

REPORT OF THE INDEPENDENT NON-EXECUTIVE MEMBERS OF THE BOARD OF EYDAP SA TO THE ORDINARY GENERAL MEETING OF THE COMPANY'S 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 SA (hereinafter "Company") which will take place on 11.7.2024, in accordance with article 9 par. 5 of Law 4706/2020 and the relevant guidelines of the Capital Market Commission (prot. no . 1591/05.07.2021, 428/21.02.2022 and 784/20.03.2023).

The composition of the existing Board of Directors meets the condition set by article 3 par. 1b of Law 4706/2020 regarding adequate representation by gender and meets the requirement of article 5 par. 2 of Law 4706/2020 regarding adequate representation of independent non-executive members in a percentage not less than 1/3 of the total number of members of the Board of Directors.

Of the thirteen (13) members of the Board of Directors, four (4) are independent non-executives, who were appointed by virtue of the decision of the Ordinary General Meeting of shareholders dated 12.9.2023 with a four-year term. It is noted that in compliance with article 9 par. 3 of Law 4706/2020 the Board of Directors found with the no. 21750/28.2.2024 his decision, following a relevant recommendation of the Remuneration and Nominations Committee, the fulfillment of the independence criteria in the persons of the retired as well as the existing independent non-executive members of the Board of Directors, for the 2023 financial year.

The majority of the members of the Audit Committee as well as the Remuneration and Nomination Committee are independent. The Chairmen of the above Committees are also independent members. Independent non-executive members still participate in the Risk Management, Regulatory Compliance and Strategy, Innovation and Sustainable Development Committees.

The Board of Directors of the Company meets regularly at least on a monthly basis and on an extraordinary basis whenever required. During the 2023 fiscal year, the Board of Directors held twenty-five (25) meetings (no. 1454th/11.01.2023 to 1478th/20.12.2023). The independent non-executive members participated or were represented in the meetings of the Board of Directors. and its Committees acting with independence, transparency and a sense of duty. At the meetings of the Board of Directors which had as their subject the preparation of the financial statements, all the independent non-executive members were represented.

The independent members, in the framework of their supervisory responsibilities, proceeded to the thorough examination of the proposals submitted to the Board of Directors. provoking a constructive debate and openly expressed their views in the interests of the interested parties, taking into account all the information available to the Board.

In the context of ensuring adequate and effective operation of the Company's Internal Control System, which aims, among other things, to monitor, evaluate and manage the risks of regulatory compliance, it was established pursuant to the no. 21268/22.3.2023 of the Board of Directors' decision, Regulatory Compliance Committee consisting of three (3) non-executive members with a term of office commensurate with their term of office as members of the Board of Directors. In addition, regulatory compliance policies are applied to the Company, such as Code of Ethics and Professional Conduct, Anti-Corruption and Bribery Policy, Conflict of Interest Policy, Report-Complaint Management Policy, Human Rights Policy, etc.

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, without the presence of executive members, that during the 2023 corporate year:

□ The executive members of the Board of Directors effectively managed corporate affairs with adherence to the Company's corporate strategy and operational planning. Examples include:

- Increase in turnover by 2.4% to €351.6 million
- Reduction of operating costs by 1.8% to €329.8 million
- EBITDA increase by 56% to €60.8 million and Profit before Tax increase by 163% to €28 million
- Increase in the absorption of the investment program by 45.5% compared to 2022
- Receipt of the water supply and sewerage networks and the KEL of the Municipality of Megara as well as the sewerage network and the KEL of Koropi
- Development of restoration projects for the reliability and operational safety of the EYS
- Completion of an optimal human resources management plan
- Upgrade digital customer experience

□ They were presented and discussed at the Board of Directors. the results of the evaluation of the effectiveness and overall performance of the executive members of the Board of Directors. (without their presence) for the years 2022-2023. The evaluation was carried out with the support of the consulting company “

Stanton Chase ” and completed in 4 phases. In the first section, the general compliance with the regulatory requirements was assessed through the completion of a questionnaire by the CEO, the already departed Deputy CEO and the Regulatory Compliance Officer. In the second section the executive members were evaluated by the non-executive members in the light of sustainable development. In the third section the financial and non-financial objectives were evaluated, while in the fourth section the effectiveness of the Executive Committee was evaluated by its members.

□ A Sustainable Development Policy is implemented in the context of which a Sustainable Development Report is published annually in accordance with the international standards GRI and SASB - Sustainability Accounting Standards Board of the Water sector Utilities and Services. The recognition and management of material risks related to the business activity and operation of the Company as well as the management of ESG issues were priorities of the Board of Directors.

□ The Board of Directors, which operates effectively in order to serve the long-term interests and sustainability of the Company, exercises its powers in accordance with the provisions of the legislation for joint-stock companies and for companies with securities listed on a regulated market, the The Company's Statute, its Operating Regulations and the Operating Regulations of the Board of Directors, also taking into account the requirements of the Greek Corporate Governance Code (EKED). The executive members of the Board of Directors they cooperated harmoniously both among themselves and with the other members of the Board of Directors. They have knowledge and experience in exercising supervision over the functions and activities of the Company. The non-executive members of the Board of Directors, including the independent members, communicate seamlessly with the Company's management and are informed by them.

□ During the preparation of this Report, the process of evaluating the fulfillment of the eligibility criteria of the members of the Board of Directors, on a collective and individual level, was completed with particularly positive results. The above procedure was implemented with the assistance of a third independent consulting company.

□ In the labor sector, a safe working environment is encouraged and ensured with relationships that promote mutual trust, constructive cooperation and employee development.

Finally, 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 2023 Corporate Governance Statement, which are included in the Annual Financial Report for the year ended 12.31.2023 and is available on the Company's website (<https://www.eydap.gr/Investors/EconomicResults/>).

Galatsi, June 17, 2024

The Independent Non-Executive Members of the Board of Directors of EYDAP SA

Marika Lambrou

Anastasia Martseki

Marina Mavrommati

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