



AUDIT COMMITTEE  
ANNUAL PROCEEDING  
REPORT

2024

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## INTRODUCTION

**Honorable Members of the Board of Directors,  
Dear Shareholders,**

In our capacity as Members of the Audit Committee of the Company under the name "Athens Water Supply and Sewerage Company SA" EYDAP (hereinafter the "Company") for the fiscal year 2024 (01.01.2024- 31.12.2024), and in accordance with the provisions of article 44 of Law 4449/2017, as amended by article 74 of Law 4706/2020 and the provisions of Law 5164/2024, as well as those analytically referred to in the no. prot. 1302/28-4-2017 and 1508/17.7.2020 Announcements of the Listed Companies Directorate of the Capital Market Commission, we present our present Report below and bring to your attention, within the framework of the responsibilities of the Audit Committee, our actions regarding the matters regulated by the Law and the aforementioned announcements regarding the fiscal year 2024.

### 1. AUDIT COMMITTEE COMPOSITION

On September 12, 2023, the 41st <sup>Ordinary</sup> General Meeting of Shareholders, by its decision, determined the type of Audit Committee, the term of office, the number and the qualifications of its Members in accordance with article 44 par. 1(b) of Law 4449/2017, as amended by par. 4 of article 74 of Law 4706/2020, namely:

- A) The Audit Committee shall be a committee of the Board of Directors, consisting exclusively of non-Executive Members of the Board of Directors, who shall be appointed by the Board of Directors in accordance with article 44, paragraph 1(c) of Law 4449/2017, as in force.
- B) The Members of the Committee shall be three (3) in number, two (2) of whom shall have the status of Independent Non-Executive Member and one (1) of whom shall be a simple Non-Executive Member.
- C) The term of office of the Members of the Audit Committee shall coincide with the term of office of the Members of the Board of Directors, which is four years in accordance with article 11 par. 6 of the Articles of Association of EYDAP S.A.

The Board of Directors of the Company at its meeting on September 20, 2023 following the 18.9.2023 recommendation of the Remuneration and Nominations Committee, determined the suitability of Messrs. Martseki Anastasia, Mavrommatis Marina and Karaplis Christos based on the provisions of the legislation and the applicable Nomination Policy for Members of the Board of Directors of EYDAP S.A.

It also determined that the non-executive Board Members, Messrs. Anastasia Martseki and Marina Mavrommatis, met the independence requirements.

The Board of Directors then appointed the following non-executive Members as Members of the Audit Committee with a term of office commensurate with their term as Members of the Board of Directors:

- Martseki Anastasia
- Mavrommati Marina
- Karaplis Christos

The Audit Committee of the BoD of EYDAP SA as formed following the decision to appoint it by the BoD of EYDAP SA met on Monday, September 25, 2023 and was constituted as a body. In accordance with

the legislation and with article 1 of section 2 of the Regulation of Operation of the Audit Committee, the Chairman of the Audit Committee is appointed by its members and is independent of the audited entity.

**After a vote and unanimous decision among the members, the Audit Committee of the Board of Directors of EYDAP S.A. elected a Chairman and exists from 25/09/2023 until today, as follows:**

| <i>Full name</i>          | <i>Capacity</i>  | <i>Termination of Service</i> |
|---------------------------|--|-------------------------------|
| <i>Anastasia Martseki</i> | <i>Chairman of the Audit Committee of the Board of Directors of EYDAP SA, independent non-executive member of the Board of Directors</i> | <i>September 6, 2027</i>      |
| <i>Christos Karaplis</i>  | <i>Member of the Board of Directors Audit Committee<br/>EYDAP SA, non-executive member of the Board of Directors</i>                     | <i>September 6, 2027</i>      |
| <i>Marina Mavrommati</i>  | <i>Member of the Audit Committee of the Board of Directors of EYDAP SA, independent non-executive member of the Board of Directors</i>   | <i>September 6, 2027</i>      |

The Audit Committee unanimously decided and appointed two (2) of its members who will be required to attend its meetings, which concern the approval of the financial statements, as follows:

1. Ms. Anastasia Martseki, Chair of the Audit Committee, independent non-executive member of the Board of Directors and
2. Ms. Marina Mavrommati Member of the Audit Committee, independent non-executive member of the Board of Directors

Given that they meet all the criteria and conditions of article 44 of Law 4449/2017 and the independence criteria of article 9 par. 1 and 2 of Law 4706/2020:

- a) the 2 (two) members are independent of the audited entity within the meaning of both the provisions of article 4 of law 3016/2002, and in particular article 9 par. 1 & 2 of law 4706/2020
- b) they have sufficient knowledge of the sector in which the Company operates and in particular of the sector in which the Company has been listed by the Athens Stock Exchange, and c) they have sufficient knowledge in Accounting.

Subsequently, the Audit Committee sent an Excerpt of the Minutes of the Meeting, with the above decisions, to the Capital Market Commission, in accordance with the instructions of the Capital Market Commission, in its letter dated 1508/17-07-2020, to the Listed Companies on the Athens Stock Exchange.

For the 2024 fiscal year, the composition of the Committee ensured in all cases that the members had the qualifications and required expertise for such positions, continuing to meet the relevant requirements of Law 4449/2017 and Law 4706/2020, as applicable, as confirmed by the Committee's internal self-assessment for 2024.

It is noted that in compliance with article 9 par. 3 of Law 4706/2020, the Board of Directors, in the context of examining the fulfillment of the conditions of article 9 par. 1 and 2 of Law 4706/2020 for the classification of a member of the Board of Directors as independent, determined by its Decision No. 21999/29-04-2025, following a relevant recommendation from the Remuneration and Nominations Committee, the fulfillment of the independence criteria of the existing Independent Non-Executive

Members of the Board of Directors and members of the Audit Committee, namely Messrs. Anastasia Martseki and Marina Mavrommati for the 2024 financial year.

## 2. PURPOSE OF THE AUDIT COMMITTEE AND KEY RESPONSIBILITIES

The Audit Committee aims to support the Board of Directors in fulfilling its responsibilities of supervising compliance control procedures with the legislative and regulatory framework regarding:

- (a) financial information,
- (b) the (external) mandatory regular audit of the Company's individual and consolidated financial statements and
- (c) the Operation of the Internal Audit Department
- (d) the process for submitting sustainability reports

In more detail, the responsibilities of the Audit Committee regarding the above include monitoring:

- the process of compiling financial information by the company's organizational units, as well as the proper disclosure of this information to the investing public (announcements to the ATHEX, press releases).
- the process of preparing, submitting and disclosing Sustainability Reports, in accordance with the provisions of applicable legislation (such as Regulation (EU) 2020/852, the CSRD Directive and Law 4706/2020), regarding the adequacy of the systems for collecting, analyzing and disclosing relevant non-financial information, the quality of the data and compliance with taxonomy obligations, as well as with the European Sustainability Reporting Standards (ESRS).
- of the procedure for the mandatory audit of the company's financial statements and informing the Board of Directors regarding its contribution to the accuracy, correctness and completeness of the financial information. The Audit Committee takes into account the supplementary report submitted by the Certified Auditor, which includes the results of the external audit and anything else worthy of reporting to the Board of Directors.
- the independence of the Statutory Auditors (period of cooperation, any incompatible non-audit services, level of remuneration). The Statutory Auditor submits his independence declaration annually and discusses with the EU members any threats to his independence and any safeguards.
- the selection process of the Certified Auditors which is based on relevant market research and in a fully justified manner of the final selection of the statutory auditor.
- of the Internal Audit Department regarding the quality and scope of the audits it performs, the priorities determined by changes in the economic environment, systems and risk levels, and the overall efficiency and effectiveness of its operation.

## 3. OPERATION OF THE AUDIT COMMITTEE

The operating framework of the Audit Committee is determined by its Operating Regulations, which has been updated with Decision No. 22000 of the 1498th /29-04-2025 meeting of the Board of Directors of EYDAP. S.A. and was posted on the Company's website.

The Audit Committee evaluates, at least every two years, the suitability and effectiveness of its Operating Regulations, in order to determine whether there is a need to update them, in any case when changes occur in the role and responsibilities of the Committee, in the Company or in the legislation, which concern the issues covered by the Regulations.

### 3.1 Update of the Audit Committee Operating Regulations

The Audit Committee's Operating Regulations were reviewed based on the periodic assessment of its adequacy, as defined by the legislation and International Standards, and it was unanimously deemed necessary to update it. In this context, improvements were incorporated in issues identified during the implementation of the current Regulation and related to the amendment of the responsibilities of the Audit Committee in compliance with the provisions of Law 5164/2024 (Government Gazette 202/A/12-

12-2024) and the corresponding formulation of the relevant reference in its Operating Regulations, so as to include in its responsibilities the monitoring of the process of submission and control of sustainability reports.

Based on the above, the Audit Committee sent a recommendation to the Board of Directors, which subsequently approved the update, with Decision No. 22000 of its 1498th /29-04-2025 meeting.

### **3.2 Audit Committee Meetings**

The Audit Committee, in order to carry out its work, meets at regular intervals and extraordinary meetings, when required. The frequency and timing of the Audit Committee meetings are proportional to the extent of its responsibilities, taking into account, among other things, the activity, size, operating environment and business model of the Company.

During the 2024 financial year, the Audit Committee held 19 meetings on the following dates:

|                     |            |
|---------------------|------------|
| MEETING NO. 1/2024  | 08/01/2024 |
| MEETING NO. 2/2024  | 12/01/2024 |
| MEETING NO. 3/2024  | 31/01/2024 |
| MEETING NO. 4/2024  | 27/02/2024 |
| MEETING NO. 5/2024  | 01/04/2024 |
| MEETING NO. 6/2024  | 18/04/2024 |
| MEETING NO. 7/2024  | 30/04/2024 |
| MEETING NO. 8/2024  | 04/06/2024 |
| MEETING NO. 9/2024  | 11/07/2024 |
| MEETING NO. 10/2024 | 24/07/2024 |
| MEETING NO. 11/2024 | 20/09/2024 |
| MEETING NO. 12/2024 | 30/09/2024 |
| MEETING NO. 13/2024 | 14/10/2024 |
| MEETING NO. 14/2024 | 31/10/2024 |
| MEETING NO. 15/2024 | 20/11/2024 |
| MEETING NO. 16/2024 | 27/11/2024 |
| MEETING NO. 17/2024 | 06/12/2024 |
| MEETING NO. 18/2024 | 13/12/2024 |
| MEETING NO. 19/2024 | 19/12/2024 |

All members of the Committee participated in all meetings held.

The Secretary of the Committee participates in the meetings of the Audit Committee.

The Secretary of the Committee gathers the issues, prepares the agenda and distributes it to the members in a secure manner along with the information material, at least three (3) days before the Audit Committee meeting.

The Audit Committee, for each meeting, keeps Minutes of Meetings, which reflect the decisions taken, the attendees, the agreed actions and the persons responsible for implementation, which are signed by the members present, in accordance with article 93 of Law 4548/2018. In cases of decisions taken by majority, the opinion of the minority must be reflected in the Minutes.

It is up to the Committee to invite, whenever deemed appropriate, other members of the Board of Directors or Committees, Company executives or other persons within and outside the Company, in order to inform it and/or attend a specific meeting or specific agenda items.

The Head of Financial Services is invited to participate in the meetings of the Audit Committee and provide information on important, critical and substantive issues related to the process of preparing the financial statements and how to address them.

The Audit Committee has frequent communication with the Internal Audit Department in the context of the performance of its duties. In this context, the Head of the Internal Audit Department is invited to participate in the meetings of the Audit Committee and provide information on the progress of the audits carried out and the monitoring of the progress of the implementation of the corrective actions decided in the context of the audits.

The Audit Committee also has frequent communication and meetings with the certified auditors to review the financial statements and evaluate the financial information provided.

The Chairman of the Board of Directors is invited to all Committee meetings.

### **3.3 Work of the Audit Committee during the year 2024 with reference to the fiscal year 2023**

Report of the Audit Committee to the Board of Directors on the Financial Statements 2023:

The Committee, after reviewing the Financial Statements of the Company and the Group for the year ended December 31, 2023 and the discussions it had with the Financial Services Department and the certified auditors, evaluated and concluded that they are complete and consistent with the information brought to its attention, as well as with the accounting principles applied by the Company.

Based on the above, it was found that the Company's financial statements are in accordance with their mandatory content and the framework for their preparation by law and the Committee assessed that the annual financial report together with the financial statements and the management report of the Company, depict in a true, correct, balanced and understandable manner the development, performance and position of the Company and provide the required information to the shareholders. It subsequently prepared and sent an analytical information report to the Board of Directors.

### **3.4 Work program of the Audit Committee for the year 2024**

The Commission approved its work programme for the year 2024, including distinct sections regarding:

- Internal Audit issues (indicatively: approval of the annual Audit Plan, discussion of audit reports, progress in implementing proposed corrective actions on audit findings, etc.).
- External Auditor Issues – Meetings with External Auditors to discuss audit issues, performance evaluation and independence issues.
- Financial statement issues, in the presence of the CEO, the CFO, the Legal Services Director and the External Auditors.
- Issues of the broader Internal Control System and discussions with Management on corrective actions as well as joint meetings with other Board Committees

### **3.5 Reports of the Audit Committee to the Board of Directors**

The Audit Committee informs the Board of Directors, at least once per quarter and additionally whenever deemed necessary, about its work.

This update includes, but is not limited to:

- The important, critical and substantive issues relating to the preparation of financial statements and how to address them,
- Evaluating the effectiveness of the regular audit process
- The recommendation for the appointment of the certified auditor,
- The result of the regular audit and the explanation of how it contributed to the integrity of financial reporting and the role of the Committee, and
- The reports submitted to the Committee by the Director of Internal Audit regarding the work of the Internal Audit Department.
- The process of drafting the Annual ESG Report for 2024, ensuring the monitoring of the implementation of the Company's Sustainable Development Policy.
- Other specific issues that concerned the Committee ( Management Review 2023 sworn letter -Progress of implementing corrective actions on findings of comprehensive audits-Information on



the security of Information Systems on the topic "Cyber Security - Global threat landscape and EYDAP perspective)

The Committee prepared and submitted activity reports during 2024 regarding its activities, as above, to the Board of Directors, for the year ended: Annual Activity Report 2023, as well as for the quarters ended on December 31, 2023, March 31, 2024, June 30, 2024 and September 30, 2024.

#### **4. EXTERNAL AUDIT**

During its meetings, the Committee was informed and discussed issues related to the process of assigning and preparing the external audit of the half-yearly and annual financial statements 2024, as well as the presentation of the results.

The main issues discussed and the related activities of the Committee are:

##### **4.1 External (Certified) Auditors - Appointment of External Auditors**

The Committee has the authority to select the audit firm of the regular auditor. The relevant duties of the Committee include: the scope of the audit, the initiation of the tender process, the expression of an opinion and the recommendation to the Board of Directors for the appointment by the Annual Ordinary General Meeting of Shareholders.

The Audit Committee, evaluating the work of Grant Thornton, the Company's certified auditor, and taking into account the financial offer they submitted and deemed to be the most advantageous, submitted a recommendation for the appointment by the General Meeting of the same Certified Auditors ("GRANT THORNTON SA OF CERTIFIED AUDITORS AND BUSINESS CONSULTANTS") to conduct the audit of the Company's individual and consolidated financial statements for the fiscal year 01.01.2024 - 31.12.2024, as well as for the approval of their remuneration and terms of employment, after taking into account the evaluation of their audit work as well as maintaining their remuneration at the same level as for the audit of the previous fiscal year. This recommendation was made without influence from third parties and without any contractual clause existing or having been imposed between the Company and any third party, which limited the possibilities of selection by the General Meeting of shareholders to certain categories or lists of statutory auditors or audit firms, with regard to the appointment of a specific statutory auditor or audit firm, to carry out the mandatory audit of the Company.

##### **4.2 Planning of Regular External Audit 2024**

The Certified Auditors presented to the Committee the Audit plan, in relation to the schedule of the regular audit of the Company's corporate and consolidated financial statements for the fiscal year 2024, the audit and expert teams, as well as a reference to the significant issues during the audit plan and in particular the identified risks to the financial statements.

##### **4.3 Audit of Annual Financial Statements 2024 – Key audit matters**

The Committee monitored the audit of the Company's annual financial statements for the corporate year ending 31.12.2024 by the certified auditors.

materiality level with regard to the design and execution of the audit and discussed with the Committee the methodology and parameters for its determination.

In the discussions with the certified auditors, particular emphasis was placed on the Most Significant Issues and Audit Areas as identified by their audit and the methodology with which they were addressed:

###### **Significant Control Areas (Significant Risks)**

- Income
- Employee benefit obligations



- Provisions for pending cases (Attorney Responses)
- Recoverability of trade receivables
- Financial Statement

#### Key Audit Matters

- Revenue recognition
- Recoverability of trade receivables
- Employee benefit obligations

#### 4.4 Tax Audit

The certified auditors, in their meeting with the Committee, informed the members of the Committee about:

- the completion of the tax audit conducted in accordance with article 65A, paragraph 1 of Law 4174/2013 and POL.1124/2015, as amended, on the Company itself and those of its Greek subsidiaries that have been subject to the tax audit for fiscal year 2024.
- the Tax Compliance Reports issued in the context of the above tax audit and the progress of tax audits by the authorities.

#### 4.5 Ensuring independence and objectivity and maintaining the effectiveness of External Audit

In its relationship with the statutory auditors, the Committee must ensure that they maintain their independence and objectivity and are effective in carrying out the regular audit. Both the Board and the statutory auditors have policies and procedures designed to protect the independence and objectivity of the statutory auditor.

The Committee considers the annual independence statement of the statutory auditor and discusses with him threats that may endanger his independence, as well as the ways in which these threats are ensured to be addressed. The Committee examines whether the relationships, taking into account the views of the statutory auditor, Management and internal audit, as appropriate, appear to be able to affect the independence and objectivity of the statutory auditor.

The certified auditors in 2024 submitted to the Committee a statement of independence from the Company in accordance with the Code of Ethics for Professional Auditors of the International Ethics Standards Board for Auditors (IESBA Code) and the ethical requirements related to the audit of financial statements in Greece.

#### 4.6 Provision of permitted non-audit services by certified auditors

The Committee monitors the compliance of the certified auditor with the provisions of Regulation (EU) No. 537/2014, as applicable from time to time, as well as with other relevant regulatory requirements, regarding the amount of the total fees paid by the Company to him in relation to the total income of the certified auditor or his total income from audit services, so that the independence and objectivity of the certified auditor is not called into question due to the size of the services provided to the Company.

The Committee is responsible for approving the provision of non-audit services to the Group Companies, which are not prohibited by law. The Committee considers that the statutory auditors possess significant knowledge of the Group's activity and the way in which accounting policies are applied. This means that in some cases it is considered more reasonable for the statutory auditors to provide non-audit services themselves. Also, in some cases there may be confidentiality reasons that make the statutory auditors the preferred choice to provide specific non-audit services.

However, ensuring the objectivity and independence of statutory auditors is a high priority. For this reason, the Commission ensures that in any case the provision of such services will not impair their independence or objectivity.

For non-audit services that are not prohibited by law, the Committee assesses and evaluates the following:

- potential threats to independence and objectivity arising from the provision of the service and any safeguards to eliminate or reduce these threats as long as they do not compromise the auditor's independence and objectivity,
- the nature of non-audit services,
- whether the skills and experience of the audit firm make it the most suitable provider of the non-audit service,
- the fees incurred or to be incurred for non-audit services, both for individual services and in total, in relation to the fees for audit services, including any special terms and conditions (e.g., any fee adjustments) and
- the criteria governing the remuneration of the persons carrying out the audit.

During 2024, the Committee reviewed non-audit services proposed to be undertaken by the statutory auditor to the Company or subsidiaries of the Group and, having assessed the nature of the proposed services and received relevant clarifications, statements and assurances from the statutory auditor, considered that they do not constitute a threat to the independence of a statutory auditor in accordance with the provisions of article 44 of Law 4449/2017 and article 5 of Regulation (EU) 537/2014.

Both the work performed and the fees of the assigned non-audit services did not compromise the independence or objectivity of the certified auditors.

## **5. Financial Reporting - Non-financial reporting and sustainable development**

### **5.1 Financial Results for the First Half of 2024**

The Financial Services Directorate informed the Committee about the financial results of the 1st half of 2024 and the assurances regarding the correctness and accuracy of the information.

The certified auditors informed the members of the Committee about the review they conducted on the individual and consolidated financial statements of the Company for the six-month period from 01.01.2024 to 30.06.2024 in accordance with International Auditing Standards and submitted a relevant report-presentation to the Committee. The certified auditors referred, among other things, to the scope and areas of the Group's review procedures, the determination of materiality, the unconfirmed differences and the significant review issues.

The Committee prepared a relevant report, on the review of the company's 2024 semi-annual individual and consolidated financial statements, to the Board of Directors.

### **5.2 Annual Financial Statements 2024**

The Audit Committee monitored the process of preparing the financial statements, including non-financial statements, in accordance with Article 151 of Law 4548/2018 and Regulation (EU) 2020/852 – Taxonomy Regulation (Articles 5 & 8) concerning the Taxonomy Disclosure, i.e. the Company's obligation to declare the degree of alignment of its activities with the environmentally sustainable objectives of the EU.

In accordance with the CSRD Directive and Law 4706/2020, the Audit Committee must oversee the compliance and reliability of these disclosures.

The Audit Committee, throughout the 2024 financial year, monitored the most significant issues that may have an impact on the financial statements and the significant judgments and estimates made by Management during their preparation, including:

- Revenue recognition
- Recoverability assessment of trade receivables
- Employee benefit obligations
- Provisions for pending litigation – Contingent liabilities

The Committee was informed by the Financial Services Department about the Financial Statements of the Company and the Group, prepared in accordance with IFRS for the year ended 31 December 2024, as well as about the main accounting assumptions adopted by the Company for the preparation of the Financial Statements and the main issues that concerned the Financial Services Department during the preparation of the Statements before the announcement of the results.

It reviewed the annual report, with a reference to the significant events that took place during the 2024 Financial Year and their impact on the Financial Statements of the same period, and was informed of significant transactions that took place between the Company and its related parties, as well as the most significant events after the end of the financial year.

The statutory auditors submitted and presented to the Commission their additional report, in accordance with article 1 of Regulation (EU) 537/2014, regarding their audit of the Company's Financial Statements, at an individual and consolidated level, for the year ended 31 December 2024.

The Committee discussed with the certified auditors (Grant Thornton) and the Financial Services Department the main audit issues during the audit of the Company's annual financial statements for the corporate year ended 31.12.2024.

The Audit Committee received assurance from the Regular External Auditors that, based on the procedures performed and the information gathered by the audit team, no facts or indications arose that would raise doubts regarding the ability of the Group and the Company to continue their activities.

The Committee reviewed the financial statements, based on the above, prior to their approval by the Board of Directors, assessed their completeness and accuracy, in accordance with the information disclosed to the members of the Audit Committee, as well as that the appropriate accounting principles were adopted, and expressed its opinion thereon by sending an informative report to the Board of Directors.

### **5.3 Monitoring and Informing the Board of Directors on the Sustainability Report (article 43 of Law 5164/2024)**

In the context of the new obligations pursuant to Law 5164/12.12.2024, the Audit Committee:

Monitored the company's compliance process with the requirements of Regulation (EU) 2022/2464 (CSRD) and the relevant European Sustainability Reporting Standards (ESRS) as well as the process implemented by the company to determine sustainability information, in accordance with the European Standards (ESRS) to ensure that the data collection, verification and presentation processes meet the principles of transparency and accountability.

It examined the materiality analysis procedures, through which significant information is selected for disclosure in the field of ESG (Environment, Society, Governance).

He was informed about the data collection and control procedures (data governance), in terms of ensuring the reliability and the ability to cross-check the data included in the Report.

He confirmed that the annual audit program carried out by the Internal Audit Department incorporated audit procedures and work to ensure the existence of adequate policies, procedures and monitoring mechanisms for ESG issues.

#### **5.4 Information Report of the Audit Committee to the Board of Directors on the Financial Statements 2024**

The Committee, after reviewing the Financial Statements of the Company and the Group for the year ended December 31, 2024 and the discussions it had with the Financial Services Department and the certified auditors, evaluated and concluded that the annual financial report as a whole, together with the annual financial statements and the annual management report of the Company, reflect in a true, fair, balanced and understandable manner the development, performance and position of the Company, as well as of the companies included in the consolidation, and provide the required information to the shareholders. The Committee also informed the Board that the Certified Auditors have contributed substantially to the integrity of the Financial Statements with their experience and independent assurance that the financial statements present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2024, the financial performance and cash flows for the year then ended.

The Audit Committee, following the completion of its work regarding the supervision of the financial reporting process and the monitoring of external audit procedures, presents its proposals, which aim to enhance the efficiency and operational adequacy of the relevant procedures, with the aim of their continuous improvement and alignment with best corporate governance practices:

- Continue the effort to automate the production of information in the Company's respective systems in order to further limit any delay in the production of data and relevant indicators and to enhance the degree of timely and accurate information.
- To examine the necessity of acquiring information systems support for the calculation, recording and control of information related to CSRD requirements.
- Management should continue to focus on the issues mentioned in the management letter of the Certified Auditors.

#### **6. Supervision of the Operation of the Internal Audit Department**

The Committee, in order to monitor the activity, role and effectiveness of the Internal Audit Department, as well as the audit program, held regular meetings with the Director of Internal Audit. Every quarter, reports are received from the Internal Audit Department, with the most important issues and its proposals regarding the duties provided for by Law 4706/2020, Article 16 par.1. which were subsequently transmitted to the Board of Directors for information.

The main issues examined in 2024 are the following:

##### **6.1 Preparation of the audit plan for the year 2024**

When reviewing the audit plan proposed by the WEU for 2024, in addition to the results of the risk assessment, the Audit Committee also took into account the following audit interest criteria:

The company's strategy and objectives, significant changes in information systems, legal framework, the size and significance of the audited units, the frequency of previous audits in the specific areas, the information provided by other audit mechanisms (e.g. any observations of the external auditors as expressed in the management letter), the legal and regulatory compliance requirements, the findings of previous audits, as well as the degree of response of the audited units to them.

Based on the overall assessment of all of the above, the audit objects were reviewed and the EU, as provided for by the legal and regulatory framework of the operation of the Audit Committee within the framework of its duties, unanimously approved the sending of the draft audit program 2024, for

discussion and approval at a meeting of the Board of Directors of EYDAP SA with a proposal from the EU prepared by the President of the EU, based on the above and approved unanimously. The Committee was informed at regular intervals by the Internal Audit Department about the progress of the implementation of the audit program for the year 2024.

## **6.2 Progress of implementation of the 2024 EU audit program**

The Internal Audit Department's audit program for the year 2024, as approved by decision of the Board of Directors of EYDAP SA, included 23 audits and 17 were implemented (74%).

The Committee was informed at its meetings by the Director and executives of the Internal Audit Department about all audits completed in 2024, their findings, how the audit findings affect the effectiveness of the company's internal control system, the corrective actions agreed with senior management and the timeframe for their implementation.

Furthermore, it was informed by inviting the CEO to its meetings, at regular intervals, about the progress of the implementation of the corrective actions and the schedules of relevant work based on the findings of the audits.

The completed final reports are sent attached to the quarterly activity reports submitted by the Internal Audit Department to the Audit Committee and are subsequently forwarded by the Audit Committee to the Board of Directors.

Audit report recommendations led to improvement actions in processes, safeguards and systems or to the launch of optimization projects and actions in various activities of the company, contributing to better risk management, the achievement of corporate goals, corporate transformation, and the making of informed decisions with an emphasis on the future.

## **6.3 Evaluation - Administrative and Operational Issues of the Internal Audit Department**

The Internal Audit Department in 2024 numbered 7 auditors, 2 chief auditors and the Director. Regarding the human resources of the internal audit function, the Audit Committee assessed as necessary the strengthening of the staffing of the Internal Audit Department and proposed to the Director of Internal Audit to proceed with the process of an open call for expressions of interest for the staffing of the Internal Audit Department to all staff. Following the expression of interest by EYDAP executives, the placement of three additional auditors in the Internal Audit Department has already been initiated.

The Audit Committee was informed of the IAS action plan and the coverage it provides in accordance with the new requirements set by the introduction of the Global International Audit Standards as of 01.01.2025.

A draft Strategy for the Internal Audit Department has been prepared on behalf of the IA and submitted to the Audit Committee.

The strategic planning of the Internal Audit Department is in line with the overall strategy of EYDAP.

The Audit Committee, by monitoring the operation of Internal Audit, determined that its independence was maintained.

The Internal Audit function is a critical tool for ensuring transparency, accountability and the proper functioning of an organization.

The Audit Committee emphasizes the need for further training of WEU executives.

In the ever-changing environment of regulations, technology and operational risks, continuous training of internal auditors is not optional, but a necessary prerequisite for the effective exercise of their role, as is encouragement for further training and certification in critical areas (e.g. IT audit, ESG audit).

## **7. Internal Control System**

### **7.1 Issues monitored by the Audit Committee**

The relevant issues addressed in the meetings held by the Committee in 2024 included the following:

It reviewed the effectiveness of the internal control system, in particular with regard to the adequacy and correctness of the financial and non-financial information provided, risk management, regulatory compliance and the corporate governance code adopted by the Company, through the results of the internal and external audit and the reports with the significant findings and proposals, together with the Management's opinion thereon.

The Chair of the Audit Committee held meetings with the Chairman of the Board of Directors, the CEO, as well as other executives of the Company, on issues related to the Company's internal audit, risk management, regulatory compliance, as well as the Internal Audit and Corporate Governance Systems.

The Audit Committee monitored the progress and implementation of corrective actions to address the findings of comprehensive audits conducted by the Internal Audit Department, through regular presentations by Management and Follow-Up Audit Reports prepared by the Internal Audit Department, subsequently transmitting the information to the Board of Directors.

The Management's response regarding the degree of implementation of corrective actions from previous years' audits (based on the entries of the officers themselves on the follow-up platform) shows an improvement compared to previous years.

### **Priorities for the coming period**

The Audit Committee's immediate priorities, regarding the Internal Audit System, are:

1. The intensification of efforts, by all stakeholders, to achieve further improvements in the agreement and recording of findings and actions to be implemented, and in the methodology for monitoring corrective actions until their final implementation. Particular emphasis should be given to the methodology and framework for examining and accepting risk limits, in collaboration with Management and the Risk Management Unit.
2. Emphasis, among others, on emerging risk areas such as:
  - Risks related to information systems and cybersecurity,
  - Risks related to climate change.
3. Regular reassessment of strategic and operational risks.
4. Further actions that will contribute to the strengthening and better coordination between all corporate structures that promote the smooth operation and improvement of the Internal Control System (Internal Audit, Risk Management, Regulatory Compliance Functions, etc.), such as the **integration of information through** GRC (Governance, Risk & Compliance) technological tools for the monitoring of audits and corrective actions on audit findings.

### **7.2 External Assessment of the Corporate Governance System**

Following the assessment of the Internal Control System (ICS), which was completed at the end of March 2023, the assessment of the Corporate Governance System followed, for the period up to fiscal year 2024, as an obligation arising from the law.

The Audit Committee monitored the process for conducting the external evaluation of the Internal Governance System with regard to compliance with the schedules and monitoring of the agreed project and took note of the results of the External Evaluation Report of the Internal Governance System carried out in accordance with the provisions of art. 13 of Law 4706/2020

The assessment of the adequacy and effectiveness of the EDS was carried out by the auditing firm Grant Thornton and the final report was submitted on 22/04/2025.

In particular, the Committee was informed of the outcome of the External Evaluator's Report which does not include any material weaknesses, in accordance with the obligations arising from the Applicable Criteria, as well as the points for proposed improvements and the implementation schedule of the actions agreed with Management.

### **7.3 Letter to Management Letter) from the Certified Auditors for the year 2023)**

The certified auditors submitted and presented a report to the Committee regarding the evaluation of the Company's internal procedures as revealed during the regular audit of fiscal year 2023.

The CEO was invited by the Audit Committee and presented the Management's response plan to the findings of the 2023 management letter as well as the progress of implementing corrective actions on the findings of the 2022 management letter.

Subsequently, the Executive Summary of the progress of the implementation of the Corrective Actions on the Management Letters 2022 and 2023 were transmitted by the EU and presented at a meeting of the Board of Directors, which has the general supervision of the effectiveness of the Internal Audit System, so that it has more complete information regarding the progress of the implementation of the decisions - commitments of the auditees, based on the timetable that the auditees have committed to implement, so that further measures can be taken, where there may be delays .

## **8. Sustainable Development Policy**

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

Sustainable Development is an integral element of EYDAP's long-term business strategy. It is the driving force through which the Company aspires to remain competitive over time, to address modern challenges and, by developing appropriate partnerships, to contribute to a new efficient development model without social exclusion, as reflected in the Global Sustainable Development Goals.

The Company's Sustainable Development Strategy aims to create long-term and sustainable value for its shareholders and other groups of Social Partners, through a holistic approach that combines financial stability with social and environmental sustainability. It is implemented through three basic levels, which are inextricably linked to each other, while it is governed by specific Principles that ensure completeness (Materiality Principle), quality (Stakeholder Participation Principle) and transparency (Accountability Principle) throughout its activity.

EYDAP, realizing not only its institutional corporate role but also its responsibility towards society, incorporates sustainable development goals into its operations and carries out actions within the framework of corporate social responsibility, following the following principles:

- Corporate Governance Optimization
- Supporting the Economy: research and innovation
- Respect for the Environment & Climate
- Respect for Human Rights & Workers
- Community Support · Culture

A large part of the monitoring indicators of corporate objectives are determined by modern ESG-based governance standards and the company uses appropriate KPIs to monitor the achievement of its corporate strategy.

### **Company performance on essential sustainable development issues**

The identification and assessment of impacts were carried out throughout the value chain, as well as the assessment of their significance was carried out through the process of dual materiality analysis which was carried out in accordance with the requirements of Directive (EU) 2023/2772. In the context of the identification and assessment of existing and potential impacts, communication was carried out with affected stakeholders (employee representative, Ministry of Environment and Energy).



Within the framework of the Sustainability Policy, the Board of Directors of EYDAP SA identifies in the Annual Management Report the non-financial issues that are considered essential for the implementation of its vision and strategy, taking into account the requirements of its stakeholders. The Report refers to the way in which they are managed and to the evaluation of these actions based on recognized international standards. The Board of Directors is assisted by the Strategy, Innovation and Sustainable Development Committee in all its above responsibilities. The Committee shapes the Company's strategy by setting its strategic priorities and objectives within the framework of Sustainable Development.

EYDAP SA's strategy is based on Sustainable Development, Digital Transition and EYDAP SA's Resilience to economic, environmental and social factors.

The main points of its strategy are the following important points, to which special attention and diligence are given by all employees, in order to achieve the goals set for these points by its Management.

- Water Resources Management: Improving efficiency and reducing water losses through investments in modern technologies and control systems.
- Climate Adaptation & Energy Efficiency: Reducing environmental footprint, increasing the use of Renewable Energy Sources (RES) and implementing energy-efficient processes.
- Digital Transformation: Development of data management systems and adoption of digital tools to enhance efficiency and transparency.
- Corporate Governance & Transparency: Compliance with ESG standards and enhancing transparency at all levels of operation.

Also, regarding the interconnection of Strategy and Value Chain, it is noted that:

- EYDAP SA's strategy affects all stages of the value chain, from water pumping and distribution to customer service and wastewater management.
- Investments in modern technologies for monitoring and efficient management of water resources are planned and implemented.
- Procedures and actions are being developed to improve the relationship with consumers, through innovative services and awareness programs.

EYDAP SA's strategy for sustainable development reflects the Company's commitments to issues concerning the environment, society and governance.

The dual materiality analysis highlighted the areas that the Company's Strategy consistently focused on in 2024. Climate change and adaptation to it occupied all organizational units, both for addressing temporary challenges and for long-term planning. The issue of water scarcity was particularly concerned, after consecutive years of high temperatures and decreasing reserves, while the best solutions were sought at the level of infrastructure projects, which will significantly mitigate any future challenges.

Regarding water and marine resources, it is a strategic decision of EYDAP SA to continue to provide one of the highest quality waters in Europe, with high ratings and to reduce unnecessary consumption, its commitment to comply with the current regulatory framework and its program to implement the measures that involve it in the National River Basin Management Plans. The sewage works in Eastern Attica will rehabilitate all of the water and marine resources of the region, addressing a perennial need of its almost 400,000 inhabitants.

In terms of workforce issues, the signing of the collective agreement satisfied the demands of employees in a context where it already attaches great importance to health, safety, education and privacy issues. However, the challenges that the Company is called upon to face do not allow for complacency, requiring continuous training in new technologies and meeting the needs for specialized personnel in technical and administrative positions.

In 2024, the projects and actions to strengthen the Company's operational resilience and transformation continued unabated. The project to upgrade the Enterprise Resource Management software was launched and the majority of the budgeted projects in the Water Supply and Sewerage

infrastructure were implemented. One of the challenges of the Company is to be able to carry out all the required projects and expenses, while maintaining consistently satisfactory profit margins, which will ensure its sustainability.

### ***Environment***

In the environmental pillar, EYDAP SA implements policies and implements projects that aim at its protection, energy neutrality and the promotion of the circular economy.

The utilization of the water of the Adrian Aqueduct is one of the most important projects of EYDAP SA, with a total cost of 11.5 million euros. It is a multi-stakeholder project, in which municipalities, European and non-European bodies cooperate and finance. The project aims to utilize underground water flows, which until now remained unexploited, for the irrigation of parks and gardens. In this way, it contributes to the reduction of the urban heat island phenomenon, enhancing the sustainability and resilience of urban areas.

At the same time, the Strategic Reuse Plan that has already been implemented in Eastern Attica and is being expanded to the rest of the basin, as well as the first related projects that EYDAP SA has developed – such as the innovative sewer mining project – or that are in the planning phase, constitute essential steps towards a more sustainable and responsible management of water resources.

At the same time, EYDAP SA is upgrading the energy efficiency of the pumping stations and the KEL facilities, utilizing biogas, with projects worth a total of approximately 23 million euros. Electric charging points for the fleet are being added to the building facilities, which are gradually being converted to electric vehicles. In addition, photovoltaic stations are under construction at the Acharnes and Polydendri MEN, while the Company has proceeded, as of August 2024, to a new electricity supply contract, with a 50% participation of green energy. It is important to mention that the upgrades of small hydroelectric plants and the construction of new ones are planned, which will ensure even lower emissions and greater energy self-sufficiency. Within 2024, the operational upgrade of the Mavrosouvala drilling also progressed.

In environmental issues for 2024, the Company's effort to design and begin implementing the water scarcity plan was at the forefront, examining alternative scenarios and conducting studies with cost-benefit analysis. In collaboration with the state, the best solutions are being sought that will ensure an uninterrupted water supply in its area of activity. The solutions being examined include access to additional surface and groundwater resources, desalination and wastewater reuse.

### ***Water and marine resources***

In the annual international assessment of water companies issued in 2024 by the European Benchmarking Co-operation, EYDAP SA's water quality was rated at 99.7%, a value higher than the average score achieved by the participating European companies. Water quality is ranked 1st among 180 countries worldwide, with a score of 100%, according to the Yale University Environmental Performance Index (EPI).

For all activities of EYDAP SA, the goal is the effective utilization of water resources, the optimal utilization of infrastructure and the strengthening of networks, as well as the improvement of the level of water supply and sanitation services.

One of the main objectives is the development and implementation of the Environmental Management System according to the ISO 14001:2015 standard throughout the Company. The implementation of the internationally recognized Environmental Management System (EMS) throughout the Company confirms its strategy for the systematic monitoring, evaluation and improvement of its environmental performance. The System will maintain the Company's track record of not having been fined or otherwise penalized for incidents of non-compliance with environmental legislation and environmental regulations relating to water supply or sanitation activities.

A key pillar of EYDAP SA's ESG strategy are actions that contribute both to the sustainable management of water resources and to strengthening the Organization's resilience to climate change.

## ***Climate change***

EYDAP SA is committed to continuously improving its operational resilience and sustainable development. Through strategic investments and innovative solutions, it ensures long-term sustainability and adaptation to climate and regulatory challenges. Its performance in critical indicators, such as energy efficiency, demonstrates the company's significant progress towards sustainable development. In addition, the Company monitors the impacts, risks and opportunities related to climate change through continuous compliance with legislation, especially alignment with the National Climate Law and the submission of the annual carbon footprint report as well as the management systems it implements.

Within the framework of an integrated strategic planning, EYDAP SA implements actions that include:

- Strengthening strategic planning to address water scarcity.
- Implementation of a comprehensive water reuse plan .
- Utilization of the Hadrian's Aqueduct as a water supply source.
- Development and implementation of a desalination master plan.
- Conducting water consumption forecasting studies.
- Collaboration with international bodies to adopt best practices and promote innovative technologies.
- Monitoring of critical indicators on a quarterly basis.
- Implementation of water saving programs, aiming to reduce consumption by 10% annually.

Taking into account all of the above, EYDAP SA is committed to formulating clear and time-bound goals for climate change adaptation and mitigation.

## ***Carbon Footprint Calculation***

Since May 2023, EYDAP SA, with the aim of more accurately displaying the carbon footprint data, has changed the calculation limits and proceeded to recalculate SCOPE 1, 2, 3 with its own calculation tool, classifying the processes that take place in the E.Y.S. (External Water Supply System) as indirect emissions of EYDAP SA (Scope 3), thus recording a deviation from the published data in the 2022 Financial Report. Subsequently, in October 2023, a calculation tool was posted by the Ministry of Economy and Finance, based on which EYDAP SA recalculated CO2 emissions for the year 2022. The verification of the 2022 Carbon Footprint Report was carried out by an external verifier and the agreed level of assurance was defined as reasonable.

Given the above, the reference year for calculating EYDAP SA's carbon footprint is 2022, as defined in Climate Law 4936/2022 as the year of obligation to submit a verified report to the Ministry of Environment and Natural Resources' platform. It is noted that from the 2022 Report onwards, methane (CH4) and nitrous oxide (N2O) emissions from the use of biogas within EYDAP SA's facilities are also included.

## ***Society***

In the Society sector, the strategic priorities of EYDAP SA are the following:

- Ensuring water quality throughout the entire transportation and distribution system
- the Safety, Health and Well-being of employees
- Customer Satisfaction
- Effective demand management and leakage reduction
- the Development of New Activities and the expansion of the clientele
- the Attracting and Developing Human Resources and
- Community Support

With responsibility, specialized know-how and a consistent people-centered approach, EYDAP SA has been effectively managing the water cycle for decades. It ensures the provision of clean water to all citizens of Attica without discrimination, while at the same time committing to returning water back to the environment in excellent quality, contributing to sustainable development and the protection of natural resources.

EYDAP's mission and pursuit is to provide equal access to excellent quality drinking water at an affordable price to more and more citizens and to return it to the environment clean, through the effective management of all available resources, with social sensitivity and with a view to contributing to social well-being AND is directly related to the policy objectives of Consumer Health and Safety, and Drinking Water Quality.

Also, the support of society is achieved through the long-standing establishment of a graduated and social tariff to meet the needs of socially vulnerable groups, while the Company's services are designed in a way that does not exclude people with mobility, vision or hearing problems.

Development projects ensure work and sustainable remuneration for a significant portion of the population, creating direct, indirect and induced employment, while they are considered essential for the preservation of public health.

Among other benefits, it is important to mention that the strategy for the development of the Hadrian's Aqueduct of EYDAP SA includes its protection and development as a special cultural resource for the benefit of society, unique in its kind in Europe, which is the responsibility of the Ministry of Culture.

Promotion actions by EYDAP SA, local government and civil society are already being implemented within the framework of consortia funded by European Programs such as the competitive Urban Innovative Actions that funds the "CULTURAL HIDRANT" action which was completed in 2024 with the participation of EYDAP SA. in the wider society.

Within the framework of the Corporate Sponsorship Policy and with the aim of promoting the values of education, culture, sports, public health and the environment, EYDAP supports important actions in sectors that are directly related to its corporate culture and development strategy.

The dynamic triptych Safety at work - Efficiency in operation - Development for society, is what defines the Company's strategic priorities for:

- Ensuring a fair and dynamic working environment.
- Creation of new jobs.
- Improving the level of services offered.

In matters related to employee health and safety, procedures are followed and ISO standards such as 45001:2018 are applied, which ensure appropriate working conditions, while the entire effort is supported by the appropriate team of Occupational Technicians and Doctors.

The company's desired goal, with regard to employee Health & Safety, is zero occupational accidents.

In 2024, a new three-year Collective Bargaining Agreement was concluded between the Company and the trade union bodies of its employees, with which additional salary arrangements and benefits came into effect.

The company has set strict protocols for the protection of employees' personal data:

- Compliance with GDPR (General Data Protection Regulation) for the management of sensitive information.
- Restrict access to personal data only to authorized personnel.
- Staff training on cybersecurity and data protection issues.

EYDAP SA invests in its human resources with targeted and ongoing training programs, in order to provide them with the appropriate equipment and skills required by the ever-increasing demands of

their work. It also ensures that other benefits are available, such as insurance programs, family life support programs, and gifts for employees' children.

At the same time, EYDAP SA monitors the effectiveness of its policies and actions related to safe workplaces, through performance indicators and regular evaluations.

### **Corporate Governance**

The strategic priorities in the Corporate Governance pillar are as follows:

- Regulatory Compliance and adherence to standards
- Operational Resilience
- Business Transformation - Technology Utilization
- Optimal Financial Management

EYDAP SA continuously monitors changes in the regulatory framework and updates its policies and procedures accordingly. The Company provides training to its Board of Directors and employees to ensure that they understand and implement regulatory requirements.

The Internal Audit Department of EYDAP SA conducts regular audits to ensure compliance with internal regulations and policies. Regulatory compliance is of vital importance for EYDAP SA, as it ensures its proper operation and the protection of the interests of its consumers and shareholders.

In the area of Operational Resilience, it is launching repair projects for its water supply and sewage networks, as well as its tanks and pumping stations, to shield its infrastructure. The shielding investment plan extends over a 10-year period, will require a significant capital commitment and is deemed necessary to address the challenges of climate change.

Finally, the development of the reuse of water resulting from wastewater treatment, especially in the wastewater treatment plants of Eastern Attica and beyond, is underway, as well as the further development of sewer mining technology in parks in Athens, and an operational upgrade of the Mavrosouvala boreholes is also being carried out.

At the same time, its digital and operational transformation is progressing, with the procurement of new ERP software that will be closer to its needs. In 2024, the project to develop a SCADA data transfer system also progressed.

Great emphasis is placed by the Administration on the prevalence of e-billing for reasons of environmental protection and saving resources in general.

### **Cybersecurity**

Cybersecurity is part of the Digital Transformation policy objective. EYDAP SA has prioritized its protection through an organized cybersecurity framework, always in line with current legislative provisions. EYDAP SA, taking into account the EU and national legislative provisions, has prioritized ensuring the smooth and uninterrupted operation of its information and network systems, in the context of protecting the digital ecosystem and strengthening digital transformation. EYDAP SA has secured immediate response services in the event of a cybersecurity incident, by participating in the funded Action for the Provision of Cybersecurity Support Services of ENISA (European Union Agency for Cybersecurity) through the National Cybersecurity Authority for the FEBYs of the EU member states.

A detailed description of the Sustainable Development practices as well as the Company's initiatives for 2024 on ESG issues are described in the Corporate Governance Statement for 2024, which forms an integral part of the Company's 2024 Annual Financial Report.

The Audit Committee, throughout its annual work, had full access to the required information and the necessary infrastructure for the smooth and uninterrupted execution of its work.

The Audit Committee fulfilled its obligations, as an assistant to the work of the Board of Directors, with a sense of responsibility towards shareholders and other stakeholders, in the context of the implementation and adoption of best corporate governance practices and with the aim of strengthening the audit culture, continuously improving the internal control system and creating corporate value.

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

**The Chairman**

**Anastasia Martseki**