

REPORT OF THE INDEPENDENT NON-EXECUTIVE MEMBERS OF THE BOARD OF THE EYDAP S.A. TO THE REGULAR GENERAL MEETING OF THE SHAREHOLDERS

This Report was prepared jointly by the independent non-executive members of the Board of Directors (hereinafter "Board") and is submitted to the Ordinary General Meeting of the shareholders of EYDAP S.A. (hereinafter "Company") which will take place on 6.9.2023, in accordance with article 9 par. 5 of Law 4706/2020 and the relevant guidelines of the Capital Market Commission (prot. no. 428/21.2.2022 and 784/20.3.2023).

In the 13-member Board of Directors of the Company under its current composition four (4) independent non-executive members participate in accordance with article 5 par. 2 of Law 4706/2020. There is a clear division of responsibilities between the Board of Directors. and of the Company's Executive Management, while also the independent non-executive members perform their role as follows from its Operating Regulations, the Statute and the more specific Operating Regulations of the Board of Directors. and the Executive Committee, but also the relevant legislation.

The Board of Directors is supported by 5 Committees namely the Audit Committee, the Remuneration and Nominations Committee, the Risk Management Committee, the Regulatory Compliance Committee and the Strategy, Innovation and Sustainable Development Committee.

The Audit Committee, the Remuneration and Nomination Committee, the Risk Management Committee and the Regulatory Compliance Committee are mostly composed of independent non-executive members. The Audit Committee, the Remuneration and Nomination Committee and the Risk Management Committee are chaired by an independent non-executive member.

The Board of Directors of the Company meets regularly at least on a monthly basis and on an extraordinary basis whenever required. The Operating Regulations of the Board of Directors D.S. regulates the details of how its members are invited, meet and take decisions. During the 2022 corporate year, the Board of Directors of the Company held twenty-six (26) meetings (no. 1428/12.01.2022 to 1453/21.12.2022). In all the above meetings of the Board of Directors. including the meetings whose subject was the preparation of the financial statements, the independent non-executive members of the Board of Directors. actively participated in person or by giving authorization to another member of the Board of Directors.

The independent non-executive members provided effective oversight of the proposals of the executive members and openly expressed their views based on the information they received, thus ensuring that the interests of all stakeholders were taken into account in the discussions and decision-making of both the Board and the Board. as well as the Committees in which they participate. The essential participation of the independent non-executive members in the Board of Directors. and in the work of its Committees demonstrates that they act with independence, transparency and a sense of duty by devoting sufficient time to the fulfillment of their duties with the interests of all stakeholders in mind.

The Board of Directors, with the support of the Remuneration and Nominations Committee in collaboration with the company "Stanton Chase", completed in July 2023 the process of evaluating the effectiveness of the Board of Directors and its Committees for the years 2022-2023, the result of which showed that: a) the Board of Directors is efficient in the performance of its duties, b) the Committees of the Board of Directors are effective and are decisive support structures for the Board of Directors, and c) the members of the Board of Directors largely ensure the smooth running of the body. The evaluation of the two executive members of the Board of Directors, namely the CEO and the Deputy CEO, was also completed, in accordance with the relevant Evaluation Policy.

Under the supervision of the Risk Management Committee, the Company acquired a Risk Register which is regularly updated and a Risk identification and prioritization methodology. The Board is regularly informed about Risk management issues through its relevant Committee.

It is noted that with the no. 21548/5.7.2023 decision the Board of Directors, following the 26.6.2023 recommendation of the Remuneration and Nominations Committee, decided to approve the payment of extraordinary additional variable salaries to the executive members of the Board of Directors to achieve the strategic goal of the year 2022, namely the improvement of ESG scoring of the Company by one level.

Furthermore, the task of assessing the adequacy and effectiveness of the Internal Control System (ICS) was successfully completed with a reporting date of 31.12.2022 and a reporting period of 17.7.2021 – 31.12.2022 in accordance with the provisions of paragraph j of paragraph 3 and of paragraph 4 of article 14 of Law 4706/2020 and Decision 1/891/30.09.2020 of the Board of Directors of the Capital Market Commission, as amended by no. 2/917/17.6.2021 Decision of the Board of Directors of E.K., from the independent consulting company "Grant Thornton", which was assigned the project in question by decision of the Board of Directors. The assessment was conducted in accordance with the International Standard for Assurance Engagements 3000 "Assurance Engagements Beyond the Audit or Review of Historical Financial Information" and in accordance with the regulatory framework as specified in the audit program issued with no. 227/10.11.2022 decision of ELTE.

The conclusion of the independent evaluator, which is included in the final evaluation report on the adequacy and effectiveness of the EMS dated 29.3.2023, concludes that from the work carried out and the evidence obtained regarding the assessment of the adequacy and effectiveness of the Company's EMS, no weaknesses were identified that could be considered essential according to the Regulatory Framework, with the exception of the finding of insufficient representation by gender in the Board of Directors, as the percentage of female members of the Board of Directors (less than 25% of all members of the Board of Directors (2 of the 13 members of the Board of Directors are women) in deviation from the requirement of the law. For this matter, the Company, in a relevant letter, informed the Capital Market Commission about the consequences deriving from the no. 7/2023 decision of the Three-member Compliance Council of the Council of State (StE) regarding the obligation of the Greek State to comply with the no. 190/2022 decision of the Plenary Council. However, in view of the complexity of the issue and

the announcements of the Greek Government regarding the immediate transfer of the shares of EYDAP S.A. to the Greek State and the establishment of a new framework for the election of the majority of the members of the Board of Directors. of the Company by the Greek State, the existing Board of Directors of EYDAP S.A. justifiably did not convene a General Assembly on this matter.

Furthermore, in the context of the obligations arising from their status and in accordance with article 7 of Law 4706/2020, the independent non-executive members unanimously found that:

- EYDAP continuously monitors developments in the legislative and regulatory framework and aims to implement the best corporate governance practices.
- The Board of Directors operates effectively in order to serve the long-term interests and sustainability of the Company while exercising its responsibilities in accordance with the provisions of the legislation on joint-stock companies and companies with values listed on a regulated market, the Company's Articles of Association, its Operating Regulations and the Operating Regulations of the Board of Directors, also taking into account the requirements of the Greek Corporate Governance Code 2021 (EKED), adequately explaining any deviations from it in the Corporate Governance Statement for the fiscal year 2022, which is submitted to the Ordinary General Meeting of Shareholders of 6.9.2023, to which this report is also addressed and which is published on the Company's website (<https://www.eydap.gr/Investors/EconomicResults/>) .
- The executive members of the Board of Directors they work together harmoniously and have knowledge and experience in exercising supervision over the functions and activities of the Company.
- The executive members of the Board of Directors they managed corporate affairs with the aim of implementing the company's strategy and operational planning emphasizing key pillars such as security and development. Emphasis was placed on speeding up the implementation of the investment program with a focus on Eastern Attica projects and projects to reduce untariffed water that will improve the environmental footprint. Relevant information on the implementation of the strategy and its results are included in the Annual Financial Report for the year 2022, which is published and available on the Company's website (<https://www.eydap.gr/Investors/EconomicResults/>).

Finally, with this Report the independent non-executive members of the Board of Directors confirm their agreement with the content of the Annual Management Report of the Board of Directors. and the 2022 Corporate Governance Statement, which are included in the Annual Financial Report for the year ended 12.31.2022 and is available on the Company's website (<https://www.eydap.gr/Investors/EconomicResults/>).

Galatsi, July 18, 2023

**The Independent Non-Executive Members of the Board of Directors of E.Y.A.P.
S.A.**

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