

Athens Water Supply & Sewerage CO S.A.



Risk Management Committee Bylaws

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1. Introduction

Based on recent legislative provisions on corporate governance (par. 2, article 4, Law 4706/2020), the Board of Directors is responsible for ensuring adequate and efficient operation of the company's internal audit system, which aims, inter alia, at the identification and management of the material risks associated with its activities and operation.

For the implementation of the above objective but also based on best practices, a Risk Management Committee is established by Decision of the Board of Directors of the Company consisting of members of the Board of Directors, which reports through its Chairman to the Board of Directors.

These Bylaws set out the purpose, jurisdiction, election, line-up, competencies, responsibilities and method of operation of the Committee.

The Bylaws are reviewed by the Risk Management Committee at least every two (2) years, to determine if there is a need to update them and in any case when there are changes in the role and responsibilities of the Committee, the Company or the law, relating to matters covered by these Bylaws.

2. Purpose

The purpose of the Risk Management Committee is to assist the Board of Directors in the performance of its duties regarding the management of business risks. This is achieved through the supervision, evaluation and control of the Risk Management Committee, the planning and implementation of the operational, technological, climate, financial and other risk management framework, the crisis and disaster management plans and their effective implementation, as well as the planning for uninterrupted operation taking into account the range of activities, critical infrastructure and the complexity of the organization.

3. Members and Term

The Committee has five members and consists of executive and non-executive members of the Board of Directors of EYDAP, the majority of which are non-executive. At least one member of the Committee is an independent non-executive member of the Board of Directors. The Board of Directors appoints the members and the Chairman of the Risk Management Committee, from among the independent non-executive members.

The term of the members of the Committee is proportional to their term on the Board of Directors. In case of resignation or loss of a member of the Committee, the Board of Directors may appoint one of its members as a replacement.

The members of the Committee should not hold parallel positions or capacities or carry out transactions that could be considered to conflict with the purpose of the Committee.

4. Meetings

The Committee meets at least four (4) times a year at appropriate times or whenever deemed necessary at the headquarters of EYDAP, in person or by teleconference.

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The Committee has a quorum and is validly met when more than half of its members are present.

The Chairman of the Committee reserves the right to convene extraordinary meetings when necessary to discuss important issues. It also meets at the invitation of the Board of Directors, and when the need arises for issues related to risk management. The Committee may invite EYDAP executives or external experts to its meetings to provide information and support.

The Committee shall be supported by a Secretary, who shall record the decisions of the meetings of the Committee, including the names of attendants. The minutes of the Committee meetings, once approved, shall be forwarded to all its members.

The Committee may also be supported by an External Consultant or expert(-s) if the Chairperson or the Committee itself deems it necessary. The conclusion of a collaboration with an external Consultant or experts is made upon a proposal of its President to the Management of the Company.

5. Competences and Obligations

To fulfil its purpose, the Risk Management Committee, inter alia:

- 1) Supports the development of a framework for risk-taking by EYDAP.
- 2) Regularly reviews and audits the risk management framework and crisis and disaster response (e.g. governance, policy, procedures, implementation, results) and submits proposals for changes to the Risk Management Division, the Managing Director and the Board of Directors.
- 3) Supports, reviews and controls the creation of a framework and methodology for the continuous operation of the company in situations of risk, crises and disasters. Submits relevant proposals and guidelines to the respective Divisions, the Chief Executive Officer, and to the Board of Directors of the Company.
- 4) Ensures the efficient operation of the risk management and crisis and disaster response framework of EYDAP.
- 5) Checks and monitors the operational, technological, climate, financial and other risks (risk profile) of EYDAP on a regular basis in accordance with the risk management procedures taking into account the actions that have been taken to address the risks.
- 6) Evaluates the efficiency and cost/benefit ratio for the implementation of proposals to improve the safeguards.
- 7) Receives and reviews independent evaluations related to the adequacy and effectiveness of the risk management and crisis and disaster management framework.
- 8) Regularly briefs the Board of Directors on developments regarding the material risks of the Company but also the adequacy and effectiveness of the risk management framework through its Chairperson.

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- 9) Collaborates with the Audit Committee to ensure that the materials risks that have been identified from the work of the Internal Audit Division are included in the risk register but also to inform it of the risks identified by the Risk Management Committee.
- 10) Prepares a report of its activities to be included in the annual report of the Company, describing the work of the Committee.
- 11) Evaluates the information outside and inside the Company (e.g. annual report on risk management issues and procedures as well as any other report or information that may be required from time to time by EYDAP).
- 12) It may communicate and cooperate with other respective Risk Management Committees of Infrastructure companies and any other similar structure or Organization it deems useful.

6. Other matters

The Committee has access to adequate resources for fulfilling its duties, including access to a secretariat for support and external consultants or experts.

The Committee cooperates with the other Committees of the Board, ensuring that the interaction between the Committees and the Board is regularly reviewed, taking into account in particular the impact of risk management on the work of other Committees.

The Committee may cooperate with any relevant committees or similar bodies and organizations in Greece and abroad, strictly adhering to the current institutional framework, the principle of confidentiality and the rules of competition.

The committee recommends in cooperation (where required) with the Remuneration and Nominations Committee, educational and training activities relevant to its subject.

The Committee regularly reviews its line-up and objective, to ensure that it operates at maximum efficiency and proposes any changes it deems necessary. The Board of Directors is responsible for reviewing and approving the proposed changes.

The Committee may request through Management the mandatory presence of any employee or associate of the company regardless of grade and position at a meeting of the Committee and/or request any necessary information from any employee or associate of the Company to perform its duties regardless of grade and position and they should provide the requested information in full and without delay.

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