

Audit Committee of the Board of Directors

ANNUAL REPORT 2021

In the context of the Company's Corporate Governance, the evaluation of the Internal Control System and the implementation of the Decisions of the Supervisory Authorities (Decision of the Capital Market Commission 5/204/14.11.2000, Law 3016/17.05.2002, Law 4449/24.01.2017, Law 4706/2020), the Audit Committee is established by the Decision of the General Meeting of Shareholders, by members of the Board of Directors, reports, through its Chairman, to the Board of Directors and aims to assist the Board of Directors. of the Company in its duties, regarding financial information and the internal control system.

The report of the Audit Committee's activities for the year 2021 to the Annual Ordinary General Meeting of Shareholders is part of the regular information of shareholders, based on its Regulation of Operation, circular 1302/28-4-2017 of the Capital Market Commission and in accordance with the current legislative framework, as defined by Law 4449/2017 and pursuant to No. 74 of Law 4706/2020 amending the relevant provisions of Law 4449/2017.

Composition of Audit Committee Members from 01/01/2021 to 31/12/2021:

The Audit Committee of EYDAP SA consists of three (3) non-Executive Members of the Board of Directors and the majority of them are independent of the audited entity, in the sense of the provisions of Law 3016/2002 (A' 110 and Law 4706/2020) or of the applicable legislation at the time and are charged with all corporate matters § 1 article 44, law 4449/2017, law 4706/2020):

Ekaterini Beritsi, Chairman

Michael Stavroulakis, Member

Christos Karaplis, Member

The members of the Audit Committee have sufficient knowledge of the sector in which the Company operates. At least one member of the audit committee, who is independent from the audited entity, with sufficient knowledge and experience in auditing or accounting, must attend the meetings of the Audit Committee concerning the approval of the financial statements.

The members of the Audit Committee do not hold parallel positions or functions and do not conduct transactions that could be considered incompatible with their mission.

Also, during their term of office, the members of the Committee do not hold shares in excess of 0.5% of the Company's Share Capital.

Purpose and Responsibilities of the Audit Committee

The main responsibilities of the Audit Committee, as defined by the relevant legislation and its Operating Regulations, concern: a) the monitoring of the financial information process, b) the monitoring of the effective operation of the internal control system as well as the monitoring of the proper operation of the Division of Internal Audit, c) the monitoring of the course of the mandatory audit of the individual and consolidated financial statements, d) the overview and monitoring of issues related to the existence and maintenance of the objectivity and independence of the statutory auditor or the audit office, particularly with regard to providing the audited entity of other services by the statutory auditor or audit office, e) The General Meeting of Shareholders is the competent body for the appointment and termination of external statutory auditors. However, the Audit Committee provides recommendations - advice to the General Meeting of Shareholders, regarding their appointment, retention or termination.

Also, the Committee has at its disposal the necessary resources to receive the assistance of an external consultant if and when needed.

Now, its duties include monitoring issues related to sustainable development policy (L.4706/2020).

All of the above are presented in detail in the Operating Regulations of the Audit Committee posted on the Company's website.

In order to fulfill the above duties, it is recognized that the members of the Audit Committee do not perform the work of auditors and/or accountants. Based on the above, it is not their responsibility to carry out detailed accounting review - support tasks and/or part of them and/or other similar tasks. The Company's Management bears the responsibility for the preparation, presentation and integrity of the corporate financial statements that are drawn up and their publication, i.e.: for the Company's compliance with the respective laws and provisions concerning the application of the appropriate accounting and financial principles, accounting standards, the policies, as well as the existence of the appropriate internal "systems - control mechanisms", which provide the assurance for which there is a fair and correct presentation of the financial information.

Finally, the Company's Management is responsible for the implementation and observance of all the policies and procedures of the applied Internal Control

System, which promotes the proper and lawful management of the Company, improving the effectiveness of the Risk Management Procedures, the Internal Control Systems and the principles and rules of Corporate Governance

Operation of Audit Committee

The Audit Committee, for the implementation of its work, meets at regular intervals and on an emergency basis, when required. The frequency and timing of the Audit Committee meetings is proportional to the extent of its responsibilities taking into account, among other things, the activity, size, business environment and Business Model of the Company. In any case, it meets at predetermined dates and times as well as meeting place and on an extraordinary basis, when the need arises, to discuss important issues

Number of Audit Committee Meetings of the Board of Directors of EYDAP SA from 01-01-2021 to 31-12-2021

During the above period of time, the Audit Committee of the Board of Directors of EYDAP SA held twelve (12) meetings with the presence of all three (3) members.

In these meetings, the Audit Committee mainly dealt with what is defined in the context of its following responsibilities:

- Evaluation of the adequacy, effectiveness and efficiency of the policies, procedures and security measures regarding the Internal Control System applied to the Company by continuously monitoring throughout the year the operation of the Internal Control Department, utilizing the services and results of the work of the internal and external auditors.
- Approving and monitoring the activities of the Internal Audit Department.
- Monitoring and evaluation of the preparation process of the financial information and the work of the Certified Auditors.
- Evaluation of the Financial Statements in terms of their completeness and consistency.
- Monitoring the work and independence of Certified Auditors and in particular regarding the appropriateness of providing non-audit services in accordance with current legislation.
- Submission of a proposal to the Board of Directors regarding the selection of an audit company for the mandatory audit of the 2021 financial year.

The Committee, for each meeting, keeps Minutes of Meetings, which record its actions and their results, in terms of the implementation of its work.

Finally, it submits regular quarterly reports to the Board of Directors with a description of its work and, depending on the issues, submits extraordinary reports or recommendations to the Board of Directors, as well as ad hoc oral updates if deemed necessary.

The Chairman of the Board of Directors of EYDAP SA has an open invitation from the Audit Committee to attend and attend all its meetings.

With reference to the actions of the Audit Committee, the issues examined at its meetings during the 2021 financial year are summarized as follows:

A. External Audit

The Audit Committee submitted a recommendation/proposal to the Board of Directors for the assignment of statutory audit services for the year 2021, to the auditing firm Grant Thornton which provided the same services during the years 2019, 2020.

The Audit Committee had frequent communication and meetings with the statutory auditors to review the financial statements and evaluate the financial information provided in accordance with the legal and regulatory framework governing the Company's operation. In this context:

- Discussed with the statutory auditors matters on the 2021 Audit Plan and confirmed that it covers the main audit matters (Key Audit Matters), according to the main business and financial risk areas of the Company.

During the planning stage the following were considered:

- the independence of Chartered auditors
- the determination of the schedule of action actions
- the definition of control groups
- the evaluation of the annual program of the mandatory audit
- the marking of the responsibilities of the Management and the Auditors and the identifying of the most important risks
- the key points of the audit approach followed

Based on the above, the Audit Committee found the correctness and completeness of the design of the audit procedure.

The Audit Committee reviewed all of Grant Thornton's 2021 external auditor fees for the audit work performed while reviewing and approving additional fees for non-audit permitted work, in accordance with applicable

law, after previously assessing potential threats to independence them, as well as the safeguards implemented to limit these risks, in accordance with current legislation and with Article 22b of Directive 2006/43/EC and confirmed that they are not non-audit services which are prohibited, according to Article 5 of the Regulation of the European Union (EU) no. 537/2014.

During the 2021 fiscal year, the external statutory auditors were invited to 6 meetings of the Audit Committee. Before the meetings of the Committee, the Chair of the Audit Committee held 6 preparatory meetings with the Head of the External Audit project team, in order to be informed about the progress of the audit work, as well as other issues related to the External Audit.

Through these meetings, the Audit Committee monitored and examined the process of carrying out the mandatory audit of the Company's individual and consolidated statements for the year 2021 and the first half of 2021.

At the completion of the regular audit of the financial statements for the year 2021, the audit report of the independent statutory auditor and the supplementary report with the relevant findings were presented. In this context, the important issues such as:

- quality assurance
- project governance
- the assessment of the level of significance
- the evaluation of the going concern principle

During the presentation of the results of the external audit, the basic financial figures, the valuation of financial assets at fair value, the provisions of pending losses and the most important changes in the statements of financial position, results of use and cash flows were analyzed.

Finally, the Audit Committee informed the Board of Directors about the results of the external audit, its contribution to the quality and integrity of the financial information and the role of the Audit Committee in this process. It confirmed the independence of the chartered auditor. Grant Thornton declared in writing its independence, as well as the independence of its executives involved in the statutory audit. In addition, she stated that during the performance of her duties, there was no external direction or recommendation or directive, which could influence her professional judgment and audit reports.

B. Financial Reporting Process

The Audit Committee:

- Discussed with the Management, the Financial Director, the Legal Advisor, the Head of Internal Audit and the Chartered Auditor about the important issues, included in the financial statements, based on the Key Audit Matters and the other recommendations of the above .
- Was informed about the pending legal cases, of financial interest to the Company, through a detailed presentation by the Director of Legal Services of the Company regarding their progress and forecasts.
- Was informed by the Certified Auditors about the completion of their work on the tax audit.
- Reviewed the process of drafting Financial Information, followed for the issuance of the Half-Yearly and Annual Financial Statements, before their approval by the Board of Directors, in order to evaluate their completeness, coherence and consistency in relation to the legally binding context, as well as with the accounting principles. After taking into account the audit report as well as the supplementary report of the chartered auditors, which contained the necessary safeguards regarding the completeness and consistency of the financial statements in question, in relation to the information brought to its attention, the Audit Committee subsequently sent a report to Board of directors.

C. Monitoring the effective operation of the Internal Control System

The Audit Committee:

- Was informed by the Internal Audit Department about all the audits that were carried out, within the period under review, their findings, the corrective actions agreed with the top managers and the time horizon for their implementation. In addition, he was informed at regular intervals about the course of implementation of the corrective actions, in accordance with the schedule set by the CEO and agreed with the competent executives of the audited organizational units, and then forwarded the information he received to the Board of Directors.
- Based on the above, evaluated the adequacy and effectiveness of the Internal Control System, through the results of the respective controls, carried out by the Internal Control Department, the highlights of the audit report of the Statutory Auditors, as well as the findings obtained during the evaluation of the internal procedures for the fiscal year 2020 (Management letter), transmitting its information through its regular quarterly reports to the Board of Directors of EYDAP SA.

- Evaluated the new Reporting Policy (whistleblowing), drafted by the Director of Internal Audit, the Director of Legal Services and the Director of Regulatory Compliance and recommended to the Board of Directors its approval.

D. Supervision of the Internal Audit Department

The Audit Committee:

- Has frequent and regular communication with the Internal Audit Department in the context of performing its duties. In this context, the head of the Internal Audit Department is invited to participate in most of the meetings of the Audit Committee and to provide information on the progress of the conducted audits and the monitoring of the implementation of the corrective actions decided in the context of the audits.
- Reviewed the Regulation of the Operation of the Internal Audit Division and recommended the approval of its update to harmonize the Operation of the Internal Audit Division with Law 4706/2020
- Monitored the course of implementation of corrective actions to improve the way the Internal Audit Division operates in accordance with the recommendations of the External Evaluation of the Internal Audit Division
- Evaluated the annual audit plan for 2021, taking into account the main areas of business and financial risk, as well as the results of previous audits. Subsequently, the Annual Audit Program was forwarded to the Board of Directors where it received approval for its implementation.
- Assessed, in terms of staffing, the adequacy of the Internal Audit Division in relation to the scope of the project and the ratio of human resources and recommended to the Board of Directors and the CEO of the Company the quantitative reinforcement of the human resources of the Internal Audit Division so that the Division of Internal Audit to be adequately staffed with the appropriate managerial potential, for the smooth execution of the Annual Audit Program.
 - For the better execution of the annual audit program and in order to strengthen the Internal Audit Department, in terms of the modernization of its audit procedures and its tools, according to the optimal practices, the Audit Committee conducted a market survey, the committee addressed a call for interest to reputable companies and chose to assign to DELOITTE Company the work for the rendering of services, regarding the training (TRAINING ON THE JOB) of the human resources of the Department of Internal Audit for the implementation of the latest trends of Internal Audit.

- Approved the review of the annual audit program of the Department of Internal Audit for 2021 which was recommended by the Head of Internal Audit, which was deemed necessary on the one hand because of the transportation restrictions which were in effect in 2021 and the measure of working from home in order to contain the pandemic of COVID-19, measures which were making difficult the access to elements of tactile archive and on the other hand since, the audit program of 2021 was overviewed, taking into consideration:

The emerging operating conditions of the company,

The available resources of the Management of Internal Audit

- The Audit Committee reviewed the Annual Report - Activity Report of the Internal Audit Division and then forwarded it to the Board of Directors for information.
- Reviewed and evaluated the work of the Internal Audit Division in terms of adequacy and effectiveness, the level of services it offers in accordance with the Internal Audit Standards and the quality assurance and continuous improvement program it has designed and implemented and sent the results to the Board of Directors of EYDAP SA.
- The Audit Committee evaluated the Head of Internal Audit in terms of its performance, as part of the annual evaluation for 2021 and sent the results to the Board of Directors of EYDAP SA.

E. Operational Issues of the Audit Committee

- Recommended the approval of the updated Operating Regulations of the Audit Committee to harmonize with the new provisions of Law 4706/2020.
- Drafted and approved its work program for the year 2021 as well as the budget for its operating expenses
- It carried out a self-evaluation of its work for 2020, its operation and the qualifications of its members by completing a relevant questionnaire, the conclusions of which were discussed at length and forwarded to the Company's Board of Directors as part of regular updates.

The Committee prepared and submitted reports regarding its activities to the Board of Directors and the Annual Ordinary General Meeting of Shareholders for the year ended December 31, 2020, as well as for the quarters ended December 31, 2020, March 31, 2021, on June 30, 2021 and September 30, 2021.

Finally, it should be mentioned that during the exercise of its work, the Committee had unhindered and full access to all the information it requested from the Administration and the Company provided it with the necessary infrastructure and spaces to effectively perform its duties

EYDAP's response to the COVID-19 pandemic

The Company has established management policies to deal with the COVID-19 pandemic for all its operations and especially for the uninterrupted provision of water and sewage services. The Company's reaction was immediate and the adaptation to the new data was done very quickly and above all effectively, as its operations continued uninterrupted. Also, due to the immediate measures and the responsibility of human resources, a relatively limited number of confirmed cases was observed, in relation to the size of the Company. EYDAP continues to adapt and adopt each new directive of the EODY, with the aim of returning to a smoother operation and the protection and safety of employees.

The dynamic tripartite safety at work - efficiency in operation - development for society redefines the strategic priorities of the Company, with an emphasis on sustainable development, sustainable water management and the implementation of responsible environmental practices for the benefit of customers, society, shareholders and the environment.

F. Sustainable Development

In accordance with Law 4706/2020 (article 74), the Audit Committee is required to submit to the General Meeting of Shareholders this report, including a description of the Company's Sustainable Development Policy.

The Audit Committee reviewed the Sustainable Development Report and the Non-Financial Report, including issues related to disclosures regarding sustainable development and the areas of Environment, Society and Governance.

The Audit Committee for the overview of the Sustainable Development Policy of EYDAP additionally requested the provision of services from the GRAND THORNTON Company regarding the preparation of an external verification report of its economic, social and environmental performance indicators (ESGs) for the year 2021, with a reference period from January 1, 2021 to December 31, 2021, with the aim of confirming that the Company meets the needs and expectations of EYDAP stakeholders according to the way the Company manages its most significant impacts, in the context of Sustainable Development .

Grant Thornton's View:

- *Nothing came to our attention that would lead us to the conclusion that the Company's 2021 Sustainable Development Report does not meet the requirements of the basic level of agreement according to GRI Standards ("In accordance" – Core).*
- *We did not come to our attention of any element that would lead us to the conclusion that indicators such as those mentioned in the "Scope of Work" paragraph, and included in the Company's 2021 Sustainable Development Report, are materially inaccurate.*

In addition, according to the instructions of the Audit Committee, an audit on the sustainable development policy has been included in the 2022 audit program of the Internal Audit Directorate, which will be carried out with the assistance of external consultants as part of the planned support actions to strengthen the work of the Internal Audit (On the job training).

Sustainable Development is an integral element of the Company's long-term strategy. Its primary objective is to offer a high-level safe environment to its consumers, partners and employees, operating with responsibility and respect for society and the natural environment. The Company within 2021 has largely completed the integration of ESG criteria into its Strategy and the disclosure of non-financial information to its stakeholders.

Specifically, in 2021, the Materiality Analysis was completed, which formed the basis for the ranking of strategic priorities and the preparation of a Sustainable Development Strategy.

When compiling the non-financial information, in order to increase its score in the ESG ratings of independent rating agencies, firstly, it implemented a project to identify gaps (sustainalytics gap analysis) and secondly, it aligned itself, beyond the GRI standard, with the internationally recognized from the investment community SASB Standard and especially with the essential issues of the Water Utility and Services sector as well as with the Guide of the Athens Stock Exchange for the disclosure of non-financial information. Note that the coverage of the SASB Standard was 79%.

The goal for 2022 is the external assurance of non-financial information (based on the AA1000 standard), the enrichment and upgrading of the provided information with the inclusion of additional international standards and indicators to upgrade the Company's evaluation by international houses.

EYDAP, realizing not only its institutional corporate role but also its responsibility towards society, integrates sustainable development goals into its operation and carries out actions in the context of corporate social responsibility following the following principles:

- Optimization of Corporate Governance
- Supporting the Economy: research and innovation
- Respect for the Environment & Climate
- Respect for Human Rights & Employees
- Supporting Society · Culture

The concept of Sustainable Development was defined in 1987 in the Brundtland Report as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

The above principles are directly linked to the Sustainable Development Goals of the United Nations and are implemented through a series of actions in the following themes:

Optimizing Corporate Governance

- Transparency
- Independence
- Strong internal control system
- Financial and operational Risk Management
- Business Continuity
- Privacy
- Code of Ethics

ECONOMY - Economy Support - Innovation · Exploitation of financial technology.

Respect for the Environment & Climate

- Transition to a low carbon economy
- Reducing the environmental footprint through the integration of green criteria into the Company's operations and the implementation of an Environmental Management System.

- Preparation of studies and drawing up a strategy
- Cooperation with domestic and international agencies'
- Informing the public about climate change

PEOPLE

EYDAP's human resources are the main axis of every planned strategy and the driving force for its development course. The Company systematically ensures the safety of the Personnel, seeks to maintain their high level and the continuous improvement of their skills, applying new management and development techniques. For this reason it provides:

- Organized Staff Health and Safety Programs. A group life and health insurance coverage program is implemented, in the context of staff health care, through which insurance coverage and high quality health services are provided. The scheme provides life and accident insurance, hospital care cover and additional care service cover beyond that of the Staff Sickness Insurance Fund.
- Financial support of family life. Special benefits have been established to support the staff's families, such as granting a wedding gift, covering expenses for crèches and financial support for learning a foreign language and for camp programs for the children of employees.
- Safe working conditions and systematic information for employees on health and safety issues
- Programs to modernize the administration and management systems of Human Resources
- Opportunities for lifelong training for employees with the aim of developing their skills and abilities and financial support for staff training in training centers or institutions outside EYDAP.
- Gifts and festive events for employees' children.
- Financial support of the Cultural Association of Employees

Social politics

- Providing special low-cost tariffs to sensitive social groups, such as charities, large families, the elderly, hospitals, as well as arranging favorable arrangements for the repayment of excessive bills.

- Systematic support of charitable institutions, charitable and medical organizations and health and education services with recognized social action.
- Logistical assistance and provision of expertise in areas affected by natural phenomena.

CIVILIZATION

The Company, as a custodian and agent for the diffusion of culture, carries out a series of actions such as:

- Organization and Management of the EYDAP Historical Archive
- Publications of books and albums
- Maintenance and restoration works of objects of historical importance
- Care for the rescue and reproduction of film material from the ULEN archives and the creation of a historical documentary, in which the works of the construction of the Marathon Dam and other related works are depicted during the third decade of the 20th century.
- Operation of the small museum at the Marathon Dam which has exhibits from the construction of the Dam in 1925.
- Financial support for scholarship programs and the scientific work of conferences covering all sciences.

The Audit Committee fulfilled its obligations with a sense of responsibility towards the shareholders and other interested parties, as an assistant in the work of the Board of Directors and with a firm aim of consolidating the audit culture and supporting the work of the Management to achieve sustainable business development and optimization of the operations of the Company

For the Audit Committee of the Board of Directors of EYDAP SA

The Chairman

Ekaterini Beritsi