



Nominations Policy

14.06.2024

**Nominations Policy
of the Members of the Board of Directors of EYDAP**

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A. Introduction

1. Institutional framework

(1) By article 1 of Law 2744/1999, it was defined that the SA with the name "Athens Water Supply and Sewerage Company" (EYDAP) is governed by the provisions of Law 2190/1920 for SAs and Law 2414/1996 (on the modernization of Public Enterprises and Organizations), as well as in addition to the provisions of (its original founding) Law 1068/1980, and is under the supervision of the Minister of the Environment, Spatial Planning and Public Works.

(2) With Law 5037/2023, the supervision of EYDAP was transferred to the Ministry of Environment and Energy, while the supervision of the provision of water services and municipal waste management was assigned to the Waste, Energy and Water Regulatory Authority (R.A.A.E.Y.). Article 64 of Law 5045/2023 re-transferred the ownership shares of Superfund to the Greek State and provided for the exercise of the relevant rights of the State jointly by the Ministers of Finance and Environment and Energy.

(3) From the point of view of corporate law, EYDAP is currently governed by the provisions of the law on limited companies 4548/2018, the law on corporate governance 4706/2020, as well as by all stock market legislation (Regulation (EU) 596/2014, law 4443/2016, Law 3556/2007 etc.) and the decisions and directives of the Capital Market Commission, by which it is supervised.

(4) According to the company's Articles of Association (article 11), the Company is managed by the Board of Directors, the number of whose members is redundant and cannot exceed thirteen (13) members or be less than seven (7) members. The General Assembly of shareholders is competent to determine the number of members of the Board of Directors as well as to increase or decrease their number, always within the framework set by this paragraph. The Board of Directors is composed as defined in the articles of association: (a) by two (2) representatives of the Company's employees, (b) by two (2) members representing the minority shareholders, (c) by representatives of the majority shareholder who are elected by the General Assembly in accordance with the provisions of Law 4548/2018.

(5) This Nomination Policy takes into account the requirements that the Company must meet regarding the suitability of the members of its Board of Directors, the obligations established in relation to the Policy in accordance with Law 4706/2020 and Circular 60/2020 of the Capital Market Commission, the overall legislative framework that governs the operation of the Company, its Operating Regulations, the Corporate Governance Code it applies and its Articles of Association.

2. Purpose

(1) The purpose of this Policy for the members of the Company's Board of Directors is to define:

- i. the principles concerning the selection or replacement of the members of the Board of Directors and the renewal of the term of office of its existing members,

- ii. the criteria for assessing the suitability of the members of the Board of Directors, in particular in terms of moral integrity, reputation, adequacy of knowledge, skills, independence of judgment and experience for the performance of the duties assigned to them, and
 - iii. of the diversity criteria for the selection of the members of the Board of Directors, in accordance with article 3 of Law 4706/2020.
- (2) Policy aims to ensure quality staffing, efficient operation and fulfillment of the role of the Board of Directors based on the general strategy and medium-long-term business goals of the Company with the aim of promoting the corporate interest.

3. General principles

- (1) The Company's Board of Directors has a sufficient number of members and an appropriate composition.
- (2) The Company seeks to staff the Board with persons of moral character and reputation and ensures that the members of its Board have, on an individual and collective level, the skills and experience required based on the tasks they undertake and their role on the Board, as well as to have sufficient time for the exercise of their duties. To this end, the Policy takes into account the more specific description of the responsibilities of each member of the Board of Directors or his participation or not in committees, the nature of his duties (executive or non-executive member of the Board of Directors) and his characterization as an independent or non-member of the Board of Directors , as well as in particular incompatible or characteristic or contractual commitments linked to the nature of the Company's activity and the Corporate Governance Code it applies.
- (3) When formulating the Policy, the size, internal organization, nature, scale and complexity of the Company's activities have been taken into account.

B. Definitions

- (1) **Independence of judgment or independence of mind** : Standard of behavior during discussions and decision-making within the Board, which is required for each member, regardless of whether the member is an "independent non-executive member" according to Article 9 of Law 4706 /2020.
- (2) **Independence** : The freedom from conditions that prevent the member of the Board of Directors from exercising his duties in an impartial manner.
- (3) **Objectivity** : The unbiased attitude and mentality, which allows the member of the Board to carry out his work, as he believes himself to be and not to accept compromises in terms of his quality.
- (4) **Individual suitability** : The degree to which a person is considered to have, as a member of the Board of Directors, sufficient knowledge, skills, experience, independence of judgement, moral integrity and good reputation for the performance of his duties as a member of the Company's Board of Directors, in accordance with the

suitability criteria set by him the politics.

- (5) **Board of Directors or Board of Directors** : The Company's Board of Directors.
- (6) **Company** : The company with the name "Water and Sewerage Company of the Capital" and distinctive title "E.Y.D.A.P".
- (7) **Substantial amendments** : Amendments that introduce deviations or that significantly change the content of the Policy, especially in terms of the applied general principles and criteria.
- (8) **Nomination Policy or Policy** : The set of principles and criteria applied at least during the selection, replacement and renewal of the term of office of the members of the Board of Directors, in the context of the assessment of individual and collective suitability .
- (9) **Collective suitability** : The suitability of the members of the Board of Directors as a whole.

C. Individual Eligibility

(1) The individual suitability of the members of the Board of Directors is evaluated in particular based on the criteria mentioned below. These criteria are general and apply to all members of the Board, regardless of their status, as executive, non-executive or independent non-executive members.

(2) Special obstacles, obligations and conditions (such as, for example, Article 3 par. 4-6 of Law 4706/2020, Article 44 Par. 1 of Law 4449/2017 and Article 11 Par. 9 of the Statute) apply independently from the eligibility criteria .

(3) Adequacy of knowledge and skills

- i. The members of the Board have the required knowledge, skills and experience for the performance of their duties in view of the role, the position and the competencies required by the Company for the position.
- ii. The experience covers both practical and professional experience, as well as theoretical knowledge acquired:
- iii. Theoretical knowledge: the level and type of education (field of study and specialization) is taken into account, especially if it is related to the activities related to the Company or other relevant fields.
- iv. Practical experience: covers the previous positions and the type of employment held by the member, taking into account the duration of his stay in each position, the size of each entity in which he worked, the scale and complexity of the business activity, the responsibilities he exercised in it , the number of its subordinates, the nature of the entity's activities, etc.
- v. In the context of the assessment of sufficient knowledge and skills, the following may be considered:
 - the role and duties of the position and the skills required;

- knowledge and skills acquired through education and training;
 - the practical and professional experience previously acquired, and
 - the knowledge and skills acquired and demonstrated by the professional conduct and development of the member of the Board of Directors.
- vi. The assessment is not limited to the member's academic qualifications or proof of a specific length of service. Instead, a thorough analysis of the member's experience and training is conducted.
- vii. The executive members of the Board of Directors may have acquired sufficient practical and professional experience, either by holding a position of responsibility, or through the exercise of business activity, for a sufficient period of time.
- viii. The members of the Board of Directors are sought to know and clearly understand the Company's corporate governance arrangements, their respective roles and responsibilities, both as members of the Board of Directors and as members of its committees, and possible conflicts of interest. It is also intended that the prospective members of the Board of Directors know, among other things, as much as possible, before assuming the position, the culture, values and general strategy of the Company.

(4) Moral and reputation guarantee

- i. The members of the Board of Directors must be distinguished by their good reputation and moral character, which is determined mainly by honesty and integrity.
- ii. A member of the Board is presumed to be of good reputation, honesty and integrity, unless there are objective and demonstrable reasons to suggest otherwise.
- iii. In order to evaluate the reputation, honesty and integrity of a candidate or existing member of the Board of Directors, the Company conducts an investigation and, subject to the legislation on the protection of personal data, may request data and relevant supporting documents for any final administrative and judicial decisions against him, in particular for violations and offenses related to his capacity as a member of the Board of Directors or non-compliance with provisions of the Capital Market Commission legislation or in general with financial crimes.
- iv. Without prejudice to the provisions of article 3 par. 4-5 of Law 4706/2020, for this assessment the relevance of the offense or measure to the role of the member, the seriousness of the offense or measure, may be taken into account in particular the general circumstances, including mitigating factors, the role of the person involved, the sentence imposed, the stage reached by the legal process and any remedial measures put in place, the time that has passed and the person's conduct since the offense or the offence.
- v. The Company may also take into account during the evaluation any decision to exclude the candidate member of the Board of Directors from acting as a member of the Board of Directors, which has been issued by any competent

authority.

(5) Conflict of interests

- i. The Company has a Conflict of Interest Policy, in accordance with par. 3, item (g) of article 14 of Law 4706/2020, which includes, at least for the members of the Board of Directors, conflict of interest prevention procedures, measures for disclosure and management of the conflict of interest and any cases and conditions in which, exceptionally, it would be acceptable for a member of the Board to have conflicting interests, as long as the said interests of the member are significantly limited or subject to appropriate management.
- ii. All actual and potential conflicts of interest at the Board level are subject to adequate notification, discussion, documentation, decision-making and proper management (i.e. necessary measures to limit conflicts of interest are taken).

(6) Independence of judgement

- i. Each member of the Board of Directors is ensured to act with independence of judgement. The absence of a conflict of interest does not mean that the member acts with independent judgment.
- ii. All members of the Board of Directors actively participate in the meetings and make their own correct, objective and independent decisions in the performance of their duties.
- iii. When assessing the independence of judgment, it is taken into account whether all members of the Board have the necessary behavioral skills, which include, among others:
 - courage, conviction and fortitude to carry out a meaningful evaluation and challenge the proposals or opinions of other members of the Board,
 - the ability to ask reasonable questions to the members of the Board and in particular to its executive members and to criticize, as well as
 - the ability to resist the phenomenon of herd thinking (groupthink).

(7) Independent non-executive members

Taking into account the key role played by the independent, within the meaning of Law 4706/2020, non-executive members of the Board of Directors in strengthening the effectiveness of its operation, the Company seeks and promotes the participation of the largest possible number of independent non-executive members on its Board of Directors.

(8) Availability of sufficient time

- i. All members of the Board of Directors have the time required for the performance of their duties based on their position description, role and duties.
- ii. In order to determine the sufficiency of the time, the status and responsibilities assigned to the member of the Board of Directors, the number of his positions as a member of other Boards and the resulting qualities held by the said member at the same time, as well as other professional or personal

commitments and conditions. The number of positions that a member of the Company's Board of Directors can hold at the same time cannot exceed a total of five (5) Boards, of which participation in the Boards of listed companies cannot exceed three (3).

- iii. The Company informs each prospective member of the Board of Directors of the expected time required to devote to his duties and to the meetings of the Board of Directors and any other committees in which he participates as a member.

D. Collective Eligibility

(1) The Board of Directors must be suitable for the exercise of its powers and its composition to contribute to the efficient management of the Company and balanced decision-making.

(2) Board members must collectively be able to receive appropriate decisions taking into account the business model, risk appetite, strategy and the markets in which the Company operates, be able to effectively monitor and criticize the decisions of senior management and have the necessary skills to present their opinions.

(3) All areas of knowledge required for the Company's business activities must be covered by the Board collectively with sufficient experience and knowledge among its members. Therefore, the Company seeks to have a sufficient number of members with knowledge in each field, so that it becomes possible to hold a discussion on the decisions that need to be taken.

(4) The composition of the Board must reflect the knowledge, skills and the experience required for the exercise of his responsibilities. Included in this context is the requirement that the Board as a whole sufficiently understands the areas for which the members are collectively responsible, and has the necessary skills to manage and supervise the Company, among other things, in terms of:

- its business activity and the main risks associated with it,
- the utilities sector,
- the sector of water supply and water resources management, drainage and waste water management,
- strategic planning and innovation,
- auditing or accounting and financial management,
- the financial and non-financial reports,
- the sciences of all branches of engineering,
- compliance with the legislative and regulatory framework,
- the understanding of corporate governance issues,
- the ability to identify and manage risks,

- the effect of digital technology and information systems on its activity,
- the adequate representation by gender , and
- understanding environmental, social responsibility and governance (ESG) issues

E. Polymorphism Criteria

(1) The Company promotes diversity on its Board of Directors, as it believes that:

- by gathering a wide range of qualifications and skills when selecting members of the Board, the diversity of opinions and experiences is ensured, which can contribute to making sound decisions,
- through diversity it is possible to achieve maximum team effectiveness and performance, to enhance innovation and to collaborate among board members with each other and with management.

(2) Therefore, the Company advocates that diversity in the Board is a necessary element for maintaining and strengthening its competitiveness, and in this context promotes an appropriate level of diversity in the Board and a diverse group of members.

(3) Especially with regard to adequate gender representation, the Company seeks to ensure that gender representation amounts to at least twenty-five percent (25%) of all Board members. To this end, the Remuneration and Nominations Committee takes this criterion into account when submitting proposals for the appointment of Board members.

(4) More generally, the Company seeks to ensure equal treatment and equal opportunities between the sexes, and this aspect extends beyond the selection of Board members and the provision of training to Board members. It also ensures that there is no exclusion due to discrimination based on sex, race, colour, ethnic or social origin, religion or belief, property, birth, disability, age or sexual orientation.

F. Evaluation of Eligibility Criteria

(1) The Company has the primary responsibility of identifying gaps in terms of collective suitability . To this end, the Board of Directors conducts an annual self-evaluation and at regular intervals assigns this evaluation to third-party specialized consultants.

(2) The assessment of individual and collective suitability is taken into account during the selection, renewal of the term and replacement of a member of the Board of Directors.

(3) The Remuneration and Nominations Committee monitors on an ongoing basis suitability of the members of the Board of Directors in particular to identify, in the light of any relevant new fact, cases in which it is deemed necessary to re-evaluate it.

(4) Eligibility reassessment is carried out, in particular, in the following cases:

- i. in case of significant impact of an event or situation to the reputation of a board member, and
- ii. in any case of the occurrence of an event that may significantly affect the

suitability of the member of the Board of Directors, including cases in which the members do not comply with the Company's Conflict of Interest Policy.

(5) The Remuneration and Nomination Committee records its results assessment of suitability , and in particular any weaknesses identified between the predicted and actual individual and collective suitability , as well as the necessary corrective measures.

(6) In the event that the Remuneration and Nominations Committee determines that the membership of one or more of the eligibility criteria has been suspended , based on the Policy, in the person of a member of the Board of Directors for reasons that this person could not have prevented even with the utmost diligence, the Board of Directors of the Company immediately terminates and replaces him within three (3) months.

G. Succession of members of the Board of Directors

(1) The succession planning of the members of the Board of Directors is a continuous and dynamic process, the primary objective of which is to ensure the orderly succession of the members of the Board of Directors of the Company and the continuity in making administrative decisions through the maintenance of smooth conditions in the Company.

(2) The Board ensures for the Company the appropriate succession plan, for the smooth continuity of the management of its affairs and decision-making after planned or unforeseen departures of members of the Board, in particular executive and committee members with the assistance of the Remuneration and Nominations Committee.

H. Implementation, monitoring and modification of the Policy

(1) The Remuneration and Nominations Committee, the Internal Audit unit, as well as the organizational units with a related subject (such as Human Resources and/or Regulatory Compliance and/or the Legal Service), can provide effective input during the formulation and monitoring of the application of Politics.

(2) The Board, with the assistance of the Remuneration and Nominations Committee, monitors the implementation and effectiveness of the Policy and periodically evaluates it at regular intervals or when significant events or changes take place. In order to monitor the implementation of the Policy, any findings of the Internal Audit Department and the other competent Departments of the Company are taken into account.

(3) The Company amends the Policy and reviews its design and implementation where appropriate, taking into account, among other things, the recommendations of the Remuneration and Nominations Committee, as well as the Internal Audit unit and any other external bodies.

I. Policy Approval

- (1) The Policy is approved by the Board of Directors, in accordance with article 3 paragraph 1 of Law 4706/2020 and is submitted for final approval to the General Assembly, in accordance with Article 3 paragraph 3 of Law 4706/2020.
- (2) Amendments to the Policy are approved by the Board of Directors and if they are essential, they are submitted for approval to the General Assembly in accordance with article 3 par. 3 of Law 4706/2020.
- (3) Documentation regarding the approval of the Policy and any amendments to it shall be kept on file, which may be electronic.
- (4) The Policy in force at any time is posted, updated , on the Company's website .