at Apapa port in Lagos.

Sales in our Metal Crowns business declined by a modest 7% despite the significant beer market contraction due to market share gains within the beer segment driven by the development of a large number of new SKUs, delivering more tangible results from our new product and customer development strategy.

Plastic Crates volumes were more than 25% lower year-on-year as the capital expenditure restrictions hit both returnable glass bottles and crates.

Before the arrival of COVID-19 in Nigeria at the end of February we carried out awareness training across all our locations and implemented a number of urgent COVID-19 related employee safety initiatives to try to keep everyone safe. We also had to implement our business continuity plan to manage the Agbara plant during lockdown in streaming mode (melting glass but with no production) for an extended period of time, whilst we were able to operate our Delta plant with minimal stoppages. As with many companies we moved staff onto a working from home regime wherever possible.

Reluctantly we also had to delay the furnace capacity expansion project, as the pandemic hit just as we were about to engage in the final stage of the project. In 2021, we expect to complete our €28.5 million Agbara furnace capacity expansion project which will introduce NNPB technology for the first time in West Africa, enabling lightweight glass container production to support our customer's growing needs for packaging suited for modern trade. This project will enhance both glass container capacity and capability in West Africa and taps into the growing global awareness of the environmental hazards of plastic packaging.

Frigoglass is focused on further broadening the customer base of our Glass business in new geographies across Africa, providing our customers with high-quality, innovative and value-adding solutions.

Sales (€m)

Glass

82.4

2019: **113.9**

2021 business outlook

Following a strong start to the year, our full-year results were materially impacted by the disruption caused by the COVID-19 pandemic. While we are encouraged by the sequential improvement in trends in the third and fourth quarters, relative to the most impacted second quarter, uncertainty in the market has currently increased following renewed lockdown restrictions late in the fourth quarter and the beginning of 2021 on the back of a resurgence of the pandemic in various parts of the world. There still remains great uncertainty on the length of the pandemic and the pace and scale of the economic recovery. We anticipate cooler orders to increase throughout the year, triggered by the improved beverage consumption trends in the on-trade channels, following the gradual lifting of restrictive measures and increased vaccination rates. Encouraged by the accelerated volume growth in our glass containers business in Nigeria, we anticipate growth momentum in our Glass operations to build up in the coming quarters. On current market conditions, we expect Group's sales to return to year-on-year growth in the second quarter of the year, driven by both segments, also reflecting a weak comparative base.

Ahead of easing COVID-19 related restrictions, we maintain our readiness to support our customers with market relevant coolers. In this context, we have commenced deliveries of Coca-Cola exclusive design ICOOL II in May. Our focus to expand our customer base and enhance our distributors' network has started bearing fruits in Asia, with India demonstrating a strong performance in the first quarter, owing to market share gains. The inauguration of Frigoserve's activity in Switzerland in March demonstrates our focus on unlocking new revenue streams this year, while enable us to consolidate our presence in West Europe in the upcoming years.

The temporary shutdown of one of our furnaces in Nigeria will result in a small revenue impact during the rebuild phase. This will be fully recovered in the second half of the year and we anticipate Glass business operating profit margin to increase in 2021. The furnace rebuild project has kicked-off in March, with completion expected in June 2021.

We are expecting 2021 capital expenditure at approximately €15 million, in-line with 2020 level.

> Our initiatives implemented in 2020 to mitigate the challenges brought by the COVID-19 pandemic and the prompt response from our teams demonstrate the effectiveness of the Board. As a Board, our objective to ensure the highest standards of corporate governance, accountability and risk management remained solid in a highly volatile environment caused by the pandemic. We are confident that Frigoglass' ability to deliver our strategic priorities and create sustainable long-term value is predicated on robust and efficient governance structures and processes. Following recent changes, we believe that our Board is well diverse, combining members with international experience, background, independence and knowledge to effectively execute its responsibilities.

Haralambos (Harry) G. David
Chairman of the Board

CORPORATE GOVERNANCE

Board of Directors

Our Board has responsibility for dealing with the Company's affairs exclusively in the interest of the Company and its shareholders within the existing regulatory framework. Further details are set out in this section of the Annual Report.

The Board's main responsibilities are:

- setting the Company's long-term goals;
- making all strategic decisions;
- making available all required resources for the achievement of the Company's strategic goals;
- appointing top executive management.

Chairman

- leads the Board, sets the items for discussion, and ensurs its efficient operation;
- ensures effective communication between the Board and the shareholders; ensures the timely briefing and induction of new members in respect of their competences and management issues;

Chief Executive Officer (CEO)

- is responsible for the company's normal and efficient operation, according to the strategic goals, the business plans and the action program that have been determined by the Board of Directors

Corporate Secretary

- ensures the participation of newly appointed members in the induction and training procedures that have been adopted for overall supervision of the Company's compliance with any statutory and regulatory requirements;
- is responsible for the overall supervision of the Company's compliance with any statutory and regulatory requirements;
- oversees the convention and holding of Annual General Meetings, according to the Company's Articles of Association;

Board Committees

Our Board has delegated specific repsonsibilities to its committees which are set out in this section of the Annual Report.

Audit Committee

- reviews the effectiveness of the Company's corporate governance and internal control systems
- monitors the effective operation of the internal audit, quality insurance and risk management systems
- monitors the course of the statutory audit of the annual and consolidated financial statements and is informed by management and the statutory auditor during the preparation and audit of the financial statements

Human Resources and Remuneration Committee

- provides its assent for the recruitment or the replacement of the members of the Senior Management of the Company, which assist the Chief Executive Officer of the Company.
- reviews and submits proposals to the Board of Directors regarding the total amount of the annual remuneration and benefits of the Senior Management of the Company on an annual basis.
- reviews salaries of annual report.
- establishes the principles of the human resources policy of the Company, which shall guide the decisions and actions of the management.
- establishes the principles of the social corporate responsibility policies of the Company

Investment Committee

- recommends to the Board the Company's strategy and business developmant initiatives
- evaluates and suggests to the Board new proposals for investments and/or Company expansion according to the defined strategy of the Company
- evaluates and suggests to the Board opportunities for business development and expansion through acquisitions and/ or strategic partnerships

Enhanced practices of corporate governance

Corporate Governance Code

In the context of adopting advanced corporate governance standards, we have drafted and adopted our own code of corporate governance, by virtue of the Company's Board of Directors' (the "Board") resolution dated 10 December 2014, which, as amended, remains in force until today (the "Code"). The Code was drafted in accordance with the provisions of laws 4548/2018, 3016/2002, 3873/2010, 4403/2016, 4449/2017 as in force and will be fully aligned with the provisions of 4706/2020 which will come into effect in 2021, in accordance with the resolution 5/204/14.11.2000 of the Hellenic Capital Market Commission (the "HCMC"), as amended and in force, and in accordance with any other relevant resolution of HCMC's Board of Directors, as amended and in force.

The purpose of the Code is to set out the best practices in corporate governance, to facilitate transparency in communication with shareholders and to continiously improve the corporate framework for the Company's operations and competitiveness.

The Code is also intended to lay down the methods by which the Company will operate and to establish administrative rules and procedures governing the relations between the administration, the Board of Directors, the shareholders and other parties associated with and affected by actions implemeted by the Company's decision-making bodies.

The Code is publicly available on the Company's website www.frigoglass.com/corporate-governance

Apart from this Code and the Internal Regulation of Operation, adopted according to Article 6, par. 1 of Law 3016/2002, the Company applies additional practices to those provided by the law. The "Code of Business Conduct and Ethics" and the "Supplier Code".

Code of Business Conduct and Ethics

The purpose of applying the Code of Business Conduct and Ethics is, inter alia, to shape a framework for business operations consistent with the principles and rules of morality and transparency, to ensure compliance with international commercial law and the law applicable in the states where the Company is active, to maintain high-level services and products, to improve the Company's profitability, to develop an environmentally friendly operating framework and to safeguard human rights through granting of equal rights and avoiding discriminatory treatment of all parties associated with the Company.

The Code of Business Conduct and Ethics is available on the Company's website at the address www.frigoglass.com

The Supplier Code

We seek to create a business environment of cooperation with our suppliers governed by the principles of morality, transparency, protection of the environment and respect for human rights and the rules of health and safety. More specifically, the Company focuses on avoiding unfair competition and any involvement in situations of conflict of interest or bribery.

The Supplier Code is available on the Company's website at the address www.frigoglass.com

Internal audit and risk management

Main characteristics of the Company and Group's systems of internal audit and risk management in relation to the procedure of drafting the financial statements

We place significant importance to the systems of internal audit and risk management.

The Company's Board adopts procedures and implements policies aiming at establishing and maintaining systems that optimize the identification, evaluation, monitoring and management of risks that the Company may be facing, the effective management thereof, and contribute to the reliable provision of financial information.

In this framework, the Company's Board carries out periodic reviews and is regularly briefed on any issues which may have significant financial and business consequences for the Company and the Group.

In addition, the Company's operational and functional units report to the Chief Executive Officer within a defined timetable and in compliance with specific instructions and guidelines. The general management of the Company receives monthly reports on the financial and operational situation from each business area and function. These reports and financial information are based on a standardized process and are discussed at the meetings of the Board of Directors to ensure adequate execution of Board decisions by the management team.

The Board reviews the Company's systems of internal audit and risk management on an ongoing basis by:

- setting the strategy of the business at both Company and divisional level and, within the framework of this, approving an annual budget and medium term projections. The critical point of this practice is the review of the risks and opportunities that each business is facing and the steps being taken to manage these;
- reviewing on a regular basis operational and financial performance and updated forecasts for the current year. In particular, comparison is made between the budget and the results of the previous year and appropriate action plans are put in place to optimize operational and financial performance;
- retaining primary responsibility for acquisition and divestment policy, and the approval of major capital expenditure, major contracts and financing arrangements. Below Board level there are clearly defined management authorities for the approval of capital expenditure, major contracts, acquisitions, investments and divestments, together with an established framework for their appraisal, which includes a risk analysis and post-implementation plan and, where appropriate, a post-acquisition review;
- performing a review of the Company's insurance and risk management programs.

The Company and the Group have in place systems and procedures of internal audit and risk management in respect of financial reporting and the preparation of individual and consolidated financial statements.

The above systems and procedures include:

- the formulation, development and implementation of uniform accounting policies and procedures;
- regular review of accounting policies to ensure that they are kept up to date and are communicated to the appropriate personnel;
- procedures are in place to ensure that all transactions are recorded in accordance with International Financial Reporting Standards ("IFRSs");
- company and divisional policies governing the maintenance of accounting records, transaction reporting and key financial control procedures;
- monthly operational review meetings which include, as necessary, reviews of internal financial reporting issues and financial control monitoring;
- ongoing training and development of financial reporting personnel;
- closing procedures, including due dates, responsibilities, accounts' classifications and disclosures updates;
- standard corporate reporting formats are utilized both for financial reporting and management reporting purposes;
- a web-based reporting application (HFM) is used within the Company both for financial reporting and management reporting purposes;
- access to the above reporting application is restricted to the appropriate individuals of each of the Company's subsidiaries;
- access controls are in place to maintain the integrity of the chart of accounts;
- write-offs and reserves are clearly defined, consistently applied and monitored in accordance with the Company's policy;
- fluctuation analysis of actual compared to budget and prior year is performed on a monthly basis to identify unusual transactions and monitor accuracy and completeness;
- policies and procedures are in place for all critical processes such as key reconciliations, inventory counts, payments, segregation of duties etc;
- annual Budget for the next year: the Company prepares a consolidated detailed annual budget as well as an individual annual budget per segment/subsidiary for each financial year that are reviewed and approved by the Board;
- estimation for the current year: the consolidated business plan as well as the individual business plan per segment/subsidiary are updated within the year;
- detailed consolidated management accounts as well as the individual management accounts per segment/subsidiary are prepared monthly to cover each major area of business;
- the consolidation process is automated.

General meeting of Shareholders and rights

Information regarding the operation of the General Meeting of Shareholders and its powers as well as a description of the shareholders rights and how they can exercise them

Operating rules and basic powers of the General Meeting of Shareholders

The General Meeting of Shareholders (the "General Meeting") is convened by the Board, which decides the items to be placed on the agenda, and mandatorily meets at the registered offices of the Company or in the region of another municipality within the prefecture of the Company's registered offices, or another municipality neighbouring the Company's registered offices, at least once in every financial year and until the first ten (10) calendar days of the ninth month following the end of the financial year. An Extraordinary General Meeting may be held whenever the Board deems that necessary.

The General Meeting is the Company's supreme corporate body and may decide on any matter affecting the Company. More specifically, the General Meeting is the only body competent to decide on:

- any matter laid before it by the Board or by those entitled, under the provisions of the Law and the Company's Articles of Association, to convene a General Meeting;
- amendments of the Articles of Association. Such amendments are those relating to increases or reductions of share capital, the winding up of the Company, a change to its nationality or extension of its term, the merger with another company, its division (demerger), conversion or revival;
- the election of the members of the Board except in the case of Article 6 (5) of the Articles of Association and the statutory auditors and the determination of remuneration of the members of the Board, which, without prejudice to the remuneration provided for in the Company's policy, may include their participation in the distribution of net income;
- approval or amendment of the annual financial statements, as drawn up by the Board, and distribution of the Company's net profits;
- approval, under special voting carried out by roll-call, of the administration of the Board of Directors and the discharge of the statutory auditors from any liability after the approval of the annual financial statements and after hearing the report on the operations of the Board of Directors and the general status of corporate affairs and the Company itself. The Board of Directors and its employees are entitled to participate in the above voting, but only with shares owned by them;
- hearing of the statutory auditors, regarding the audit they have carried out on the Company's books and accounts;
- issuance of a bond convertible into shares or a bond entitling the holder to a share in the Company's profits;
- appointment of liquidators, in the event of the Company's dissolution;
- taking legal action against members of the Board or the auditors, for infringement of their duties under the Law or the Company's Articles of Association;
- the approval of the remuneration policy and the remuneration report of articles 110 and 112 of Law 4548/2018 respectively.

Shareholders' rights and exercise methods

Every shareholder is entitled to attend the General Meeting - whether in person or by proxy - provided that he owns at least one share, according to the more specific provisions of Law 4548/2018. Minors, persons under judicial supervisionand legal entities must be represented by their legal representatives. The documents of representation may be formal provided they are dated and have been signed by the issuing party. The appointment, revocation or replacement of the representative or representative may also be notified by email within the time limit set by the Law.

Persons having the shareholder capacity at the beginning of the fifth (5th) day preceding the General Assembly (record date) are entitled to participate in the General Meeting (including the iterative meeting). The aforementioned record date is also applicable in any iterative meeting, provided that such iterative meeting does not take place in a date which is longer than thirty (30) days from the record date. On the opposite or if for such iterative meeting a new invitation is published, persons having the shareholder capacity at the beginning of the third (3rd) day preceding the iterative meeting are entitled to participate in the General Meeting.

The other rights of the shareholders are set out in the Company's Articles of Assocation and in Law.

The Chairman of the Board, the Chief Executive Officer, the chairmen of each Board Committee, as well as the internal and external auditors of the Company are always available to answer shareholders' questions.

Board of Directors

Information regarding the composition and operation of the Board of Directors of the Company

Composition of the Board of Directors

The Board is responsible for dealing with the Company's affairs exclusively in the interest of the Company and its shareholders within the existing regulatory framework. The Board's main responsibilities are:

- setting the Company's long-term goals;
- making all strategic decisions;
- making available all required resources for the achievement of the Company's strategic goals;
- appointing top executive management.

The Board is appointed by the General Meeting of the Company and on 31 December 2020 it consists of 9 members, 8 of which are non-executive and 5 of which are independent.[1] The only executive member is the Chief Executive Officer. The members of the Board serve for a three (3) year term that can be prolonged until the Annual General Meeting to be held following the termination of their term. Their term shall in no case exceed four (4) years.

The experience of the members of the Board encompasses diverse professional backgrounds, representing a high level of business, international and financial knowledge contributing significantly to the successful operation of the Company. The Board is fully balanced as far as the number of independent and non-independent members is concerned. The independent, non-executive members contribute to the Board's decision-making with the provision of impartial opinions and resolutions, thus to ensure that the interests of the Company, the shareholders and the employees are protected, whereas the executive member is responsible for ensuring the implementation of the strategies and policies decided by the Board.

Details on the Diversity Policy, in the composition of the Company's administrative, management and supervisory bodies, are contained in paragraphs for the Review of Non-Financial Performance - Sustainable Development of the Director's Report.

In particular, until 14 December 2020, the composition of the Board of Directors was the following:

Haralambos David, Chairman of the Board of Directors, non-executive member of the Board,

George Pavlos Leventis, Vice chairman, non-executive member of the Board,

Nikolaos Mamoulis, CEO, executive member of the Board of Directors,

Loukas Komis, non-executive member of the Board,

Evangelos Kalousis, independent, non-executive member of the Board,

Ioannis Costopoulos, independent non executive member of the Board,

Jeremy Michael Jorgen Malherbe Jensen, independent non executive member of the Board,

Stephen Graham Bentley, independent non executive member of the Board,

Iordanis Aivazis, independent non executive member of the Board.

By virtue of the Extraordinary General Meeting of the Company's shareholders dated 14 December 2020 and due to the expiration of the term of the above Board of Directors on 14 December 2020, a new Board of Directors of the Company was elected for a three-year term, as provided by article 6 par. 3 of the Company's Articles of Association, i.e. until 14 December 2023, which may be extended until the expiration of the deadline within which the next Annual General Meeting of the Company's shareholders shall meet. Messrs. Filippos Kosteletos and Zulikat Wuraola Abiola were appointed as new members of the Board of Directors, both independent, and non-executive, who were found that they meet at the time of their appointment the conditions of independence of article 4 par. 1 of the Law. 3016/2002. The new Board of Directors of the Company convened as a body under its decision on 15 December 2020, as follows:

Haralambos David, Chairman of the Board of Directors, non-executive member of the Board,

George Pavlos Leventis, Vice chairman, non-executive member of the Board,

Nikolaos Mamoulis, CEO, executive member of the Board of Directors,

Loukas Komis, non-executive member of the Board,

Ioannis Costopoulos, independent non executive member of the Board,

Stephen Graham Bentley, independent non executive member of the Board,

Iordanis Aivazis, independent non executive member of the Board,

Filippos Kosteletos, independent non executive member of the Board,

Dr. Zulikat Wuraola Abiola, independent non executive member of the Board.

Based on the Company's Code of Business Conduct and Ethics the members of the Board must avoid any acts or omissions from which they have, or may have, a direct or indirect interest and which conflict or may possibly conflict with the interests of the Company.

The members of the Board receive remuneration or other benefits, in accordance with the specific provisions of the Articles of Association, the law and Company's remuneration policy.

The remuneration of the members of the Board is presented in the annual remuneration report.

[1] It is noted that on the date of publication of this present, further to his resignation on 12.2.2021, the non-executive member of the Board of Directors, Mr. Loukas Komis has been replaced by Mrs. Kathleen Verelst who has been termporarily elected until the forthcoming General Meeting of the Company's shareholders as non-executive member of the Board of Directors for the remaining of its term by virtue of the Board of Director's resolution dated 12.2.2021

Responsibilities of the Chairman, the Chief Executive Officer (CEO) and the Corporate Secretary

The Chairman of the Board is responsible, inter alia:

- for the management of the Board, setting the items for discussion, taking into account the affairs of the Company and the items proposed by the other members, thus ensuring its efficient operation;
- for the prompt provision of accurate and clear information to the Board, in collaboration with the Chief Executive Officer (CEO) and the Corporate Secretary;
- for ensuring effective communication between the Board and the shareholders, forwarding the views of important investors to the Board and ensuring that such views are properly understood by the Board;
- for the rational management and time allocation available to the Board for resolution of complex issues;
- in association with the Chief Executive Officer (CEO) and the Corporate Secretary, for ensuring timely briefing and induction of new members in respect of their competences and management issues, through a special induction programme for new Board members;
- for encouraging and ensuring the active participation of the other members of the Board.

The Chief Executive Officer (CEO) is a member of the Board of Directors and is responsible for the company's normal and efficient operation, according to the strategic goals, the business plans and the action program, that have been determined by the Board of Directors.

The Corporate Secretary is responsible, inter alia:

- for ensuring the participation of newly appointed members in the induction and training procedures that have been adopted for overall supervision of the Company's compliance with any statutory and regulatory requirements;
- for overall supervision of the Company's compliance with any statutory and regulatory requirements;
- for overseeing the convention and holding of Annual General Meetings, according to the Company's Articles of Association;
- for the direct and smooth exchange of information between the Board of Directors and its various committees.

Haralambos (Harry) G. David

Chairman (non-executive member)

Mr. Haralambos (Harry) David was elected Chairman of the Board of Directors in November 2006. He has been a member of the Board of Directors since 1999. His career began as a certified Investment Advisor with Credit Suisse in New York. He then served in several executive positions within Leventis Group Companies. Today he holds a position on the Boards of A.G. Leventis (Nigeria) PLC, the Nigerian Bottling Company, Beta Glass (Nigeria) PLC, Ideal Group, Pikwik (Nigeria) Ltd., TITAN Cement International S.A. and ELVIDA Foods SA. Mr. David is a member of the TATE Modern's Africa Acquisitions Committee. He has served on the Boards of Alpha Finance, PPC (Hellenic Public Power Corporation) and Emporiki Bank (Credit Agricole).

George-Pavlos Leventis

Vice Chairman (non-executive member)

Mr. Leventis was appointed to the Board of Directors of Frigoglass as a non-executive member in April 2014 and currently holds the position of the Vice Chairman. Mr. Leventis is a member of the executive committee of a family investment office with the responsibility of overseeing investments in real estate. He has previously worked in the fund management business as an equities analyst. He graduated with a bachelor's degree in Modern History from Oxford University and holds a postgraduate Law degree from City University. He is an Investment Management Certificate holder.

Nikos Mamoulis

Chief Executive Officer (executive member)

Mr. Mamoulis joined Frigoglass as Chief Financial Officer in October 2013 and was appointed Chief Executive Officer of Frigoglass in July 2015. He has more than 25 years of experience in senior financial positions within different business sectors. Before joining Frigoglass, Mr. Mamoulis was with Coca-Cola HBC for 12 years with his last position being that of Group Financial Controller. He previously also held the Chief Financial Officer position in Lafarge Heracles Group and Boutaris Group. Mr. Mamoulis is a graduate of the Athens University of Economics and Business.

Loukas D. Komis
Member (non-executive)

Mr. Komis was appointed to the Board of Directors in July 1996. Currently, he also holds positions as Chairman of the Board of Directors of Hellenic Recovery & Recycling Corporation S.A. (AYS) and Vice-Chairman of the Federation of Hellenic Food Industries. In his long career in the appliance manufacturing sector, he has held senior management positions with Izola S.A. and CCH, where he also served as an executive Board member. He is also advisor to the Chairman of the Board of Directors since 2001. He holds a bachelor's degree in Physics from Athens University, a master's degree in Electrical Engineering from the University of Ottawa and a master's degree in Business Administration from McMaster University, Ontario, Canada.

Philippe Costeletos
Member (independent non-executive)

Mr. Philippe Costeletos was appointed to the Board of Directors in December 2020. He has over three decades of private investment and board governance experience and is the Founder of Stemar Capital Partners (SCP), an investment firm focused on building long-term investment platforms. He was formerly Chairman of International of Colony Capital, a global real estate and investment management firm. Previously, he was Head of Europe at TPG, a leading global private investment firm and a member of TPG's Global Management and Investment Committees. Prior to that, Mr Costeletos was member of the Management Committee at Investcorp, a leading manager of alternative investment products. Previously, Mr. Costeletos held positions at JP Morgan Capital, JP Morgan's Private Equity Group and Morgan Stanley. Mr. Costeletos is Senior Independent Director, Chairman of the Remuneration and Conflicts Committees and a member of the Nominations and Valuation Committee of RIT Capital Partners. He is Chairman of Mistral Fertility and a board member of Digital Care, Vangest Group and Generation Home. He is a Senior Advisor to the Blackstone Group. Mr. Costeletos is a member of the President's Council on International Activities at Yale University and the Yale Center for Emotional Intelligence Advisory Board. He graduated magna cum laude with a BA with distinction in Mathematics from Yale University and received an MBA from Columbia University.

Ioannis Costopoulos
Member (independent non-executive)

Mr. Costopoulos was appointed to the Board of Directors in March 2015. Mr. Costopoulos is currently based in London where he is the Managing Director of CCML Ltd, a consulting company he founded in 2017, offering strategic and organisational support to family businesses. He is a member of the Board of Directors of Fourlis Holdings S.A. and Austriacard A.G. in Vienna. From 2004 to 2015, he worked for the Hellenic Petroleum Group. From 2004 to 2006, he was an executive member of the Board of Directors of Hellenic Petroleum Group with responsibility for the areas of International Business Activities and Strategic Development. From 2007 to 2015, he served as Chief Executive Officer of the Hellenic Petroleum Group and president of several of their subsidiaries. From 1992 to 2003, he held senior management positions, namely: Chief Executive Officer of Petrola SA, Regional Director of Johnson & Johnson Consumer for Central and Eastern Europe and Chief Executive Officer of Diageo-Metaxa in Athens. From 1980 to 1992, he served in the senior management of Booz Allen & Hamilton business consultants in London and Chase Bank in New York and London. He has also been a member of the Board of Directors of the Hellenic Federation of Enterprises (SEV) and the Foundation for Economic & Industrial Research (IOBE) in Athens. He holds a bachelor's degree in Economics from the University of Southampton, U.K. and a master's degree in Business Administration from the University of Chicago.

Dr. Zulikat Wuraola Abiola
Member (independent non-executive)

Miss Wura Abiola was appointed to the Board of Directors in December 2020. She is the Managing Director of Management Transformation, serving clients in the areas of leadership, governance, organizational development, risk management, strategy and public sector policy consulting since 1999. Miss Abiola is the Chair of the FMDQ Debt Capital Markets Development/ Infrastructure Finance Sub-Committee and a Director on the Boards of Beta Glass Nigeria PLC, OakGold Ltd, Cayman Islands Ltd, Appzone Nig Ltd and Nibra Designs Nig Ltd. She is also a Senior Lecturer (Adjunct) – Organisational Development at the University of Lagos and a member of the Nigerian Chartered Institute of Bankers (CIBN) Research, Strategy and Advocacy Committee. Committed to the development of the Nigerian financial sector, she served on the Nigeria Financial Sector Strategy (FSS) 2020 Subcommittee on Human Capital Development Strategy. Before 1999, Miss Abiola was a management consultant at McKinsey & Co and project supervisor at Vitol S.A. She holds a B.Sc. in Accounting from the University of San Francisco (summa cum laude), MBA (specializing in the Management of Innovation and Technology) from Imperial College, London University & École Nationale des Ponts et Chaussées in Paris, and Ph.D. in Organizational Behavior (1997) from Imperial College, London University. She also holds a diploma in Environmental Risk Assessment and Management from the Harvard School of Public Health and is an associate member of the International Coach Federation and a certified Global Professional in Human Resources (GPHR) by the Society for Human Resource Management.

Iordanis Aivazis
Member (independent non-executive)

Mr. Aivazis was appointed to the Board of Directors in November 2017. He worked at senior positions with Greek and foreign banks in Athens, Greece, and he was Chief Financial Officer and Chief Operating Officer with Hellenic Telecoms (OTE S.A.). Following the acquisition of OTE by Deutsche Telekom (DT), he joined OTE's Board of Directors as an executive member and DT's European Management Board. Currently, he is Chair of the BoD of SFS a subsidiary company owned by Bain Capital Credit,as well as a Member of the Board of Directors (NED) of Hellenic Petroleum (HELPE) S.A. He is also Chair of the Special Liquidations Committee of the Bank of Greece. He graduated from Athens University with a degree in Economics (Department of Politics and Economics). He completed his postgraduate studies at the University of Lancaster (UK) where he obtained a Postgraduate Diploma in Economics and a Master of Arts (M.A.) in Marketing and Finance.

Stephen Graham Bentley
Member (independent non-executive)

Mr. Bentley was appointed to the Board of Directors in November 2017. Mr. Bentley is a Chartered Accountant (with bachelor's degree (Hons) in Accountancy) who has over thirty years' experience as Chief Financial officer of publicly quoted and private equity backed businesses in the United Kingdom. Mr. Bentley was previously Group Finance Executive of Tricentrol PLC, which was a British independent Oil & Gas exploration and development company and was quoted in London and New York. In addition, he has been Group Finance Director of several companies quoted in London, namely Ellis & Everard PLC, a chemical distributor in the United Kingdom and in the United States; TDG PLC, a leading logistics company in the United Kingdom with operations in continental Europe; and Brunner Mond PLC, a medium sized chemical manufacturer with production in the United Kingdom, the Netherlands and Kenya where he led the company's initial public offering of shares. Subsequently, Mr. Bentley worked with a private company as a Group Finance Director and helped with the sale of James Dewhurst Limited to a large Belgian textile group. Latterly, Mr. Bentley joined the Board of Directors of Frenkel Topping Group, an independent financial advisor and fund management business, which is quoted on AIM of the London Stock Exchange. He retired his executive responsibilities in early 2020. He is a Fellow of the Institute of Chartered Accountants and qualified with Whinney Murray & Co (now Ernst & Young) in London. He is also a Fellow of the Association of Corporate Treasurers.

Operation of the Board of Directors

The Board shall meet at the registered offices of the Company or alternatively abroad and specifically at a place where the Company operates through a subsidiary, whenever so required by the law or the needs of the Company. In 2021, the Board held fourteen (14) meetings.

The items on the agenda of the Board meetings are notified to its members beforehand, enabling the members who are unable to attend to comment on the items to be discussed. The Board of Directors may meet by teleconference with respect to some or all of its members, in accordance with paragraph 4 of article 90 of Law 4548/2018. In this case, the invitation to the members of the Board of Directors shall contain the information and technical instructions necessary for their attendance at the meeting.

The Board is in quorum and meets validly when half (1/2) of the members plus one are present or represented, provided that no fewer than three (3) members are present. To find the quorum number the resulting fraction is omitted.

The Board resolves validly by absolute majority of the members who are present (in person) and represented, except for occassions where the Articles of Association provide for an increased majority. In case of a draw, if the voting is carried out by roll-call, it is repeated, while if it is secret, the decision is postponed. In case of personal matters the Board resolves with a secret vote by ballot. Each member has one vote, whereas when he represents an absent member, he has two (2) votes. Exceptionally, in the case of articles 10(3) and 9(2) of the Company's Articles of Association, the decisions of the Board shall be taken unanimously by the members who are present and represented.

The Board must evaluate at regular intervals the effectiveness of the performance of its duties, as well as that of its committees. This procedure is overseen by the Chairman of the Board and the chairman of the relevant committee, and where an improvement is necessary for any reason whatsoever, the taking of relevant measures shall directly be decided.

Frigoglass committees

Information regarding the composition and operation of the other management, administrative or supervisory bodies or committees of the Company

Audit Committee

According to Article 44 of Law 4449/2017, as in force, the Company has established and operates an Audit Committee (the "Audit Committee") which is, inter alia, responsible for:

- the update of the Board regarding the outcome of the mandatory audit and the contribution of the latter in the integrity of the financial information, and for the role of the Audit Committee during the process,
- monitoring the process for provision of financial information and the submission of proposals or recommendations in order to ensure the integrity of the process,
- monitoring the effective operation of the internal audit, quality insurance and risk management systems, and in some cases the department of internal audit of the Company regarding the financial information, without, however, violating the independence of the Company,
- monitoring the course of the statutory audit of the annual and consolidated financial statements and, in particular, their performance, taking into account the findings of the competent authorities and particularly of the Hellenic Accounting and Auditing Standards Oversight Board (henceforth "ELTE"), and being informed by management and the statutory auditor during the preparation and audit of the financial statements,
- discussing with statutory auditors (prior to commencement of audit) the nature, scope and planning of the audit and make recommendations as appropriate,
- discussing issues and reservations arising from interim and final audits and any issues that the statutory auditor may intend to discuss,
- reviewing the annual financial statements, before their submission to the Board,
- overviewing the statutory auditor's compliance with the reporting requirements specified in Articles 10 and 11 of Regulation (EU) 537/2014,
- ensuring the proper functioning of the Internal Audit Department,
- examining the quarterly reports of the Internal Audit Department,
- developing an appropriate policy regarding the provision of permissible non-audit services, including a monitoring mechanism concerning the fee cap for non-audit services (i.e. 70% of the previous 3 years' audit fees),reviewing and monitoring the independence of the statutory audit firm and the appropriateness of the provision of permissible non-audit services,
- examining and monitoring the independence of the audit firm and the adequacy of the provision of permitted non-audit services,
- holding discussions with the audit firm concerning threats to its independence and applicable safeguards, if the total fees received from the Company, for each of the three consecutive financial years, represent more than fifteen (15) percent of the total audit firm's fees,
- monitoring compliance with the requirements for the suspension period prior to hiring previous auditors within the management or management bodies of the Company,
- ensuring that transparent and non-discriminatory selection criteria have been determined for the invitation of auditing firms to the tendering process,
- discussing with the statutory auditor the significant audit differences that have arisen during the audit and the weaknesses of the internal control system, in particular those relating to financial reporting procedures,
- recommending to the Board of Directors the person to be appointed Head of the Internal Audit Department,
- assuming responsibility for the statutory auditor's selection procedure. The Committee shall submit a recommendation to the Board for the appointment of an audit firm, including at least two choices, with a reasoned preference for one. The Committee shall state that its recommendation is free from influence by a third party,
- being able to demonstrate to ELTE, upon request, that the selection procedure was conducted in a fair manner,
- validating Management's report on the conclusions of the selection procedure, taking into account findings or conclusions of any inspection reports published by ELTE,
- formally pre-approving all permissible non-audit services, after having properly assessed the threats to independence and the safeguards applied,
- having frequent meetings with the Head of Internal Audit Department and discussing any challenges identified during internal audits,
- assessing the personnel, structure and independence of the Internal Audit Department and, if necessary, providing recommendations to the Board,
- reviewing the annual internal audit plan, receiving summaries of internal audit reports and management's response and ensuring coordination between internal and external (i.e. statutory) auditors,

- reviewing the effectiveness of the Company's corporate governance and internal control systems and in particular reviewing the external auditor's management letter which contains recommendations and Management's response,
- reviewing the Company's Internal Regulation of Operation in order to ensure its compliance with the requirements of the relevant legislation and submitting it to the Board of Directors for approval,
- ensuring compliance with corporate governance requirements regarding Board composition,
- adopting and revising the present internal regulation of operation which should remain available on the Company's website,
- submitting an annual report of actions to the annual General Meeting of the Company's shareholders, describing its actions and all matters discussed, including the description of the sustainable development policy of the Company,
- submitting reports to the Board of Directors with regard to the areas of its responsibility and in particular the fields where, upon its review, it considers that there are material issues related to the financial reporting and the management's reaction to tackle those issues.

Further, the Audit Committee is also responsible for the submission of proposals to the Board regarding any change to the chart of authorities, in principle with the organizational chart of the Company.

The composition of the Audit Committee until 14 December 2020 was the following:

Chairman
George Samothrakis[2]
Third Party(non-member of the Board of Directors) and Independent (Chairman since 15.01.2020)

Member
Loukas Komis
Non-executive Board member

Member
Stephen Bentley
Independent, non-executive Board member

The majority of the members of the above Audit Committee are independent, as per the provisions of Law 3016/2002 and according to paragraph 1(d) of article 44 of Law 4449/2017.

All of the above members have sufficient knowledge and hold substantial past experience in senior financial positions and other comparable experience in corporate activities.

Mr. George Samothrakis fulfils the requirements provided by law regarding the requisite knowledge of accounting and auditing.

By virtue of the Extraordinary General Meeting of the Company's shareholders and because of the expiration of the term of the above Audit Committee on 14 December 2020, a new Audit Committee was elected, which was appointed as independent in accordance with the provisions of article 44 of Law 4449/2017, as amended by Law 4706/2020, consisting of a total of three (3) members and specifically of two (2) Independent Members of the Board of Directors and by one (1) third party (non-member of the Board of Directors).

The new Audit Committee was formed into a body under its decision on 22 December 2020 as follows:

Chairman
George Samothrakis
Third Party(non-member of the Board of Directors) and Independent

Member
Dr. Zulikat Wuraola Abiola
Independent, non-executive Board member

Member
Stephen Bentley
Independent, non-executive Board member

All the members of the above Audit Committee are independent, in accordance with paragraph 1 (d) of article 44 of Law 4449/2017 as amended by Law 4706/2020.

All of the above members have sufficient knowledge and hold substantial experience in senior financial positions and other comparable experience in corporate activities.

The Audit Committee shall meet whenever this is deemed necessary and in no circumstances less than four times a year. It must also hold at least two meetings attended by the Company's regular auditor, without the presence of the members of the management.

The Audit Committee meets validly when at least two of its members are present, of whom one must be its Chairman. The Audit Committee held a total of five (5) meetings in 2020. The said meetings were scheduled in such a way so as to coincide with the publication of the Company's financial information.

The Audit Committee considered a wide range of financial reporting and related matters in respect of the 2019 annual financial statements and the 2020 half-year financial information.

In this respect the Audit Committee reviewed any significant areas of judgment that materially impacted reported results, key points of disclosure and presentation to ensure the adequacy, clarity and completeness of the financial statements and the financial information, and the content of results announcements prior to their submission to the Board. The Audit Committee also considered reports from PwC on their annual audit of 2019 and their review of the 2020 half year Board of Directors report that forms part of the statutory reporting obligations of the Company.

Moreover, in 2020 the Audit Committee has:

- reviewed the results of the audits undertaken by Internal Audit and considered the adequacy of management's response to the matters raised, including the implementation of any recommendations made;
- reviewed the effectiveness of Internal Audit, taking into account the views of the Board and senior management on matters such as independence, proficiency, resourcing, and audit strategy, planning and methodology;
- reviewed regular reports on control issues of major level significance, as well as details of any remedial action being taken. It considered reports from Internal Audit and PwC (for 2019) on the Company's systems of internal control and reported to the Board on the results of its review.

Internal Audit Department

The main duties and obligations of the Internal Audit Department include:

- monitoring the accurate implementation of and compliance with the Company's Articles of Association, Internal Regulation of Operation, directives, and local legislation;
- reporting cases of conflict of interests between members of the Board or managers and the interests of the Company;
- submitting written reports to the Board of Directors at least once each quarter on any important findings of the internal audits it has conducted;
- attending the General Meetings;
- cooperating with state supervisory authorities and facilitating them in their work.

The internal auditor acts according to the code of ethics and the principles of independence, objectivity and trust. Moreover, the internal auditor acts according to the Standards for the Professional Practice of Internal Auditing and the policies and procedures of the Company and reports to the Audit Committee.

Human Resources and Remuneration Committee

The role of the human resources and remuneration committee (the "Human Resources and Remuneration Committee") is to establish the principles governing the Company's human resources policies which guide management's decision-making and actions.

More specifically, its duties are – inter alia - to:

- Provide its assent for the recruitment or the replacement of the members of the Senior Management of the Company, which assist the Chief Executive Officer of the Company.
- Submit proposals to the Board of Directors regarding any business policy in relation to remuneration.
- Submit proposals to the Board of Directors regarding the remuneration package (salary and benefits) of the Chief Executive Officer of the Company.
- Review and submit proposals to the Board of Directors regarding the total amount of the annual remuneration and benefits of the Senior Management of the Company on an annual basis.
- Review and submit proposals to the Board of Directors (and through the Board of Directors to the General Meeting of Shareholders, where applicable), regarding the granting of stock option programs.
- Review of salaries annual report.
- Regular review of the salary of the executive members of the Board of Directors and other terms of their contracts with the Company, including the compensation in case of departure and the pension arrangements.
- Establishment of the principles of the human resources policy of the Company, which shall guide the decisions and actions of the management.
- Review and processing of matters which are relevant to the human resources.
- Establishment of the principles of the social corporate responsibility policies of the Company.

The Human Resources and Remuneration Committee, which is appointed by the Board, is comprised of not less than three (3) non-executive members and in particular its members until the end of its term on 14 December 2020 was the following:

Chairman
George Pavlos Leventi
Non-executive member

Member
Iordanis Aivazis
Independent–Non-executive member

Member
Jeremy Jensen
Independent–Non-executive member

Member
Evaggelos Kaloussis
Independent/Non-executive member

The Chief Executive Officer, upon invitation, and HR Director shall normally attend the meetings of said Committee, except when discussions are conducted concerning matters affecting them personally.

The Group HR Director acts as the Secretary of the Committee.

The Human Resources and Remuneration Committee held four (4) meetings in 2020.

[2] Mr George Samothrakis was appointed Chairman of the Audit Committee by virtue of the resolution of the Extraordinary General Meeting dated 15.01.2020 replacing the resigned Chairman Mr. Kyriakos Riris.remaining of its term by virtue of the Board of Director's resolution dated 12.2.2021

By virtue of the decision of the Board of Directors dated 15.12.2020, the Human Resources and Remuneration Committee was renamed to Human Resources, Remuneration and Nomination Committee, consisting of at least three (3) non-executive members of the Board of Directors, with the following composition:

Member
George Pavlos Leventi
Non-executive member

Member
Iordanis Aivazis
Independent/ Non-executive member

Member
Ioannis Costopoulos
Independent/Non-executive member

The formation of the Human Resources, Remuneration and Nomination Committee into a body and the appointment of its (independent) Chairman by its members will take place at its first meeting in the year 2021.

Investment Committee

The duties of the investment commitee (the "Investment Committee") are to recommend to the Board the Company's strategy and business developmant initiatives, as well as to evaluate and suggest to the Board new proposals for investments and/ or Company expansion according to the defined strategy of the Company.

Moreover, the Investment Committee is also responsible for evaluating and suggesting to the Board opportunities for business development and expansion through acquisitions and/ or strategic partnerships.

The Investment Committee, which is appointed by the Board, was comprised of five members until 14 December 2020 (the end of its term), three of which were non-executive, and was formed as follows:

Chairman
Haralambos (Harry) G. David
Non-executive member

Member
Nikolaos Mamoulis
Executive member

Member
Loucas Komis
Non-executive member

Member
Iordanis Aivazis
Independent/ Non-executive member

Member
Haralambos Gkoritsas
Chief Financial Officer

By virtue of the decision of the Board of Directors dated 15 December 2020, a new Investment Committee was elected, consisting of three members, two of which are non-executive and has the following composition:

Member
Haralambos (Harry) G. David
Non-executive member

Member
Nikolaos Mamoulis
Executive member

Member
Filippos Kosteletos
Independent/ Non-executive member

The formation of the new Investment Committee into a body and the appointment of its Chairman by its members will take place at its first meeting in 2021.

The Investment Committee held two (2) meetings in 2020.

Communication with shareholders

Frigoglass recognizes the importance of the effective and timely communication with shareholders and the wider investment community.

The Company maintains an active website www.frigoglass.com which is open to the investment community and to its own shareholders; the site features this Code, as well as a description of the Company's corporate governance, management structure, ownership status and all other information useful or necessary to shareholders and investors. Frigoglass also communicates with the investment community through its participation in a number of conferences and meetings held in Greece and abroad and the schedule of conference calls.

RISK FACTORS

In 2020, we continued the implementation of the risk management identification process across our operations, which was an upgrade of our Operational Risk Management tool and update of our reporting system to better assess potential risks and develop mitigation actions.

Frigoglass Chief Executive Officer and the Executive Committee oversee the risk and opportunity identification process, which includes regulatory reviews, carbon emission and energy use data collection, as well as consultation with both suppliers and customers. Data collection is used to identify where climate change and other risks and opportunities exist across the company. Specifically, data on carbon emission and energy are used to assess energy efficiency opportunities at a number of our plants, as well as help us set our carbon emission target. Customers' consultation has been guiding our research and development efforts to produce more energy efficient commercial refrigeration equipment products.

The updated Operational Risk Management program consists of four major assessment categories. For each of them a series of issues and potential risks have been outlined to allow us to have an accurate overview of the risks at asset level i.e. in each individual plant. Under this program, climate change has been recognized as a key risk that relates to both business continuity and environmental management. Annual Environmental, Health and Safety audits have been carried out in each plant by third parties.

These audits assess how effectively this risk is managed in relation to the program's goals and more specifically:

- The level of risk;
- The measures being taken to address these risks; and
- The opportunities to reduce these risks.

These audits have also been used as an opportunity to identify additional potential risks. The findings from the annual audits have been compiled and shared with the Executive Committee for their further assessment and action planning.

Frigoglass has used a risk assessment process to prioritize the identified risks and opportunities, based on the following criteria:

- Meeting regulatory obligations
- Meeting customer expectations with respect to energy efficiency and climate change
- Impacts to reputation
- Impacts to business continuity
- The identified risks have been categorized in five groups, and more specifically, as risks resulting from:
- Changes in climate-related regulations
- Changes in physical climate parameters
- Changes from other climate-related developments
- Increasing digitization and Internet of Things (IoT)
- Global pandemic – COVID-19

Principal risks

The Group's direct customers sell to consumers. If economic conditions affect consumer demand, our customers may be affected and so reduce the demand for its products.

Changes in general economic conditions directly affect consumer confidence and spending, as well as the general business environment and levels of business investment, all of which may directly affect our customers and, consequently, their demand for our products. In addition, consumer demand may be impacted by potential changes in consumer lifestyle, nutritional preferences and health-related concerns. Concerns over volatility of commodity prices, energy costs, geopolitical issues, and the availability and cost of financing might contribute to increased volatility and diminished expectations for the economy and global markets going forward. These factors, combined with declining global business, consumer confidence, and rising unemployment, might precipitate an economic slowdown. Continued weakness in consumer confidence and declining income and asset values in many areas, as well as other adverse factors related to the current weak global economic conditions have resulted in previous years, and may continue to result, in reduced spending on our customers' products and, thereby, reduced or postponed demand from customers for our products. Despite the role that our commercial refrigeration products have in generating sales growth for customers, they constitute capital expenditure, and in periods of economic slowdown, our customers may reduce their investments, including cooler purchases, in efforts to preserve cash. Adverse economic conditions may cause our customers to forego or postpone new purchases in favor of repairing existing equipment. Any of the factors above could lead to reduced demand for our commercial refrigeration products, or reductions in the prices of our products, or both, which would have a negative effect on the business, financial condition, results of operations and cash flows.

The Group depends on a small number of significant customers that have substantial leverage over suppliers and exert pressure on prices.

The Group derives a significant amount of its revenues from a small number of large multinational customers. For the year ended December 31, 2020, our five largest customers accounted for 67% and 76% of our net sales revenue in Commercial Refrigeration and Glass Operations, respectively. The loss of any large customer, a decline in the volume of sales to these customers or the deterioration of their financial condition could adversely affect our business, results of operations, financial condition and cash flows.

Coca-Cola HBC, our largest customer, accounted for 36% of the net sales revenue in our Commercial Refrigeration Operations and approximately 37% of the net sales revenue of our Glass Operations for the year ended December 31, 2020. Our relationship with Coca-Cola HBC is governed by the terms of a five-year supply agreement under which Coca-Cola HBC purchases commercial refrigeration units and relevant spare parts from us at prices and quantities negotiated annually. The contract does not include an exclusive supplier clause. With respect to our other customers, sales agreements are typically negotiated on an annual basis and do not include an exclusive supplier for coolers and spare parts. In our Glass Operations, glass sales are primarily based on short-term fixed price contractual arrangements with various bottlers, which are negotiated annually. We cannot assure that we will successfully be able to renew our agreements with customers on a timely basis, or on terms reasonably acceptable to us or at all. Failure to renew or extend our sales agreements with customers, for any reason, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The Group is exposed to risks related to conducting operations in multiple countries, including political, economic, legal, regulatory and other risks and uncertainties which may adversely affect our business and results of operations.

The Group has a strong international presence, selling to more than 100 countries through our subsidiaries. Our operating results depend on the prevailing economic conditions in the markets we operate, such as the level of GDP growth, unemployment rates, interest rates, inflation, tax rates as well as other conditions which specifically affect our Commercial Refrigeration and Glass Operations. We are also affected by the various political, legal, regulatory and other risks and uncertainties associated with conducting business in multiple countries.

A substantial portion of our international operations are in emerging markets, such as Nigeria and Russia. The governments of Nigeria and Russia, as well as those of other emerging markets, exert significant influence over the economy, amending their policies and regulations and leading to measures including interest rate hikes, application of exchange controls, changes in taxation policies, imposition of price controls, currency devaluation, capital controls and restrictions on imports. Those changes may have a negative impact on our operations since they affect various factors such as interest rates, monetary policies, foreign exchange controls and limitations on remittances abroad, fluctuations in exchange rates, inflation and deflation, social instability, price fluctuations, crimes and non-enforcement of the law, political instability, and volatility in domestic economic and capital markets.

The financial risks of operating in emerging and developing markets also include, but are not limited to, the risk of liquidity, inflation, devaluation, price volatility, currency convertibility and transferability, the risk of the country breaching its obligations, and the risk of austerity measures imposed as a result of major deficits. Those factors have and will continue to affect our results, potentially resulting in our operations being suspended, our operating costs rising in those countries or our ability to repatriate profits from those markets being restricted.

The Group is exposed to foreign exchange rates and the impact of foreign exchange controls, which may adversely affect its profitability or ability to repatriate profits.

The Group operates internationally and generates a significant percentage of its revenue in currencies other than the euro, its reporting currency. As a result, our financial position and results of operations are subject to currency translation risks. We also face transactional currency exchange rate risks if sales generated in one foreign currency are accompanied by costs in another currency. Net currency exposure from sales denominated in non-euro currencies arises to the extent that we do not incur corresponding expenses in the same foreign currencies. In 2020, more than 50% of our net sales revenue was denominated in currencies other than the euro, mainly the Nigerian naira, the U.S. dollar, the Indian rupee, the South African rand, the Russian ruble and the Romanian leu. We are therefore subject to foreign currency exchange rate risk on cash flows related to sales, expenses, financing and investing transactions conducted in currencies other than the euro. Our subsidiaries with functional currencies other than the euro use natural hedging to limit their exposure to foreign currency risk.

The Group faces intense competition in many of the markets in which it operates.

Our Commercial Refrigeration Operations are subject to intense competition from regional competitors in specific markets. We generally compete based on price, design, the quality of service, product features, maintenance costs and warranties. In Europe, we believe that our main competitors in the market are Metalfrio Solutions, UBC Group and Ugur, which are local manufacturers, most of which have low-cost manufacturing capabilities and compete with us on price. Although our customers that operate in Europe are price sensitive, they also take into account other factors such as the product's lifetime, energy consumption, serviceability and aesthetics. In Asia and Africa, our primary competitors are Sanden Intercool, Western Refrigeration, Haier and Metalfrio Solutions and customers are also price sensitive. Western Refrigeration is the key competitor in the Indian market. In the Middle East the main competitors are Everest Industrial, Sanden Intercool, Western Refrigeration, Ugur and Metalfrio Solutions.

In Glass Operations, our main competitor in terms of glass container manufacturers in West Africa is Glass Force and Sun Glass. We also compete with manufacturers of other forms of rigid packaging, principally plastic containers (PET) and aluminum cans, on the basis of quality, price, service and consumer preference. We also compete against manufacturers of non-rigid packaging alternatives. We believe that the use of glass bottles for alcoholic and non-alcoholic beverages in emerging markets is primarily subject to cost considerations.

Our Glass Operations are subject to limited competition due to our long history of operating in Nigeria. Furthermore, our Glass Operations in Nigeria and our Commercial Refrigeration Operations in Russia and India benefit from significant barriers to entering or importing into those markets as a result of import duties and protective tariffs.

Any rise in competitive trends which result in pricing pressure and any inability on our part to respond, could negatively affect our profit margin and, consequently, our financial results and cash flows in future periods.

The Group is subject to risks associated with developing new products and technologies in its Commercial Refrigeration Operations, which could lead to delays in new product launches and involve substantial costs.

Frigoglass aims to improve the performance, usefulness, design and other physical attributes of its existing products, as well as to develop new products to meet customers' needs. To remain competitive, we must develop new and innovative products on an on-going basis. We invest significantly in the research and development of new products, including environmentally friendly and energy-efficient platforms. These expenditures may not result in commercially viable products that will be accepted by the market at the time of their completion or at all. As a result, our business is exposed to risks associated with developing new products and technologies such as (a) achieving energy consumption levels that match customer expectations, (b) cost optimization, (c) developing new refrigeration technologies before the competition does and (d) developing innovative coolers whose performance and unexpected technical problems can be monitored online. We cannot guarantee that we will be able to implement new technologies, or that we will be able to launch new products successfully. Our failure to develop successful new products may impact relationships with customers and cause existing as well as potential customers to choose to purchase used equipment or competitors' products, rather than invest in new products manufactured by us, which could have a material adverse effect on our business, financial condition and results of operations.

The Group's profitability could be affected by supply and demand and cost of raw materials and energy.

The raw materials that we use or that are contained in the components and materials that we use have historically been available in adequate supply from multiple suppliers. For certain raw materials, however, there may be temporary shortages due to production delays, transportation or other factors. In such an event, no assurance can be given that we would be able to secure our raw materials from sources other than our current suppliers on terms as favorable as our current terms, or at all. Any such shortages, as well as material increases in the cost of any of the principal raw materials that we use, including the cost to transport materials to our production facilities, could have a material adverse effect on our business, financial condition and results of operations.

The primary raw materials relevant to our Commercial Refrigeration Operations are steel, copper, plastics and aluminum. These raw materials are commodities, many of which are sold at prices linked to the U.S. Dollar. Occasionally, the purchase prices of some of these key raw materials increase significantly, also increasing our expenses. Our Glass Operations also require significant quantities of raw materials, especially soda ash (natural or synthetic), cullet (recycled glass), limestone and glass-sand. Increases in the price of raw materials can also be caused by suppliers' concentration that could intensify in the future and develop for the raw materials that we use. Any significant increase in the price of raw materials in the Glass Operations could negatively impact our operations, financial condition and results of operations.

We may not be able to pass on all or part of raw material price increases to our customers now or in the future. In addition, we may not be able to hedge successfully against raw material price increases. Furthermore, while in the past sufficient quantities of steel, copper and aluminum have been generally available for purchase, these quantities may not be available in the future and, even if available, they may not be at current prices. Further increases in the cost of these raw materials could adversely affect our operating margins and cash flows. If in the future we are not able to reduce product costs in other areas or pass raw material price increases on to customers, our margins could be adversely affected.

Increased or unexpected product liability claims, product warranty claims and claims from "epidemic" cases could adversely affect the Group.

The sale of our products involves a risk of product liability claims against us by our customers and third parties. While our quality management system provides for, among other things, in process control systems, we cannot exclude the possibility that some of our products or product batches will not meet all agreed specifications or quality requirements. A successful product liability claim or series of claims against us in excess of our product liability insurance, or outside the scope of coverage of our product liability insurance, or payments for which we are not indemnified or have not otherwise made provisions could have a material adverse effect on our business, financial condition and results of operations. From time to time, we may also experience voluntary or court-ordered product recalls. We expend considerable resources in connection with product recalls, which typically include the cost of replacing parts and the labor required to remove and replace any defective part.

Although we maintain warranty and epidemic reserves in an amount based primarily on the number of units shipped and on historical and anticipated warranty claims and epidemics, there can be no assurance that future warranty claims or epidemics will follow historical patterns or that we can accurately anticipate the level of future warranty claims or epidemic failure costs. An increase in the rate of warranty claims and epidemics or the occurrence of unexpected warranty claims and epidemics could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The Group is subject to extensive applicable governmental regulations, including environmental and licensing regulation, and to increasing pressure to adhere to internationally recognized standards of social and environmental responsibility, such as on climate change, which are likely to result in an increase in our costs and liabilities.

Our operations and properties, as well as our products, are subject to extensive international, EU, national, provincial and local laws, regulations and standards relating to environmental, health and safety protection. These laws, regulations and standards govern, among other things: emissions of air pollutants and greenhouse gases; water supply and use; water discharges; waste management and disposal; noise pollution; natural resources; product safety; workplace health and safety; the generation, storage, handling, treatment and disposal of regulated materials; asbestos management; climate change; and the remediation of contaminated land, water and buildings. The scope of these laws, regulations and standards varies across the different countries in which we operate. We require numerous environmental, health and safety permits issued by regulators to conduct our operations, including air permits, water and trade effluent discharge permits, water abstraction permits and waste authorizations. Failure to comply with these permits, laws and regulations, or to obtain and maintain the required permits, could subject us to criminal, civil and administrative sanctions and liabilities, including fines and penalties, as well as operational constraints or shutdowns. Moreover, our business operations are energy intensive, which results in the air emission of nitrogen oxides, sulfur dioxide and combustion products such as greenhouse gases. Significant capital investment may be necessary at some sites to comply with future air emission restrictions.

In addition, public expectations for reduction in greenhouse gas emissions could result in increased energy, transportation and raw material costs and may require that we make additional investments in facilities and equipment. As a result, the effect of climate change could have a long-term adverse impact on our business and results of operations.

In addition, we are exposed to claims alleging injury or illness associated with asbestos and other materials present or used at production sites or associated with use of the products that we manufacture or sell.

Furthermore, we may be required by relevant governmental authorities to maintain certain licenses or permits in the jurisdictions in which we operate. These licenses and permits are generally subject to a variety of conditions that are stipulated either within the licenses and permits themselves, or under the particular legislation or regulations governing the issuing authorities. The continuation of these licenses and permits may be subject to annual examinations or random inspections by the relevant authorities to ensure that the premises comply with all relevant regulations of the issuing authority. Any breach or material noncompliance with the regulations of the issuing authorities could harm our operating results, financial condition and reputation.

The Group may be subject to litigation, regulatory investigations and other proceedings that could have an adverse effect.

We are currently involved in certain litigation proceedings, and we anticipate that we will be involved in litigation matters from time to time in the future. The risks inherent in our business expose us to litigation, including personal injury, environmental litigation, litigation with contractual counterparties, intellectual property litigation, tax litigation and product liability lawsuits. We cannot predict with certainty the outcome or effect of any claim, regulatory investigation or other litigation matter, or a combination of these.

Sustainability risks

Description	Potential impact	Impact magnitude	Estimated implications	Management method
Increasing reporting obligations imposed by regulators may require changes to how we collect and report data today.	Increased operational cost	Low-medium	The financial implications of emissions reporting obligations are associated with the cost to collect, check and collate emissions data across all of Frigoglass businesses and report in the required format. This could be quite a complex task given that Frigoglass operates in some jurisdictions that may have very different reporting requirements.	Frigoglass started collecting emission data in 2010 and continues to annually collect, check and collate emissions data to feed into the development and tracking of emissions reduction targets across the business. In addition, the level of reporting for each operation is continually being improved to increase the accuracy of the collected data on all 3 emission scopes. It is anticipated that collecting emissions data now will reduce any risks associated with future emission reporting obligations.
Participation in the EU ETS and introduction of similar schemes in the US and throughout the World may have a flow-on impact on the cost of business inputs such as electricity and fuels.	Increased operational cost	Low-medium	Existing and future regulations on GHG emissions and a trading scheme will serve to monetise the environmental cost of GHG emissions and will increase the cost of traditional fossil fuel-based energy usage including electricity, stationary and transport fuel as well as refrigerant gas for both Frigoglass and our suppliers. This could lead to a small increase in costs associated with our raw materials and components as well as direct increases in energy costs for our production facilities.	We use three methods to manage emissions and associated costs: **1.** Measuring energy use and emissions including improving quality of collected data. **2.** Managing operational costs by analysing collected data and identifying and implementing energy efficiency projects to reduce energy use across our operations. **3.** This has included dematerialising our supply chain and products (e.g., modular product design, fewer item codes and a higher degree of standardization, more efficient component selection).Investment in research and development to produce ICMs that use natural refrigerants and consume minimum possible power. It is anticipated that by implementing these management measures, we will be able to offset the increase in costs associated with the implementation of a carbon price and will be an industry leader with respect to natural refrigerants.
Changes to refrigerant regulation, including phasing out or banning of different refrigerant gases.	Increased operational cost	Low-medium	Frigoglass is fully equipped in all its plants to produce with HFC free refrigerants. Should additional changes to refrigerant types be required, it is estimated that costs of the magnitude of €3 million will be needed to upgrade production facilities.	Frigoglass is investing in research and development into alternative refrigerants and in 2020, over 80% of our ICM placements worldwide were with Hydrocarbon (HC) refrigerants. Other refrigerant related projects include the development of cooling circuits that can operate with a lower HC charge to extend usage to larger size coolers.
Greater variability of temperature including high temperature which may lead to production downtime.	Reduction/ disruption in production capacity	High	Temperature extremes could reduce revenue by disrupting production. Production costs may increase due to increased electricity load for additional cooling of production sites and increased energy costs where energy providers need to upgrade their infrastructure to guarantee supply during periods of extreme weather. The financial implications could range from small increases in operational costs to significant costs related to plant shut down as a result of damage from extreme weather events. The financial costs of production disruptions from weather-related events is estimated 1.3% of total spending.	Frigoglass has an Operational Risk Management program which includes new standards as well as a new, structured and detailed reporting system to identify and address risks associated with climate change. The major risk categories we have identified are site construction, safety measures, and critical hazards while some of the issues included in these groups are business continuity, environmental management and health, and safety, among others. The potential impacts from changes in temperature extremes are considered under the Operational Risk Management program where critical thresholds on business continuity are reached. Regarding managing certainty of supply, our regular supplier assessment ensures that we continually identify those suppliers that are able to provide materials to different manufacturing sites around the world, ensuring a certain degree of resilience in the availability of the materials and components required for manufacture of products. Diversification of our suppliers is another means of addressing the risk of climate impacts up and down our supply chain. On the market side we manage risk of production capacity disruption through possibility to supply same and/or similar products from different manufacturing sites.
Increase in average temperature over longer time frames which may lead to increased operation and production costs associated with cooling in factories. Additional impacts to personnel expected.	Increased operational cost	Medium	Change in average temperature will increase the production costs within our factories due to increased cooling requirements. Should temperatures exceed tolerable ranges, production must cease which would reduce supply and potentially impact on Frigoglass ability to meet customer requirements. This would result in a loss of revenue of max 10%.	Currently factories operate within the acceptable temperature tolerance range. However the risk of increased average temperatures is incorporated into our Operational Risk Management program. Heat risk to personnel is currently considered within the health and safety category of our Operational Risk Management Program. Should temperatures increase beyond acceptable tolerance levels, Frigoglass will implement facility upgrades to ensure that production can continue uninterrupted.

Description	Potential impact	Impact magnitude	Estimated implications		Management method
Damage to the reputation of Frigoglass as a provider of environmentally-friendly technologies by its customers and investors if the company fails to meet compliance requirements or is seen to be insufficiently managing all business risks associated with climate change. Potential impact	Reduced demand for goods/ services	High	The loss of Frigoglass reputation as a supplier of environmentally friendly technologies would have a significant financial impact as we could lose a large proportion of our customer base to other suppliers.		We manage reputation risk by maintaining our reputation as a leader in technology and innovation by funding our research hubs in Europe and Asia to ensure that our technology meets our customers' needs for energy efficiency, natural refrigerants and IoT enabled ICMs that allow for more efficient control of their operation and servicing.
Expectations of major customers with respect to environmental performance (from a design and use perspective).	Reduced demand for goods/ services	High	The financial implication of not being able to provide our customers with both supply chain management information and innovative emissions and energy-related solutions pose a significant financial loss (up to 50% of sales) to Frigoglass if these customers move to other suppliers who can provide the required information, products and solutions.		As a technology and innovation leader in our sector, with research and development hubs in Europe, Asia and Africa, we are best positioned to provide global beverage companies with the most advanced product range to reduce their carbon footprint and address the rapidly rising energy costs. The innovations we develop then flow through to our capital investment strategies in our plants in order to equip manufacturing sites with the capability and capacity to manufacture newer models to meet the increasing demand, as well as supplier sourcing strategies to ensure the appropriate components are available in expected quantities and meet our supplier quality standards. In addition, Frigoglass has been collecting and reporting on carbon emission data since 2010 and continues to improve and refine its emissions data. It also reports on a range of sustainability indicators that would be of interest to our customers.
The increasing integration of digital solutions in every aspect of our operations greatly enhances our connectivity, efficiency and the quality of our services. As digital processes are now an integral part of our operations, so is the responsibility to protect company, clients and personal data.	The impact is twofold, mainly on disruption of operations through IT system shutdown (e.g. Cyber attack) and/ or data theft	Low to medium	Implications from risks related to data security and IT can be multifold. There can be damage of our Brand reputation, our stakeholders' trust and relationships with our partners. Disruptions of operational and supply chain processes may be impacted as well. This would lead to potential financial losses through revenue loss or other hidden costs and/or legal consequences in form of monetary fines and regulatory sanctions.		Data security within the organization follows the ISO 27001 standard for information security management, which covers key areas of management, technical and physical controls, legal, compliance and business continuity management. It is safeguarded through respective processes and controls. A dedicated IT function oversees the integrity of our IT systems and processes, running regular vulnerability scans for identification of potential areas of weakness of our IT systems. We have strict access control policies across the organization and the employee training on proper data use and IT system functionalities is part of the Frigoglass Academy Agenda of online trainings. Finally we have contingency planning procedures to ensure the company's continuity of operations in cases of IT system outages.

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, commodity price risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's risk management programme focuses on the volatility of financial markets and seeks to minimise potential adverse effects on the Group's cash flows.

Group Treasury carries out risk management under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's subsidiaries. The Board of Directors has approved the Treasury Policy, which provides the control framework for all treasury and treasury-related transactions. The Group Treasury does not perform speculative transactions or transactions that are not related to the Group's operations.

Market risk

Foreign currency risk

The Group operates internationally and is exposed to foreign currency risk on future transactions, recognised monetary assets and liabilities that are denominated in currencies other than the local entity's functional currency.

To mitigate the exposure of our subsidiaries with functional currencies other than the euro to foreign currency risk we use natural hedging by matching, to the maximum possible extent, revenue and expense cash flows in the same currency in order to limit the impact of currency exchange rate movements. When natural hedging cannot be achieved, we may use derivatives, mainly in the form of forward foreign exchange currency contracts. In some cases when derivatives are either not accessible or at very high hedging cost, we may decide to allow our foreign exchange exposure to remain unhedged. Recently, derivatives have not been used, only natural hedging of exchange rate risks to the extent that this is feasible.

Commodity price risk

The Group's production costs are sensitive to the prices of certain raw materials used in the manufacturing process of its products. The Group is primarily exposed to fluctuations in the prices of copper, steel, aluminum, plastics and soda ash and have adopted policies to mitigate the risk of adverse volatility in the prices of such raw materials. In particular, when we purchase raw materials, we negotiate discounts based on volume purchased. We keep strategic inventory reserves at the supplier, at our plants and in finished goods, to guarantee availability. When possible, we enter into annual, six-month or quarterly agreements with our suppliers so as to satisfy production plans but at the same time permit adjustments if prices begin to decline and become more advantageous for us.

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates since the Group does not hold any interest bearing assets other than short-term time deposits. Exposure to interest rate risk on liabilities is limited to cash flow risk from changes in floating rates. The Group continuously reviews interest rate trends and the tenure of financing needs. The Group's policy is to minimize interest rate cash flow risk exposures on long-term financing.

Credit risk

Credit risk arises from the Group’s cash and cash equivalents and its credit exposures to customers, including outstanding receivables.

Risk management

Regarding banks and financial institutions, mainly independently rated parties with high quality credit credentials are accepted.

In respect of outstanding trade receivables, the Group has policies in place to assess the credit quality of the customer, taking into account its financial position, past experience, as well as other factors. Individual credit limits are set and compliance is regularly monitored by management. The Group's credit policy is determined by the terms of payment that are stated on a case-by-case basis in each contract with a customer.

The Group has a significant concentration of credit risk with specific customers which comprise large international Groups with high quality credit ratings.

Security

For some trade receivables the Group may purchase credit guarantee insurance cover.

Impairment

Trade receivables

The Group has only one type of financial assets that are subject to the expected credit loss model that is trade receivables for sales of inventory and from the provision of services.

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates.

The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group’s past experience, existing market conditions as well as forward looking estimates at the end of each reporting period.

Management reviewed these assumptions taking into account the impact of COVID-19 and concluded that the recoverability of trade receivables has not been significantly affected by the pandemic.

Management has assessed receivable balances of subsidiaries and has determined that these receivable do not require an impairment provision.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables.

Liquidity risk

The Group actively manages liquidity risk to ensure there is adequate cash reserves and available funding, through committed and uncommitted banking facilities, to meet its obligations when due.

Group Treasury manages liquidity risk also by maintaining access to the debt and equity capital markets, and by continuously monitoring working capital and forecasted and actual cash flows.

Capital risk

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders as well as maintain an optimal capital structure to reduce the cost of capital.

The Group maintains a credit rating with S&P Global Ratings and Moody’s Investor Service.

Rating Agency	Publication Date	Rating	Outlook
S&P Global Ratings	18 December 2020	B-	Stable
Moody’s Investor Service	20 January 2021	B3	Stable

SUPPLEMENTARY INFORMATION

Alternative performance measures

The Group uses certain Alternative Performance Measures ("APMs") in making financial, operating and planning decisions, as well as, in evaluating and reporting its performance. These APMs provide additional insights and understanding to the Group's operating and financial performance, financial condition and cash flow. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable IFRS line items.

Definitions and reconciliations of APMs

In discussing the performance of the Group, certain measures are used, which are calculated by deducting from the directly reconcilable amounts of the Financial Statements the impact of restructuring costs.

Restructuring Costs

Restructuring costs comprise costs arising from significant changes in the way the Group conducts business, such as the discontinuation of manufacturing operations. These costs are included in the Company's/Group's Income Statement, while the payment of these expenses are included in the Cash Flow Statement. However, they are excluded from EBITDA and Adjusted Free Cash Flow in order for the user to obtain a better understanding of the Group's operating and financial performance achieved from ongoing activity.

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)

EBITDA is calculated by adding back to profit before income tax, the depreciation, the impairment of property, plant and equipment, intangible assets and right-of-use assets, net finance cost/income and restructuring costs. EBITDA margin (%) is defined as EBITDA divided by Sales from contracts with customers.

EBITDA is intended to provide useful information to analyze the Group's operating performance.

(in € 000's)	2020	2019
Profit / (Loss) before income tax	**7,470**	**27,483**
Depreciation	19,285	22,868
Restructuring costs	1,076	4,843
Impairment of right-of-use assets	1,925	1,088
Net finance costs	12,401	17,772
EBITDA	**42,157**	**74,054**
Sales from contracts with customers	333,238	482,337
EBITDA margin, %	**12.7%**	**15.4%**

Net Trade Working Capital (NTWC)

Net Trade Working Capital is calculated by subtracting Trade Payables from the sum of Inventories and Trade Receivables. The Group presents Net Trade Working Capital because it believes the measure assists users of the financial statements to better understand its short term liquidity and efficiency.

(in € 000's)	31 December 2020	31 December 2019
Trade debtors	55,115	97,523
Inventories	81,164	107,250
Trade creditors	42,180	81,450
Net Trade Working Capital	**94,099**	**123,323**

Free Cash Flow

Free Cash Flow is used by the Group and defined as cash generated by operating activities after cash used in investing activities. Free Cash Flow is intended to measure the cash generation from the Group's business, based on operating activities, including the efficient use of working capital and taking into account the purchases of property, plant and equipment and intangible assets. The Group presents Free Cash Flow because it believes the measure assists users of the financial statements in understanding the Group's cash generating performance as well as availability for debt service, dividend distribution and own retention.

(in € 000's)	2020	2019
Net cash from operating activities	31,021	45,109
Net cash from investing activities	-13,736	-27,688
Free Cash Flow	**17,285**	**17,421**

Adjusted Free Cash Flow

Adjusted Free Cash Flow facilitates comparability of Cash Flow generation with other companies, as well as enhances the comparability of information between reporting periods. Adjusted Free Cash Flow is calculated by excluding from the Free Cash Flow (defined above) the restructuring related payments, the proceeds from disposal of property, plant and equipment (PPE) and subsidiaries.

(in € 000's)	2020	2019
Free Cash Flow	**17,285**	**17,421**
Restructuring costs	1,076	6,639
Proceeds from disposal of subsidiary	-	-2,391
Proceeds from disposal of Tangible Assets	-367	-375
Adjusted Free Cash Flow	**17,994**	**21,294**

Net Debt

Net Debt is used by management to evaluate the Group's capital structure and leverage. Net Debt is defined as long-term borrowings plus short-term borrowings (including accrued interest) less cash and cash equivalents as illustrated below. Following the adoption of IFRS 16, financial liabilities related to leases are included in the calculation of Net Debt as from 2019 onwards.

(in € 000's)	31 December 2020	31 December 2019
Long-term borrowings	252,655	223,458
Short-term borrowings	59,702	60,259
Lease liabilities (long-term portion)	4,027	3,419
Lease liabilities (short-term portion)	2,095	2,059
Cash and cash equivalents	70,243	54,170
Net Debt	**248,236**	**235,025**

Adjusted Net Debt

Net Debt is used by management to evaluate the Group's capital structure and leverage. Net Debt is defined as long-term borrowings plus short-term borrowings (including accrued interest) less cash and cash equivalents as illustrated below. Following the adoption of IFRS 16, financial liabilities related to leases are included in the calculation of Net Debt as from 2019 onwards.

(in € 000's)	31 December 2020	31 December 2019
Net Debt	**248,236**	**235,025**
Unamortised issuance costs	7,345	-
Adjusted Net Debt	**255,581**	**235,025**

Capital Expenditure (Capex)

Capital Expenditure is defined as the purchases of property, plant and equipment and intangible assets. The Group uses capital expenditure as an APM to ensure that capital spending is in line with its overall strategy for the use of cash.

(in € 000's)	2020	2019
Purchase of PPE	-11,298	-25,868
Purchase of intangible assets	-2,805	-4,586
Capital expenditure	**-14,103**	**-30,454**

Shareholder information

Frigoglass recognizes the importance of the effective and timely communication with shareholders and the wider investment community.

The Company maintains an active website www.frigoglass.com which is open to the investment community and to its shareholders.

The Treasury and Investor Relations department communicates with the investment community through its participation in a number of conferences and ad hoc meetings held in Greece and abroad and the schedule of conference calls. We engage with key financial audiences, including institutional investors, sell-side analysts and financial journalists, as well as, our Company's shareholders.

Listing

Athens Exchange

Ticker symbol:	FRIGO
ISIN:	GRS346003007
Reuters:	FRIr.AT
Bloomberg:	FRIGO GA

Credit rating

S&P Global Ratings: B-, Stable Outlook
Moody's: B3, Stable Outlook

2020 Share price performance (€ per share)

Athens Exchange: FRIGO	2020
Close	0.11
High	0.28
Low	0.06
Market Capitalisation (€ million)	38.0

Share capital

On 31 December 2020, the share capital of the Group amounted to €35.5 million and comprised 355,437,751 fully paid up ordinary shares with a nominal value of €0.10 each.

Major shareholders

On 31 December 2019, the following shareholders possessed more than 5% of the share capital of the Company:

Shareholders	% of share capital of the Company
Truad Verwaltungs A.G.	48.55
Marc Lasry – Avenue Capital[1]	9.96
Alpha Bank S.A.	5.95

[1] 1Mr. Marc Lasry is the ultimate managing member of Avenue Europe International Management GenPar, LLC and Avenue Capital Management II GenPar, LLC which in turn indirectly control in total voting rights corresponding to 9,96% shares in the Company.

Shareholder and analyst information

Shareholders and financial analysts can obtain further information by contacting:

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Important note regarding forward-looking statements

This document may contain forward-looking statements which are based on current expectations and assumptions about future events. All statements other than statements of historical fact included in this announcement, including, without limitation, statements regarding Frigoglass' future financial position, capital expenditures, projected sales, costs and costs savings, if any, may be forward-looking statements. These forward-looking statements are subject, among other things, to business, economic and competitive uncertainties and contingencies, which relate to factors that are beyond Frigoglass' ability to control or estimate precisely and that could cause actual results to differ materially from those expressed therein. In view of the above, you are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Frigoglass does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement. With respect to any estimates of future cost savings included herein, Frigoglass can provide no assurance that the full benefits it expects will be realized within the time periods specified or that implementation costs associated with such cost savings will not exceed its expectations. For a more detailed description of the main risks and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements, please refer to Frigoglass' annual financial statements, which can be found on the company's website at **www.frigoglass.com.**

www.frigoglass.com