

Thessaloniki Water Supply & Sewerage Co. S.A.

# annual report



CORPORATE  
USE  
**2022**

[WWW.EYATH.GR](http://WWW.EYATH.GR)





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## Message from the Chairman of EYATH S.A., Prof. Agis M. Papadopoulos

Successive crises over recent years have highlighted the importance for businesses of the optimum use of available resources, environmental protection, care for vulnerable population groups and the creation of safe working conditions for employees. They recall that sustainable development is a multi-faceted concept which must lead to integrated business practice so as to generate value for all stakeholders. At the same time, those practices must be implemented in a transparent way and documented in a manner which is not open to doubt.

For EYATH, as for most businesses, 2022 started out promising, as a year of a return to normality after two years of pandemic and special, unprecedented conditions. However, the war in the Ukraine and the international instability it triggered, the steep rise in energy costs and inflationary pressures which continue to exist across all of Europe led to initial hopes being dashed. As a public utility which develops and provides water supply and sewerage services to more than 1.2 million citizens, we have kept our pricing policy stable and have continued to provide support to vulnerable citizens.

We also continued to implement our investments and initiatives, firmly believing that developing and modernising our infrastructure in the medium to long term is the most efficient way to bolster the company and help it achieve its objectives. We seek to further reduce non-revenue water by completing network automation and gradually installing smart water meters; in this regard an international tender procedure has already been launched for the first 100,000 digital water meters. We contribute to the circular economy in our day-to-day operations by disposing of dried sludge for both thermal utilisation and composting. We are gradually reducing our energy and carbon footprint by installing photovoltaics, operating a CHP unit, implementing energy saving technologies and improving the energy efficiency of our facilities and, above all, examining alternatives for drastically reducing energy costs. Our medium-term goal remains to reduce the water footprint by 20% and the carbon footprint by 50% by 2030. We are on course to achieve that target.

Acting in line with the provisions of national climate law and the national strategy on climate change adaptation, we have reaffirmed our dedication to this development logic and have successfully submitted our sustainability credentials. We issued the second Sustainability Report for 2021, which spearheads a series of business moves which were rewarded with our inclusion last November in the Athens Exchange's ATHEX ESG Index. This inclusion also stands as a commitment on our part to achieving the company's sustainable development goals.

EYATH is an integral part of the society in which it operates, and remains firmly committed to developing local communities and better serving them. To that end, as we continue to improve the services we offer, we are gradually digitising our operations, utilising innovative processes and automations. At the same time, we are investing in and providing real support to our staff, offering opportunities to develop new skills, financing training seminars and encouraging employees to study. We also ensure equal opportunities for growth and development for all our employees, with around 33% of them being women. 43% of those holding positions of responsibility are women.

As part of its business operations, the company promotes business ethics and transparency, fully complying with the relevant legislative framework and the Hellenic Corporate Governance Code, and consistently implementing the policies and procedures deriving from them.

Despite the adversities, during the past year EYATH continued to grow. We are developing and growing as we meet the needs of today while ensuring that future generations will continue to have access to the only natural resource for which there is no substitute, water.

## Message from the CEO of EYATH S.A. Anthimos A. Amanatidis

For our business world, the thorns in our side in 2022 can be summarised as high costs for energy, fuel and raw materials. Despite the negative situation created by the rise in energy prices, inflation and interest rates, the market potential remained strong as a result of domestic and international investments.

In what was a special year EYATH, like all water supply and sewerage companies which have large, energy-intensive facilities, faced unprecedented energy costs. We responded by quadrupling our investments over the three-year period, by rationalising our expenditure and, of course, by using our fixed reserves. It was the year in which we were awarded a prize as 3rd best public utility as part of a prestigious annual evaluation of companies listed on ATHEX. It was also the year in which we were listed on the ATHEX ESG Index as a reward for our dedication to caring for the environment, social solidarity, good administration, respect for the legislative framework, and our unwavering quest for a safe working environment. We prepared our first two Sustainability Reports for 2019-2020 and 2021.

In 2022 we remained consistent with our key environmental policy commitments:

- Assessing the impacts of our activities on the environment, recording and evaluating potential risks, taking the necessary preventative measures.
- Checking how we could stabilise and further reduce gas emissions, and properly managing and continuously reducing solid and liquid waste using recovery, re-use and recycling methods where feasible.
- Responsible use of energy, water and other natural resources.
- Constantly briefing, training and raising awareness among staff to promote an environmentally responsible culture.
- Recognising the needs and expectations of our social partners about environmental issues and promoting a climate of collaboration.

As a company that manages a vital natural resource, we fully implement EU and national environmental legislation, and every day attempt to implement the principles of sustainable development in our decisions and procedures. We are modernising our water supply networks and expanding our remote management systems to reduce water losses. We remove urban wastewater from the Thessaloniki urban area using a state-of-the-art sewerage network which is controlled using remote control systems to ensure preventative maintenance and to directly address faults. We are upgrading our facilities to ensure optimum performance and reduce energy consumption.

We manage sewage sludge in an environmentally and socially beneficial manner. We are bolstering the sewage sludge biogas generation and utilisation unit, utilising its thermal power, and are submitting plans for and obtaining licences for photovoltaic plants at our facilities. We are focusing on energy savings for parts of our infrastructure which have significant levels of energy consumption, and are buying new, environmentally friendly cars. We are running workplace recycling schemes and using environmentally-friendly materials. We are applying environmental criteria to procurement and have ISO 17025 quality management systems in our sewerage, environmental and drinking water labs, and carry out daily checks and analyses for both the environment and drinking water.

EYATH is a public utility that runs the city's public water supply and sewerage infrastructure. We are committed to our shareholders, our employees, and above all the local community, to being financially robust, outward-looking, with modern, resilient infrastructure that will ensure the sustainability of our local water ecosystem.

## Information on preparation of the annual report

This Annual Report contains all the financial and other information necessary for investors to properly evaluate the assets, financial position, results and prospects of EYATH S.A. (hereinafter the “Company”).

This report was prepared in accordance with the provisions of the applicable legislation and in particular the provisions of Article 8 of Decision No. 5/204/14-11-2000 of the Hellenic Capital Market Commission (HCMC), as amended by decision No. 7/372/15-2-2006 of the Board of Directors of the HCMC. The information it contains is true, accurate, complete, correct and clear.

All information required by Article 10 of Law 3401/2005 relating to the Company, its shares and the transferable securities market on which its shares are traded, which information the company published and made available to the public during the 2022 financial year in implementation of the applicable legislation, can be found on the company's website: [www.eyath.gr](http://www.eyath.gr) in the 'Investor Information' section. Moreover, the annual financial statements, audit certificates from the certified public accountants and reports from the Board of Directors which are incorporated into the consolidated financial statements have also been posted there. Lastly, the Company declares that all transactions of persons obliged under Article 13(1) of Law 3340/2005 to disclose information, have been disclosed in accordance with the relevant law.

All Company Divisions provided the information needed within its own remit, to fully present the Company's key functions and operations.

The Board of Directors declares that all its members were apprised of this report and along with its authors declare that all information and data contained herein is complete and true.

There is no other data and no other events have occurred, concealment or omission of which could make all or part of the information or data contained herein misleading.

There is no litigation or arbitration pending against EYATH S.A. which could have major impacts on the Company's financial status, other than those cited in the Annual Report as at 31/12/2022.

Mr Dimitrios Alexandris, EYATH S.A.'s Chief Financial Officer, is responsible for the preparation and accuracy of the information in this Report.



## *1. the company in 2022*

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## 1.1 At a glance

### TURNOVER

2022	70,902 thousand	-3.70%
2021	73,626 thousand	

### COST OF SALES

2022	65,331 thousand	+29.24%
2021	50,549 thousand	

### CASH

2022	71,481 thousand	-21.71%
2021	91,305 thousand	

### EQUITY

2022	177,420 thousand	-6.67%
2021	189,253 thousand	

### GROSS PROFITS

2022	5,572 thousand	-75.86%
2021	23,077 thousand	

### EARNINGS BEFORE TAX

2022	-4,242 thousand	-126.93%
2021	15,753 thousand	

### EARNINGS AFTER TAX

2022	-3,993 thousand	-135.23%
2021	11,335 thousand	



## RATIOS

	01/01/2022– 31/12/2022	01/01/2021– 31/12/2021	Deviation
PERFORMANCE AND PROFITABILITY RATIOS			
Gross Profit Margin	7.86%	31.34%	-23.48%
EBITDA Margin	1.24%	28.48%	-27.25%
EBIT	-6.49%	20.87%	-27.35%
EBT Margin	-5.98%	21.40%	-27.38%
EAT Margin	-5.63%	15.40%	-21.03%
INVESTMENT RATIOS			
Earnings / (losses) per share net of tax	(0.1100)	0.3123	-135.22%
LIQUIDITY RATIOS			
	31/12/2022	31/12/2021	Deviation
General liquidity (Current assets / short-term liabilities)	6.25	8.30	-24.67%
CAPITAL STRUCTURE & VIABILITY RATIOS			
Equity / Debt	404.48%	482.40%	-77.92%



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## *2. the company*

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## 2.1 Background

The Company with the corporate name “Thessaloniki Water Supply & Sewerage Co. S.A.”, trading as EYATH (hereafter the “Company” or “EYATH S.A.”) was founded in 1998 under Law 2651/2-11-1998 (Government Gazette A/248/3-11-1998) and came about from the merger of the former companies “Thessaloniki Water Supply Organisation S.A.” (OYTH S.A.) and the “Thessaloniki Wastewater Treatment Organisation S.A.” (OATH S.A.), which had been converted from bodies governed by public law into societies anonymes on 25.6.1997. It is listed on the Athens Exchange and is governed by the provisions of Codified Law 2190/1920 on societies anonymes, as that law applies, and also additionally by the provisions of Law 2937/2001, Chapter II (Government Gazette 169/A) and Law 3016/2002, as amended by Article 26 of Law 3091/2002. It is also subject to Chapter II of Law 3429/2009 on public corporations. The Company's effective term is ninety-nine (99) years from 3.11.1998, and expires on 3.11.2097. The original Articles of Association were approved by decision no. EFA/606/26-7-2001 (Government Gazette 989/30-7-2001) and the company is entered in the Companies Register (Reg. No. 41913/06/B/98/32) and the General Electronic Commercial Registry (GCR No. 58240404000). The Company's registered offices are in a privately owned building at 127 Egnatias St., Thessaloniki, GR-54635, Tel. 2310209231.

The Interministerial Privatisation Committee (IPC) issued decisions No. 563/17.10.2000 and 605/27.7.2001 and resolved to list EYATH S.A. on the Athens Exchange, and this was done by selling shares that came about from the share capital increase and selling existing shares owned by the Greek State, which until that point had been the sole shareholder.

On 27.7.2001 EYATH S.A.'s Extraordinary General Meeting of Shareholders unanimously decided to increase the share capital and list the shares on the Main Market of the Athens Stock Exchange. The following were decided in this regard:

- a) To increase the Company's share capital by GRD 511,125,000 (€1,500,000) by issuing 1,500,000 new ordinary registered shares (the new shares offered) with a nominal value of GRD 340.75 (€1) each, which accounted for 10% of the Company's share capital.
- b) the existing shareholder (the Greek State) would waive its right of pre-emption in the share capital increase.
- c) The new shares would be able to draw a dividend from the profits for 2001.

The new shares offered were sold via a public offering to investors (individuals and institutional investors) in line with the provisions of Presidential Decree 350/1985, as in force. At the same time, the Greek State which was the sole shareholder prior to the offer, decided for the purpose of achieving the necessary diversification, to sell 2,700,000 existing ordinary shares with a nominal value of GRD 340.75 (€ 1) each, which accounted for 16.36% of the Company's share capital as it stood after

the share capital increase.

Of those 2,700,000 shares owned by the Greek State, 2,500,000 were sold to investors (individuals and institutional investors) via a public offering and the other 200,000 shares were sold via private placement to staff with open-ended contracts and members of the Company's Board at a price 20% below the sale price of shares in the public offering, which was set using the book building method.

The new and existing shares sold via the public offering and via private placement (4,200,000 shares) accounted for 25.45% of the total number of shares in the Company after the share capital increase, in accordance with Article 3 of Presidential Decree 350/1985, as in force.

Pursuant to Article 22 of Law 2937/26-7-2001, upon its listing the principal ownership of EYATH S.A.'s assets was transferred to the newly established legal entity governed by public law, “EYATH Fixed Assets”, free of consideration. Under a 30-year agreement signed 27-7-2001 between the Greek State, EYATH Fixed Assets and EYATH S.A., EYATH S.A. was awarded exclusive rights to provide water supply and sewerage services to the geographical area within its remit. By the same agreement, EYATH Fixed Assets is required to provide EYATH S.A. the necessary amount of water, for consideration, to serve its customers (consumers); EYATH S.A. assumes responsibility for the rational use of the water sold and for making every effort to reduce leaks and losses as far as possible by implementing a programme to improve and rebuild the water supply network.

Following the decision of the Extraordinary General Meeting of Shareholders of 30-12-2002, the share capital was increased by one million six hundred fifty thousand euro (€1,650,000) by issuing one million six hundred fifty thousand (1,650,000) new ordinary registered shares with a nominal value of one euro (€1) (GRD 340.75) each by:

- a) capitalising €1,580,015 (one million five hundred eighty thousand fifteen) from the premium on capital stock and
- b) capitalising € 69,985 (sixty-nine thousand nine hundred eighty-five) from the goodwill from adjustment in the value of real estate as at 31/12/2000.

The Extraordinary General Meeting of Shareholders decided on 29/12/2006 to increase the share capital by two million one hundred seventy-eight thousand euros (€ 2,178,000) taken from the retained earnings account and by also increasing the value of existing shares from one euro (€ 1) to one euro and twelve cents (€ 1.12) (or GRD 381.64) each.

The Extraordinary General Meeting of Shareholders decided on 07-11-2007 to increase the share capital by twenty million three hundred twenty-eight thousand euros (€20,328,000) by capitalising part of the retained earnings account, as shown in the approved financial statements as at 31/12/2006, prepared in accordance with IFRS, by issuing 18,150,000 new ordinary registered

shares with a nominal value of €1.12 each, and gratis distribution to existing shareholders at a ratio of 1 new share for each existing share.

The Company's Share Capital stands at € forty million six hundred fifty-six thousand euros (40,656,000) divided into thirty-six million three hundred thousand (36,300,000) shares with a nominal value of one euro twelve cents (€1.12) each.

On 26.04.2016 the Board of Directors of the Hellenic Republic Asset Development Fund (HRADF) approved the updated Asset Development Plan (ADP), which on 25.05.2016 was approved by the Government Economic Policy Council (Government Gazette 1472/B). According to the above plan, 23% of the Company's shares will be sold.

At its meeting on 21-02-2018, the Interministerial Committee for Restructuring and Privatisation decided to:

1. Revoke Interministerial Committee for Restructuring and Privatisation decision no. 195/27.10.2011 (Government Gazette 754/B) to the extent that it transferred 14,520,000 shares in EYATH to the company Hellenic Republic Asset Development Fund S.A. That decision is effective from 1.1.2018.

2. Revoke Interministerial Committee for Restructuring and Privatisation decision No. 206/25-4-2012

(Government Gazette 1363/B/26-4-2012), to the extent that it transferred 3,630,001 shares in EYATH owned by the Greek State to the company Hellenic Republic Asset Development Fund S.A. That decision is effective from 1-1-2018.

This decision was published in Government Gazette 614/B/22-2-2018.

According to the notice submitted by the Ministry of Finance, which the Company received by e-mail on 21-3-2018, on 20-3-2018, following an OTC trade on that date, the Hellenic Republic transferred free of consideration 18,150,001 shares in EYATH S.A. to HCAP S.A., in accordance with Article 380(20) of Law 4512/2018, amending Article 197(1) of Law 4389/2016, effective 1-1-2018. HCAP directly holds 50% + 1 share in EYATH and holds 24.02% indirectly via HRADF, which directly holds 24.02%. HCAP's voting rights account for 74.02% of the capital.

The total voting rights controlled by the Greek State in EYATH S.A. remain at 74.02%. The Greek State owns all voting rights in HCAP, which in turn holds all voting rights in HRADF.

The Greek State's total direct and indirect holding in those companies has not changed.

In light of those transfers and notices on the date this

Board of Directors' Report was prepared, the Company's shareholder line-up since 1.1.2018 is as follows:

SHAREHOLDER	Number of shares held	Holding on 31/12/2022
HCAP	18.150.001	50,00% +1
HRADF	8.717.999	24,02%
Other Shareholders	9.432.000	25,98%
<b>Total</b>	<b>36.300.000</b>	<b>100,00%</b>



## 2.2 Objects

The Company's mission is to provide water supply and sewerage services.

More specifically, its mission is:

- the design, construction, installation, operation, running, management, maintenance, extension and renewal of water supply and sewerage services. Those activities and works include pumping, desalination, treatment, storage, transport, distribution and management of all types of water handed over to it for those purposes, and works and activities to collect, transport, treat, store and manage all manner of wastewater (other than toxic wastewater) and to treat, distribute, dispose of and manage the products of the sewerage network.
- utilisation of the products generated by treating wastewater.
- providing all manner of telecommunications services, especially via water supply and sewerage networks.
- producing electricity especially by exploiting water from springs, dams, aqueducts and pipelines, and selling electricity it generates itself.
- making investments to expand or modify the water supply and sewerage system (networks and facilities) to improve the quantity and/or quality of the services provided to citizens/consumers.

Moreover, the Company seeks to rationally manage water resources and collect and process urban waste and industrial wastewater, other than toxic wastewater. Other key functions of the Company which are cited in its Articles of Association are:

- the provision of water supply services to consumers via the water supply network.
- the provision of sewerage services via the sewerage network.
- financial exploitation of those two services and networks.
- the provisions of water supply services includes providing drinking water of suitable quality for consumption to households, municipalities, and for public use (to water public spaces, for example), and providing water for industrial uses and also providing adequate quantities of water to fight fires. This is done via a whole set of hydraulic and other works and operations which fall into three distinct sectors:
  - outdoor aqueducts and E/M facilities for transporting untreated water.
  - water treatment plants.
  - drinking water distribution network facilities.

The provision of sewerage services includes collecting liquid urban waste and industrial waste from the wider Thessaloniki area via the network of drains, trans-

porting, cleaning it at waste treatment plans and then disposing of it in the natural environment.

The Company collects all quantities of untreated water required from underground springs located to the W and N of the city. The most important underground springs are at Kalohori, Sindos, Narres, Halkidona, Axios and Aravissos, which along with the Aliakmon River provide the largest quantities of water. Using pumping stations at Dendropotamos, Diavata, Sindos and Ionia, water is then stored in around 50 tanks and directed on to consumers via a network of pipes measuring around 2,340 km long.

Company activities are listed under code number 410 in the statistical classification of sectors of economic activity prepared by the National Statistical Authority of Greece.

According to Article 26 of Law 2937/2001, the Company's territorial remit, within which it may provide its services and conduct its business, is the following:

**WITH REGARD TO WATER SUPPLY:** the Municipalities of Thessaloniki, Ampelokipoi, Kalamaria, Neapoli, Sykies, Agios Pavlos, Menemeni, Polichni, Efkarpia, Triandria, Eleftherio Kordelio, Evosmos, Stavroupoli, Panorama, Pylea, Oreokastro, Pefka, as well as the industrial area of Thessaloniki.

**WITH REGARD TO SEWERAGE:** the territorial remit of EYATH S.A. is divided into five areas:

**"Region A"** includes the Municipalities of Thessaloniki, Ampelokipoi-Menemeni, Kalamaria, Neapoli-Sykies, Pavlos Melas, Delta, Evosmos-Kordelio, Pylea-Hortiatis, Oreokastro.

**"Region B"** includes the area surrounded by the rivers Gallikos and Axios, up to the sea, including the industrial zone of the major Thessaloniki area, the district of Sindos of the Municipality of Echedoros, the districts of Agios Athanasios, Anchialos, Gefyra of the Municipality of Ag. Athanasios and the districts of Halastra and Anatoliko of the Municipality of Halastra.

**"Region C"** includes the hill zone of the Thessaloniki urban area and includes the community of Pefka and the Districts of Asvestochori, Exochi, Filyro of the Municipality of Hortiatis.

**"Region D"** extends from the Municipalities of Kalamaria and Panorama to the Sedes public baths and the airport of Mikra, and includes the industrial area and the Districts of Thermi, N. Raideostos, N. Rysio and Tagarades of the Municipality of Thermi and the District of Agia Paraskevi of the Municipality of Vassilika.

**"Region E"** extends from the airport of Mikra and the districts of Neo Rysio and Tagarades of Agia Paraskevi to the sea and includes the districts of Agia Triada, Perea, Neoi Epivates of the Municipality of Thermaikos



and the districts of Nea Michaniona, Emvolo and Angelochori of the Municipality of Michaniona.

The Company, under a contract signed with the corresponding Municipality and EYATH Fixed Assets can undertake the existing network of local government authorities in one of the above regions and the obligation to provide water supply or sewerage services to the corresponding Municipality.

## 2.3 Vision - Objective - Implementation

### WITH A VISION OF SUSTAINABILITY, RESILIENCE AND SOCIAL COHESION

EYATH provides water supply and sewerage services daily to more than 1.2 million citizens, businesses and industries in the urban area of Thessaloniki. Listed on the Athens Exchange since 2001, it ensures the supply of high-quality drinking water for all Thessaloniki citizens and operates wastewater treatment networks and plants 24 hours a day to effectively serve the broader area.

As a global community, as a country and as a society, in recent years, we find ourselves facing three major challenges: sustainable development, resilience and social cohesion – three goals that complement one another as one presupposes the other. The health crisis of the recent years and the climate crisis dictate that our development plan should be based on a long-term timeline so that today's financial well-being is not achieved at the expense of future generations, but aimed at safeguarding them instead. In this sense, sustainability is at the core of our planning. The increased frequency and intensity of extreme weather events, which are gradually becoming the new normal, make it imperative to improve the resilience of our infrastructure and our society as a whole. Closely related are imported crises, such as the global increase in energy costs and the war in Ukraine, which underscore our responsibility for securing access to clean water and reliable sewerage services for all.

The development plan Management has approved for 2022-2026, which was reviewed and whose financial projections in the strategic and business plan were updated in October 2022, for the period 2023-2028, in accordance with Decision No. 384/2022, serves this philosophy. It provides for development projects that exploit innovations and new technologies in the water supply-sewerage sectors, as well as operational projects aimed at upgrading and automating our infrastructure for better daily service to consumers.

Further, it provides for interventions that are expected to improve the Company's performance in the area of rational management of water resources, and others that will help to drastically reduce greenhouse gas emissions by transitioning to clean forms of energy and improving energy efficiency to meet the standards of the European Green Deal. In conjunction with the UN's 17 Sustainable Development Goals (SDGs), by 2030 we aim as a company to reduce our energy-carbon footprint by 50% and our water footprint by 20%.

Naturally, we envision all of that as development where all participants will be equal – employees, business and society itself – focused on people, protecting public health and safeguarding our ecosystem for generations to come.

## 2.3 Vision - Objective - Implementation

### Vision

A robust organisation that develops and operates modern, resilient infrastructure, provides top quality services to consumers and ensures the sustainability of the water ecosystem in the wider Thessaloniki area.

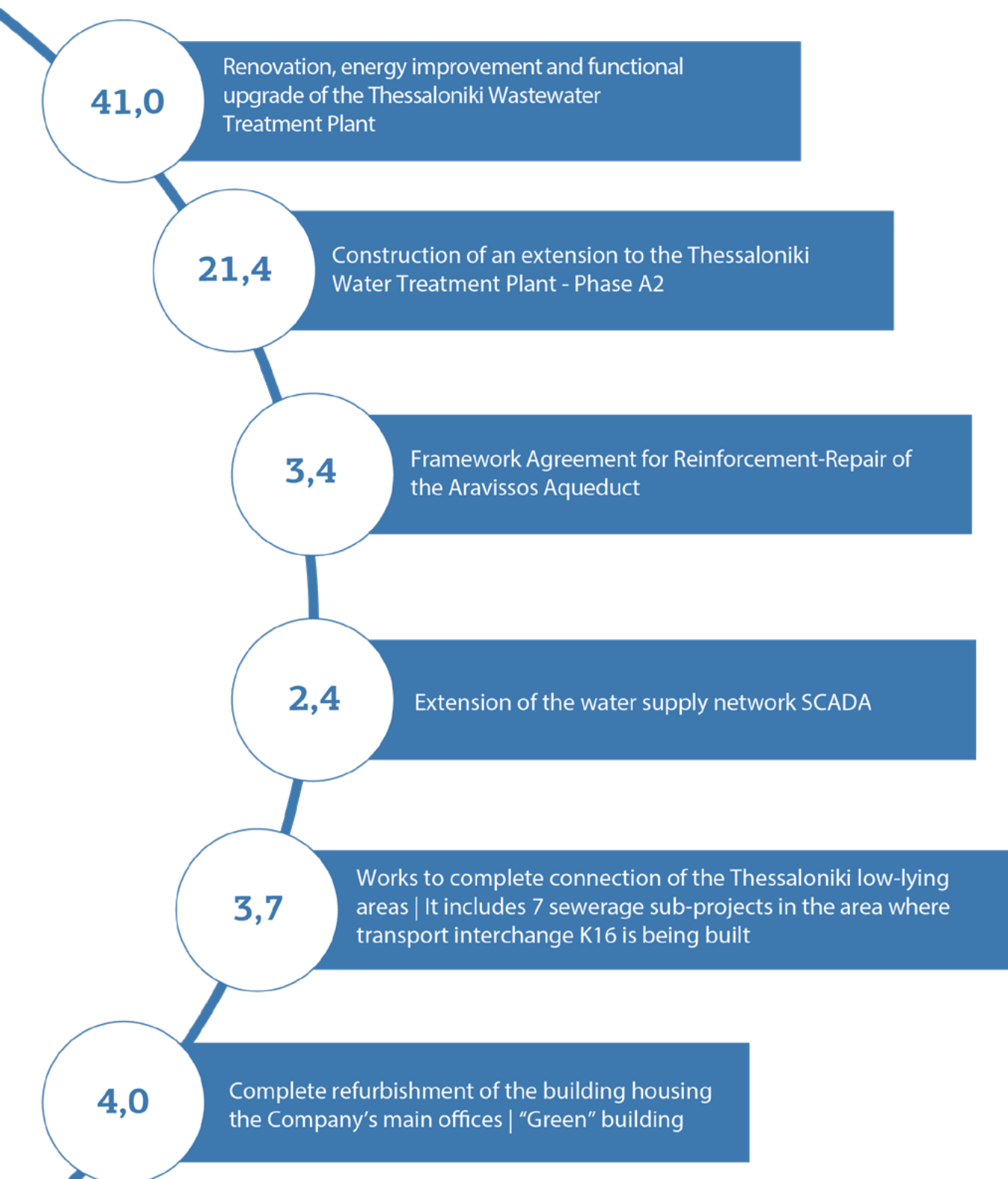
### Objective

The company's mission is to offer quality, comprehensive water supply and sewerage services by utilising, improving and extending its infrastructure, through sustainable environmental management practices.

### Implementation

Through a comprehensive strategy and effective planning, collaboration and utilisation of the company's staff, and through partnership with all the city's stakeholders.

## 2.4 Major investment projects under way



*Amounts in € million*

## 2.5 Major investment projects awaiting contract signing

**21,16**

Framework agreement on the supply, installation, commissioning and operation of household water meters within EYATH S.A.'s territorial remit

**7,7**

Renovation, energy improvement and operational upgrade of the AENEIA Wastewater Treatment Plant

**1,4**

Design, supply, installation and commissioning of an integrated remote control-remote surveillance system for sewerage pumping stations

**4,9**

Implementation of a new integrated EYATH S.A. customer service and billing system

*Amounts in € million*

## 2.6 Major events in 2022

### INVESTMENT PROJECTS

In 2022, EYATH S.A. held an open tender process to award the following projects and studies:

- "Repair of damage and local replacement of sections of the sewerage network pipeline in 2022", with a budget of €600 thousand (plus VAT). A contract was signed in May 2022.
- "Repair and maintenance of the water supply network in central and eastern Thessaloniki in 2022" with a budget of €750 thousand (plus VAT). A contract was signed in July 2022.
- "Repair of damage to the load-bearing structure and reinforcement of the foundations of the eastern chamber of water supply tank D5" with a budget of €600 thousand (plus VAT). A contract was signed in November 2022.
- "Repair and maintenance of the water supply network in western Thessaloniki in 2023" with a budget of €950 thousand (plus VAT). The tender procedure is under way.
- "Group A of urgent water supply projects for 2023", with a budget of €3 million (plus VAT). The tender procedure is under way.

Moreover, in 2022 the tender procedure to select a contractor for the following works contracts was launched:

- Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2", with a budget of €21.7 million (plus VAT). A contract was signed in September 2022.
- "Final Study on Tanks D2a and D3a and New Lime Saturation Sedimentation Tank at the Thessaloniki Water Treatment Plant", with a budget of €1.4 million (plus VAT). A contract was signed in January 2022.

During 2022 the following contracts were also signed for the preparation of designs and provision of technical services:

- 4th Individual Contract was signed with a contractual value of €106,209.70 (excl. VAT) under the Framework Agreement entitled: "Framework Agreement for the provision of Technical Advisor support services for designs and projects under the EYATH S.A. Strategic & Business Plan", with a budget of €1.32 million (April 2022).
- Preparation of a dossier amending the environmental terms and conditions of the environmental assessment approval for the project entitled "Thessaloniki water supply project from the Aliakmon River and related projects" with a contractual value of €15,000.00 (excl. VAT) (April 2022).
- Updating / supplementation of the repair study for two final settling tanks FST 41.023 and FST 41.024 at the Thessaloniki Wastewater Treatment Plant and installa-

tion of mechanical equipment with a contractual value of €18,300.00 (excl. VAT) (December 2022).

- "Final Study on Tanks D2a and D3a and New Lime Saturation Sedimentation Tank

Moreover, in August 2022 the Framework Agreement entitled "Framework Agreement on the supply, installation, commissioning and operation of household water meters in EYATH S.A.'s territorial remit" was put out to tender, with a budget of twenty one million one hundred sixty five thousand euros (€21,165,000.00) plus VAT or forty nine million five hundred sixty five thousand euros (€49,565,000.00) including options, plus VAT". This tender procedure is under way.

On 14.9.2022 a contract was signed to "Restore operation of the thermal drying plant at the Thessaloniki Wastewater Treatment Plant", worth €1,752,129.38 + VAT for a period of 12 months.

### HARMONISATION OF THE ARTICLES OF ASSOCIATION WITH LAW 4548/2018 AND APPROVAL OF THE BOARD OF DIRECTORS' REMUNERATION POLICY

At the Extraordinary General Meeting held on 20-12-2019, the shareholders decided to amend the Company's Articles of Association (excl. articles 12, 41, 53, 54) as part of harmonising them with Law 4548/2018 "Reform of the law regarding sociétés anonymes" and approved the remuneration policy for the Board of Directors and Management.

### SIGNING OF NEW COLLECTIVE LABOUR AGREEMENT

Due to the expiry of EYATH S.A.'s Enterprise-Level Collective Bargaining Agreement on 3.10.2019, after negotiations with the trade union were completed, the Company signed a new Enterprise-Level Collective Labour Agreement valid for 3 years from 1.9.2022 to 31.8.2025.

### IMPLEMENTATION OF THE ORGANISATIONAL CHART

In implementation of the provisions of paragraph 4.1.3.1 of the Athens Exchange Rulebook, EYATH S.A.'s Management team announced that decision No. 576/2019 of the Board of Directors approved the new corporate structure effective from the start of January 2020 and decisions No. 588/11-09-2020, 636/24-9-2020 and 620/18-11-2021 approved partial changes in the corporate structure as shown in paragraph 3.1, which applied throughout 2022.

### APPOINTMENT OF SENIOR MANAGEMENT EXECUTIVES

From 1.1.2020 the heads of divisions were appointed in

accordance with Board of Directors Decision No. 578/2019, and Board of Directors Decision No. 287/2021 appointed a new Manager to the Water Supply Network Division to replace the previous Manager who left due to retirement and the Management team operated in 2022 with the same line-up. Moreover, the head of the Internal Audit Unit took up his post from 1.1.2022 in accordance with Board of Directors Decision No. 684/2021.

### STAFF RECRUITMENT

In implementation of Decision No. 184/2022 of the Board of Directors, in the context of tender notice No. ΣOX1/2022, nine (9) successful secondary-education vehicle drivers were recruited on the basis of a fixed-term private law employment contract of 8 months.

During the last quarter of 2022, the Supreme Council for Civil Personnel Selection (ASEP) completed the process of ranking candidates to fill a total of forty-eight (48) posts with a private law open-ended employment contract for university, technological and secondary education in tender notice No. 10K/2021 and the final tables of recruiters were published in the Government Gazette.

### PROCUREMENT OF NEW VEHICLES

As part of the process of replacing old, polluting service vehicles, in implementation of the relevant decisions of the Board of Directors of EYATH S.A., during 2022 the tender process to procure a total of twenty-four (24) new anti-pollutant, environmentally-friendly, hybrid and electrical vehicles was completed.

A recharging station was installed at the service car park with the overriding goal being to renew the entire fleet of vehicles in the medium term, bearing in mind at all times the safety of drivers and passengers, and the Company's participation in reducing its carbon footprint.

### PREPARATION OF SECOND SUSTAINABILITY REPORT

The annual Sustainability Reports we prepare highlight the Company's involvement in international and national strategies (the 2030 Agenda for Sustainable Development, the Paris Agreement 2016, the European Green Deal 2019) and highlight EYATH's performance on all major issues in society, the environment and corporate governance. Demonstrating its intention to adopt ESG criteria and setting sustainable development standards as an integral part of its day-to-day operations, after successfully completing the first efforts to prepare the 1st Sustainability Report for the 2019-2020 period, EYATH prepared its 2nd Sustainability Report.

The company prepared the second Sustainability Report for 2021 which sets out its performance and initiatives on social, environmental, economic and corporate governance issues, in line with the reporting standards devised for the internationally recognised GRI initiative, and in line with the guidelines in the Athens Exchange's ESG 2022 Information Disclosure Guide. The aim is to bolster the Company's positive environmental and social footprint by remaining dedicated to ethical and effective corporate governance.

### SUPPORT FOR THE RED CROSS IN THE HUMANITARIAN CRISIS IN UKRAINE

Demonstrating its responsiveness to a constantly changing international environment, in 2022 the company bolstered the Red Cross's efforts to ameliorate the consequences of the humanitarian crisis brought on by the war in Ukraine.

### COLLABORATION TO LIMIT SINGLE-USE PLASTICS

EYATH signed a MoU with Aegean Rebreath to reduce the consumption of single-use plastics, to jointly develop best practices and to organise awareness raising actions on issues relating to the protection of the marine environment, and to develop the relevant pilot programmes.



## 2.7 Pricing policy

EYATH S.A. combines its business operations with social responsibility, providing a high level of water supply and sewerage services at the lowest possible cost. At the same time, serving as the manager and provider of a public commodity, such as water, it makes sure that it is accessible to sensitive (vulnerable or special) groups of citizens, ensuring that they can cover their basic needs, having established a social water supply tariff.

Decision No. 416/2011 of the Board of Directors set the company's pricing policy for the 2012-2013 period, which was ratified with Joint Ministerial Decision No. 4799/19-12-2012 (Government Gazette 3450/B/27-12-2012) of the Ministers of Finance and Macedonia-Thrace.

In National Water Committee Decision No. 135275/22-5-2017 (GovGaz 1751/B) on “General rules for costing and billing water services, methods and procedures for recovering costs of water services for various water uses”, the Committee laid down the general costing and billing rules for water services. The purpose of the decision is to approve the general costing and billing rules as well as measures to improve water services for various uses of water, and to lay down procedures and methods for recovering the cost of such services, including environmental costs and water resource costs. The decision lays down the framework which EYATH is required to implement when billing its services starting in 2019.

During 2018, the Company prepared and approved a pricing policy for the period 1-1-2019 to 31-12-2023 in accordance with that decision, which was submitted to the Special Secretariat for Water for approval. That pricing policy has now been approved (GovGaz 1105/B/3-4-2019) and went into effect 1-5-2019.

New tariffs for 2019/20:	SCALE m3	PRICE (€/m3)	SEWERAGE IN REL. TO PRICE OF WATER
Residential Tariff	0 – 10	0.42	80%
	11 – 40	0.60	80%
	41 – 60	0.70	80%
	61 – 120	1.20	80%
	121 – 160	3.60	80%
	161 – over	4.40	80%
Social Residential Tariff A (SRT A)	0 – 30	Free	80%
	31 – 80	-70% of the residential tariff	80%
	81 – 120	-35% of the residential tariff	80%
	121 – over	No discount	80%
Social Residential Tariff B (SRT B)	0 – 30	Free	80%
	31 – 80	-50% of the residential tariff	80%
	81 – 120	-25% of the residential tariff	80%
	121 – over	No discount	80%
State - Municipality - Loc. Govt. Auth.	0 – over	0.65	80%
Aid for Loc. Govt. Auth.	0 – over	0.35	80%
Charities	0 – over	0.65	80%
Business tariff	0 – 200	0.70	80%
	201 – over	0.95	80%
Industrial tariff	0 – 2,000	0.52	80% outside of the Thessaloniki Industrial Area
	2,001 – over	0.87	80% outside of the Thessaloniki Industrial Area
Irrigation - Private Green Areas Cleaning	0 – 10	2.00	0%
	11 – 100	2.50	0%
	101 – over	3.60	0%
Boreholes	0 – over	0.30	80%
Fire hydrants	0 – over	5.00	0%
Tanker trucks	0 – over	1.00	0%
Ship provisioning	0 – over	2.00	0%

## 2.7 Research & Development

The Research & Development (R&D) Department of the Strategic Planning, Works and Development Division includes the company's R&D and its involvement in networking in national and international actions and working groups, and is engaged in constant collaboration with the various company divisions.

Over the course of 2022, the R&D Department submitted three proposals to finance research projects in partnership with: a) CErTH for the PRIMA MED funding programme, b) the Aristotle University of Thessaloniki for the Marie Curie- H2020 programme, and c) the Municipality of Kozani and the Kozani Water Supply and Sewerage Company for the Net Zero Cities programme.

In addition, it participated in various working groups with local and foreign bodies, and managed the company's participation as a partner in the context of research projects co-financed by research, technology and innovation programmes or those of the European Commission (Horizon 2020, etc.) or the Greek General Secretariat for Research and Innovation (GSRI-NSRF).

### **I) ACTION OF NATIONAL SCOPE: "BILATERAL AND MULTILATERAL R&T PARTNERSHIPS – BILATERAL AND MULTILATERAL R&T COOPERATION BETWEEN GREECE AND CHINA" (MANAGEMENT AND IMPLEMENTATION AUTHORITY FOR RESEARCH, TECHNOLOGICAL DEVELOPMENT AND INNOVATION ACTIONS-ETAK):**

As part of this action, implementation of the project entitled "Monitoring and methodologies for removing emerging pollutants from liquid waste"

(MOREM) continued.

The MOREM project examines the presence of emerging pollutants such as Pharmaceuticals and Personal Care Products (PPCPs) and micro-plastics (MPs) and looks at urban wastewater treatment techniques to remove those pollutants.

### **II) EU CO-FINANCING PROGRAMME HORIZON 2020:**

1) In December 2022 the project entitled: "Enhancing Standardisation strategies to integrate innovative technologies for Safety and Security in existing water networks" (aqua3S) was completed. It sought to ensure the safety and protection of the upstream water supply system at the Thessaloniki Water Treatment Plant, to identify a range of pollutants and to prevent accidental and/or deliberate pollution of drinking water. The project's objective was achieved by developing an innovative platform for the optimal combination of modern online instrumentation and various water quality monitoring technologies. In that context, a pilot test of the aqua3S technologies and platform was successfully carried out at the Thessaloniki Water Treatment Plant on 13 and 14 October in cooperation with the Central Macedonia

Region and in the presence of all other 22 project partners. The results of the pilot test highlighted the advantages and weaknesses of the platform, and the general guidelines in crisis management procedures at the Thessaloniki Water Treatment Plant for possible future integration into a framework for a consistent, standardised methodology for responding to emergencies.

2) Work on the project entitled: "Pathogen Contamination Emergency Response Technologies" (PathoCERT) continued. Its general objective is to strengthen the coordination capability of all First Responders in dealing with cases of water contamination caused by pathogens.

In particular, PathoCERT is developing new technologies, tools and methods which will be field-validated by the first responders. Overall, the new solutions will be aimed at the entire chain of such bodies in the area (H&S companies, inspecting authorities, emergency response agencies and bodies, etc.). For that reason, in cooperation with Hellenic Rescue Team, EYATH held two workshops during the year as part of the Community of Experts' information and participatory process, attended by numerous bodies involved in water crisis management, such as the Public Health Directorate and the Civil Protection Directorate of the Central Macedonia Region, the Environmental Control Department of the Police, the Coast Guard, the Macedonia-Thrace Decentralised Administration, the Environment Department and the Resilience Office of the Municipality of Thessaloniki, the Aristotle University of Thessaloniki and the Democritus University of Thrace, the Greek Biotope/Wetland Centre, CErTH, the Centre for the Management of Protected Areas of Thermaikos Bay, and others.

3) January 2022 marked the second year of implementing the Horizon 2020 research project entitled: "Copernicus Assisted Lake Water Quality Emergency Monitoring Service" (WQeMS) with the general objective of providing an operational Water Quality Emergency Monitoring Service to the water utilities industry in relation with the quality of the 'water we drink'.

Therefore, it focuses its activities on monitoring the surface waters of lakes/reservoirs valorized by the water utilities for the delivery of drinking water. In this context, Sentinel satellite data (i.e. from the Sentinel-2 and Sentinel-1 space stations) is used to monitor the quality of surface waters using high spatial resolution images coupled with in-situ data.

Thanks to modern satellite monitoring equipment at lakes, it is possible to give early warnings about the risk of surface water contamination, which can help mitigate the impacts both on the production of drinking water and on the environment. For EYATH, pilot testing of the tools being developed as part of the

project is being implemented to address pollution phenomena at the Polyfytos Reservoir on the Aliakmon River. Physico-chemical changes, chemical pollution and possible development of blue algae and other forms of algae are being examined to enable the production of cyanotoxins (compounds which are dangerous for the safety of drinking water) to be combated in good time.

In that context, in June 2022 EYATH held a second briefing meeting between stakeholders in Thessaloniki and special guests from the rest of Greece about project-related services being implemented in the study area of the Polyfytos reservoir. In particular, the Public Power Corporation, the Land Improvement Organisation, the Aristotle University of Thessaloniki, the Greek Biotope/Wetland Centre, the Athens Water Supply and Sewerage Company, the Hellenic Association of Municipal Water and Sewerage Utilities, and the Patra Water Supply and Sewerage Company participated.

### **III) PARTICIPATION IN OTHER RESEARCH ACTIONS AND PARTNERSHIPS**

In January 2022 the Research & Development Department was involved in submitting a proposal along with the Municipality of Thessaloniki to have Thessaloniki included in the EU's 100 Climate Neutral Cities Network. Its inclusion was approved during the year, and the aim is to implement plans and projects to ensure Thessaloniki's climate neutrality by 2030.

The R&D Department continued to actively participate in working groups of the committees of the European Federation of National Associations of Water and Wastewater Services (EurEau).



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### *3. company structure*

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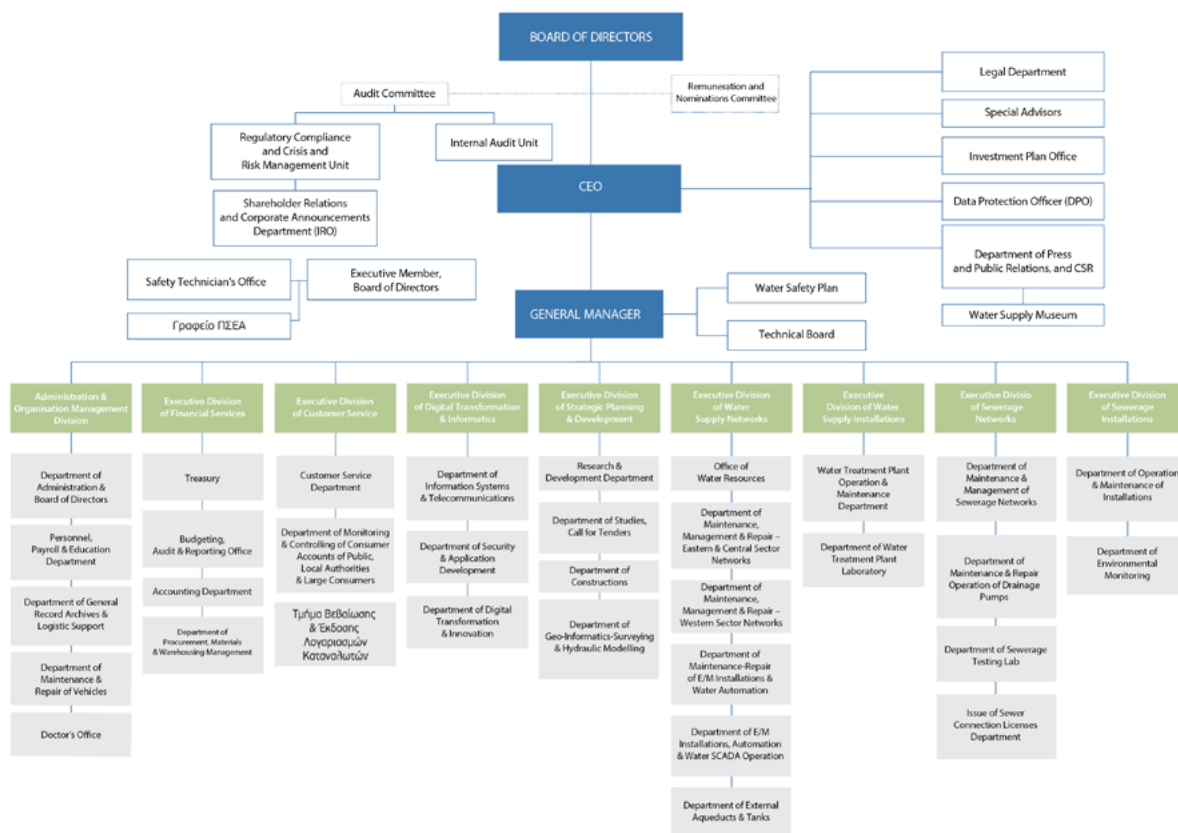
## 3.1 Organisational Chart

On 1.1.2020, the new organisational chart approved by the Board of Directors in December 2019 took effect. It reflects the emphasis the company places on planning, developing and running water supply and sewerage facilities.

In light of changes in operating conditions, an evaluation of the new structure's performance indicated a need to make some changes in the organisational chart so it could better respond to more recent requirements approved with Decisions No. 588/11-09-2020, 636/24-9-2020 and 620/18-11-2021 of the Board of Directors, as shown in the diagram below and in force in 2022.

The contribution of the Administrative Board, which meets unfailingly in accordance with its updated internal regulation, is essential to the sound operation and growth of the Company.

ORGANISATIONAL CHART 1/1/2022-31/12/2022





## 3.2 The Board of Directors

Pursuant to Article 13 of EYATH S.A.'s codified Articles of Association, approved by decision No. 516/06-12-2019 of the Board of Directors to bring them into line with Law 4548/2018, the Company is run by a Board of Directors

comprised of between seven (7) and eleven (11) members, elected by the Company's General Meeting of Shareholders. Members of EYATH's Board of Directors serve four-year terms.

Members are either executive or non-executive, and at least two are independent. Two members are also employee representatives.

Article 17 of the Articles of Association (Establishment of the Board) states that immediately after it is formed under Article 13 of the Articles of Association, the Board must meet and officially establish itself and elect a Chairman and one or more Vice Chairmen. A CEO can also be elected from among the members.

The position of Chairman may be held by the same person holding the position of CEO.

The Board selects Managers, and in the same decision sets out their competences.

### LINE-UP OF THE BOARD OF DIRECTORS IN 2022

During 2022 the Board of Directors' line-up was as follows:

#### BOARD OF DIRECTORS' LINE-UP FROM 01/01/2022 TO 31/12/2022

No.	NAME – SURNAME	POSITION ON BOARD	START OF BOARD MEMBERSHIP	END OF BOARD MEMBERSHIP	ROLE
1	Anthimos Amanatidis	CEO	30/04/2020		Mechanical Engineer
2	Agis Papadopoulos	Chairman, Non-executive member	02/08/2019		University Professor
3	Grigorios Penelis	2nd Vice Chairman Non-executive member	21/12/2019		Civil Engineer
4	Theodoros Koulouris	Executive member	27/08/2019		Lieutenant General (retired), graduate of the Aristotle University of Thessaloniki Law School
5	Ekaterini Tsikaloudaki	Non-executive member	30/04/2020		Civil Engineer
6	Sofia Ammanatidou	Independent non-executive member	30/04/2020		Economist
7	Nikolaos Klitou	Independent non-executive member	21/02/2019		Economist
8	Maria Petala	Independent non-executive member	30/04/2020		Chemical Engineer
9	Georgios Satlas	Non-executive member	30/04/2020	30/09/2021	Mechanical Engineer
10	Dimitrios Konstantakopoulos	Non-executive member	16/12/2021		Economist
11	Georgios Archontopoulos	Non-executive member	11/05/2016		Employee representative
12	Ioannis Mitzias	Non-executive member	19/06/2020		Employee representative

The Board is the Company's supreme body and is primarily involved in devising the strategy and growth policy for the company and also oversees and controls how its assets are managed. Its competences are set out in Law 2190/1920 and Law 3016/2002, as currently in force following the adoption of Law 4706/2020.

The fees and remuneration of members of the Board of Directors paid in 2021 are shown in the table below.

#### FEES & REMUNERATION FOR BOARD MEMBERS FROM 1/1/2022 TO 31/12/2022

The amounts paid to the CEO were for fees, while other members received attendance expenses. They are specified in the remuneration policy for members of the Board of Directors of EYATH S.A. approved by the Extraordinary General Meeting on 20.12.2019.

The amount paid for reimbursement for attending meetings to the secretaries of the EYATH Board of Directors, EYATH SERVICES and the Audit Committee in 2022 was €14,840.59.

The pay plus employer contributions for the General Manager for the period 1-1-2022 to 31-12-2022 came to €82,115.25 and for Directors to €572,198.09.

The current line-up of the Board of Directors is set out in section 9, paragraph 33 "Events occurring after the balance sheet date".

NAME - SURNAME	ORGANISATION- AL STRUCTURE	FROM - TO	BOARD OF DIRECTORS	AUDIT COM- MITTEE	ANNUAL RE- MUNERATION	EYATH SER- VICES S.A.	EMPLOYER CONTRIBU- TIONS	COST
AGIS PAPADOPOULOS	BOARD MEM- BER - CHAIR- MAN	01/01/2022- 31/12/2022	€0.00	€0.00	€32,000.04	€0.00	€6,714.95	38,714.99
ANTHIMOS AMANATIDIS	BOARD MEM- BER - CEO	01/01/2022- 31/12/2022	€0.00	€0.00	€77,000.04	€0.00	€17,243.56	€94,243.60
GRIGORIOS PENELIS	BOARD MEM- BER	01/01/2022- 31/12/2022	€0.00	€0.00	€0.00	€0.00	€0.00	€0.00
THEODOROS KOU- LOURIS	BOARD MEM- BER	01/01/2022- 31/12/2022	€0.00	€0.00	€30,000.00	€0.00	€6,295.25	€36,295.25
NIKOS KLITOU	BOARD MEM- BER	01/01/2022- 31/12/2022	€7,666.59	€5,400.00	€0.00	€0.00	€2,744.56	€15,811.15
SOFIA AMMANATIDOU	BOARD MEM- BER	01/01/2022- 31/12/2022	€7,666.59	€3,600.00	€0.00	€705.04	€2,513.95	€13,632.67
MARIA PETALA	BOARD MEM- BER	01/01/2022- 31/12/2022	€7,666.59	€3,600.00	€0.00	€0.00	€2,366.08	€13,632.67
EKATERINI TSIKA- LOUDAKI	BOARD MEM- BER	01/01/2022- 31/12/2022	€7,666.59	€0.00	€0.00	€705.04	€1,757.02	€9,275.74
KONSTANTA- KOPOULOS DIMITRIOS	BOARD MEM- BER	01/01/2022- 31/12/2022	€6,999.93	€0.00	€0.00	€0.00	€1,469.95	€8,469.88
GEORGIOS ARCHON- TOPOULOS	BOARD MEM- BER - EYATH EMPLOYEE	01/01/2022- 31/12/2022	€7,666.59	€0.00	€0.00	€0.00	€1,609.15	€9,275.74
IOANNIS MITZIAS	BOARD MEM- BER - EYATH EMPLOYEE	01/01/2022- 31/12/2022	€7,666.59	€0.00	€0.00	€0.00	€1,609.15	€9,275.74
TOTAL			€52,999.47	€12,600.00	€139,000.08	€1,410.08	€44,323.62	€248,627.43

### 3.3 The General Manager and Division Heads

#### GENERAL MANAGER'S PAY FROM 1/1/2022 TO 31/12/2022

No.	SURNAME	ORGANISATIONAL STRUCTURE	FROM	TO	GROSS PAY (ORDINARY & EXTRAORDINARY)	EMPLOYER CONTRIBUTIONS	COST
1	PARTHENA THEODORIDOU	GENERAL MANAGER	01/01/2022	31/12/2022	€68,517.74	€13,597.51	€82,115.25

#### PAY FOR DIVISION HEADS FROM 1/1/2022 TO 31/12/2022

No.	SURNAME	ORGANISATIONAL STRUCTURE	FROM	TO	GROSS PAY (ORDINARY & EXTRAORDINARY)	EMPLOYER CONTRIBUTIONS	COST
1	DIMITRIOS ALEXANDRIS	MANAGER	01/01/2022	31/12/2022	€51,988.50	€8,104.15	€60,092.65
2	GEORGIOS ANGELOU	MANAGER	01/01/2022	31/12/2022	€40,017.76	€8,381.09	€48,398.85
3	NIKOLAOS ARAMBATZIS	MANAGER	01/01/2022	31/12/2022	€40,701.24	€7,810.63	€48,511.87
4	CHRISTOS TRAGANOS	MANAGER	01/01/2022	31/12/2022	€54,860.60	€6,423.28	€61,283.88
5	PANAGIOTIS PETRIDIS	MANAGER	01/01/2022	31/12/2022	€47,726.04	€8,122.29	€55,848.33
6	ALEXANDROS MENTES	MANAGER	01/01/2022	31/12/2022	€39,295.18	€7,948.53	€47,243.71
7	SPIRIDON LAZARIDIS	MANAGER	01/01/2022	31/12/2022	€42,946.52	€8,652.87	€51,599.39
8	KONSTANTINOS KOT- OULAS	MANAGER	01/01/2022	31/12/2022	€47,344.05	€9,974.59	€57,318.64
9	GEORGIA SERETOUDI	MANAGER	01/01/2022	31/12/2022	€43,483.08	€10,691.41	€54,174.49
10	GEORGIOS KAFETZIS	HEAD OF UNIT	01/01/2022	31/12/2022	€34,706.50	€7,791.04	€42,497.54
11	MARIA SAMARA	HEAD OF UNIT	01/01/2022	31/12/2022	€37,527.94	7,700.80	€45,228.74
TOTAL					€480,597.41	€91,600.68	€572,198.09

The Company's Network and Facilities Operations and Coordination General Manager overseeing all divisions from 01-01-2022 to 31-12-2022 was Parthena Theodoridou. Division Heads from 01-01-2022 to 31-12-2022 were:

- Dimitrios Alexandris (university graduate in Admin.-Finance), Chief Financial Officer.
- Georgios Angelou (university graduate in Electrical – Mechanical Engineering), Digital Transformation and IT Manager.
- Nikolaos Arambatzis (TEI graduate in Admin. and Accounting), Admin. and Operations Manager.
- Christos Traganos (university graduate in Civil Engineering), Sewerage Networks Division Manager.
- Panagiotis Petridis (university graduate in Civil Engineering), Customer Service Division Manager.
- Alexandros Mentes (university graduate in Civil Engineering), Strategic Planning, Works and Development Manager.
- Spiridon Lazaridis (university graduate in Civil Engineering), Water Supply Networks Division Manager.
- Konstantinos Kotoulas (university graduate in Chemical Engineering – Health Sciences), Sewerage Installations Manager.
- Georgia Seretoudi (university graduate in Chemistry), Water Supply Facilities Division Manager.
- Georgios Kafetzis (university graduate in Admin. – Finance), head of the Internal Audit Unit.
- Maria Samara (university graduate in Admin. – Finance), head of the Regulatory Compliance and Crisis and Risk Management Unit.

Note that none of the Company's Board Members or senior executives are related to each other. In addition, none of EYATH's Board members or management executives have been convicted of dishonourable offences or financial crimes or are involved in pending litigation pertaining to bankruptcy, criminal acts, nor have they been banned from engaging in business activities, stock exchange transactions, acting as investment advisors, Bank and Insurance Fund Executives, issuing underwriters, or executives with securities firms, among other things.

Note that in addition to the transactions listed in this report, no other business relationship or transaction existed over the last three years up until the current accounting period between the Company's administrative, management and supervision bodies or the main shareholder and the Company itself.

All members of the Company's Board of Directors and its management executives are Greek citizens. The postal address for Board members is the Company's head offices at 91 Tsimiski Ioannou Str., GR-54622 THESSALONIKI. The Board's independent non-executive members meet the requirements laid down in Article 4 of Law 3016/2002, as in force following the adoption of Law 4706/2020.

## 3.4 Corporate Governance Statement

### 1. Corporate Governance principles

Following the provisions of Laws 4548/2018, 4706/2020 and Codified Law 2190/1920, as in force, the Company hereby announces that it implements the Corporate Governance Code for listed companies which has been prepared by the Federation of Greek Industries (SEV) and was published in January 2011, which is posted on the Federation's website [www.sev.org.gr](http://www.sev.org.gr).

The corporate governance principles it follows have been incorporated into the Company's Internal Regulation, which is available to the public in hard copy at the Company's head offices.

During financial year 2021, the Company began updating its Internal Audit Regulations and the Bylaws of the Board of Directors' Audit Committee to bring them into line with the provisions

of recent Law 4706/2020 on corporate governance and modern auditing standards.

### 2. Main characteristics of the Internal Audit and Risk Management System in relation to the preparation of the financial statements

The Internal Audit Unit's mission is:

- To examine and evaluate the adequacy and effectiveness of the Company and Group's System of Internal Controls and to ascertain to what extent the system provides reasonable assurance about:
- Compliance with Policies, procedures, guidelines and decisions of Company Management and the Legislation governing its operations.
- Adequate evaluation of the data processing systems to ascertain to what extent such systems achieve their purposes and targets, and whether adequate control procedures have been incorporated into them.
- Efficient and effective utilisation of the Company's available resources, and an overview of the means of safeguarding assets and the assurance itself of the existence of such assets (via inventories, counts, etc.).
- Reliability of the financial statements.
- Reliability and completeness of data, information and means used for decision-making.
- Management briefing by the Audit Committee about the results of scheduled and unscheduled audits.
- Evaluation of steps taken to correct auditing issues which have been identified and notified in the past.

Internal auditing, as a function, is performed in an independent, objective manner and consequently has no

power over or other form of responsibility for the activities it oversees. The key principles guiding how internal audits are carried out are set out below:

- Each year an Audit Plan is drawn up, which includes areas to be audited during the year, the subject matter and timeline for carrying out all auditing work. The annual Audit Plan is prepared based on risk assessment and is approved by the Audit Committee.
- In addition to scheduled audits, the Internal Audit Unit also undertakes to carry out special or unscheduled audits which may be assigned by Company Management.
- Auditing work is carried out by auditors with the required degree of professional diligence, conduct, confidentiality, objectivity and integrity, in compliance with the International Standards for the Professional Practice of Internal Auditing and the Code of Ethics of the International Institute of Internal Auditors (IIA).
- When carrying out audits, Company auditors collaborate as necessary with staff and executives who are directly or indirectly involved in the activity being audited.
- The practices and detailed procedures implemented by the Internal Audit Unit, and the operating framework for internal audits in general are outlined in detail in the Internal Audit Manual.
- The scope of audits and the findings which emerge from each auditing task are recorded in detail in Audit Reports issued by the Internal Audit Unit. These are prepared by the auditors who were involved in the auditing work and are reviewed by the head of the Internal Audit Unit.
- Follow-up of agreed corrective measures is done by the Internal Audit Unit at regular intervals depending on their seriousness.
- The Audit Committee periodically briefs Company Management on issues which come to the attention of auditors while carrying out audits, or from other sources which require further investigation by expert investigators.

## 3.5 Legislative Framework

EYATH S.A. implements the laws applying to sociétés anonymes, specifically Law 4548/2018 and Codified Law 2190/1920 as currently in force, as well as laws 4706/2020 and 3016/2002 on corporate governance of listed sociétés anonymes. Following the adoption of Law 4548/2018, the Company brought its Articles of Association into line with the law following the decision of its Extraordinary General Meeting of Shareholders of 20-12-2019. The decision of the Ordinary General Meeting of Shareholders on 01-06-2021 approved the amendment of articles 13, 14, 15, 17 and 19 of its Articles of Association.



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## CORPORATE SOCIAL RESPONSIBILITY

As part of its Corporate Governance strategy to ensure the long-term, balanced development of the Company for the benefit of employees, consumers and shareholders, EYATH implements a number of Corporate Social Responsibility (CSR) actions. CSR is intimately bound up, as a company activity, with the reputation and brand equity of every business; it can improve its economic, environmental and social performance, and has assumed greater importance in recent years due to the rise in social needs. The company's CSR programme primarily relates to employees, who benefit from a creative, rewarding work environment; consumers, who have shown increasing interest in the social and environmental credentials of the companies they do business with; and local communities that want to share the principles and values of local companies. However, the CSR programme also relates to shareholders, who reward responsible corporate behaviour and attitudes, just as they do with similar businesses in Europe which seek to operate and run under a common European and international framework of principles. Finally, it relates to future generations who seek to take possession of a world which respects man and the environment.

As the health crisis created by the pandemic continued into 2022, EYATH ensured the uninterrupted operation of the vital public health infrastructure it managed, the support of vulnerable social groups and the continued of a relative "normality" through various actions to benefit people and the environment.

As a business model and body implementing CSR, EYATH seeks to create a strong corporate culture and to foster environmental awareness in the local community of Thessaloniki (value creating business model).

The strong corporate culture and employee dedication to issues of concern to the local community, together with CSR "investments", can promote significant social messages or even inspire activist actions that ultimately have a positive impact on the Company's branding.

EYATH also prepared its second Sustainability Report for 2022 with the same focus, highlighting its performance and all its initiatives on social, environmental, economic and corporate governance issues. Once again, priority has been given to the goals which are directly linked to the sustainable development strategy the Company has adopted so that over time we can create added value for society, the environment, the market and our human resources. Specifically, we have adopted the UN Agenda, as expressed through the 17 Social Development Goals for 2030. It is Management's decision and commitment to actively contribute to achieving these goals by promoting the well-being and safety of the population, protecting the environment and combating poverty.

High environmental and social performance also entails lower risk for the Company itself and its investors. Environmental performance is related to the Company's

behaviour in matters of energy, conservation of natural resources, pollution and waste management, and to assessing the risk that this behaviour may cause. Moreover, social performance is related to business relations, relations with suppliers and their choice, rewards for the local community, volunteering and working conditions. EYATH's long-term relationship with the local community follows precisely these standards: from assisting with the printing activities of the addict support centre; supporting a homeless people's street-sold magazine with procurement and corporate advertising; purchasing environmentally-friendly products for its promotions (green marketing), to supporting small associations that help those in need.



## 4.1. Education - Health programmes - Financial support for employees

### EYATH:

- Encourages and provides financial support for employee involvement in educational programmes (seminars, conferences, workshops), to bolster their skills, personal development and job satisfaction, and to improve their day-to-day dealings with consumers.
- Encourages staff to get involved in volunteering (by collecting food or other items for the poor, collecting cooking oil for recycling, participating in running events that share a social cause, etc.);
- Organises events and distributes gifts to employees' children and provides cash rewards to school pupils with the highest scores in the university entrance exams every year.
- Runs camping and summer activities schemes for employees' children.
- Provides a private outpatient and inpatient insurance plan to employees.
- In 2022, one hundred and ten (110) employees participated in fifty seven (57) training events, conferences and workshops whose agenda was related to their area of expertise and the unit they are employed in.

The Company encouraged and facilitated employee participation in online training and informational events by providing the required technical equipment.

The Company continued to ensure safe working conditions in the difficult times of the pandemic, by either supplying additional technical equipment allowing

them to work from home or by introducing health protocols in the workplace.

Specifically, the Company provided all protective equipment recommended by the National Public Health Organisation to all persons who had to be physically present at work (antiseptics, masks, office dividers) and put in place appropriate measures (social distancing, continuous disinfection, testing, etc.). Prompt implementation of all circulars from ministries and the National Public Health Organisation to safeguard personal health and hygiene allowed employees to offer their services to consumers in Thessaloniki without problems.

## 4.2 Customer service - Special arrangements for debtors

### THE COMPANY:

- has been offering a social tariff since early 2014 to provide relief to vulnerable groups, as well as an extensive programme to settle overdue debts for all debtors without exception and for financially disadvantaged groups. From May 2019 onwards, vulnerable groups have been able to access this tariff under the same criteria as applicable for the PPC social residential tariffs (A and B) and other power supply tariffs. EYATH S.A. receives a relevant file from e-Government Centre for Social Security/HEDNO and without requiring the submission of supporting documents from consumers, places beneficiaries on the tariff or automatically removes them when they do not meet the criteria. Pricing policy follows the logic of reducing the price of water at low levels of consumption to ensure its social character and increasing it at high levels of consumption to discourage wastage (just 0.6% of household consumers are on this higher tariff). Prices were also reduced for business tariffs for lower levels of consumption and increased for higher levels of consumption as an incentive to avoid wasting this precious natural resource and for 83% of industries the charges remain fixed.

sumption and increased for higher levels of consumption as an incentive to avoid wasting this precious natural resource and for 83% of industries the charges remain fixed.

- has a new cutting-edge customer service office in the west part of the city, right opposite the Thessaloniki courts, to facilitate the public and enable transactions to be more easily processed for those in the Western part of the city. There are also ergonomic customer service offices at 6 Angelaki St., next to the Citizen Service Centre. Workers and consumers enjoy a modern, pleasant environment at a central location in the city directly accessible by bus, as well as parking facilities (within the Thessaloniki International Fair site).

- Special care was taken to place signs written in Braille outside branches to assist consumers with partial or complete loss of vision.

- provides easy-to-understand printed bills showing an overview of the user's last three bills to help consumers save this precious natural resource. Moreover, bills also

feature a summary and itemised presentation of charges, as well as information about how users can take care of private facilities, how they can make payments and the special treatment offered to special groups of consumers. Moreover, every envelope and bill includes a QRCode so that consumers can directly view the Company's website on the internet.

- operates a special platform at [www.eyath.gr](http://www.eyath.gr) to directly inform consumers about interruptions to water supply in their area, and the scheduled restoration time, and to allow them to report water supply / sewerage problems online.
  - systematically runs info-campaigns for the public about the quality of water, options available to socially and financially vulnerable population groups, about using the company's e-services, and about measures that can be taken by consumers to safeguard their water pipes against the frost.
  - facilitates customers by offering improved e-services (on the EYATH website and web banking) and a wide network of partners and associated businesses (150 supermarket chain stores in the prefecture of Thessaloniki and neighbouring prefectures of Halkidiki, Pieria, Imathia, Pella and Kilkis at no extra charge, and at associated OPAP agencies and Hellenic Post Office branches). After the pandemic broke out, the company expanded its digital services to avoid overcrowding at its offices and consequently the spread of coronavirus.
  - systematically runs info-campaigns for the public about the quality of water, options available to socially and financially vulnerable population groups, about updating their water cards and the advantage of the card, and about measures that can be taken by consumers to safeguard their installations against the frost. During 2019 campaigns were run about the relocation to Angelaki St. and about the option to pay locally or online without physically visiting our store counters (Pay Everywhere Campaign).
  - facilitates customers by offering improved e-services (on the EYATH website and web banking) and a wide network of partners and associated businesses (150 supermarket chain stores in the prefecture of Thessaloniki and neighbouring prefectures of Halkidiki, Pieria, Imathia, Pella and Kilkis at no extra charge, and at associated OPAP agencies and Hellenic Post Office branches).
- After the pandemic broke out, the company expanded its digital services to avoid overcrowding at its offices and consequently the spread of coronavirus.

## 4.3. Reducing the Environmental Footprint - Innovation and Research - Ecological Practices

EYATH is ensuring that it is in line with the applicable environmental legislation, by constantly monitoring, consolidating and complying with the terms of environmental guidelines and directives at national and European level.

Moreover:

- It invests in improving its facilities to ensure better performance and reduce energy consumption;
- It actively contributes to surface cleaning of the Thessaloniki seafront, removing floating objects and spills or pollution incidents, and intervenes in emergencies when there is a social need (e.g. pollution during a major event in Thessaloniki such as the Film Festival) or in emergency incidents of increased pollution, such as the summer of 2021, when EYATH assumed responsibility for the seafront and the surface cleaning to the benefit of the summer tourist season.
- It removes urban and industrial wastewater from the urban area via an extensive sewerage network, the pumping stations of which are controlled by remotely controlled and operated systems.
- It is planning systematic modernisation of the water supply network to reduce leaks;
- It operates a state-of-the-art GIS system for preventative maintenance and rapid response to emergencies;
- It implements a programme to re-use water treated at the Thessaloniki Wastewater Treatment Plant to irrigate areas of land in the Halastra - Kalohori plains during droughts;
- It ensures that sludge is managed in an environmentally and socially beneficial manner, by using it as a fertiliser, to promote it as one of the most appropriate solutions. As part of the energy and environmental upgrade of the Thessaloniki Wastewater Treatment Plant, it has reinforced the biogas generation and utilisation unit which runs on sewage sludge and operates thermal/electrical energy co-generation facilities with a 3.5 MW capacity.
- In June 2021, the Company's main offices were relocated to 91 Tsimiski Str. to allow for the complete renovation of EYATH's historic building at 127 Egnatia Ave. that will transform it into a model office building with almost zero energy consumption. The renovation of the 1970 building is part of EYATH's broader investment programme that includes sustainable, environmentally oriented projects. The new building will have an imposing architectural character and meet high energy and environmental performance criteria, as it will also aesthetically improve the area connecting the AUTH campus, the Thessaloniki International Fair and Egnatia. It will be a model energy and

environmental workplace that will serve as an example for all public benefit organisations.

- It systematically recycles at the workplace, with the most recent such scheme being recycling of cooking oil to produce biodiesel, and uses environmentally friendly materials. Likewise, procurement for company promotional products is governed by green marketing principles (selecting environmentally-friendly materials, bamboo or recyclable cotton, and selecting suppliers who adhere to the same principles).

- Based on the published data in the Sustainability Report, EYATH was also evaluated in November 2022 and **joined the ATHEX ESG Index of the Athens Exchange**, which accumulates companies with the top levels of sustainable development performance in Greece. EYATH's inclusion in the index is proof of the Company's dedication to caring for the environment, social solidarity and sound management, respect for the legislative framework and regulations, and its unwavering pursuit of a safe working environment free of discrimination and prejudice. The adoption of ESG KPIs in action and in the annual reports shows the company's consistent, transparent, coherent strategy of striving for sustainable development, highlighting its cohesive strategic plan to achieve sustainable development and to contribute to national, European and international 'green' transition goals.

## 4.4 Relations with the local community

### EYATH:

- collaborates with the academic community at specialist and general events on environmental issues, attracting audiences comprised of students, experts and ordinary citizens.
- has signed a MoU with the Aristotle University of Thessaloniki, Greece's largest university, to provide scholarships to postgraduate (2 a year) and doctoral (1 every 4 years) students on the issues of water supply and sewerage, offering the option for real time research in the EYATH working environment;

The Company is continuing its beneficial partnership with the Aristotle University of Thessaloniki to detect the coronavirus in urban wastewater. This partnership, by developing a pioneering methodology on a global level, has become a very important "tool" in responding to the pandemic in Greece and is already being expanded with a view to "mapping" the point-by-point spread of the virus and in future to detecting potentially harmful organisms. EYATH strengthened this partnership by installing a multisensor for on-line measurement of key physicochemical parameters in incoming urban wastewater at the exit of Thessaloniki's main sewerage pipeline (before any treatment takes place at the Wastewater Treatment Plant).

In November 2022 the company signed a MoU with Aegean Rebreath to reduce single-use plastics via synergies and awareness raising actions to protect the marine environment, highlight best practices and develop pilot programmes.

Aegean Rebreath and EYATH will collaborate in the following fields: education and training, raising awareness among citizens and organisations, promoting volunteerism, and developing the necessary know-how. The two parties will develop holistic actions to protect the marine environment and reduce the waste that ends up in it.

- It participates in World Water Day celebrations on 22 March and World Environment Day events on 5 June, hosting info-events for the general public. In 2022, by setting up a stand at central locations in Thessaloniki, it briefed the general public about the importance of ground waters and the need to protect them, and about the need to take immediate action about the climate crisis. On Environment Day a voluntary cleaning and tree planting scheme was implemented at Kokkinos Dromos, Kalohori, in cooperation with the Central Macedonia Region.

- It supports sporting and artistic events in the city, promoting the idea of well-being and culture, and also supports the activities of bodies with a strong reputation for social action, either by purchasing equipment for them or carrying out works within its remit. In 2022 it provided the Melissa Girls' Orphanage with vouchers for essentials and consumables.

- It supports the National Health System and vulnerable groups, either with equipment or direct financial assistance, to address new and vital needs.

As part of its CSR programme, in 2022 it built a playground in Aravissos next to EYATH's facilities and provided computer equipment to a Roma cultural association to help preserve their cultural heritage. It also supported the Red Cross in addressing the humanitarian crisis following the outbreak of the war in the Ukraine.

- It is implementing, with the approval of the Ministry of Education, a one-hour programme titled "The sewerage cycle in Thessaloniki" to make primary and secondary school pupils more aware of what is disposed of in the sewerage network daily.

The programme was suspended in 2022 due to the pandemic.

- It prepares educational programmes for children on water conservation and proper use of water as part

of the Thessaloniki International Fair. In 2022 more than 300 children participated in the educational programme which included building structures related to the water cycle and playing related games.

It offers students at universities, technological education institutes and OAED academies the chance to do an internship and acquire valuable work experience in a decent working environment.

- It assists, whenever necessary, in improving the lives of refugees who are located in reception centres in the wider area of Thessaloniki, by offering material support (purchase of radiators) and infrastructure projects (water supply – sewerage facilities at refugee camps, repair of damage);

- It has a long-standing partnership with a magazine sold on the street to support the unemployed (purchase of business gifts from the organisation behind the magazine, placement of advertising spreads, etc.) while its head offices are a 'protected position' for the persons selling the magazine.

At the same time, the Company also supports the unemployed in Thessaloniki via the Labour Centre;

- It has welcomed thousands of primary and secondary school pupils, as well as associations and adult associations, special stakeholder or refugee groups (International Organisation for Migration or other such bodies), at the Water Supply Museum which has been in operation since 2001 and is open for the duration of the school year. Visitors are taken on a tour of the old Thessaloniki Main Pumping Station in the Sfagia area by experienced staff trained in providing museum-based education, and experience the history of water supply in the city up close. The museum was also involved in the annual Open House event to promote and showcase architecture, welcoming visitors to its premises and offering guided tours over 2 days.

The Water Supply Museum also hosts major company events (New Year Pie cutting ceremonies, Christmas parties for employees' children, celebrations for World Water Day and World Environment Day) and also hosts periodic exhibitions in partnership with prestigious local organisations; Because the public health situation meant it was possible, since 2022 tours and programmes have returned to normal.

It keeps an archive of maps, letters and other documents at the Water Supply Museum which cover the history of water supply in Thessaloniki and are available to any interested parties.

Through activities like these EYATH S.A. is fostering and showcasing its long, vibrant relationship with the local community.

## 4.5 Human Resources

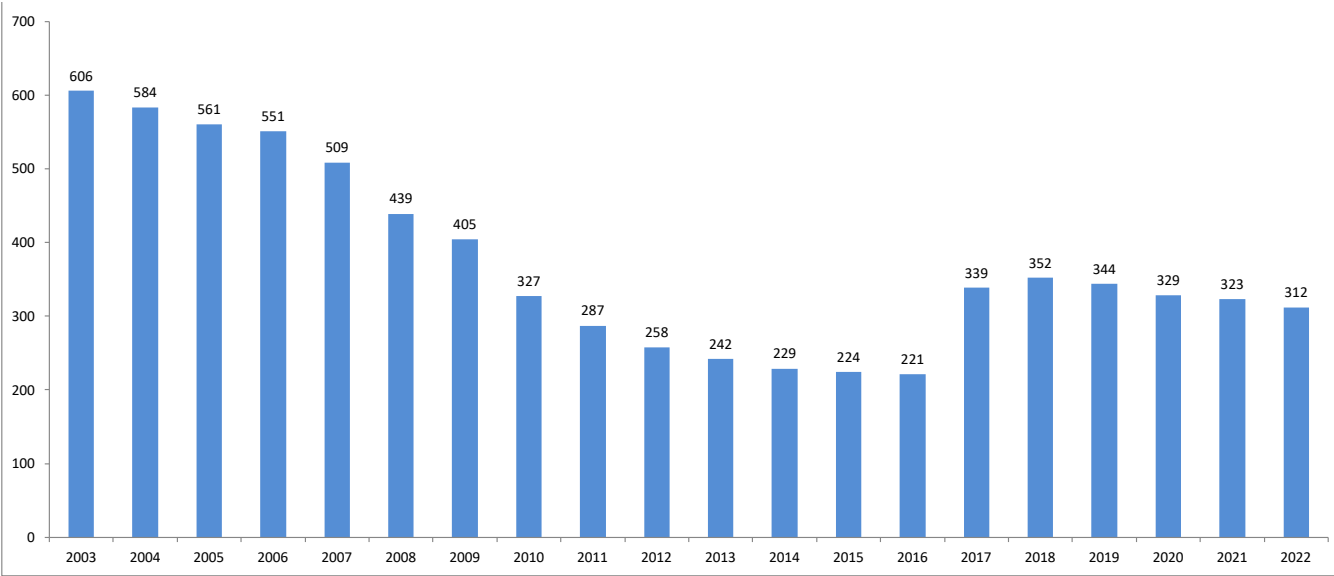
On 31.12.2022 the Company employed 312 people.

The table below shows the change in employee figures over the last 5 years.

### SPECIALISATIONS

Staff category	2018	2019	2020	2021	2022
Expert staff	3	3	3	3	3
University-educated Admin-Finance staff	16	15	16	16	15
University-educated Lawyers	1	1	1	1	1
University-educated Engineers	54	55	50	49	47
University-educated Chemists	7	7	7	7	7
University-educated Environmental Scientists	4	4	4	4	4
University-educated Computer Scientists	4	4	3	3	4
University-educated Doctors	-	-	-	-	-
University-educated Communications & Media experts	1	1	1	1	1
TEI-educated Admin-Accounting staff	10	10	10	10	10
TEI-educated Tech. apps staff	38	36	36	35	36
TEI-educated Computer engineers	7	7	7	7	7
TEI-educated Public health inspectors / food technicians	5	5	5	5	5
Secondary-educ. Collectors - note-takers	-	-	-	-	-
Secondary-educ. Management secretaries	50	49	46	45	40
Secondary-educ. Typists	1	1	1	1	1
Secondary-educ. Technicians	112	108	109	108	106
Secondary-educ. Receptionists	1	1	1	1	1
Secondary-educ. Nurses	1	1	1	1	1
Secondary-educ. IT staff	2	1	1	1	1
Secondary-educ. Foremen (temporary)	10	12	6	6	4
General-educ. Cleaners	1	1	1	1	1
General-educ. Guards	3	3	3	3	3
General-educ. Process agents	1	1	1	1	1
General-educ. Labourers	18	18	16	14	13
General-educ. Collectors	-	-	-	-	-
<b>Total</b>	<b>352</b>	<b>344</b>	<b>329</b>	<b>323</b>	<b>312</b>

NUMBER OF EMPLOYEES & STAFF DEVELOPMENT  
2003 - 2022







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## 5.1 Water supply

### WATER SUPPLY SECTOR

The facilities EYATH S.A. has or manages under the contract dated 27.7.2001 with the Greek State are (a) water abstraction works, (b) external aqueducts, boreholes and related pipework, (c) pumping stations and tanks and (d) distribution networks with related pipelines and water meters.

### AQUIFERS SUPPLYING WATER TO THE WIDER THESSALONIKI AREA

#### Paiko Aquifer

EYATH S.A. uses the karst system of Mt. Paiko springs to supply water to Thessaloniki. Water abstraction from springs includes supply shafts with natural flow and pumping, and mining boreholes which supply the Thessaloniki and local community aqueducts in the water abstraction area via connecting pipes. The flow of water abstracted from the Paiko springs ranges from 55,000 - 130,000 m<sup>3</sup>/day and is directly dependent on the level of snowfall and rainfall each year.

#### Aliakmon River

Water is abstracted from this river from the Veria area. Water flows freely to the Thessaloniki Water Treatment Plant (Refinery). A cutting-edge treatment procedure is followed at the Thessaloniki Water Treatment Plant involving sedimentation beds, sand, carbon filters, ozonisation, chlorination, etc. to ensure its high quality. Clean drinking water ends up in a tank and is distributed via 36 km of pipes to a total of more than 100 small and large tanks and pumping stations.

### AQUIFERS WEST OF THESSALONIKI

#### Kalohori Aquifer

The Kalohori Aquifer was a major source of water for the city in the past. Today the Kalohori aquifer springs and boreholes are no longer used due to adequate water,

apart from two boreholes which have been used to supply water to the local community of Kalohori in the Municipality of Echedoros. Around 5,500 m<sup>3</sup> of water is abstracted daily.

#### Sindos Aquifer

The Sindos Aquifer consists of a series of pressurised water-rich layers of rock with a high water potential. The quantity of water which can be abstracted from the aquifer via 10 boreholes is around 19,000 m<sup>3</sup>/day.

Water from the Sindos aqueduct reaches the area's

central pumping station having first passed through the sedimentation tank. Due to the Refinery being in operation, the boreholes are not in use all year round and are systematically maintained and ready to cope with emergencies.

#### Axios Aquifer

There are 21 boreholes currently in operation in the wider area and the total flow received is around 41,000 m<sup>3</sup> a day.

Four (4) of those boreholes are used to supply water to local communities. The others are maintained and monitored almost daily and are system backups.

#### Narres Aquifer on the Gallikos River

The aquifer in the Gallikos river bed was exploited via water collection shafts with horizontal radial pipes and vertical, shallow boreholes.

The flow that was collected from this water abstraction site varied from 5,000 m<sup>3</sup> to 25,000 m<sup>3</sup> a day depending on rainfall and snowfall recorded each year.

The aquifer is currently out of use. It is worth pointing out at this juncture that the way in which the aquifers are managed, coupled with high levels of rainfall in recent years has meant that the aquifer levels have risen considerably and artesian phenomena have been observed again in both areas.

In general, due to the adequacy of the existing Paiko and Aliakmon aqueducts, aquifers in EYATH's major area of interest are not intensively exploited and constitute a strategic reserve for the overall system which can generate between 70,000 m<sup>3</sup> and 90,000 m<sup>3</sup> a day (if needed).

### AQUIFERS EAST OF THESSALONIKI

#### Agia Paraskevi Springs, Hortiatitis

The springs in the area at Hortiatitis are used to bolster water supply in the Municipal District of Hortiatitis and in general are held back as a system backup.

#### Plains east of Thessaloniki

In the plain east of Thessaloniki there is a small number of boreholes with an estimated total flow of 4,500 m<sup>3</sup> per day. This quantity was used in the past to top up a local tank. These boreholes are currently not in use.

### EXTERNAL AQUEDUCTS - BOREHOLES

The wider Thessaloniki area and its industrial area are currently supplied with water from the existing Paiko aqueducts and the Thessaloniki Water Treatment Plant. Some of the borehole aqueducts are used during the summer.

As part of modernising and upgrading the operation and control over the external water supply system, a contract was signed in December 2019 for the “Remote control and automation of the water supply system within EYATH S.A.’s remit”, with a budget of €3,347,049 (plus VAT) to procure and install a SCADA system for all EYATH water supply facilities.

This contract is currently in progress and expected to be completed in May 2023.

### Paiko aqueduct

During the year, the following steps were also taken for preventative maintenance and to check the aqueduct.

a. The process of primary preventative maintenance continued with partial excavation and uncovering of sections of the Aravissos pipeline, over a total length of 800 m, in order to check its conditions and make any repairs needed.

b. The current condition of all shafts at the Aravissos aqueduct was recorded and a maintenance study for existing buildings and hydraulic parts at the aqueduct was delivered.

During 2018, Prof. Emeritus G. Penelis updated the Aravissos pipeline repair study. Then, as part of EYATH’s activities in relation to this matter, which have been included in the Company’s Strategic and Business Plan, tender documents were prepared for a framework agreement to improve/repair the Aravissos aqueduct, with a budget of €3,367,997.89 and an option for an additional €1,000,000.

The framework agreement relates to work to improve and repair the Aravissos aqueduct, which the aforementioned study found to be necessary.

In February 2022, the 4th individual implementing contract under the framework agreement was signed for €989,798.24 (excl. VAT). By the end of 2022, repairs had been completed on a section of the Aravissos aqueduct of about 770 m.

In August 2022, the 5th individual implementing contract under the framework agreement was signed for €625,735.55 (excl. VAT). By the end of 2022, repairs had been completed on a section of the Aravissos aqueduct of about 270 m.

The Axios aqueduct, which became operational in 1976, connects to the Aravissos aqueduct via a series of valves.

The Axios aqueduct transmission pipelines is made of asbestos cement pipes with a 800 mm diameter and is 14.7 km long.

The Axios aqueduct collects water pumped from boreholes in the area and operates over a length of 13,840 m in parallel with the Aravissos pipeline, thereby bolstering the Aravissos aqueduct’s ability to channel water.

### Narres aqueduct

The external Narres aqueduct became operational in 1968 and its water abstraction facilities have been built in the bed of the Gallikos River. The aqueduct is approximately 11 km long and consists of a steel pipe.

### Sindos - Kalohori aqueduct

The Sindos - Kalohori aqueduct collects water from boreholes in the aquifers of the same name, consists of steel pipes, and operates using gravity.

Water from the Sindos - Kalohori aqueduct, via a bypass which has been built, first passes through the sedimentation tank and ends up at the local pumping station which can bolster water levels in relevant tanks or pumping stations. It is used primarily during the summer to top up the water supply system.

## PUMPING STATIONS AND TANKS

During 2021 the process of maintaining - repairing - sealing a number of storage tanks at EYATH S.A.’s external water supply aqueduct commenced. This continued in 2022 on a pilot basis, with a contract for the repair and sealing of various water supply tanks being signed. Some of these works have already been completed. During the year ended the mechanical and electrical equipment for a number of water supply pumping stations was modernised and upgraded to ensure uninterrupted supply to the system and to improve SCADA for the specific water supply system.

Moreover, in 2022 EYATH prepared its own standardised design for modern fencing with particular specifications, and a standardised study to safeguard those facilities (pumping stations - tanks) using cutting-edge surveillance and security equipment. The works to implement the said designs commenced in 2022 and continue to be implemented, and the budget appropriations will remain available in 2023.

In addition, during 2022 the contract was signed and the project entitled “Repair of damage to the load-bearing structure and reinforcement of the foundations of the eastern chamber of a large water supply tank in the Evosmos area” worth €516,109.56 (excl. VAT) to restore operation, was launched.

## EXPANSION OF OPERATIONS INTO NEW AREAS

EYATH S.A.'s expansion, involving the supply of water to new areas, is part of a wide-ranging development policy the Company has adopted, while plans are being made for it to cover other urban areas such as Nikopoli (in Stavroupoli), Anthokipi (in Polichni) and Echedoros. During 2022, the possibility of relocating and building water supply pipelines of a total length of 10 km was examined. Additionally, EYATH S.A. is currently examining water supply projects, some of which have already commenced and will meet the needs of the University Children's Hospital to be built with a donation from the Stavros Niarchos Foundation (SNF) in the Filyros Municipal District of the Municipality of Pylea-Hortiatis.

## WATER SUPPLY - TREATMENT OF WATER

### Thessaloniki Water Treatment Plant on the Aliakmon River (the Refinery)

The Thessaloniki Water Treatment Plant treats surface water using cutting-edge methods that render the water hygienic and fit for drinking. The facility can at present treat 150,000 m<sup>3</sup>/day. Water is transported from the Aliakmon Dam (Veria) to the water treatment plant via a canal and sealed pipes. The facilities cover around 25 ha.

The average annual quantity abstracted to supply water for Phase I projects will be 109.5 million m<sup>3</sup> (or 3.5 m<sup>3</sup>/s), which accounts for 3.4% of the average annual flow of the Aliakmon River. In addition, the existing EYATH S.A. water supply springs offer the system the flexibility needed, so that abstraction at the Thessaloniki Water Treatment Plant can be adjusted to suit other water regulation/management needs (power generation, irrigation, ecosystem requirements).

The main stages in treating drinking water are as follows:

- initial pH adjustment by adding CO<sub>2</sub>,
- pre-ozonisation,
- rapid stirring by adding flocculants,
- flocculation - sedimentation in special round tanks,
- filtering through sand beds using gravity,
- ozonisation with the option to add hydrogen peroxide,
- absorption and biodegrading of organic materials in carbon beds,
- final pH adjustment by adding slaked lime,
- final decontamination of water using chlorine gas upstream from the water storage tank.

The production process is automated to a very high degree and includes a large number of on-line instruments which constantly record operational parameters and water characteristics in various stages (supply meters, pH meters, conductivity meters, turbidity meters, residual chlorine meters, ozone, etc.). In addition, online Total Organic Carbon (TOC) measurement instruments have been installed and have been in operation at the Thessaloniki Water Treatment Plant's entry tank D2 since 2021 to identify qualitative changes in the Aliakmon River's water. Signals from these instruments are sent to the

facility's control centre where a mimic diagram of all programmable logic controller (PLC) systems is installed.

Using the SCADA employees:

- record and constantly check water characteristics in various stages of treatment.
- check that individual units and pieces of equipment are operating properly.
- make changes to operational parameters to optimise the procedure.
- ensure that the water leaving the Thessaloniki Water Treatment Plant is of excellent quality.

The Thessaloniki Water Treatment Plant also has chemical process storage, preparation and dosing units (CO<sub>2</sub>, sulphuric acid, polyelectrolytes, aluminium sulphate, chlorine and lime) and a sludge treatment line for sludge produced in the flocculation -

sedimentation (thickening and mechanical dehydration) tanks, a line for treating wash water which includes a special solids removal unit, rainwater, water, sewage, fire-fighting networks and other support facilities.

The installed capacity is around 1400 kW and is supplied by the network; there is also a backup generator installed.

The project budget of €20 million was financed entirely by the Public Investments Programme via the EU Cohesion Fund, under the aegis of the Greek Ministry of the Environment, Planning & Public Works and was completed at the end of 2002.

The trial period and 18-month pilot operation period for the facility were managed by the designer-builder under the supervision of the Project Construction Inspection Directorate and was completed on 25.2.2005 (when final acceptance of the whole project took place).

EYATH S.A. formally acquired the Thessaloniki Water Treatment Plant upon administrative acceptance of the project for use from the Project Construction Inspection Directorate/Ministry of the Environment, Planning & Public Works on 7.3.2005.

Ministerial Decision No. 41253/EKO 632/12.9.2008 approved the delivery - acceptance report transferring ownership to the body governed by public law by the name of EYATH FIXED ASSETS of the properties in the project entitled "Thessaloniki water supply from the Aliakmon River.

Design, Build and Operation of Phase 1 of the Refinery".

In September 2022 the construction agreement for the project entitled "Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2" was signed, with a budget of €21,703,562.15 (excl. VAT) so that the facility's capacity (currently 150,000 m<sup>3</sup> a day) could be increased to 300,000 m<sup>3</sup> a day. That project has been included in the Central Macedonia 2014-2020 Operational Programme (MIS Code: 5028173) by means of Decision No. 4391/2-8-2018 of the Central Macedonia Regional



Governor. The project commenced in 2022.

of free chlorine residual content in accordance with Sanitary Decree YM 5673 (GovGaz 5/B/9-1-1958) on disinfection of the water in the water supply.

### Water Treatment Plant Operations & Maintenance Department

The Water Treatment Plant Operations & Maintenance Department ensures that the Thessaloniki Water Treatment Plant operates without problems and in particular it provides:

Supervision of operation of the Thessaloniki Water Treatment Plant based on the engineering design, subsequent studies and the specifications from time to time.

Supervision of Thessaloniki Water Treatment Plant maintenance in accordance with the facilities maintenance schedule and the applicable specifications. Evaluation/handling of failures and monitoring thereof.

Sampling daily to carry out lab tests at the entrance to the Thessaloniki Water Treatment Plant, at intermediate processing stages in accordance with the specific programme and at the outlet, and for surface water from the Aliakmon River on a weekly basis or whenever required by the various areas the river flows through.

In 2022, a total of 53,066,467 m<sup>3</sup> of surface water from the Aliakmon River was treated and 50,440,810 m<sup>3</sup> of drinking water were released from the facility for consumption at an average daily rate of 138,194 m<sup>3</sup>, which meets all the requirements of the applicable legislation (Joint Ministerial Decisions No. Y2/οικ.2600/2001 and No. Γ1(δ)/ΓΠοικ. 67322/2017 (GovGaz 3282/19.9.2017) for drinking water with an average turbidity at the outlet of 0.091 NTU.

### WATER CHLORINATION (Chlorination Team)

The Chlorination Team is part of the Water Treatment Plant Operations & Maintenance Department.

To more effectively safeguard the quality of drinking water from a microbiological aspect, a sodium hypochlorite solution (NaOCl) is used for decontamination at central pumping stations round the clock throughout the year.

There are chlorination plants at the company's various pumping stations. With the exception of water collected from certain boreholes, treatment is limited to chlorination before water is introduced to the distribution system. It is also disinfected using anhydrous liquid chlorine at the Thessaloniki Water Treatment Plant. Pre-chlorination is carried out in the sedimentation tank.

During 2019, a specially planned transition at the Den-dropotamos pumping station from chlorination using anhydrous liquid chlorine to chlorination using sodium hypochlorite solution was completed.

The Chlorination Team carries out testing for residual chlorine from disinfection in the distribution network. Free chlorine residual content is continuously present and is detected at the very end points of the distribution network with a minimum concentration limit of 0.2 mg/l

## 5.2 Quality control of water

### Water Treatment Plant Laboratory Department

From 2.2.2018 onwards, the Thessaloniki Water Treatment Plant laboratory has not been included in its operating agreement as it is wholly operated by EYATH personnel. Pursuant to EYATH S.A.'s Board of Directors Decision 636/2020, in December 2020 and April 2021, the Drinking Water Laboratory Testing Department was relocated from a rented space on the 2nd and 4th storey at 8 Ploutarchou Str., to the Thessaloniki Water Treatment Plant's Laboratory facilities.

### Laboratory Control of Drinking Water Section

The former Drinking Water Laboratory Testing Department has now been brought within the Drinking Water Laboratory Testing Section, which schedules and organises daily tests and samples of drinking water from EYATH S.A.'s distribution network and water from water abstraction sources, complying as a minimum with the company's legislative obligations.

### The Water Treatment Plant Laboratory Department:

1. Monitors the quality of drinking water. Drinking water quality is monitored in accordance with the applicable JMD in force, No. Γ1(δ)/ΓΠ οικ. 67322/2017 (GovGaz 3282/19-9-2017) on the quality of water for human consumption, in compliance with the provisions of Council Directive 98/83/EC of 3 November 1998 as amended by Directive (EU) 2015/1787 (OJ L 260, 7-10-2015).
2. Carries out lab tests at the entrance to the Thessaloniki Water Treatment Plant, at intermediate processing stages in line with the specific schedule, and at the outlet of the main tank at the Plant to monitor the process and verify the suitability of water released from the Thessaloniki Water Treatment Plant for consumption, provided it meets the requirements of the applicable sanitary/public health provisions (Government Gazette 3282/19-9-2017).
3. Monitors the quality of surface water in the Aliakmon River (analyses, sanitary surveys) (Joint Ministerial Decision No. 46399/4352/86, Government Gazette 438/B/3.7.1986).
4. Carries out laboratory testing on delivered treatment chemicals, sludge and activated carbon. It also conducts checks on processes in place at the Thessaloniki Water Treatment Plant: Facility for regenerating activated carbon, solid removal, sludge thickening and dehydrating, storing, preparing and applying doses of polyaluminum chloride (PAC) solutions, polyelectrolytes, lime and chlorine. It also monitors the parameters arising from compliance with the obligations in the decisions approving the environmental conditions for the Thessaloniki Water Treatment Plant regarding disposal in the Gallikos River and disposal of wastewater at the Thessaloniki Wastewater Treatment Plant.
5. Monitors national and European legislation on issues relating to the quality of drinking water and briefs the Divisions with shared remit in this area, while keeping

the required records and reporting to the competent state authorities on issues of drinking water quality.

In line with the current health provisions, to effectively protect public health, the parameters in Group A of the legislation are monitored daily by testing samples from the distribution network (more than 1,545 samples during 2022). Additionally, systematic checks were carried out 17 times throughout the year to monitor the parameters in Group B of the applicable legislation, including parameters for heavy metals and organic compound analyses (agrochemicals, polycyclic aromatic hydrocarbons, VOCs). In 2022, a total of 37 samples, representative of the water supply system, underwent such checks.

The Laboratory also conducts physicochemical and microbiological testing on samples from Thessaloniki Water Treatment Plant sites (more than 6,945 samples in 2021), as specified by current law on drinking water JMD No. Γ1(δ)/ΓΠ οικ. 67322/2017 (GovGaz 3282/10-09-2017) and surface water JMD 46399/4352/86 (GovGaz 438/B/3-7-1986).

Samples are taken on all days of the year from the central water inlet pumping stations (365 samples/pumping station).

Separate monitoring was carried out on EYATH S.A.'s springs and all boreholes which are in operation (12 samples from the springs, 52 samples from the Sedimentation Tanks, 14 samples from various tanks, 32 samples from boreholes).



## Certification - Accreditation

In 2018 the Drinking Water Laboratory Testing Department received accreditation for 11 physico-chemical and 3 microbiological parameters (Hellenic Accreditation System (HAS) certificate No. 1139) in line with the ISO 17025/2005 standard.

During 2019, the Laboratory took steps to extend the special scope of accreditation to an additional 13 physico-chemical and 4 microbiological parameters, covering all of the physicochemical parameters set out in the legislation. Following an inspection that took place in March 2020 by the Hellenic Accreditation System, the Water Treatment Plant Laboratory Department since July 2020 has been accredited under the ISO 17025/2017 Quality Accreditation System (HAS Certificate No. 1217) for 5 physicochemical tests and 2 methods for establishing organic parameters (17 VOCs and 153 pesticides) in both aforementioned sublayers (drinking and surface), which are also included in legislation related to drinking water.

After the Laboratories were consolidated in December 2020, the parameters on HAS Certificate No. 1139 (Drinking Water Laboratory Testing Department) were included in Special Accreditation Scope No. 17025/2017 of Certificate No. 1217 with steps being taken to extend Special Accreditation Scope No. 17025/2017 in 2021.

Following inspections carried out in November 2021 by the Hellenic Accreditation System, Certificate No. 1217 now includes all physicochemical and microbiological analyses under the drinking water legislation, as well as all organic parameters (VOCs, 311 pesticides using two different methods, 16 hydrocarbons) and inorganic parameters (13 metals, 6 anions and 4 cations).

Following an inspection that took place in March 2020 by the Hellenic Accreditation System, the Water Treatment Plant Laboratory Department since July 2020 has been accredited under the ISO 17025/2017 Quality Accreditation System

(HAS Certificate No. 1217) for 5 physicochemical tests and 2 methods for establishing organic parameters (17 VOCs and 153 pesticides) in both aforementioned sublayers (drinking and surface), which are also included in legislation related to drinking water.

After the Laboratories were consolidated in December 2020, the parameters on HAS Certificate No. 1139 (Drinking Water Laboratory Testing Department) were included in Special Accreditation Scope No. 17025/2017 of Certificate No. 1217 with steps being taken to extend Special Accreditation Scope No. 17025/2017 in 2021. Following inspections carried out in November 2021 by the Hellenic Accreditation System, Certificate No. 1217 now includes all physicochemical and microbiological analyses under the drinking water legislation, as well as all organic parameters (VOCs, 311 pesticides using two different methods, 16 hydrocarbons) and inorganic parameters (13 metals, 6 anions and 4 cations).

## 5.3 Sewerage

The network includes:

- The 16 km long Main Sewerage Pipeline and its extension to the Municipality of Thermi and to the Municipality of Kalamaria with an 11 km long main collection pipeline.
- Central sewerage and rainwater collectors.
- Primary and secondary sewerage pipelines.
- Overflows and sluice gates to ensure the problem-free operation of the network during rainfall and reverse valves to prevent seawater entering the network and being carried to the Thessaloniki Wastewater Treatment facilities.

The total length of pure sewage and combined sewage/rain water pipes is: around 1,700 km, of which around 30% is of the combined type.

Total length of rainwater pipes: around 375 km. Pipeline overflows: 140 items

No. of water collection shafts: 25,000 items No. of access shafts: 48,750 items No. of private junctions: 60,000 items

Cross-sections of the Main Sewerage Pipeline 2,000mm-2,400mm and of the extension of the Main Sewerage Pipeline 600mm-1,600mm

Main collectors: 600-1,200 mm Primary pipelines: 400-600mm Secondary pipelines: 250 –355mm

No. of people served: 1,100,000 people Sewerage collected from an area of: 9,000 ha.

The quantity of waste transported to the Thessaloniki Wastewater Treatment Plant located on the Echedoros (Galikos) River is on average 155-160,000 m<sup>3</sup>/day approximately.

The quantity of sewage taken to the Wastewater Treatment Plant at AENEIA is approximately 8,000 m<sup>3</sup>/day, but it can handle up to 15,000 m<sup>3</sup>/day, and there is no overflow.

During 2022 implementation of the new framework agreement between the Central Macedonia Region / Thessaloniki Metropolitan Area and EYATH S.A. to implement the project entitled "Cleaning & maintenance of the rainwater network" in the Greater Thessaloniki Area continued. That contract worth €3,000,000, which is being implemented by our Company, was signed by both sides on 26.4.2021, and is valid for 2 years from 1.5.2021 to 30.4.2023. This is a significant agreement for improving the city's flood protection.

Following the abolition of 2 pumping stations in 2022, there are 58 sewerage pumping stations in operation round the clock in the wider Thessaloniki conurbation and in areas of neighbouring municipalities. 165 pump arrays are installed at those pumping stations.

They carry rain water and wastewater to the main sewerage pipeline via single and double pressure pipes to ensure the uninterrupted flow of sewage water from areas that cannot use a gravity-operated sewage system, in the event that a pipeline is damaged.

The total quantity of wastewater carried by the pumping stations to the main sewerage pipeline is a maximum of 90,000 m<sup>3</sup>/day, except during rainy periods.

Those pumping stations operate to provide sewerage services to the above areas either in groups or in a chain, or individually. In the first case, the wastewater from several local pumping stations is sent to a main pumping station and from there is sent on to the main sewerage pipeline. In the second case, the wastewater is pumped in succession from one pumping station to the next using twin discharge pipes until it reaches the main sewerage pipeline. In the third case, the wastewater from the area is sent to the pumping station and then pumped on to the main sewerage pipeline via discharge pipes.

Pumping stations operate using automatic electronic pumps, meaning they come on and go off based on electronic sensors that detect sewerage levels, based on the specified thresholds.

After the new decision approving the environmental terms and conditions was issued, which laid down and updated the operating framework for the sewerage facilities, codification of the regulatory framework for the new decision approving the environmental terms and conditions was completed in 2022; this was a process which had commenced in 2021 in cooperation with the Sewerage Networks Division and the Sewerage Facilities Division.

In 2022 the Sewerage Pumping Station Operation and Maintenance - Repair Department continued with the

programme to modernise the operation of the sewerage pumping stations to ensure the safety of their operation for both employees and the environment. This involves carrying out checks and applying the standards specified by Greek law for electrical and mechanical installations. It continued to replace pump arrays with new ones to ensure lower energy consumption and a significantly lower cost for maintenance and repairs. It also continued to gradually renovate and upgrade building elements and other infrastructure.

As part of this effort, in 2022 the Sewerage Pumping Station Operation and Maintenance - Repair Department installed two inverter systems at a specific pumping station in eastern Thessaloniki. Moreover, the Sewerage Pumping Station Operation and Maintenance - Repair Department, actively participating in the Company's wider effort to save energy and improve its energy footprint in general, submitted an application to HEDNO to install a photovoltaic station at another pumping station in the same area as part of the energy Netmetering programme. The connection terms have already been approved and the project is expected to be completed in 2023.

Operations are controlled by four remote control - remote operation systems. Those systems operate using PLCs at the local pumping stations, which control the overall process. All automated systems at the pumping stations are wirelessly connected to two control centres, the first of which controls the operation of 44 pumping stations in the wider urban area which ends up via the main sewerage pipeline at the Thessaloniki Wastewater Treatment Facility, and the second controls the operation of 14 pumping stations in the area of the Plagiari Municipal Unit in the Municipality of Thermi and the tourist area of the Municipality of Thermaikos and reaches the Aeneia wastewater treatment facility in Angelohori, and which also receive all necessary information for their supervision.

The control centres have computers with suitable hardware (transceivers, modems, antennas, etc.) and software to control operations and breakdowns and to remotely ensure uninterrupted operation of the pumping stations round the clock.

Full technical specifications and a technical description have been prepared to procure and install a new, cutting-edge remote control and remote monitoring system for the control centre that controls 44 pumping stations, offering more functionality and upgrading the existing ones, such as:

- Installation of a comprehensive SCADA system with higher availability and redundant capacity.
- Replacement of old automation panels at local pumping station control stations.
- Extension of the system for communicating between the local pumping station control stations and the control centre.
- Installation of a local server to keep a log for statistical, financial and other purposes.

Some of the advantages this offers are:

- Operations are consolidated, resulting in a drop in operating costs (fewer computers and less hardware in general, etc.).
- Two alternative means of communication (GPRS and RF) can be used and there is an automatic switch-over system to ensure accurate, uninterrupted communication.
- Data can be safely stored on the Control Centre server that is being built.
- Information can be better managed, processed and presented, meaning it is easier to schedule preventative maintenance, fix problems and generate financial data.
- Open-source software is used so that in the future modifications and upgrades can be made by EYATH S.A.'s own staff depending on operational needs.
- Generic types of spare parts are used which EYATH can procure from numerous suppliers at low cost.

· EYATH staff are trained in how to use, program and configure the systems to acquire know-how and free the Company from the need to have the supplier/manufacturer intervene.

The investigation was carried out in the context of the 3rd individual contract under the "Framework Agreement for the provision of Technical Advisor support services for designs and projects under the EYATH S.A. Strategic & Business Plan" and its deliverable was approved by Decision No. 593/2021 of the Board of Directors of EYATH S.A.

International tender procedure No. 17/2019 entitled "Design, supply, installation and commissioning of an integrated sewerage pumping station remote control and remote surveillance system" with a budget of €1,400,000 plus VAT was launched in 2019.

The tender procedure to select a contractor was completed in 2021 and the contract was signed on 25.7.2022 with a total contractual value of €911,571.00 plus VAT.

In 2022 the Sewerage Networks Division began implementing a pilot programme to implement a technical solution called SIWA Blockage Predictor whose purpose is to forecast and address overflows in EYATH S.A.'s combined network. On 7.10.2022 EYATH S.A. and SIEMENS signed a contract for the supply of materials and services to implement and commission the SIWA Blockage Predictor solution (as a pilot application) to address overflows in the EYATH S.A. combined network, worth €28,284.00 plus VAT. Implementation of the project will be completed in 2023.

In 2022, it also completed the tender notice for the open online tender procedure for the EYATH S.A. Sewerage Network Development and Implementation Service to protect the sewerage network from edible fats and oils and solid food waste with a total budget of €140,000. The tender procedure will be completed and the scope of works will be implemented in 2023.

In addition, in 2022 the project entitled "Works to complete connection of the Thessaloniki low-lying areas" was under way, which includes sewerage sub-projects in the area where K16 interchange is being built. Contract performance commenced in April 2019.

Also under way in 2022 was the project "Sewerage works to upgrade pumping stations, discharge pipes, a coastal collection pipeline and the Aeneia Wastewater Treatment Plant central pipe", valued at €2,862,054.17 (excl. VAT), which includes sewerage works to improve - upgrade the wastewater pumping station at the Port as well as the pumping station at the Thessaloniki Industrial Area, to replace the sewerage twin discharge pipe at the other pumping station at the Port, to build a coastal collection pipe for the pumping station, and to upgrade the pumping station at Finikas.

In addition, during 2022, cases of extending sewerage networks with third parties assuming part of the cost were examined. These related to pipelines around 1.0 km long in various areas. Other cases examined included repairs/replacements of sewerage pipelines of around 8 km long due to tanks remaining out of operation since 2003, when cracks appeared on the bottom due to the high level of the aquifer and the sudden change in load.

Moreover, as part of the 3rd individual contract under the "Framework Agreement for the provision of Technical Advisor support services for designs and projects under the EYATH S.A. Strategic and Business Plan", implementation designs were prepared for the new coastal sewerage pumping stations located in Neoi Epivatades of the Municipality of Thermaikos.

In the context of the 4th individual contract under the "Framework Agreement for the provision of Technical Advisor support services for designs and projects under the EYATH S.A. Strategic and Business Plan", work was assigned relating to "Segregation of combined networks passing through the Thessaloniki International Fair and design of new sewerage pipelines to meet the needs of regenerating the area". The necessity and terms for implementing this are outlined in the MoU of 23.2.2022 signed by the Central Macedonia Region, EYATH S.A. and TIF-HELEXPO S.A.

## 5.4 Wastewater treatment

According to the Master Plan prepared in the late 1970s and then implemented, the wider Thessaloniki area was divided into the following waste collection zones:

- a. wastewater from central and western areas where most of the urban and industrial activities is concentrated and collected and transported to the Thessaloniki Wastewater Treatment Plant in the Sindos Area.
- b. Wastewater from eastern (tourist) areas is collected and transported to the Wastewater Treatment Plant in AENEIA in the Municipality of Thessaloniki.
- c. Wastewater from the Thessaloniki Industrial Area is collected and treated at the Waste Treatment Plant there which came under EYATH S.A.'s control in January 2003.

### Thessaloniki Wastewater Treatment Plant

Stage I of works on the Thessaloniki Wastewater Treatment Plant with a total budget of approximately €11 million commenced in 1983 and was completed in February 1992, when the facility was commissioned by the builder. In the meantime (1989-1992) necessary modifications needed to be carried out to individual units, to achieve a higher processing rate for some of the wastewater from the city than had been originally planned, and the discharge point for treated wastewater changed (in order to protect the Axios Delta) and the Thermaikos Bay was chosen as the discharge body. In 1992, the Thessaloniki Wastewater Treatment Plant began to treat approximately 40,000 m<sup>3</sup>/day, gradually increasing to 70,000 m<sup>3</sup>/day, when Stage II became operational in 2000, at a treatment rate of over 90%.

Stage II works commenced at the end of 1996 with a budget of €34 million and were completed in early 2000, achieving a treatment rate of over 95% of urban wastewater from the city of Thessaloniki using a conventional biological treatment system and simultaneous nitrogen removal.

Each day, the Thessaloniki Wastewater Treatment Plant receives around 145,000-155,000 m<sup>3</sup> of wastewater but the specifications for the facility allow it to accept an average flow of up to 296,000 m<sup>3</sup>/day and pollutant loads of BOD<sub>5</sub>, SS and Total N, of 80, 76 and 16 tons/day, respectively.

At the same time, following completion of the project to receive and pre-treat septic tank waste in mid-2002 (with a budget of €4.7 million) the Thessaloniki Wastewater Treatment Plant can now receive around 1500 m<sup>3</sup> of wastewater a day brought by tankers from areas which are not connected to the sewerage network.

The Thessaloniki Wastewater Treatment Plant outflow is directed via the twin Treated Sewage Waste Disposal Pipeline out into Thermaikos Bay. The project, with

a budget of € 19 million, was completed in mid-2001 and runs for 10.5 km on land and 2.5 km out to sea to a depth of 23 m.

Wastewater undergoes secondary treatment at the Thessaloniki Wastewater Treatment Plant with simultaneous nitrogen removal, and the biologically treated wastewater is disposed of in Thessaloniki Bay.

However, given the excellent quality of that water, and given the expected decline in water quantities at national and global level, EYATH S.A. is working in partnership with the National Agricultural Research Foundation and other bodies (using the old twin pipeline to the Axios River) to explore whether treated wastewater mixed with water from the Axios River could be used to irrigate farmland close to the Wastewater Treatment Plant. This has already been done in previous summers.

### Dehydrated Sludge Thermal Drying Plant

On 16.1.2012, the Dehydrated Sludge Thermal Drying Plant commenced a 15-month trial period. The Public Works Special Service of the Ministry of Development, Competitiveness, Infrastructure, Transport and Networks was responsible for the construction and trial operation of the plant. In line with agreed plans, when the trial period ended on 16.4.2013, EYATH S.A. took over running and maintenance of the plant (as operator) which was then awarded to a contractor following a tender procedure.

The Dehydrated Sludge Thermal Drying Plant at the Thessaloniki Wastewater Treatment Plant receives quantities of dehydrated sludge produced daily by the Thessaloniki Wastewater Treatment Plant in order to thermally treat it, evaporate any water in the sludge, and produce a dry end product which is more than 92% solid.

The quantity produced daily (up to 20 t/day of dry product with 5-8% humidity compared to 150 t/day of dehydrated sludge with 77-78% humidity) can by its very nature be used in a wider variety of ways than dehydrated or lime sludge. The dry product is suitable for the following applications: As a soil improver for non-edible crops, as a fertiliser additive for crops, at composting facilities, for soil rehabilitation, in building materials industries, etc.

In September 2022 a contract was signed to "Restore operation of the thermal drying plant at the Thessaloniki Wastewater Treatment Plant", worth €1,752,129.38 +

VAT for a period of 12 months. The scope is repair of various problems, wear and tear and malfunctions, including modifying the automation - operating philosophy and to ensure efficient and safe operation of the thermal drying plant at the Wastewater Treatment Plant.

#### a. Thessaloniki Wastewater Treatment Plant - Summary data for 2022

Wastewater treatment capacity (in population equivalent / PE units) Organic load capacity (planned): 296,000 m<sup>3</sup>/d

(based on design, Directive 91/271/EEC) Population covered (planned population): 1,333,000

Flow details for the year 2022: Average daily flow (m<sup>3</sup>): 145,375

Type of wastewater - quantities (m<sup>3</sup>/d): a. Urban wastewater: 144,940

b. Industrial wastewater: - c. Waste from septic tanks: 435 Annual quantity of sludge transported: 30,500 tons

Volume of wastewater treated in 2022 (m<sup>3</sup>): 50,872,920

Annual average outlet quality for 2022 (mg/L)	BOD5	COD	SS	Total N	Total P
	15.2	68.7	25.2	7	4

#### b. AENEIA Wastewater Treatment Plant for Thessaloniki's tourist areas

The "AENEIA" Wastewater Treatment Plant which covers Thessaloniki's tourist areas was opened in 1997 and in the first planned stage of Phase I, it can treat 27,000 m<sup>3</sup>/day. Initially, small quantities of wastewater from Michaniona and Angelohori were treated via the network and three pumping stations, and mainly larger quantities of septic tank waste from other areas in the Municipality of Thermaikos, taken to the plant by tanker trucks.

The main sewerage pipeline for the tourist areas, with 11 pumping stations, and the sewerage network of areas in the Municipality of Thermaikos, the wastewater from which is directed to the Tourist Area Wastewater Treatment Plant to be treated, have been in operation since 2001. Wastewater from the Plagiari-Triadi area has also been included. Since the spring of 2017, the new ozonation plant to decontaminate treated wastewater and remove pathogenic microorganisms before it is disposed of in Thermaikos Bay has been in full operation. The sludge produced daily is disposed of as a raw material for the production of soil improvers for crops using aerobic composting to promote sustainable development and uphold the principles of a cyclical economy. Organic load capacity (planned): 87,000 m<sup>3</sup>(based on design, Directive 91/271/EEC)

Flow data for 2022: Average daily flow (m<sup>3</sup>): 8,160 Type of wastewater - quantities (m/day): a. Urban wastewater: 7,740

b. Industrial wastewater: - c. Waste from septic tanks: 420

Dehydrated sludge transported annually (tons, approximately): 3,740 Volume of wastewater treated in 2022 (m<sup>3</sup>): 3,117,450

Thessaloniki Wastewater Treatment Plant - Summary data for 2022

Annual average outlet quality for 2022 (mg/L)	BOD5	COD	SS	Total N	Total P
	10.4	26.1	16.6	10.15	3

#### c. Thessaloniki Industrial Area Waste Treatment Plant (WTP)



EYATH S.A. took over the plant in 2003 and it handles around 10,000–15,000 m<sup>3</sup> of industrial waste a day from the Thessaloniki Industrial Area.

ETVA VIPE S.A. submitted an environmental impact study to the Ministry of the Environment, Energy & Climate Change, and a new decision approving environmental terms and conditions was issued, which includes the upgrade works and the WTP terms and conditions of operation. A request was also submitted to the Central Macedonia Region and a technical reconstruction permit was issued to enable the upgrade works to be carried out.

In 2012, preliminary works financed by ETVA VIPE S.A. were carried out and incorporated into the overall project to upgrade and improve Waste Treatment Plant operations. When the preliminary works were completed, around 70% of the organic load in the waste was removed and when technical upgrades are completed the performance rate will be over 90%. Additional works are also needed to optimise the plant's operations and to bring it fully into line with requirements.

During 2018, trial operation of the technical upgrades was completed. This was implemented by ETVA VIPE S.A.

Flow data for 2022 Average daily flow (m<sup>3</sup>): 10,950 Annual quantity of dehydrated sludge transported (m<sup>3</sup>): 5,800

## 5.5 Caring for the environment

### Sewerage Testing Lab

During 2022 the Sewerage Testing Lab was engaged in the following activities:

It carried out systematic checks on around 900 field and sample collection visits and 6000 physicochemical analyses were performed over the course of the year at:

- production facilities located within EYATH's territorial remit (at least once a year)
- businesses of sanitary interest and professional facilities, connected to the EYATH S.A. network or networks managed by EYATH S.A.;
- Wastewater Treatment Plants (Thessaloniki Wastewater Treatment Plant and AENEIA Wastewater Treatment Plant), on the EYATH network of sewerage pipelines and at the Waste Treatment Plant at the Thessaloniki Industrial Area;
- water leaks;
- emergencies.

It conducted systematic quality monitoring of outflows from industries based in the Thessaloniki Industrial Area, data processing and forwarding such data to the Customer Service Division every four months for determining sewerage fees for these activities and the allocation of the Waste Treatment Plant's operating expenses.

It has/implements a quality management system in accordance with ELOT ISO 17025/2017 (HAS certificate 1139-3).

It supported the work of the Oversight Committee for Study, Treatment and Disposal of Wastewater and Liquid Industrial Waste (formed pursuant to Decisions No. 10/2005 & 173/2007 and amended by Decisions No. 251/2007, 498/2010 & 063/2013, 22/2018, 76/2018, 458/2018, 530/2019, 399/2020, 773/2020 & 570/2021

of the EYATH Board of Directors) with field visits, facility acceptance, sample testing and analyses from the Wastewater Treatment Plants, accepting and distributing supporting documents for issuing sewerage permits and documents for licensing following the Committee's opinion (about 210 issues were examined in 2022).

It implements and monitors compliance with the Special Sewerage Network Operating Regulations (Joint Ministerial Decision No. 3594/2021, Government Gazette 4252/B/15.9.2021).

It briefs businesses within EYATH S.A.'s remit about the requirements of the Special Sewerage Network Operating Regulations (Joint Ministerial Decision No. 3594/2021, Government Gazette 4252/B/15.9.2021) via info-letters.

It completed an extension to the existing CRM to make it possible to properly manage the permitting process for various activities and to completely overhaul and upgrade system security.

It completed a tender notice for the open online tender procedure to develop and implement a programme to protect EYATH S.A.'s sewerage network from edible fats and oils and solid food waste.

It supervised the internship of students. On a proposal from the School of Chemistry of the Aristotle University of Thessaloniki, the head of department received the 2020–2021 academic year "Best Internship Supervisor Award" in September 2022 at the "AUTH Tertiary Education Internships" event which looked back at programme implementation for the academic years 2019–2020 and 2020–2021.

## 5.6 Permits

EYATH S.A. has the following licences/permits.

### a. Thessaloniki Water Treatment Plant on the Aliakmon River

- A single open-ended installation and operating permit was issued for this facility on 10-5-2004 by DG Development - Industry & Mineral Wealth of the Thessaloniki Prefectural Authority in the name of EYATH S.A.
- Decision No. 197256/17.3.2011 approving the environmental terms and conditions was issued, and that decision was renewed and amended by Decision No. 13587/15.3.2016 of the Environmental Permitting Directorate of the Ministry of the Environment and Energy.
- A fire protection certificate was issued after an on-site visit by the local Fire Service (May 2008–2016) and decision No. 3157/Φ.701.4/25.2.2016 on exemption from the obligation to hold a fire protection certificate was obtained.
- Permit No. 83494/30.11.2016 for EYATH S.A. to use water from the Aliakmon River was issued by the Water Directorate.
- The Regulatory Authority for Energy has granted exemption from the need to obtain a power generation permit for the backup generator (Decision No. 33/2008 in accordance with Article 10 of Law 2773/1999).

### b. Thessaloniki Wastewater Treatment Plant

- The plant has a permit (Ref. No. 30/οικ 6604/18-11-2003) to dispose of wastewater into the Thermaikos Bay in line with Decision No. ΔΥ/22374/91/11-1-94 of the Prefect of Thessaloniki, which was amended by his Decision No. 30/οικ4439/13-6-2006.
- It also has approval for the environmental conditions from the Special Environmental Department of the Ministry of the Environment, Planning & Public Works (JMD No. 106129/25-10-2006), valid for nine years, which was amended by JMD No. 198531/20-4-2011, valid until 31-12-2015 and then by JMD No. 171602/20-3-14 and subsequently amended in 2020 by Decision Ref. No. ΥΠΕΝ/ΔΙΠΑ/115449/6972/3-8-2020, valid until 20-3-2024. In December 2022 a contract was signed with a design consultancy for a feasibility study to adapt the Thessaloniki Wastewater Treatment Plant to the phosphorus limit in the 2020 decision approving the environmental terms and conditions, and to update the environmental terms and conditions to incorporate certain new projects being implemented in the context of Thessaloniki Wastewater Treatment Plant tender procedure No. Δ1/2016.
- The Thessaloniki Prefectural Authority has issued a single installation and operating permit for the Thessaloniki Wastewater Treatment Plant (Ref. No. 15/Φ.14.2.22243/2/10664/28-11-2003), with unlimited duration, which is in the process of being renewed to include the drying unit.

- A 2.5 MWe biogas power generation plant at the Thessaloniki Wastewater Treatment Plant. The operating permit for that plant was granted by decision No. 8253/12-12-2003 of the Secretary General of the Central Macedonia Region valid for 10 years, which under Law 3468/2006 was extended for a further 10 years. This will be renewed as part of new projects.

### c. AENEIA Wastewater Treatment Plant

The AENEIA Wastewater Treatment Plant has:

- Decision Ref. No. 23665/15-5-2017 amending JMD No. 85222/15-7-2002, as renewed and amended by JMD No. 133119/6-12-2010 and Decision No. 100622/29.1.2016 of the Director General for Environmental Policy, relating to the wastewater treatment plant in the tourist areas of Thessaloniki, located in the AENEIA area in the Michaniona Municipal Unit of the Prefecture of Thessaloniki, and the sewerage works for the Thermaikos, Michaniona and Epanomi Municipal Units of the Municipality of Thermaikos and the Mikra Municipal Unit of the Municipality of Thermi (Web Ref. No. 71ΕΔ4653Π8-0AZ).
- Approval of the environmental terms and conditions by the Special Environmental Service of DG Environment / Ministry of the Environment, Energy and Climate Change (Joint Ministerial Decision No. 133119/06-12-2010) valid for 10 years, “renewing and amending the environmental terms and conditions for the wastewater treatment and cleaning plant in the tourist areas of Thessaloniki, located in the Aeneia area of the Municipality of Nea Michaniona in the Prefecture of Thessaloniki, and to build and operate central sewerage pipelines, pumping stations and networks in the Municipalities of Thermaikos, Nea Michaniona, Epanomi and Mikra”, which amended the initial Joint Ministerial Decision No. 85222/15.7.2002.

Note: New environmental terms and conditions were issued in 2017 (Decision No. 23665/15-05-17).

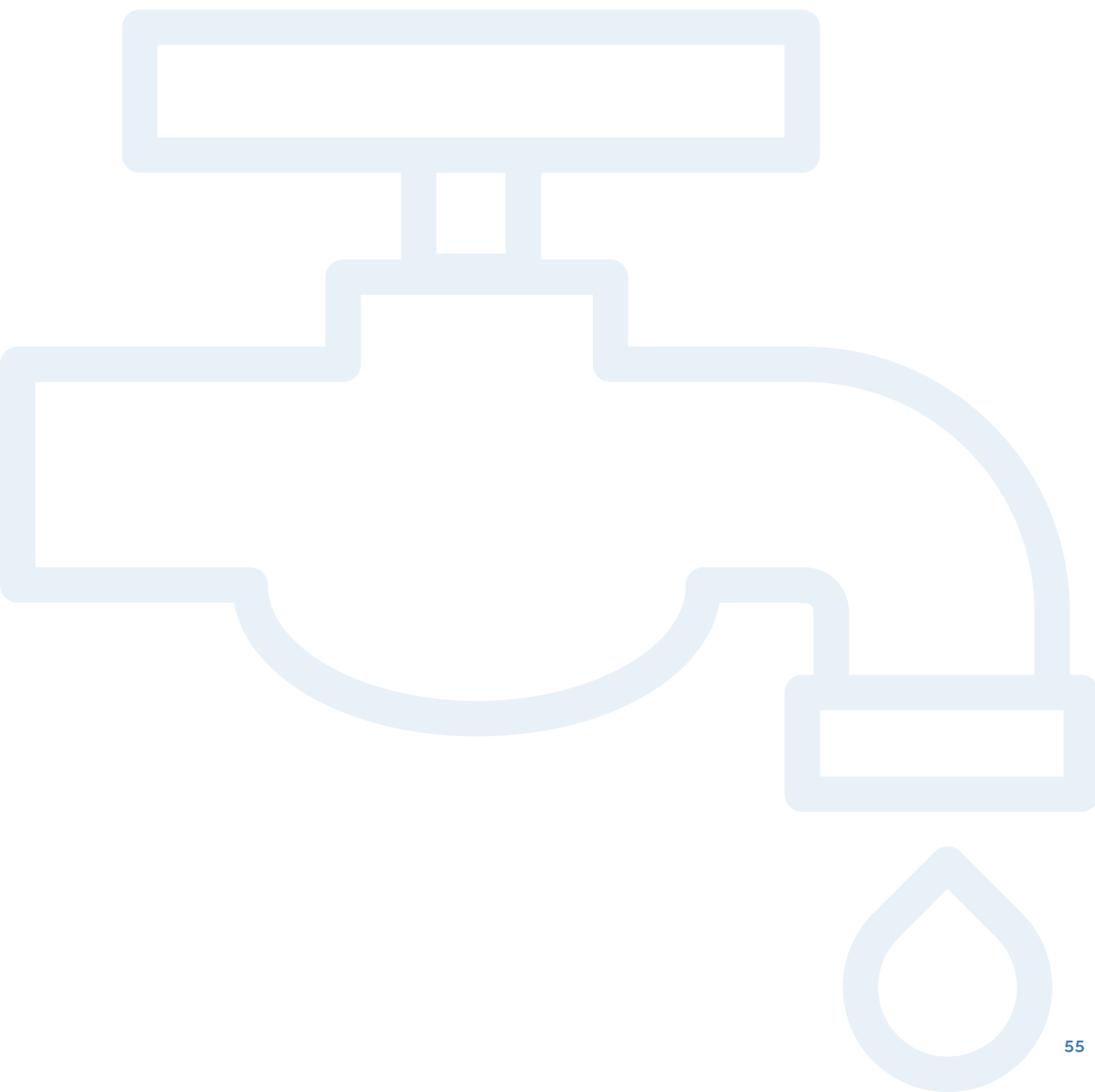
- It holds a final permit to dispose of wastewater - industrial waste from the AENEIA Wastewater Treatment Plant for Thessaloniki's tourist areas (Prefect of Thessaloniki Decision No. 30/3748/29-7-2002 which was amended by Decision No. 30/οικ.1096/8-2-2007).
- It also has a fire protection certificate (No. 14937 Φ.701.4/7642/7-10-2010) from the Regional Fire Service of the Central Macedonia Region. Single installation and operating permit for the EYATH S.A. wastewater treatment plant Ref. No. 15/ Φ.14.2.24558/2/5978/15-5-2007, Decision by the Prefect of Thessaloniki.
- MD ΔΥΓ2/Γ.Π. 102784/19.9.2008 on “Approval of the method for decontaminating treated wastewater from the AENEIA Plant in the area of Thessaloniki”.

#### d. Thessaloniki Industrial Area Waste Treatment Plant

In 2020, fire protection certificate No. 9719/Φ.701.4/1654/16-6-2020 was issued by the Fire Service Regional Command / Central Macedonia, and following document No. 306847(7181)/29-6-2020 from the Thessaloniki Metropolitan Area Development & Environment Directorate of the Central Macedonia Region, approval was given for operation for an unlimited time of the Waste Treatment Plant at the

Thessaloniki Industrial Area located in the Sindos Municipal Community of the Municipality of Delta/ Thessaloniki Regional Unit.

Lastly, EYATH S.A. is in the process of drafting fire protection studies and issuing fire protection certificates for the water supply and sewerage pumping stations and its facilities in general (offices, repair shops, warehouses, etc.).



## 5.7 Technical Works

### WORKS COMPLETED DURING 2022

No.	Project	Completion date	Contractual amount (VAT excl.) €
1.	Group I of urgent water supply works 2019	19/06/2022	940,343.07
2.	Framework Agreement for Reinforcement-Construction the Aravissos Aqueduct (3rd Implementing Contract)	01/04/2022	946,914.23
3.	Contract for the repair and maintenance of the water supply network in central and eastern Thessaloniki in 2019	30/06/2022	837,562.56
4.	Construction of infrastructure works to install security systems for EYATH S.A.'s new water supply SCADA	23/09/2022	147,000.00
TOTAL			€2,871,819.86

### WORKS UNDER WAY DURING 2022

No.	Project	Budget (VAT excl.) €	Contractual amount (VAT excl.) €
1.	Group I of urgent water supply works 2018	2,000,000.00	1,659,399.99
2.	Framework Agreement for Reinforcement-Repair of the Aravissos aqueduct (3rd Implementing Contract)	946,914.23	946,914.23
3.	Framework Agreement for Reinforcement-Repair of the Aravissos Aqueduct (4th implementing contract)	989,798.24	989,798.24
4.	Framework Agreement for Reinforcement-Repair of the Aravissos Aqueduct (5th implementing contract)	625,735.55	625,735.55
5.	Works to complete connection of the Thessaloniki low-lying areas	6,015,000.00	3,720,151.58
6.	Repair to Water Supply Network in Ryzia area of the Thessaloniki Industrial Area	287,511.50	244,384.78
7.	Sewage Treatment for Wastewater in the Neokastro area, south-east of the village of Galini in the Municipality of Oreokastro	1,200,437.99	989,195.63
8.	Sewerage works to upgrade pumping stations, discharge pipes, a coastal collection pipeline and the AENEIA Wastewater Treatment Plant central pipe	4,400,000.00	2,862,054.17
9.	Group I of urgent water supply works 2019	950,000.00	940,343.07
10.	Group I of urgent water supply works 2021	3,000,000.00	2,850,000.00
11.	Group I of urgent sewerage works 2020	2,500,000.00	2,038,846.37
12.	Group I of urgent sewerage works 2021	3,500,000.00	2,835,000.01
13.	Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2	21,703,562.15	15,235,853.03
14.	Repair of damage to the load-bearing structure and reinforcement of the foundations of the eastern chamber of water supply tank D5	600,000.00	516,109.56
15.	Upgrade of the EYATH S.A. Administration building at 127 Egnatias Str.	4,999,894.82	3,767,207.02

No.	Project	Budget (VAT excl.) €	Contractual amount (VAT excl.) €
16.	Contract for the repair and maintenance of the water supply network in central and eastern Thessaloniki in 2019	1,500,000.00	837,562.56
17.	Contract for the repair and maintenance of the water supply network in central and eastern Thessaloniki in 2022	750,000.00	641,700.00
18.	Construction of infrastructure works to install security systems for EYATH S.A.'s new water supply SCADA	150,000.00	147,000.00
19.	Repair and maintenance of the water supply network in Western Thessaloniki in 2020	2,000,000.00	1,175,138.00
TOTAL		58,118,854.48	43,022,393.79

## ABSORPTION IN 2022

	Project	1st half of 2022 €	2nd half of 2022 €	Total (VAT excl.) €
1.	Group I of urgent WATER SUPPLY works 2018	153,637.69	325,544.98	479,182.67
2.	Works to complete connection of the Thessaloniki low-lying areas	603,007.51	1,000,559.56	1,603,567.07
3.	Framework Agreement for Reinforcement-Repair of the Aravissos aqueduct (2nd Implementing Contract)	19,302.07	0.00	19,302.07
4.	Framework Agreement for Reinforcement-Repair of the Aravissos aqueduct (3rd Implementing Contract)	438,995.68	0.00	438,995.68
5.	The Aravissos Aqueduct (4th Implementing Contract)	333,688.28	645,119.15	978,807.43
6.	Framework Agreement for Reinforcement-Repair of the Aravissos Aqueduct (4th implementing contract)	0.00	484,498.32	484,498.32
7.	Maintenance of EYATH S.A. Facilities 2021	47,830.29	141,712.50	189,542.79
8.	Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2	0.00	761,792.65	761,792.65
9.	Repair of damage to the load-bearing structure and reinforcement of the foundations of the eastern chamber of water supply tank D5	0.00	0.00	0.00
10.	Sewerage works to upgrade pumping stations, discharge pipes, a coastal collection pipeline and the AENEIA Wastewater Treatment Plant central pipe	489,453.72	424,127.86	913,581.58
11.	Installation of Main Control Centre for the new water supply SCADA at the Dendropotamos pumping station	81,255.62	0.00	81,255.62
12.	Repair to water supply network in Ryzia area of the Thessaloniki Industrial Area	208,258.33	0.00	208,258.33
13.	Group I of urgent water supply works 2019	168,040.52	93,799.03	261,839.55
14.	Group I of urgent sewerage works 2020	169,835.60	84,943.90	254,779.50

## ABSORPTION IN 2022

15.	Group I of urgent water supply works 2021	267,757.12	1,510,451.66	1,778,208.78
16.	Group I of urgent sewerage works 2021	60,999.37	208,276.33	269,275.70
17.	Sewage treatment for wastewater in the Neokastro area, southeast of the village of Galini in the Municipality of Oreokastro	206,058.70	479,541.16	685,599.86
18.	Upgrade of the EYATH S.A. Administration building at 127 Egnatia	316,517.63	1,312,834.93	1,629,352.56
19.	Contract for the repair and maintenance of the water supply network in central and eastern Thessaloniki in 2019	207,217.25	101,971.28	309,188.53
20.	Contract for the repair and maintenance of the water supply network in central and eastern Thessaloniki in 2022	0.00	115,197.71	115,197.71
21.	Construction of infrastructure works to install security systems for EYATH S.A.'s new water supply SCADA	32,145.38	43,082.56	75,228.14
22.	Repair and maintenance of the water supply network in Western Thessaloniki in 2020	270,887.06	376,359.04	647,246.01
TOTAL				12,184,700.44

TENDER PROCEDURES TO AWARD PUBLIC CONTRACTS  
(WORKS/DESIGNS OR TECHNICAL SERVICES) IN 2022

No.	Subject	Budget (VAT excl.)	Discount	Contractor	Remarks
1.	Repair of damage and local replacement of sections of the sewerage network pipelines in 2022	€600,000.00	3.00%	DION INDUSTRIAL, COMMERCIAL AND TECHNICAL CO. S.A.	The contract was signed in May 2022
2.	Contract for the repair and maintenance of the water supply network in central and eastern Thessaloniki in 2022	€750,000.00	31.00%	LIACHTIDA S.A.	The contract was signed in July 2022
3.	Repair of damage to the load-bearing structure and reinforcement of the foundations of the eastern chamber of water supply tank D5	€600,000.00	14.00%	VALCON S.A.	The contract was signed in November 2022
4.	Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2	€21,703,562.15	29.80%	AKTOR S.A. - HELECTOR S.A. - CONSTRUCTION OF PHASE A2 OF THE THESSALONIKI WATER TREATMENT PLANT	The contract was signed in September 2022
5.	Final study on Tanks D2a and D3a and new Sedimentation and Lime Saturation tank at the Thessaloniki Water Treatment Plant	€1,368,552.96	56.91%	"CONCEPT CONSULTANT ENGINEERS S.A. - CON-SORTIS -KONSTANT GROUP INC" Joint Venture	The contract was signed in January 2022
6.	Repair and maintenance of the water supply network in Western Thessaloniki in 2023	€950,000.00	-	-	-
7.	Group I of urgent water supply works 2023	€3,000,000.00	-	-	-
TOTAL		28,972,115.11			



## STUDIES/DESIGNS UNDER WAY DURING 2022

No.	Design	Budget (VAT excl.) €	Contractual amount (VAT excl.) €	Contractor	Remarks
1.	Framework Agreement for preparation of supporting designs to meet the needs of EYATH S.A.	€725,806.45	€191,129.13 (1st Individual Implementing Contract)	NIKOLAOS MARAGKOS - ATHANASIOS NAGOULIS-NIKOLAOS PANAGIOTIS HATZIGOGOS - ATHANASIOS MARAGKOS DIMITRIOS KAPOLLAS	The 1st individual contract is under way.
2.	Framework Agreement for the provision of Technical Advisor support services for designs and projects under the Strategic & Business Plan of EYATH S.A.	€1,322,500.00	€315,216.64 (3rd Individual Implementing Contract)  €106,209.70 (4th Individual Implementing Contract)	HYDRODIACHEIRISI LTD. YETOS S.A. - AKMI - CONSULTANT ENGINEERS - ILIDA CONSULTANT ENGINEERS S.A. - THEODOROS MAKRIDIS - ZOI VADRATSIKA	The 3rd individual contract is under way  The 4th individual contract is under way
3.	Preparation of a dossier amending the environmental terms and conditions in the decision approving the environmental terms and conditions for the project entitled "Thessaloniki water supply project from the Aliakmon River and related projects"	-	€15,000.00	VASILIOS AVGITIDIS	Implementation of the scope of contract is under way.
4.	Updating / supplementation of the repair study for two final sedimentation tanks FST 41.023 and FST 41.024 at the Thessaloniki Wastewater Treatment Plant and installation of mechanical equipment	-	€18,300.00	GEOGNOSI S.A., GEORGIOS KAPETANOS, KONSTANTINOS ANDREADIS	Implementation of the scope of contract is under way.
5.	Framework Agreement for preparation of supporting Hydraulic Designs to meet EYATH S.A.'s needs	€350,000.00	€172,716.69 (3rd Individual Implementing Contract)	DELCO LLP DELIGIANNIDIS & CO. CONSULTING ENGINEERING LLP – GAIA S.A. MELETON D. MAMOUNIS & PARTNERS	The 3rd individual contract is under way
6.	Final study on Tanks D2a and D3a and new Sedimentation and Lime Saturation tank at the Thessaloniki Water Treatment Plant	€1,368,552.96	€589,662.50	"CONCEPT CONSULTANT ENGINEERS S.A. - CONSORTIS -KONSTANT GROUP INC" Joint Venture	Implementation of the scope of contract is under way.
TOTAL			€1,408,234.66		

## 5.8 Geoinformatics

In addition to performing its normal duties, during 2022 the GIS & Surveying sector was also involved in the following pilot projects or unscheduled operations:

### EYATH S.A.'s VEHICLE FLEET MANAGEMENT APPLICATION

Following successful completion of pilot operation of the company's in-house vehicle monitoring technology software, which was developed in-house, the Geoinformatics, Surveying & Hydraulic Modelling Department rolled the software out to all company vehicles.

The project included configuring hardware devices (servers, gps devices, sim cards), their interface software and developing a vehicle management platform by the competent employees of the company.

The objective of the project is to more effectively manage vehicles and works done by company employees, by integrating and combining vehicle monitoring with existing GIS technologies implemented by the company (monitoring network and fault management) based exclusively on the know-how of its staff (implementation using in-house technology).

By rolling out the project the company seeks to optimise time usage, costs and procedures with the overriding benefit of providing more efficient services, reduced response times and costs.

### PREPARATION OF FACILITIES REGISTER

Survey diagrams were prepared for almost all company facilities, including diagrams of wastewater treatment facilities and the refinery. Moreover, a geospatial database is currently being prepared which will include information about the ownership regime of properties based on data available from the Cadastre.

### DIGITISATION OF THE ARCHIVE

The process of digitising the department's in-house archive commenced, which among other things includes maps, diagrams, aerial photographs, documents (e.g. Government Gazette issue on expropriations, building permits, etc.), data about our facilities, folders to monitor court cases (on

ownership issues). In addition to the technical aspect, which has special requirements, the procedure also includes evaluating available data to generate an archive which can be functional and accessible. In conjunction with the facilities register, it seeks to create a digital library where all available information about company networks and facilities will be recorded over time.

### NETWORK MODELLING

The following pilot operations were carried out in the hydraulic modelling sector:

1. Implementation of an integrated hydraulic study for a pilot basin for EYATH S.A.'s sewerage system in the Panorama Municipal Unit area, which includes:

- Hydraulic simulation of the sewerage network in dry and wet weather
- Adjusting the hydraulic model with reliable rainfall and flow actual data. To this end, measurement data from two rain meters installed in the study area and from one accuracy flowmeter are used.

2. Implementation of hydraulic simulation of pilot district metered areas (DMAs) in EYATH's water supply network at:

- Evangelistria
- Efkarpia
- Gymnasio / Panorama
- Acropolis / Pefka

under normal network operating conditions. The simulations took into account network interventions carried out during the said period as well as planned future interventions.

## 5.9 Health and Safety

Health and Safety is a primary concern for EYATH S.A. and it is reflected in how it records and rationalises the relevant control procedures and in the fact that the Safety Technician's Office has been promoted and upgraded. With that in mind, the office held frequent meetings with the Company's Audit Committee to provide information and discuss new targets.

Since 2017, when the Safety Technician's Office was set up within the Company, with a full-time employee from EYATH S.A., the Company has been actively involved in handling all health and safety-related issues in cooperation with an external associate. Since the Office became operational and services began to be provided, a specific rota of visits is followed to the Company's infrastructure which are staffed by its personnel.

In its endeavour to minimise the likelihood of accidents at work, EYATH S.A. constantly strives to modernise its control systems and has set training, information and supply targets for suitable personal protection equipment for its employees. Based on the obligations set down in collective bargaining agreements, EYATH provides employees who work in unhealthy or hazardous areas with work uniforms, footwear and personal protection equipment, as well as personal hygiene products.

The systematic and ongoing endeavour to promote and shape a corporate culture of health and safety that encourages all employees to behave responsibly for their own personal health and that of their co-workers is a fixed commitment on EYATH's part.

To that end, in 2022 the Company took another step towards developing and adopting the ISO 45001:2018 standard to ensure employee health and safety and to further organise occupational health and safety issues. ISO 45001:2018 on Occupational Health and Safety Management Systems is a global international standard for companies seeking to manage risks and opportunities associated with occupational health and safety for employees, customers, suppliers and the general public.

There can be no doubt that steps taken by companies on health and safety issues add value, create an environment of trust and cultivate attitudes which increase awareness of and build a culture around health and safety issues.

The constant collaboration between the Safety Technician's Office and Company Divisions seeks to ensure that proper procedures are implemented to protect both Company employees

and facilities. Particular attention is paid to disseminating knowledge via discussions with and briefings of competent officers for facilities within their remit.

The Company continues to identify and assess business risks and takes measures to control and contain them while developing preventive action plans to improve working conditions while minimising or eliminating hazards.

In that context, the Company prepared a new Occupational Risk Assessment Study taking account of the company's continuous development within its field of operations, the risks which exist, the development of measures to address them and the legislative provisions issued in the meantime relating to EYATH's field of operations.

Moreover, given the importance the company attaches to the safety of both its employees and its infrastructure, to ensure that this issue is systematically addressed and that all infrastructure is fully compliant from a fire protection perspective, the Company is gradually implementing all measures needed and installing all equipment specified in the fire protection designs, which will make those facilities and employees safe in emergencies.

As a result of the systematic application of health and safety rules, 2022 was a year of zero accidents for the Company.



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## **6. consumption**

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## 6.1 Customer service

The Customer Service Division's main task is customer service. The Division's staff serve company customers on a daily basis, covering issues relating to new water supply contracts, transfers and disconnections of supply, repayment plans and debt settlements, bill payments, water meter checks and in general anything customers may request. EYATH S.A. issues bills every four months based on the quantities of water consumed and offers refunds/discounts only in cases where there was a proven leak due to a fault in the customer's plumbing installations.

To achieve its target of better customer service, EYATH is open to the public from 07:30 to 14:00 at the branch located at 6 Angelaki Str., at the offices at 98 Tsimiski Str. (only for sewerage issues) and its branch at 26, 26th Oktovriou Str., offering upgraded services to consumers.

Bills can be paid:

- At the branch at 6 Angelaki Str. in the city centre and at the branch at 26, 26th Oktovriou Str. opposite the courthouse.
- At DIAMANTIS MASOUTIS S.A. stores in the Prefecture of Thessaloniki and neighbouring prefectures of Halkidiki, Pieria, Imathia, Pella and Kilkis at no additional cost.
- At Hellenic Post branches and agencies in the wider area of Thessaloniki and at all Hellenic Post branches nationwide.

- At OPAP betting shops nationwide.
- By standing order for bill payment or at bank tellers by debiting any account.
- Online via the EYATH website ([www.eyath.gr](http://www.eyath.gr)) by debit or credit card and
- At any bank using web banking.

EYATH's objectives are:

- To meet rising customer demand for minimal bureaucracy and faster service.
- To safeguard its revenues by monitoring the process of meter readings - billing - debt management.
- To examine alternative methods for settling payments and granting discounts, to see how these impact on revenues, taking account of the economic crisis and EYATH's sensitivity about the need to supply water as a public commodity.
- To improve the Company's image by adopting a multi-channel service model by utilising cutting edge e-services.
- To effectively utilise its available resources.



## 6.2 Consumption data analysis

Consumption category (in m³)	Consumption in 2022	Consumption in 2021	Consumption in 2020	Consumption in 2019
Household use	36,968,246	38,729,700	38,656,978	38,178,047
Local government authorities - network reinforcement	5,548,109	5,634,281	5,769,942	5,433,609
Industrial use	4,663,686	4,503,842	4,235,486	4,716,673
Businesses/ Fire Hydrants	2,569,142	1,975,564	2,146,665	2,827,185
State – Municipalities	3,023,420	3,159,154	3,136,563	3,477,767
Hellenic Petroleum	1,990,266	1,904,183	2,218,601	1,890,192
Other	58,712	90,350	78,881	124,900
<b>TOTAL</b>	<b>54,821,581</b>	<b>55,997,074</b>	<b>56,243,116</b>	<b>56,648,373</b>

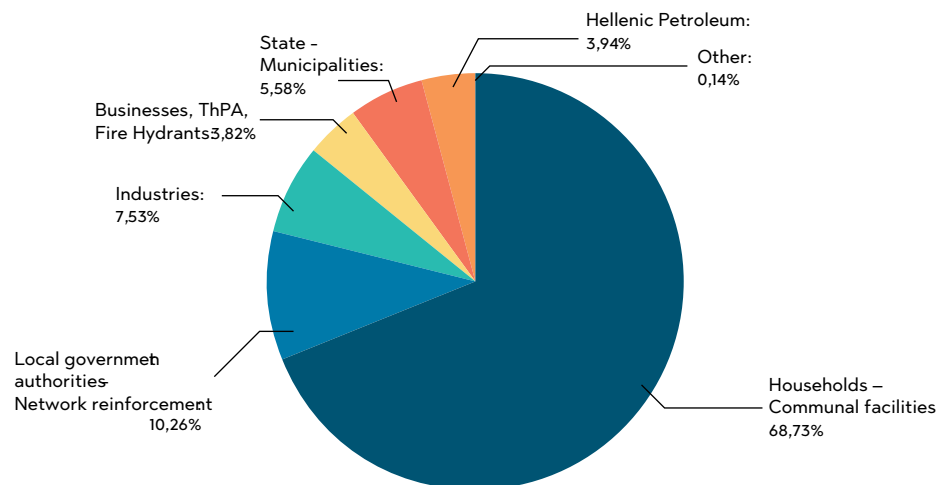
Distribution of consumption per consumer category 2022-2019				
Consumer category	% 2022	% 2021	% 2020	% 2019
Households – Communal facilities	67.43%	69.16%	68.73%	67.39%
Local government authorities - network reinforcement	10.12%	10.06%	10.26%	9.59%
Industries	8.51%	8.04%	7.53%	8.33%
Businesses, ThPA, Fire Hydrants, etc.	4.69%	3.53%	3.82%	4.99%
State – Municipalities	5.52%	5.64%	5.58%	6.14%
Hellenic Petroleum	3.63%	3.40%	3.94%	3.34%
Other	0.11%	0.16%	0.14%	0.22%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

According to the table, households continue to consume over 2/3 of all the water supplied.

## 6.2 Consumption data analysis

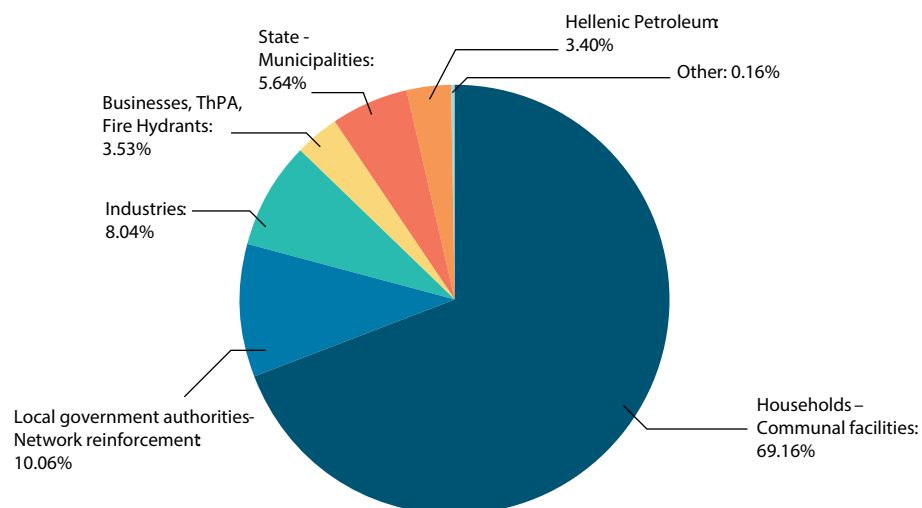
### DISTRIBUTION OF WATER CONSUMPTION

2020



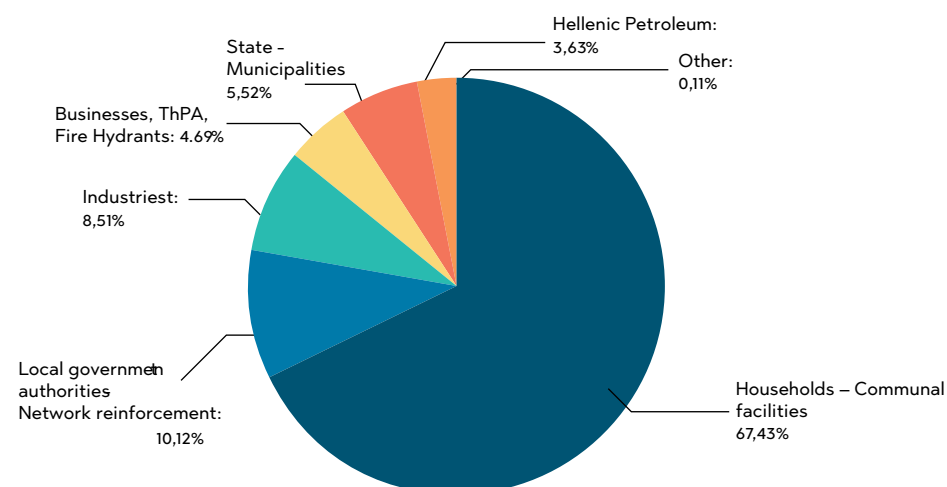
### DISTRIBUTION OF WATER CONSUMPTION

2021



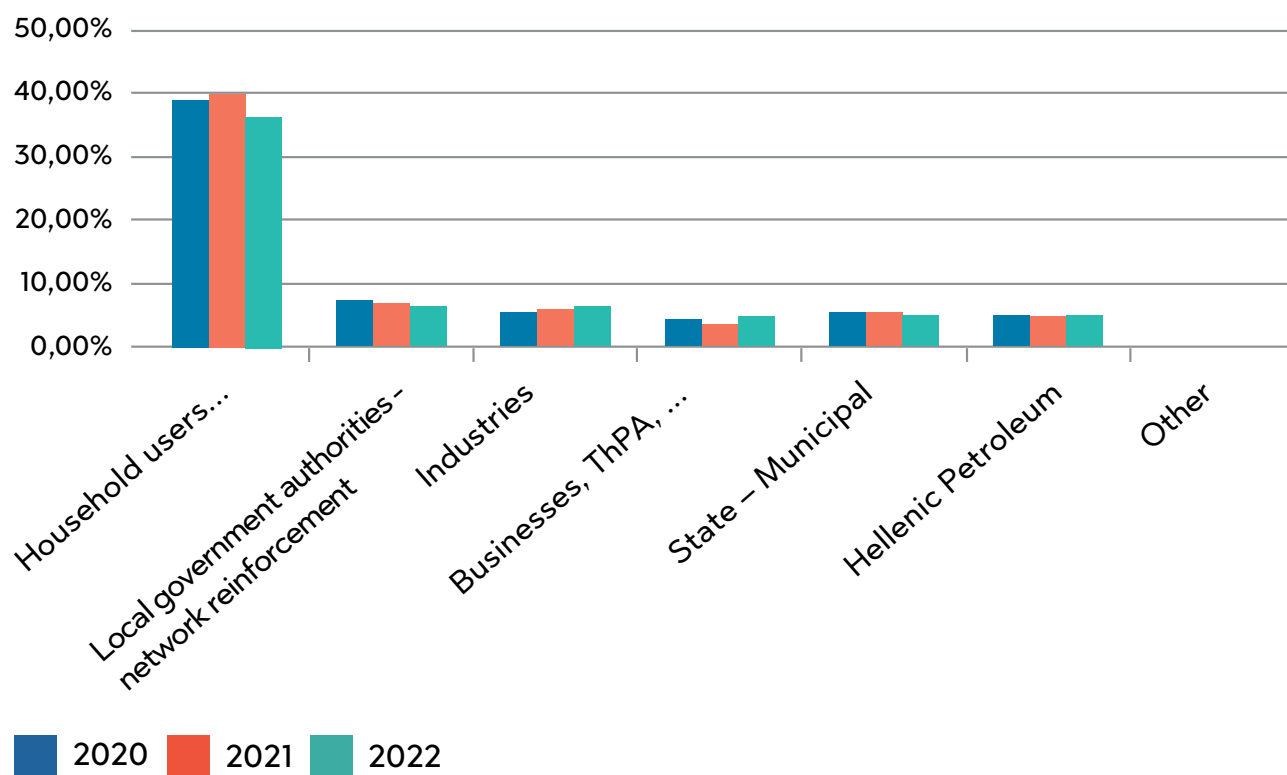
### DISTRIBUTION OF WATER CONSUMPTION

2022



CONSUMPTION OF WATER BY CONSUMER CATEGORY 2022-2020 (m<sup>3</sup> X 10<sup>6</sup>)

Consumer category	2020	2021	2022
Household use	38.66	38.73	36.97
Local government authorities - network reinforcement	5.77	5.63	5.55
Industrial use	4.24	4.50	4.66
Businesses/ Fire Hydrants	2.15	1.98	2.57
State – Municipalities	3.14	3.16	3.02
Hellenic Petroleum	2.22	1.90	1.99
Other	0.08	0.09	0.06

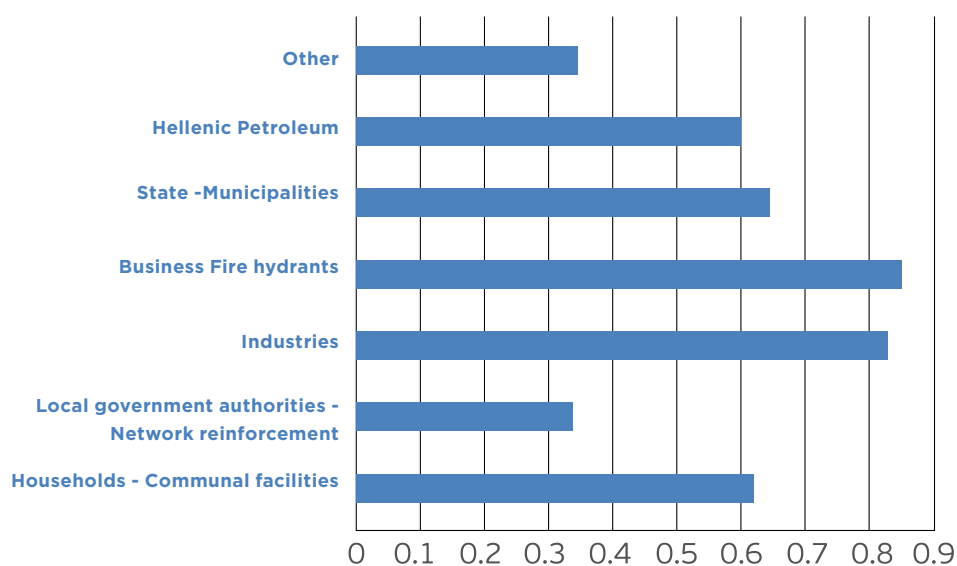


## 6.2 Consumption data analysis

AVERAGE PRICE OF WATER SALES PER CONSUMER CATEGORY IN 2022

Consumer category	Revenues from sales of water (in €)	Quantities billed m <sup>3</sup>	Average price per m <sup>3</sup>
	(a)	(b)	(a/b)
Households – Communal facilities	23,173,275.85	36,968,246	0.63
Local government authorities - network reinforcement	2,013,437.83	5,548,109	0.36
Industries	4,042,100.88	4,663,686	0.87
Businesses/ Fire Hydrants	2,248,819.82	2,569,142	0.88
State – Municipalities	2,043,780.56	3,023,420	0.68
Hellenic Petroleum	1,194,159.6	1,990,266	0.60
Other	21,625.94	58,712	0.37
<b>Total</b>	<b>34,737,200</b>	<b>54,821,581</b>	<b>0.63</b>

AVERAGE PRICE OF WATER PER CONSUMER CATEGORY FOR 2022 €/m<sup>3</sup>



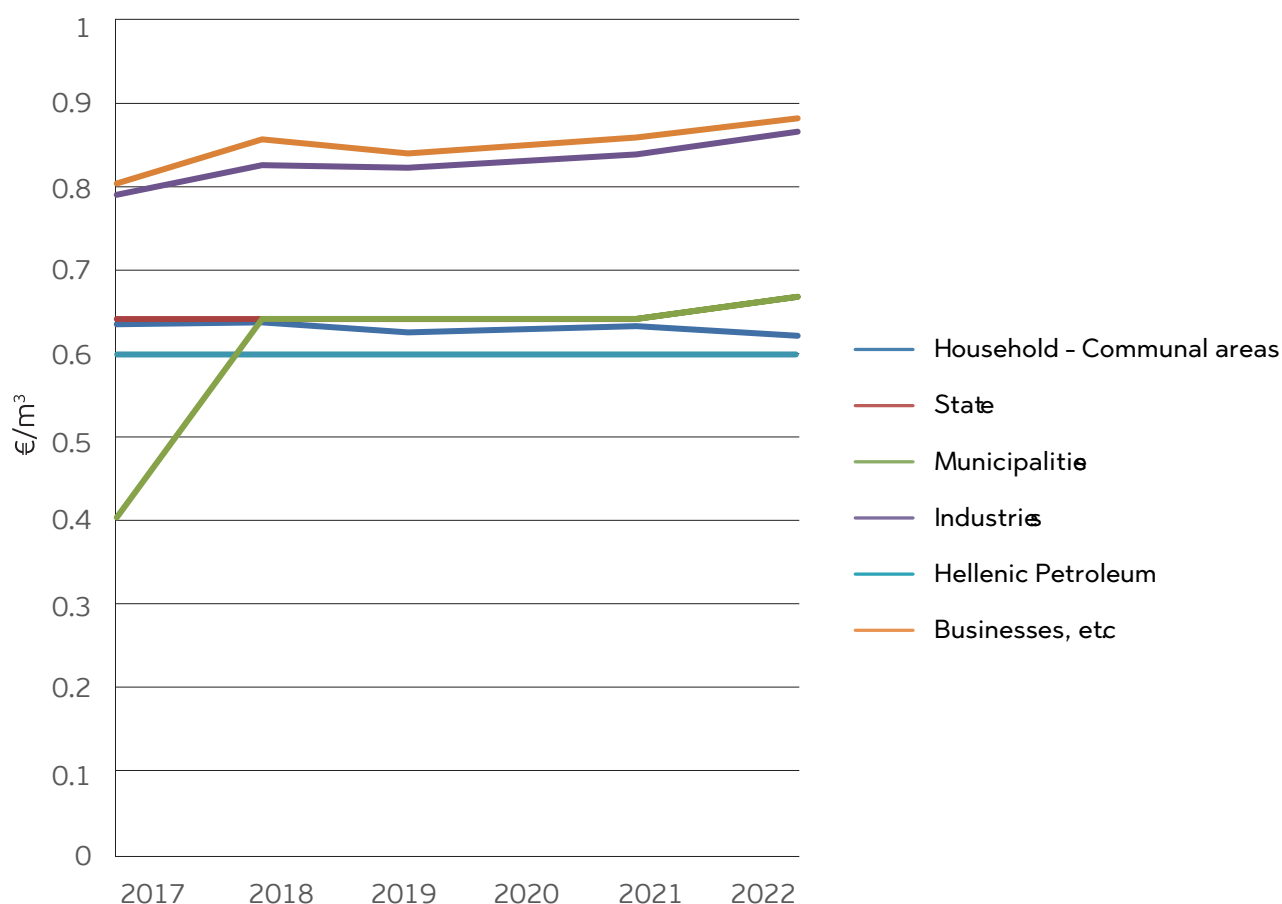
### CHANGE IN THE AVERAGE PRICE PER M<sup>3</sup> OF WATER FOR EACH CONSUMER CATEGORY FOR THE YEARS 2017-2022 €/m<sup>3</sup>

Consumer category	2017	2018	2019	2020	2021	2022
Household - Communal areas	0.667	0.6424	0.6460	0.6280	0.6391	0.6268
State	0.65	0.65	0.65	0.65	0.65	0.676
Municipalities	0.4053	0.3952	0.6500	0.6500	0.6500	0.6760
Industries	0.7713	0.7858	0.8295	0.8257	0.8454	0.8667
Hellenic Petroleum	0.6	0.6	0.6	0.6	0.6	0.6
Businesses, ThPA, etc.	0.8184	0.8016	0.8669	0.8459	0.8699	0.8753
General Average Price	0.6482	0.6298	0.6422	0.6224	0.6186	0.6336
Deviation	1.17%	-2.83%	1.97%	-3.10%	-0.61%	2.42%

The average sale price of water to household consumers almost represents the general average price which applies for all customers of EYATH S.A.

\* The charge for municipal consumption (€0.65/ m<sup>3</sup>) in relation to the table above was set over previous years in conjunction with the network reinforcement price (€0.35/ m<sup>3</sup>).

### CHANGE IN AVERAGE PRICE PER CONSUMER CATEGORY OVER TIME (€/ M<sup>3</sup>)



## 6.2 Consumption data analysis

Especially for households on the sliding household tariff, total consumption in 2022 was 36,968,246 m<sup>3</sup>, which was as follows per billing category (which from 2019 was different from previous years) based on the 6-step sliding scale:

### 2022

Consumption scales	Quantities per year (m <sup>3</sup> )	as a % of total quantity	2022 sub-total
0-10 m <sup>3</sup> /4-month period (€0.46/m <sup>3</sup> )	1,600,816	4.33	4.33
11-40 m <sup>3</sup> /4-month period (€ 0.63/m <sup>3</sup> )	17,300,080	46.80	51.13
41-60 m <sup>3</sup> /4-month period (€ 0.72/m <sup>3</sup> )	10,391,399	28.11	79.24
61-120 m <sup>3</sup> /4-month period (€ 1.16/m <sup>3</sup> )	6,434,042	17.40	96.64
121-160 m <sup>3</sup> /4-month period (€ 2.39/m <sup>3</sup> )	478,797	1.30	97.94
161 m <sup>3</sup> and over/4-month period (€ 4.03/m <sup>3</sup> )	763,112	2.06	100.00
Total	36,968,246	100.00	

### 2021

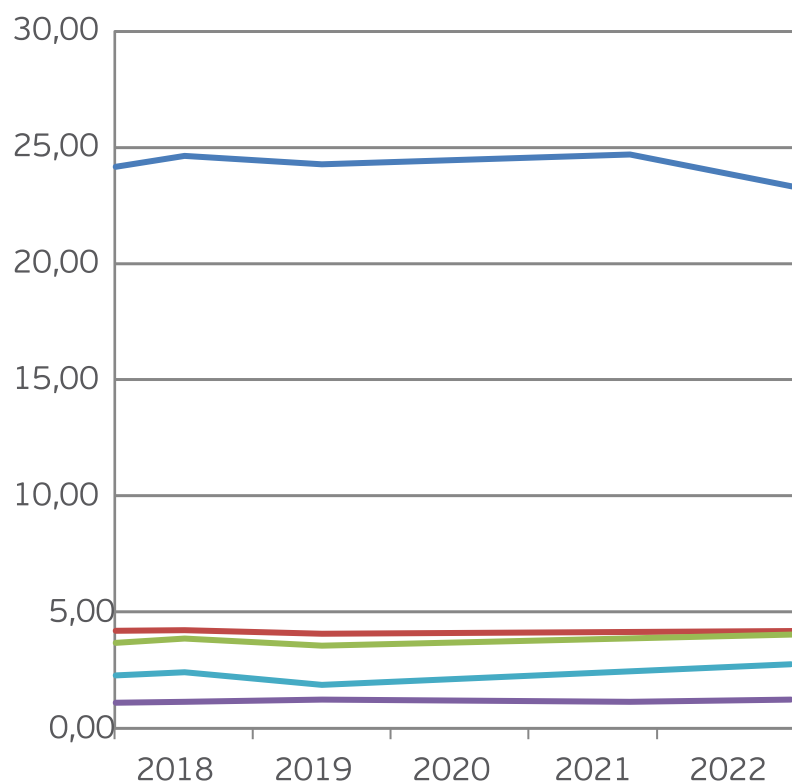
Consumption scales	Quantities per year (m <sup>3</sup> )	as a % of total quantity	2021 sub-total
0-10 m <sup>3</sup> /4-month period (€0.46/m <sup>3</sup> )	1,458,256	3.77	3.77
11-40 m <sup>3</sup> /4-month period (€ 0.63/m <sup>3</sup> )	16,265,798	42.00	45.76
41-60 m <sup>3</sup> /4-month period (€ 0.72/m <sup>3</sup> )	11,386,845	29.40	75.16
61-120 m <sup>3</sup> /4-month period (€ 1.16/m <sup>3</sup> )	8,168,546	21.09	96.26
121-160 m <sup>3</sup> /4-month period (€ 2.39/m <sup>3</sup> )	585,459	1.51	97.77
161 m <sup>3</sup> and over/4-month period (€ 4.03/m <sup>3</sup> )	864,796	2.23	100.00
Total	38,729,700	100.00	

As the table indicates, over recent years households have become well-used to the prudent use of water amid the continuing negative economic situation coupled with the progressive pricing scheme imposed by EYATH S.A. for each level in the 6-step sliding scale and the campaigns to raise awareness of the need to protect natural resources.

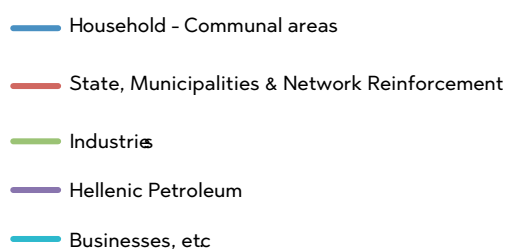


## CHANGE IN REVENUES FROM SALES OF WATER PER CONSUMER CATEGORY OVER TIME

Consumer category	2018	2019	2020	2021	2022
Household - Communal areas	23.65	24.68	24.28	24.76	23.17
State, Municipalities & Network Reinforcement	4.14	4.16	4.06	4.10	4.06
Industries	3.42	3.91	3.50	3.80	4.04
Hellenic Petroleum	1.05	1.13	1.33	1.14	1.19
Businesses, ThPA, etc.	2.14	2.45	1.82	1.75	2.27
Deviation	34.40	36.33	34.99	35.55	34.73



## Change in revenues

from sales of water over time €10<sup>6</sup>



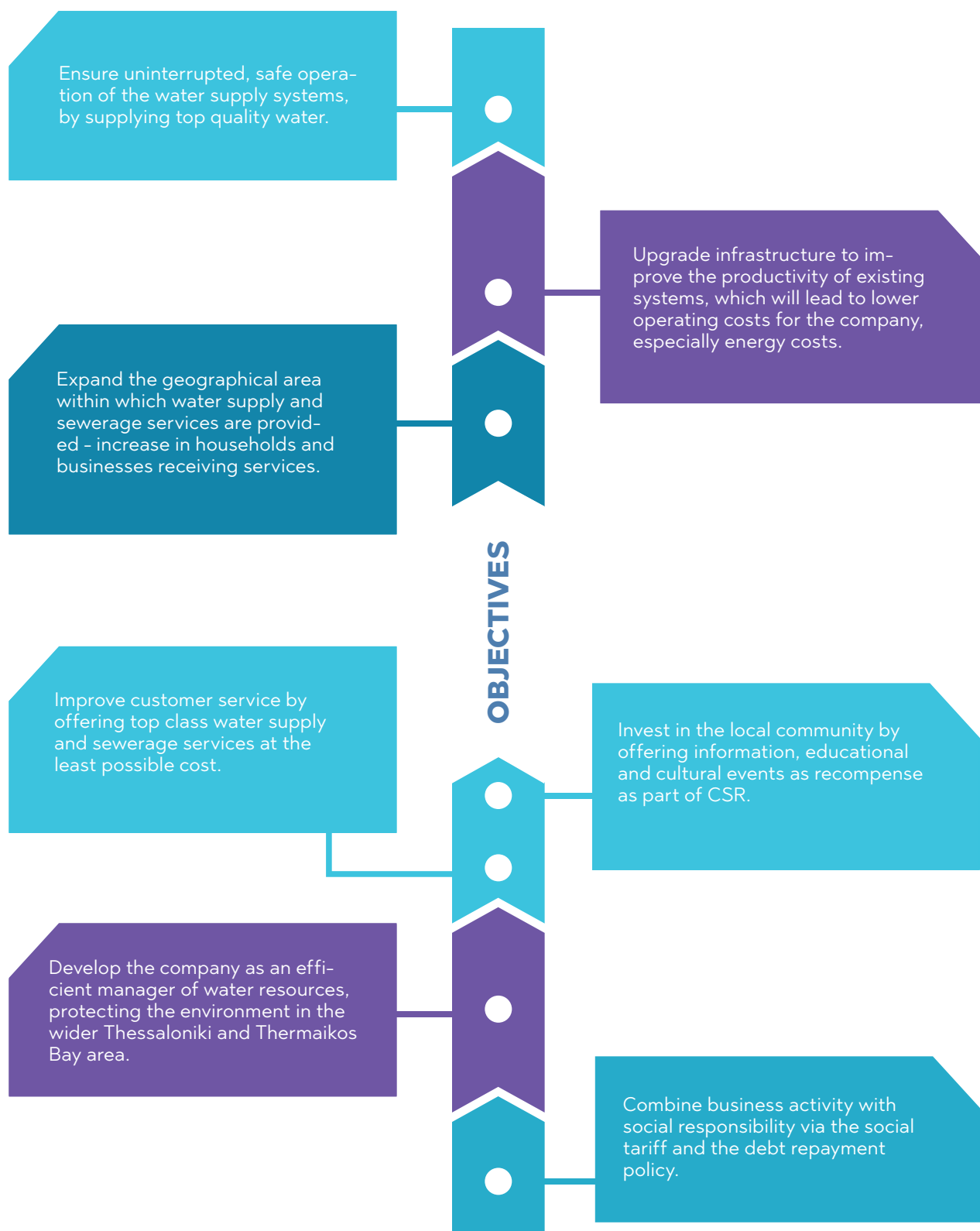
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## *7. investment plan*

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## STRATEGIC GOALS



# INVESTMENT PLAN

Measures taken to achieve the objectives which were previously presented constitute company strategy for the 2018-2024 period and can be divided into operating and investing activities. The first category pertains to the company's operation and involve changes to internal arrangements in terms of staff and re-engineering of company structures. The second category relates to implementation of projects that improve both infrastructure and equipment in terms of machinery and IT systems. In 2018 the Company updated its Strategic and Business Plan.

## 7.1 Operating activities

### 7.1.1. Human capital development

- Training courses and life-long learning for employees
- Programmes to modernise HRM systems

### 7.1.2. Adapting the company's organisation to reflect new conditions

- Re-engineering the company's organisational structure
- Re-engineering procedures, improving and developing IT systems
- Development of a quality management system
- Development of a management decision-making tool

### 7.1.3 CSR - Information - Awareness raising for citizens

- Social policy
- Customer Service
- Environmental awareness
- Information for the local community

### 7.1.4 Outward-looking approach and development - transfer of know-how

### 7.1.5 Company commercial policy

- Pricing Policy
- Customer credit policy

## 7.2 Investing activities

### 7.2.1 Improvement / upgrade of the water supply system and extension to areas outside the company's territorial remit.

One of the key objectives is to upgrade and improve water supply infrastructure and to extend it to areas outside the company's territorial remit, in cooperation with neighbouring municipalities, or local water supply and sewerage companies which operate in the wider Thessaloniki regional unit.

The investment project required to implement this objective was developed after a study the company prepared. This study, entitled "Business Plan for the Management - Distribution of water for water supply purposes within EYATH S.A.'s remit" was approved by decision No. 331/2016 of the Board of Directors and constitutes an integral part hereof. Key elements of the plan are set out below.

According to the technical report, the study's objective was, inter alia:

- to plan all hydraulic works needed to ensure the problem-free transport of an additional 150,000.00 m<sup>3</sup> of water a day by expanding the Thessaloniki Water Treatment Plant to new water supply areas, meaning citizens in need of water will be able to get it.

- to ensure that along with water supply projects in new areas, existing projects are restored and modernised,

with the direct result that the network is better managed, non-reimbursable water is reduced in the water supply system, the energy currently consumed by running the water supply system is reduced (it is estimated that after implementation of the plan annual savings of € 900,000 will be achieved) and the operating costs and mainte-



nance costs of the water supply system are reduced.

The estimated cost required to implement the plan is € 68.8 million. As far as new areas are concerned, taking into account that the new projects will only be built to transport water to central locations in aqueducts in those areas (water will be distributed to new consumers and the distribution network will be run and maintained by local water supply and sewerage companies) it is estimated that the annual revenues from the sale of water to new consumers will be € 4,830,000 after the completion of project construction (in 2024) while in the future (2055) if the charge remains fixed (€ 0.35/m<sup>3</sup>) they will be € 9,740,000. If there is an annual increase in the charge by 0.5% or 1% then the revenues in 2055 will be around € 10,920,000 or € 12,850,000 respectively.

### 7.2.2. Gradual replacement of networks and curtailment of water losses

The company's policy is to gradually replace old water supply networks which have been fully depreciated and also have major problems of corrosion or blockages along their length. This will result in a drop in the actual losses that arise due to the network's age. As part of the investment plan, up to 2024 efforts will continue in this vein.

Reducing the amount of non-reimbursable water in the water supply network has positive environmental and economic impacts. The environmental impacts include protecting water as a natural resource, since smaller quantities will be abstracted, and reducing energy consumption since the reduction in non-reimbursable water will entail less energy used. CO<sub>2</sub> and GHG emissions will also drop.

### 7.2.3. Improving the Wastewater Treatment Plant facilities and water supply and sewerage pumping stations

As far as improving the Wastewater Treatment Plant facilities and water supply and sewerage pumping stations is concerned, EYATH S.A.'s main concern is to renew existing E/M and electrical equipment, when and where necessary, in order to improve efficiency and reduce maintenance costs. Moreover, it plans to construct new civil engineering works, when and where feasible, at the sewerage pumping stations to minimise possible leakages of wastewater into bodies of water. In addition to this, the Company is planning to do away with water supply and sewerage pumping stations to simplify system operations and reduce operating costs.

Furthermore, in terms of improving Wastewater Treatment Plant facilities, EYATH is exploring how it could re-use water that results from the treatment of urban wastewater. Treated wastewater may be suitable for irrigating crops or urban green spaces provided that satisfactory levels of quality for the re-used water can be achieved (Joint Ministerial Decision No. 145116/2011).

### 7.2.4 Power generation using biogas produced by the Thessaloniki and AENEIA Wastewater Treatment Plants

A power generation plant was built under the supervision of the Public Works Special Service of the Ministry of the Environment, Planning & Public Works, as part of Stage II of the project entitled "Extension and comple-

tion of biological treatment works for wastewater from Thessaloniki" in 2002. The 3.5 MW power generation plant consists of two internal combustion engines fuelled by biogas/natural gas and two 3-phase 1,250 kVA electrical generators. They can also be supplied with a mix of natural gas/biogas or just pure natural gas.

The power generated can be used in various treatment stages at the Thessaloniki Wastewater Treatment Plant.

Under a new contract which is currently being implemented, suitable infrastructure is to be installed and operated to heat the management building using biogas, work will be done to upgrade, modify and commission an additional digester and a desulphurisation unit will be installed to make operation of the power generation plant and electricity - thermal energy co-generation plant safer and more efficient.

### 7.2.5 Management of sludge produced by the Wastewater Treatment Plants

One key issue that has been debated in recent years has been how to manage the sludge produced; it is a problem primarily because of the high cost involved in disposing of and transporting the sludge produced by the Wastewater Treatment Plants. EYATH faces a similar problem in that it spends large amounts on removing and disposing of the sludge.

Consequently, it is considered important that EYATH S.A. identify ways to use new technically and financially efficient technologies to manage the dehydrated sludge produced by its Wastewater Treatment Plants.

### 7.2.6 Replacement of conventional water meters with new AMI-MDM meters to electronically record and remotely transmit meter readings to the company's billing and metering data management system.

As part of the drive to modernise the system that reads and checks water meter readings, replacing existing water meters with new high tech ones will improve both the readings taken and checks and moves to prevent theft of water.

Given that the company currently has a round 510,000 active water meters, plans need to cover a 10-year horizon at least and will include gradual replacement of old meters with new high tech ones, which will have an automated data collection and transmission system. Replacing conventional water meters with new automated ones could be completed by sector or area, so that specific areas within EYATH's territorial remit have their meters replaced and ready for use.

### 7.2.7 Use of RES to generate energy

One of the major issues that water supply and sewerage companies in Greece constantly face is the high energy costs they have to bear, which are then passed on to end users. To make energy savings and reduce operating costs, the company is examining the idea of generating power using a net metering or virtual net metering method.

In this model (which has been possible in Greece since 2014) photovoltaic panels installed at sites close to pumping stations at the Wastewater Treatment Plants



could supply the power they generate to meet the energy needs of those stations. A new piece of legislation (Law 4414/2016) also gives water supply companies the ability to use virtual net metering, and to set off the power generated by P/V systems or small wind turbines against the power used at pumping stations, boreholes, Wastewater Treatment Plants, refineries and their overall consumption irrespective of the site where the power is generated.

#### 7.2.8 Upgrade and installation of new IT systems

- Gradual replacement of commercial / accounting IT systems used by the company with cutting edge ones coupled with parallel re-engineering of all operations.
- Continuous improvements to the pipeline documentation system (mapping and digitisation).
- Automation of facilities and networks by installing advanced automation - control systems and a single operations - management centre for networks and facilities.
- Upgrades to the call centre.
- Further development of web services thereby improving the company's public image and improving the level of services provided and information offered to customers.
- e-water bills
- Development of a consumer portal

## 7.3 EYATH's 2018-2024 Investment Plan

The 2018-2024 Investment Plan which was approved, is summarised in the tables below to show actions implemented in each sector of investment, targets to be met, and the timeframe developed.

#### UPDATED 2018-2024 INVESTMENT PLAN, PER TARGET AND INVESTMENT SECTOR.

Objective	Automation - Computerisation	Sewerage network	Water supply network	Thessaloniki Wastewater Treatment Plant	Thessaloniki Water Treatment Plant	Buildings	Grand total
Increase revenues			€17,000,000				€17,000,000
Improvement of basic water flow rate and energy savings			€10,900,000				€10,900,000
Improve operations	€2,000,000					€14,916,300	€16,916,300
Check for water leaks and save energy			€300,000				€300,000
Check of quality of water supplied					€150,000		€150,000
Meet sewerage needs in areas where it is lacking and increase revenues		€6,050,000					€6,050,000
Environmental protection	€1,100,000	€20,390,000		€300,000	€200,000		€21,990,000
Environmental protection via better management of sludge				€4,800,000			€4,800,000
Meet water needs in areas with shortages - increase revenues and improve water supply infrastructure			€98,837,600				€98,837,600
Grand total	€3,100,000	€26,440,000	€127,037,600	€5,100,000	€350,000	14,916,300	€176,943,900

## UPDATED 2018-2024 INVESTMENT PLAN, PER ACTION AND INVESTMENT SECTOR.

Action	Automation - Computerisation	Sewerage network	Water supply network	Thessaloniki Wastewater Treatment Plant	Thessaloniki Water Treatment Plant	Buildings	Grand total
Upgrades to all company management IT systems	€2,000,000						€2,000,000
Replacement of old tachymetric type water meters with modern volumetric ones			€17,000,000				€17,000,000
Improvement of water supply network infrastructure to ensure better operation			€11,200,000				€11,200,000
Improvement of Thessaloniki Wastewater Treatment Plant infrastructure to ensure better management of sludge				€4,800,000			€4,800,000
Modernisation of sewerage network infrastructure to ensure better operation	€500,000	€20,390,000		€230,000			€21,120,000
Modernisation of equipment				€70,000	€350,000		€420,000
Modernisation of the sewerage network control equipment	€600,000						€600,000
Modernisation of building infrastructure						€14,916,300	€14,916,300
Extension of the sewerage network into new areas		€6,050,000					€6,050,000
Extension of the water supply network into new areas and improvements to water supply network infrastructure			€98,837,600				€98,837,600
Grand total	€3,100,000	€26,440,000	€127,037,600	€5,100,000	€350,000	€14,916,300	€176,943,900

## UPDATED 2018-2024 INVESTMENT PLAN, PER IMPLEMENTATION YEAR.

Action / Investment sector	Sum of 2018	Sum of 2019	Sum of 2020	Sum of 2021	Sum of 2022	Sum of 2023	Sum of 2024	Grand total
Upgrades to all company management IT systems	€300,000	700,000 €	€500,000	€500,000				€2,000,000
Replacement of old tachymetric type water meters with modern volumetric ones			€3,400,000	€3,400,000	€3,400,000	€3,400,000	€3,400,000	€17,000,000
Improvement of water supply network infrastructure to ensure better operation	€680,000	€1,650,000	€1,670,000	€2,150,000	€2,350,000	€1,350,000	€1,350,000	€11,200,000
Improvement of Thessaloniki Wastewater Treatment Plant infrastructure to ensure better management of sludge		€625,000	€725,000	€875,000	€2,025,000	€525,000	€25,000	€4,800,000
Modernisation of sewerage network infrastructure to ensure better operation	€540,000	€4,830,000	€5,310,000	€3,440,000	€2,400,000	€2,200,000	€2,400,000	€21,120,000
Modernisation of equipment	€10,000	€60,000	€60,000	€90,000	€100,000	€50,000	€50,000	€420,000
Modernisation of the sewerage network control equipment		€100,000	€100,000	€100,000	€100,000	€100,000	€100,000	€600,000
Modernisation of building infrastructure	€131,300	€685,000	€1,450,000	€4,350,000	€5,100,000	€2,300,000	€900,000	€14,916,300
Extension of the sewerage network into new areas	€450,000	€850,000	€950,000	€950,000	€950,000	€950,000	€950,000	€6,050,000
Extension of the water supply network into new areas and improvements to water supply network infrastructure	€1,263,093	€16,318,221	€33,101,690	€22,200,031	€14,286,396	€9,103,108	€2,565,061	€98,837,600
Grand total	€3,374,393	€25,812,221	€47,266,690	€38,055,031	€30,711,396	€19,978,108	€11,740,061	€176,943,900

These investments include an estimated figure of €68.8 million approximately for the Business Plan for the Management - Distribution of water for water supply purposes within EYATH S.A.'s remit. A condition for implementing this plan is the construction of phase A2 of the Thessaloniki Water Treatment Plant which will add 150,000 m<sup>3</sup> of water a day to the water supply system. The budget for that project, based on current data, is € 27.9 million (VAT excl.). That amount is included in the tables above. Note that today the project has obtained financing from the Central Macedonia Region Operational Programme.

The key aspects of the Business Plan for the Management - Distribution of water for water supply purposes within EYATH S.A.'s remit will result in (1) an improvement of the existing water supply system in the city, (2) adaptation to changing circumstances (social, technological climate conditions, etc.) thereby ensuring that society's water needs can be met and (3) an amelioration of the risk of water shortages due to extreme weather conditions. These aspects are as follows:

1. An increase in the capacity of the city's main water supply tanks.
2. Construction of 27,000 m of new large diameter pipelines to transfer water for water supply purposes.
3. Replacement of old and construction of new internal water distribution networks for consumers in all city water supply zones.
4. Improvement of existing and removal of old pumping station facilities.
5. An increase in the ability to interconnect aqueducts (for ground and surface water) increasing the quantities of water from one aqueduct to another, to create additional backup methods / alternative supplies of water to various areas of the city.
6. Analysis of the approved River Catchment Basin water resource management plans, promotion of the plans, and implementation of key and additional measures included in them (water safety plans, etc.).
7. Bolstering the supply of drinking water in new areas outside the company's traditional geographical remit.

This plan fosters the company's vision and mission of ensuring the long-term resilience of the water supply system, helping safeguard the environment for the benefit of society and the economy.

The table below shows the key projects which are included in the Business Plan for the Management - Distribution of water for water supply purposes within EYATH S.A.'s remit and their estimated cost.

## 7.3 EYATH's 2018-2024 Investment Plan

### KEY PROJECTS IN THE BUSINESS PLAN FOR THE MANAGEMENT - DISTRIBUTION OF WATER FOR WATER SUPPLY PURPOSES WITHIN EYATH'S REMIT.

Area	Project	Cost (VAT excl.)	Remarks
Thermaikos, Mikra	Thermaikos, Mikra Phase A	€5,720,000	Φ800 transfer pipe
	Thermaikos, Mikra Phase B	€2,770,000	New pipe to Kalamaria to ensure future supply needs
Oreokastro	Oreokastro	€4,500,000	Oreokastro external water supply network
Low-lying zone	Low-lying water supply zone	€9,120,000	Kafkasos & Evangelistria zones, Strempenioti & Forest Theatre (Theatro Dassous) tanks, transmission pipelines and upgrade of Dendropotamos
	Construction of new central water transfer pipeline	€4,000,000	New Φ1300 transfer pipeline to replace existing one at 26th Oktovriou St.
Middle zone	Middle zone	€3,910,000	Neapoli, Vlatades, Saranda Ekklisies and Toumba zones, Neapoli and Vlatades tanks

Upper zone	Polichni	€2,460,000	Polichni and Meteora zones, Polichni tank
	Sykies	€2,120,000	Sykies and Eptapyrgio zones, Kastrá tank and pumping station
	Toumba, Pylea	€3,130,000	Toumba hill and Pylea zones, new Toumba tank, upgrade and extension to Toumba pumping station
Evosmos	Evosmos internal pipeline	€653,000	Improvement and addition to central internal pipeline
	Efkarpia tank	€800,000	
	Internal pipeline for the Nikopoli area etc. in the Municipality of Pavlos Melas	€1,000,000	Improvement and addition to central internal pipeline
Pefka, Hortiatís	Pefka, Asvestohori, Filyro, Exochi, Hortiatís	€4,300,000	Upgrade - construction of Vosnaki pumping station, construction of transfer pipelines to the Pefka and Filyro tanks
	Pefka internal pipeline	€250,000	Improvement of the Pefka internal pipeline
Kalamaria		€8,750,000	Improvement of the internal network - construction of tanks and pumping station
Panorama		€300,000	Improvement and additions to internal network
Maintenance of external aqueducts (Aravissos, etc.)		€8,000,000	This includes an estimate for repair of a small part of the major damage.
Preparation of designs		€2,361,320	
Supporting designs		€725,800	
Technical advisor for the development and implementation of the Plan		€1,000,000	
New tanks at the Thessaloniki water treatment plant		€3,000,000	Tanks 2 and 3
Total		€68,870,120	

## 7.4 Digital Transformation and IT actions

The Digital Transformation and IT Division was set up to cover: a) all issues relating to the Company's digital transformation in terms of planning, implementing and monitoring them, in direct collaboration with the divisions involved in each field; b) modernising and transforming the Company on organisational issues, the adoption of new technologies and improved performance; c) innovation issues arising from continuous monitoring of developments in the sector and market, and the application of innovative solutions to EYATH S.A. structures; d) planning, developing and supporting ICT systems and interconnecting them with external systems which support the company's various business operations; and e) the security of the Company's IT systems and networks, and f) ensuring the smooth op-

eration of the company's IT systems and infrastructure. During 2022, the Digital Transformation and IT Division oversaw and coordinated the following actions:

Regulatory Compliance with GDPR, NIS:

- Overseeing and managing actions to meet the requirements of the EU GDPR.
- New training on personal data issues for supervisors, managers and certain contact persons from each Division to ensure that their Division complies with the GDPR.
- Updating the company's activities file.

- Impact assessment and two penetration tests on the new customer portal being developed.
- Overseeing and coordinating actions to develop an integrated documentation system for company IT system security. Activation of the MDR service to monitor company IT/OT systems and to upgrade cybersecurity and the resilience of EYATH S.A. IT systems and infrastructure.
- Design and implementing relevant actions to evaluate and improve the security system.

#### Digital Transformation Actions:

- Updating the digital transformation action plan following the business process and IT redesign projects for the company that have been implemented to date and assessing the company's digital transformation indicator in cooperation with HCAP.
- Preparing a plan to analyse alternative scenarios to replace EYATH's two existing central ERPs with a new ERP IT ecosystem for all company business support functions and dimensioning the necessary hosting resources on the G-cloud.
- Managing steps to implement the EYATH S.A. New Customer Portal project to immediately improve and upgrade e-services to consumers and ensure more direct service, modernising the company's e-payments system and developing a web-based centralised customer application platform to remotely service them, while retaining the existing central customer IT system.
- Installation and commissioning of an internal correspondence and document management system (Papyros).
- Initiating a project to digitise the company's hard copy customer file and uploading it to the Papyros mail management software.
- Participating in implementing actions to upgrade SCADA systems for the company's water supply system.
- Extended application of qualified digital signatures for Company Management and Senior Executives.
- Further improvement of e-services provided on the company's website.
- Improved handling of phone and online requests by incorporating the click-to-call service.
- 5 communication campaigns run by the company using new digital communication channels (viber, sms, email).

#### IT actions:

- Implementing web applications to meet the company's internal needs.
- Interfacing between EYATH S.A. systems and external

third-party systems to improve customer service.

- Extension of the remote work model (teleworking – tele-training) using cutting-edge methods:
  - a) Procuring the relevant IT terminal equipment for users
  - b) Ensuring the necessary web-based secure access services
  - c) Procuring the relevant teleconferencing software
  - d) User support
  - e) Improving central internet access to the EYATH S.A. Management Building
- Implementation of a paperless office digital document management project.
- Upgrading backup systems.
- Upgrading Network Infrastructure (Wireless network in decentralised company locations, upgrading and ensuring high-quality network services.
- Installation of an e-signature system for consumers and face-to-face customer service.
- Implementation of a digital e-books service based on the instructions of the Independent Authority for Public Revenue (I.A.P.R.).



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## 8. *share*

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## 8.1 Change in Share Capital

EYATH S.A., as mentioned above, came about from the merger of the former companies OYTH S.A. and OATH S.A. Following valuation of their assets for the first time in 1997 (Presidential Decrees 156 and 157/25.6.1997) the share capital of the two former companies was as follows:

A) OYTH S.A.	€186,940,572.27
B) OATH S.A.	€220,983,125.46
After they merged into EYATH S.A. under Law 2651/1998, the share capital stood at	€407,923,697.73

The founding law (Law 2651/1998) required that the Institute of Certified Public Accountants undertake the task of valuing EYATH S.A.'s assets in order to determine its assets. In making that assessment it was considered that the Company was overvalued and in the interests of the prudence concept there was a 30% reduction in the value of fixed assets. The new opening balance sheet dated 1.1.1999 showed EYATH S.A.'s share capital at €278,796,711.83, divided into 95,000,000 shares of €2.93 each, all of which were owned by the Greek State (Government Gazette Societes Anonymes & Limited Liability Companies Bulletin 8174/A/5.9.2000). Following the transfer of assets to the body governed by public law, EYATH FIXED ASSETS, under Article 18 of Law 2937/26.7.2001, EYATH S.A.'s share capital stood at €15,000,000 divided into 15,000,000 shares of €1.00 each.

A special reserve of € 263,796,771.83 (278,796,771.83 – 15,000,000) was created which was then reduced by the value of the assets transferred to EYATH FIXED ASSETS.

On 27.7.2001 the Interministerial Privatisation Committee comprised of the Ministers of Macedonia – Thrace, Economy and Development, issued Decision No. 605/27.7.2001 increasing EYATH S.A.'s share capital by 1,500,000 shares with a nominal value of € 1.00 each.

It was also decided to sell 2,700,000 existing shares in the company owned by the Greek State to investors. Of those shares, 200,000 were privately placed with members of the Board and staff.

On 31.12.2001 the Greek State held 74.55% of EYATH S.A.'s 16,500,000 shares (or 12,300,000 shares) and other private and institutional investors held 25.45% (or 4,200,000 shares).

Then 6 months after EYATH S.A. was listed on the exchange, on 21.3.2002 the retention incentive specified in the listing prospectus took effect. 2 gratis shares for every 10 existing shares were provided to shareholders (other than institutional investors) who retained the shares from the public offering for 6 months and so the Greek State had a 74.016% stake in the share capital and other institutional and private investors had a 25.84% stake.

comparative reasons regard has been had to the adjusted price which emerged following:

A) An increase in share capital due to capitalisation of reserves by introducing 1,500,000 new shares at the Extraordinary General Meeting on 30.12.2002 when it was decided to issue 1 gratis share for every 10 old shares. On 29.12.2006 the Extraordinary General Meeting of Shareholders decided to increase the company's share capital by €2,178,000 by capitalising the goodwill.

The share capital increase also entailed an increase in the nominal value of each share from one euro (€1.00) to one euro and twelve cents (€1.12) each.

Following this increase, Company share capital stood at € 20,328,000 divided into 18,150,000 ordinary registered shares with a nominal value of €1.12 each.

B) The share capital increase decided on by the Extraordinary General Meeting of Shareholders held on 7.11.2007 done by capitalising taxed and undistributed profits, at a ratio of one new share for every existing share, by issuing 18,150,000 new shares with a nominal value of €1.12 each, and gratis distribution of those shares to shareholders.

So the listing price taken into account hereinafter is €1.79 calculated using this formula:  $P2 = P1 \times M1 / M2 = 3.94 \times 16,500,000 / 36,300,000 = €1.79$

Where P1: Listing price

M1: No. of shares when listed on ATHEX

M2: Number of shares today.

So the Company's total share capital following the decision of the Extraordinary General Meeting of Shareholders of 7.11.2007 was € 40,656,000 divided into 36,300,000 ordinary registered shares of one euro and twelve cents (€1.12) each.

The share's listing price on 21.9.2001 was € 3.94 but for

## 8.2 Structure of the Company's Share Capital

The Company's Share Capital amounts to forty million six hundred and fifty six thousand euro (€40,656,000) divided into thirty six million three hundred thousand (36,300,000) ordinary registered shares with voting rights, of a nominal value of one euro and twelve cents (€1.12) each.

Company shares are listed for trading on the Equities Market of the Athens Exchange on the main market. The Company's shareholders rights arising from shares depend on the percentage of capital held which corresponds to the share's paid value.

Each share grants all the rights specified by law and the Company's Articles of Association and in particular:

- Right to obtain a dividend from the Company's annual profits.

35% of the net profits (having deducted the statutory reserve first) are distributed from

the profits of each financial year to shareholders as a first dividend, unless the General Meeting stipulates otherwise. The General Meeting also decides on whether to distribute

any additional dividend. As regards the dividend of 2021, the distribution of a dividend of € 0.219/share was proposed, in order to avoid potential liquidity problems due to the major investment programme which the Company has under way. All persons who are shareholders before the dividend cut-off date are entitled to a dividend. The dividend to which each share is entitled shall be paid to the shareholder within two (2) months of the date of approval by the Ordinary General Meeting of the annual financial statements.

The place and manner of payment is announced in the press. The right to collect a dividend becomes statute-barred and the amount involved devolves to the State if not collected within 5 years

from the end of the year in which the General Meeting approved distribution.

- The right to receive the contribution paid, upon liquidation or upon the writing off of capital corresponding to the shares, where this is decided upon by the General Meeting.

- The pre-emptive right in each increase of the Company's share capital with cash and new shares.

- The right to receive a copy of the financial statements and reports of chartered auditors and the Company's Board of Directors.

- The right to participate in the General Meeting which consists of the following specific rights: legal standing, attendance, participation in discussions, submission of proposals on items

on the agenda, entry of views in the minutes and voting rights.

- The General Meeting of the Company's shareholders shall retain all its rights during the period of liquidation.

Shareholders' liability is limited to the nominal value of the shares held.

## 8.3 Dividend Policy

Given the negative financial results, Company Management does not propose that dividends be distributed for the 2022 financial year.

## 8.4 Shareholder's Rights

### A. General

#### The shares of this company are registered and blocked.

Possession of the share certificate automatically implies acceptance by the owner thereof of the Company's Articles of Association and the lawful decisions of the General Meeting of its shareholders even if shareholders did not take part in those meetings. Each share incorporates all the rights and obligations established by law and by the Company's Articles of Association, which however do not contain provisions more restrictive than those appointed by the law.

#### The Company's shares are freely negotiable.

The company's shares are transferred as stipulated by Law 4548/2018 and there are no limitations on transfer set out in its Articles of Association. Company shares are dematerialised and listed on the Athens Exchange. Article 18(8) of Law 2937/2001 (Government Gazette 169/26.7.2001) stated that, "the State may sell to investors shares representing up to 49% of the Company's share capital from time to time".

This paragraph was repealed with Article 2 of Law 4092/2012 which ratified the Legislative Act of 07.09.2012. Then,

the extraordinary General Meeting of shareholders of 21.2.2013 also repealed the relevant provision of Article 5 of the Company's Articles of Association.

#### The Company's shares are dematerialised.

The trading unit is a dematerialised certificate representing one share. Each share entitles its holder to one voting right. Company shareholders' liability to creditors is limited to the nominal value of the shares held. Shareholders participate in the management and profits of the Company in accordance with law and the provisions of the Company's Articles of Association. The rights and obligations attached to each share are indivisible and are transferred to any successors or assigns of the shareholder.

#### Other rights

Shareholders exercise their rights in relation to the management of the Company exclusively via their

participation in the General Meetings of Shareholders of the Company. Shareholders have an option over any future increase in the Company's share capital, pro rata to their holding in the existing share capital, as specified in Article 19(7) of Law 3604/2007.

Neither the shareholder's creditors nor their successors have any right to provoke the seizure or sealing of any Company assets or records, nor to ask for its distribution or liquidation, nor to become involved in any manner in its management or administration.

All shareholders, regardless of where they live, shall be taken for the purposes of their relations with the Company as residents of its registered offices and shall be subject to Greek law. Any disputes between the Company on the one hand and its shareholders or any third party on the other shall be subject to the exclusive jurisdiction of the ordinary courts, and actions against the Company may only be brought in the courts of its seat.

Each share confers the right to a single vote. Joint holders of a share must, in order to be entitled to vote, designate a common representative who shall represent them at all General Meetings and must so inform the Company in writing. Until such appointment has been made the exercise of their rights shall be suspended.

Each shareholder is entitled to participate in the Company's General Meeting.

In order to exercise these rights, it is not necessary for shareholders to block their shares or

comply with any other similar procedural requirements which limit the ability to sell or transfer those shares in the time period between the registration date and the General Meeting.

#### Shareholder representatives

Shareholders may participate in the General Meeting and vote in person or via representatives. Any provisions of the Articles of Association which limit exercise of the shareholders' rights via a representative or the eligibility of persons who can be appointed as repre-



sentatives are invalid.

A representative who acts for more than one shareholder may vote differently on behalf of each shareholder. Legal entities shall participate in General Meetings by appointing up to three (3) natural persons as their representatives.

Shareholders may appoint a representative for a single General Meeting or for any meetings which take place within a specific time period. The representative shall vote in accordance with the shareholder's instructions, if available, and shall be obliged to hold the voting instructions on file for at least 1 year from the date of submission of the minutes of the General Meeting to the competent authority or if the decision is published, from the date of entry in the Companies Register and the General Commercial Registry. Failure by the representative to comply with the voting instructions provided does not affect the validity of the decisions of the General Meeting even if the vote of the representative was decisive for the decision taken.

Prior to the beginning of the General Meeting, the shareholder's representative shall be obliged to notify to the Company every specific incident that may be useful for the shareholders to evaluate the risk of having the representative serve other interests than those of the represented shareholder.

Within the meaning of this paragraph, a conflict of interests may arise, especially when the representative:

- a) is a shareholder exercising control over the Company or is another legal person or entity controlled by such shareholder;
- b) is a member of the Board of Directors or the overall management body of the Company or shareholder exercising control over the Company or other legal person or entity controlled by a shareholder exercising control over the Company;
- c) is an employee or certified public accountant of the Company or a shareholder who controls the Company, or another legal person or entity controlled by the shareholder who controls the Company;
- d) is a spouse or first-degree relative to any of the natural persons set out in cases (a) to (c) above.

Shareholder representatives shall be appointed and removed in writing, such notice being sent to the Company in the same way, at least 48 hours before the date set for the General Meeting. A shareholder may appoint up to three (3) representatives.

However, if a shareholder holds shares in a company which appear in more than one securities account, this limitation does not prevent the shareholder from appointing different representatives for the shares which appear in each securities account in relation to the General Meeting.

### General Meeting and shareholder capacity

Any person who appears as a shareholder in the re-

cords of the body which holds the Company's shares (transferable securities) shall be entitled to participate in the General Meeting. The capacity of shareholder shall be proven by furnishing the relevant written attestation of the above body or alternatively through direct electronic connection of the Company with the records of the said body.

The capacity of shareholder must exist on the record date, i.e. at the beginning of the fifth day prior to the date of the General Meeting, and the relevant written attestation or electronic certification regarding the shareholder's capacity must be received by the Company no later than the third day before the General Meeting. Shareholders may participate in repeat General Meetings under the same formal conditions outlined above. The capacity of shareholder must exist on the record date, i.e. at the beginning of the fifth day of the initial General Meeting in the case of a repeat Meeting, and the relevant written attestation or electronic certification regarding the shareholder's capacity must be received by the Company no later than the third day before the General Meeting.

In accordance with Article 27(2), the Board is obliged to enter in the list of persons entitled to vote at the General Meeting all shareholders who have complied with the provisions of that Article.

Only persons who are shareholders on the relevant Registration Date shall be deemed by the Company to be entitled to participate in and vote at the General Meeting. Where shareholders do not comply with the provisions of this Article, they may only participate in the General Meeting with its permission.

Any shareholder may ask for a copy of the Company's annual financial statements and the relevant Directors' and Auditor's Reports ten (10) days before the Ordinary General Meeting.

### B. Special shareholder or third party rights

There are no special shareholder or third party rights other than in Article 13(4) of EYATH S.A.'s codified Articles of Association which state that company employees are entitled to appoint 2 members of the company's Board of Directors.

### Minority shareholder rights

Codified Law 2190/1920, the amendments to Articles 47 and 49 of Law 3604/2017 and the new companies law (Law 4548/2018 on reform of the law of societies anonymes) grant a shareholder or shareholders acting jointly certain rights provided they constitute a minimum minority holding in the company's share capital. The rights of minority shareholders are as follows:

1. If shareholders representing one twentieth (1/20) of the paid-up share capital so request, the Board of Directors shall be required to call an Extraordinary General Meeting of shareholders, appointing a day for the same that shall not be more than forty-five (45) days after the date upon which the Chairman of the Board

## 8.4 Shareholder's Rights

received such request.

The items on the agenda must be cited in the request. If the Board does not convene a General Meeting within 20 days from the submission of the request, the requesting shareholders convene the meeting at the expense of the company pursuant to a decision of the court, issued according to the procedure for interim measures.

Such decision shall specify the place and time of the meeting and the items on the agenda.

That decision may not be contested using judicial remedies. The Board of Directors shall convene the General Meeting in accordance with the general provisions.

2. On a request from shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall enter in the agenda of the General Meeting which has already been called additional items if that request arrives with the Board of Directors at least fifteen (15) days before the General Meeting.

The additional items shall be published or notified by the Board of Directors in line with Article 122 of Law 4548/2018 at least 7 days before the General Meeting.

That request to have additional items included in the agenda shall be accompanied by the reasons for such inclusion or a draft decision for approval by the General Meeting, and the revised agenda shall be published in the same manner as the previous agenda 13 days before the date of the General Meeting, and shall also be made available to shareholders on the Company's website, along with the reasoning or draft decision submitted by the shareholders, in accordance with the provisions of Article 123(4) of Law 4548/2018. If these items are not published, the requesting shareholders may request postponement of the General Meeting in accordance with paragraph (5) and may proceed to publication themselves at company's cost, in line with the provisions of the second section of this paragraph.

3. Shareholders representing 1/20 of the paid-up share capital are entitled to submit draft decisions on items included in the original or any revised version of the agenda for the General Meeting.

The request must arrive with the Board of Directors at least seven (7) days before the date of the General Meeting and the drafts of decisions must be made available to shareholders at least (6) days before the date of the General Meeting.

4. The Board of Directors is not obliged to include items in the agenda or publish or disclose them along with the reasoning and drafts of decisions submitted to shareholders in accordance with the paragraphs above, if the content thereof is obviously contrary to the law and moral conventions.

5. At the request of any shareholder(s) representing 1/20 of the paid-up share capital, the Chairman of the General Meeting shall postpone only once the adoption of decision by the Ordinary or Extraordinary General Meeting for all or part of the agenda, setting as the date the meeting shall be resumed the one set out in the shareholders' request, which may not be more than 30 days from the date of the postponement.

A postponed General Meeting which reconvenes shall be a continuation of the previous one and for this reason no repetition of the publication requirements is required and new shareholders may participate on condition that they comply with the participation formalities. In all other respects the provisions of Article 30(4) hereof shall apply.

6. On a request from any shareholder submitted to the Company at least five (5) whole days before the General Meeting, the Board of Directors shall be obliged to provide the specific information requested to the General Meeting about Company affairs to the extent that it is useful for a real assessment of the items on the agenda. The Board of Directors may provide a single reply to any shareholder requests having the same content. The obligation to provide information does not exist when the information requested is already available on the Company's website, especially in the form of questions and answers.

7. On a request from shareholders representing one twentieth (1/20) of the paid-up share capital, the Board of Directors shall be obliged to inform the Ordinary General Meeting only of the amounts paid over the last two years. In such cases the Board of Directors may refuse to provide such information on a serious, substantive ground which shall be cited in the minutes. Such ground may, under the circumstances, be representation of the applicant shareholders on the Board of Directors in line with Articles 79 or 80 of Law 4548/2018.

8. On a request from shareholders representing one tenth (1/10) of the paid-up share capital submitted to the company within the deadline specified in paragraph 6 hereof, the Board of Directors shall be obliged to provide the General Meeting with information about the progress of company affairs and its asset status. The Board of Directors may refuse to provide such information on a serious, substantive ground which shall be cited in the minutes. Such ground may, under the circumstances, be representation of the applicant shareholders on the Board of Directors in line with Articles 79 or 80 of Law 4548/2018, where the relevant members of the Board of Directors have taken adequate cognisance of these matters.

8. In the cases set out in paragraph 6, 7, and 8 of this Article, any dispute as to the validity of the Board's explanation of their refusal to provide the information requested shall be referred to the Single-Member Court of First Instance at the Company's seat and tried in line with the injunctive relief procedure. In the same



judgement the court shall oblige the company to provide the information it refused to provide. That decision may not be contested using judicial remedies.

9. At the request of shareholders representing one twentieth (1/20) of paid up share capital, a vote on any matter(s) on the agenda of the General Meeting shall be carried out by roll call.

10. In all the above cases in this Article the applicant shareholders shall prove that they are shareholders and, apart from the cases in the first subparagraph of paragraph 6, the number of shares they hold when exercising their right. Shareholder status may be proven using all lawful means and in all events based on a notice the company receives from the central securities depository, where it provides registry services, or via participating and registered brokers at the central securities depository in all other cases.

### **Payment of Dividends**

Provided a decision has been taken to distribute a dividend, it is to be paid to shareholders within two months from the date of the Ordinary General Meeting that approved the annual financial statements, in compliance with articles 5.2 & 5.5 of the new revised ATHEX Rules. The method and date of payment must be notified to shareholders by notices or publications in the daily press. Dividends may be claimed within a period of 5 years from the end of the year in which the dividends became payable.

### **Taxation of dividends**

Under the provisions of Article 24(1) of Law 4646/2019 (Government Gazette 201/A) which amended the provisions of Law 4172/2013 on the tax rate for dividends from distributed profits approved by General Meetings, a withholding tax of 5% is applied to dividends which are distributed in tax years from 1.1.2020 onwards.

## 8.5 Share's stock market performance

The Company's share has performed as follows since it was listed on the Athens Exchange:

On 10.4.2007, it was upgraded to the high cap category (worth over €100 million). Since 2.6.2008 it has been included on the ATHEX General Index.

On 26.9.2008 it was included in the Mid40 Index. On 29.5.2009 it was included in the MSCISmallCap Index.

On 23.3.2020 it was included in the FTSE/ATHEX High Dividend Yield Index. On 23.3.2022, it was included in the ATHEX Select Plus Index.

On 31.12.2022, the company's share formed part of the following indexes:

- i. GI: Athens Exchange General Index
- ii. PU: FTSEXA PUBLIC UTILITIES
- iii. ASI: Index featuring all shares on ATHEX
- iv. HELMSI: Greek MID & SMALLCAP Index
- v. CTRI: Composite Total Return Index



## 8.6 Shareholder line-up

### SHAREHOLDINGS AT 31.12.2022

SHAREHOLDING BRACKETS	NO. OF SHAREHOLDERS	"NO. OF SHARES"	%
0<Shares<=100	453	23,408	0.06%
100<Shares<=1,000	1,514	749,474	2.06%
1,000<Shares<=10,000	795	2,444,562	6.73%
10,000<Shares<=100,000	94	2,407,499	6.63%
100,000<Shares<=1,000,000	11	1,824,187	5.03%
1,000,000<Shares	3	28,850,870	79.48%
	2,870	36,300,000	100%

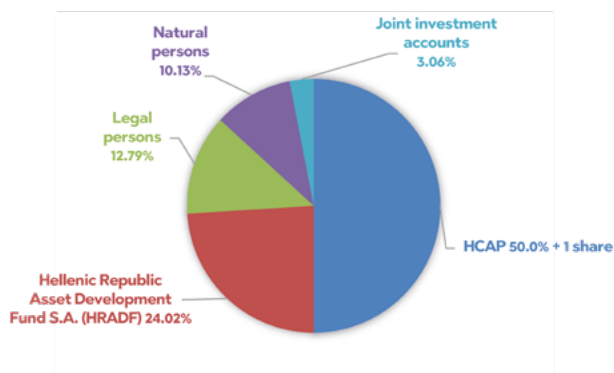
### SHAREHOLDER LINE-UP AT 31-12-2022

Shareholders	as a % of shareholders	No. of shareholders	No. of shares
HELLENIC CORPORATION OF ASSETS AND PARTICIPATIONS (HCAP)	50% + 1 Share	1	18,150,001
HELLENIC REPUBLIC ASSETS DEVELOPMENT FUND S.A. (HRADF)	24.02%	1	8,717,999
Legal persons	12.79%	80	4,644,824
Natural persons	10.13%	2,386	3,675,667
Joint investment accounts	3.06%	402	1,111,509
			36,300,000

## 8.6 Shareholder line-up

### SHAREHOLDER DISTRIBUTION

EYATH S.A.'s shareholder line-up on 31.12.2022 compared to its line-up on 31.12.2021 was as follows:



i. HCAP is the main shareholder with 50% + 1 share.

ii. HELLENIC REPUBLIC ASSET DEVELOPMENT FUND S.A. holds 24.02% of the shares; and

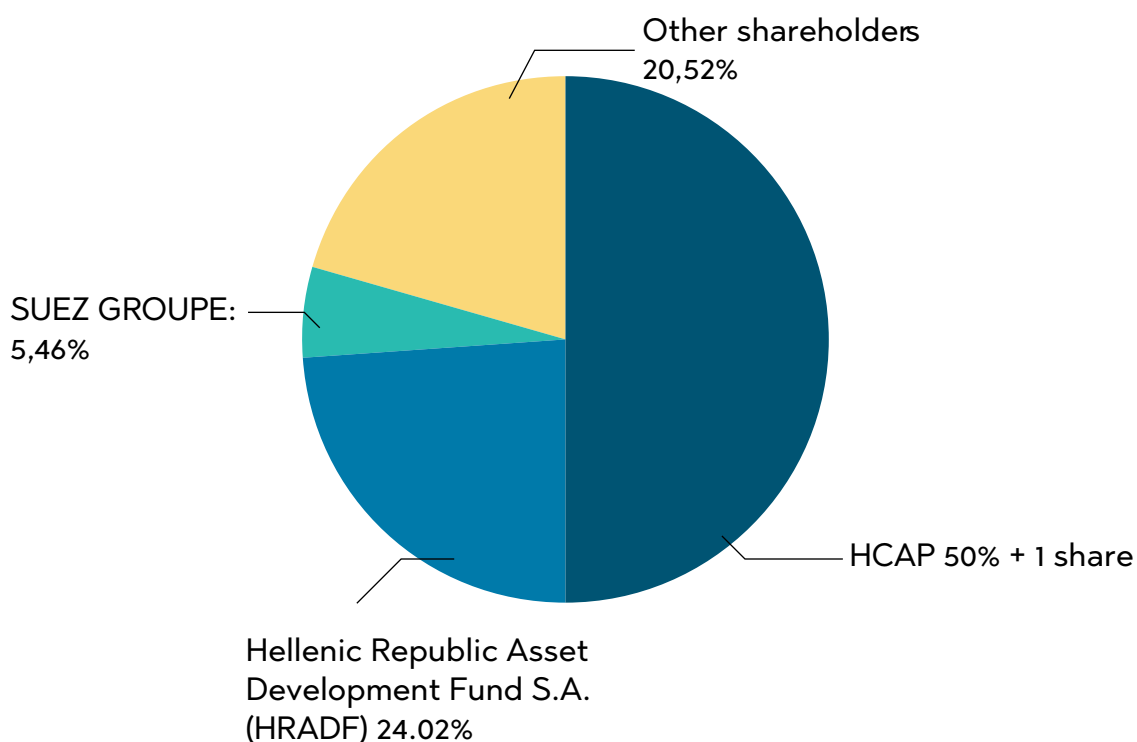
iii. SUEZ ENVIRONNEMENT GROUP holds 1,982,870 shares (5.46%).

iv. The following points differ from 31.12.2021:

Legal persons (other than i and ii) which stood at 80, compared to 83 in 2021 and 12.79% compared to 13.46% in 2021;

natural persons were 2,386 compared to 2,442 in 2021 and 10.13% compared to 9.61%; and

joint investment accounts were 402 compared to 441 in 2021 and 3.06% compared to 2.91%.



## 8.7 Share technical data

TECHNICAL DATA CHART

	2022	2021
Number of shares	36,300,000	36,300,000
Free float	9,432,000	9,432,000
Share nominal value	€1.12	€1.12
Listing price	€3.94	€3.94
Highest price for year	€4.74	€5.26
Lowest price for year	€3.34	€4.02
Closing price on 31/12	€3.30	€4.65
EYATH S.A.'s stock exchange value on 31/12	€119,790,000	€168,795,000
Dividends	0.0*	0.219*

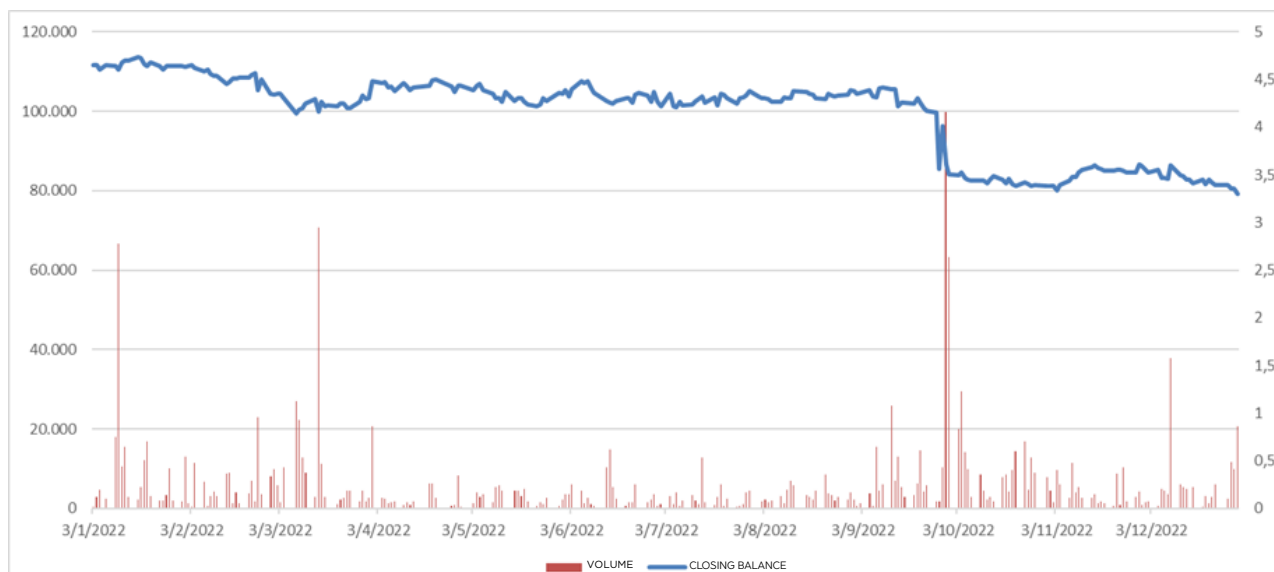
\* For 2022 it is proposed that no dividend be distributed but in all events the General Meeting of Shareholders may decide otherwise.

The change in share prices at stock exchange sessions in 2022 is presented in the table below which shows the highs and lows:

Months	"Value of Volume of Transactions"	"Max. price"	"Min. price"	"Closing price"
January	874,495.00	4.44	4.44	4.11
February	242,056.00	4.35	4.42	4.19
March	571,817.00	4.66	4.37	4.58
April	1,480,130.00	5.04	4.43	4.90
May	1,327,594.00	5.14	4.40	4.96
June	1,975,123.00	5.26	4.46	4.82
July	531,777.00	4.90	4.82	4.62
August	922,645.00	4.90	4.73	4.78
September	647,755.00	4.84	4.55	4.52
October	1,729,493.00	4.82	4.18	4.82
November	635,563.00	4.87	4.10	4.61
December	292,163.00	4.69	4.02	4.65
Total for year	11,230,611.00			

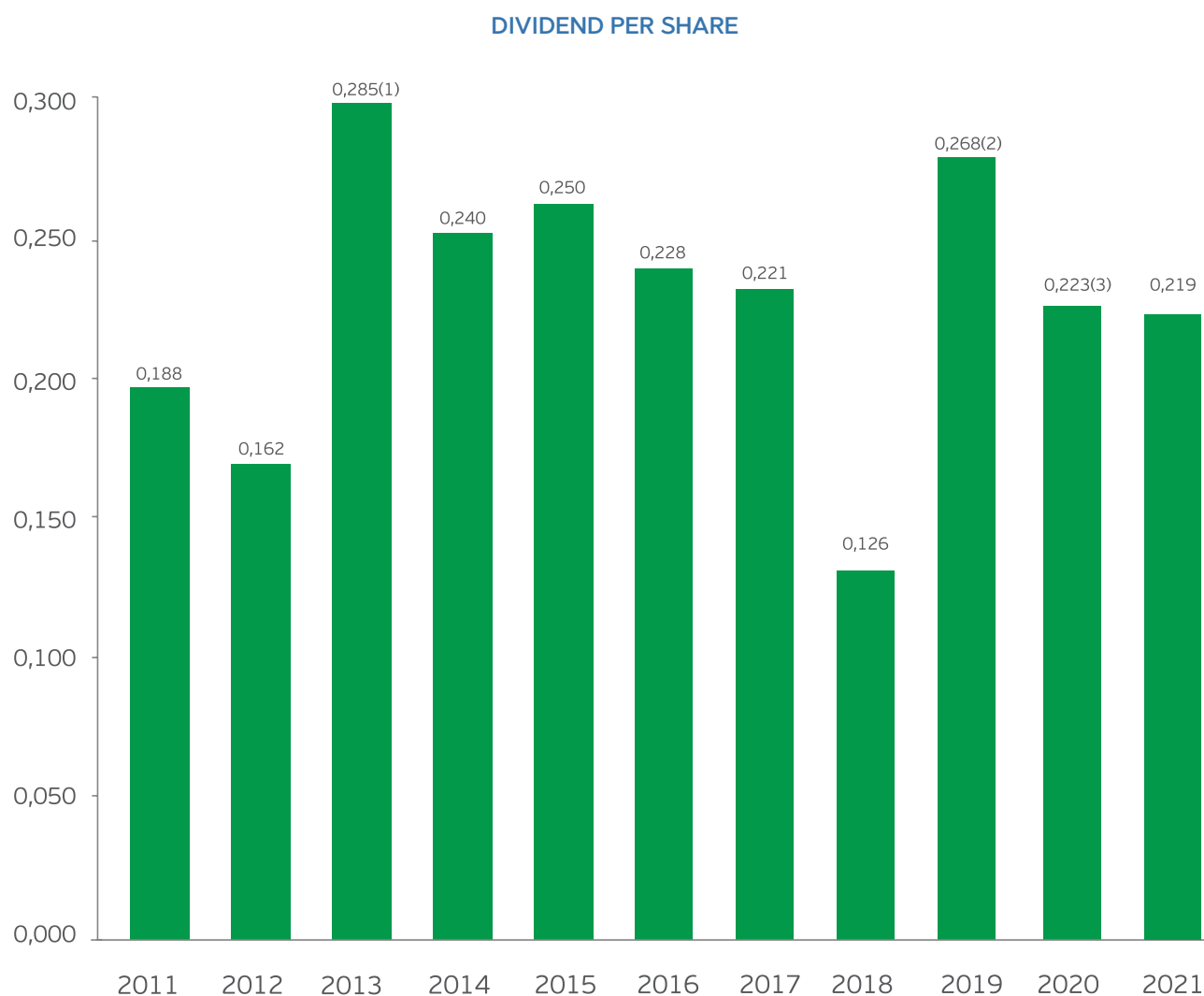
## 8.7 Share technical data

The chart showing the share's performance during 2022 is presented below:





## 8.8 Shareholder relations



1) The dividend for 2013 includes:

- a dividend of €0.285/share for 2013,
- distribution of the untaxed reserve of €0.065/share,
- handing back of the unused part of funds raised (€0.10/share).

(2) & (3) The dividend for 2020 and 2021 stood at €0.223/share and €0.219/share respectively, or 70% of the profits distributed.

\* For 2022 it is proposed that no dividend be distributed but in all events the General Meeting of Shareholders may decide otherwise.



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## *9. annual financial report 2022*

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ANNUAL FINANCIAL REPORT  
FOR THE PERIOD 1 JANUARY 2022 - 31 DECEMBER 2022  
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

It is confirmed that the attached annual financial report is the one approved by the Board of Directors of “THESSALONIKI WATER SUPPLY AND SEWERAGE CO. S.A.” on 20 April 2023 and has been published on the internet at the address [www.eyath.gr](http://www.eyath.gr).

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**Statements by Board of Directors Members  
(in accordance with Article 4(2) of Law 3556/2007)**

The members of the Board of Directors of the company with the corporate name «THESSALONIKI WATER SUPPLY AND SEWERAGE CO S.A.», trading as EYATH S.A., whose registered offices are at 91 Tsimiski St., Thessaloniki, GR-54622):

1. Agis Papadopoulos, Chairman of the Board
2. Anthimos Amanatidis, CEO
3. Nikos Klitou, Board Member, Chairman of the Audit Committee

in implementation of the provisions of Article 4(2) of Law 3556/2007, hereby state and confirm, that to the best of our knowledge:

(a) the attached annual company and consolidated financial statements of the company EYATH S.A. for the period from 1/1/2022 to 31/12/2022 which were prepared in accordance with the applicable International Financial Reporting Standards (IFRS) accurately reflect the assets and liabilities, equity and results for the period of EYATH S.A. and the enterprises included in the consolidation, taken as a whole, and

(b) the attached report of the Board of Directors of EYATH S.A. accurately reflects the developments, performance and position of the Company and the enterprises included in the consolidation, taken as a whole, including a description of the main risks and uncertainties they face.

Thessaloniki, 20 April 2023

Confirmed by

Agis Papadopoulos	Anthimos Amanatidis	Nikos Klitou
Chairman of the Board of Directors	CEO	Board member Chairman of the Audit Committee
ID Card No. AN 201633	ID Card No. AE 125155	ID Card No. AM 674658



## ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

(prepared in accordance with the provisions of Article 4 of Law 3556/2007 and the relevant decisions of the BoD of the Hellenic Capital Market Commission for the period 1 January 2022 - 31 December 2022)

Dear shareholders,

In accordance with the provisions of Law 3556/2007 and the relevant decisions of the Hellenic Capital Market Commission, we are submitting to you this Annual Management Report of the Board of Directors for the current period (1/1/2022-31/12/2022).

This report contains summary financial data about the financial position and results of the Company EYATH S.A. and the EYATH S.A. Group of Companies, a description of the significant events that took place during this financial year, a description of the significant events that took place after the balance sheet date, a description of the projected course of business for the Group and the Company, information about the management of significant financial risks for the Group and the Company, a presentation of the significant transactions concluded between the Company and the Group and related parties, as well as other information with regard to the shares, share capital and significant agreements in force at the end of this financial year.

In addition, the Board of Directors' report includes the explanatory report required by Article 4(7) of Law 3556/2007 and the Corporate Governance Statement.

The amounts in the Board of Directors Annual Management Report are in euro.

### SUMMARY FINANCIAL INFORMATION ABOUT THE GROUP AND THE COMPANY

O The Group consists of (a) the company under the name «THESSALONIKI WATER SUPPLY & SEWERAGE CO S.A.» trading as «EYATH S.A.» (hereinafter the «Company» or «EYATH S.A.»), that was founded in 1998 [Law 2651/3-11-1998 (Government Gazette A 248/3-11-1998)], created from the merger of the sociétés anonymes «Thessaloniki Water Supply Organisation S.A.» (OYTH S.A.) and «Thessaloniki Sewerage Organisation S.A.» (OATH S.A.), which had been converted into sociétés anonymes during 1997, and (b) the subsidiary EYATH SERVICES S.A. (wholly owned), which engages in the provision of all types of water supply and sewerage services, telecommunications services and the generation and sale of electricity.

It is listed on the ATHENS EXCHANGE (ATHEX) S.A. and is governed by the provisions of Law 4548/2018 on sociétés anonymes, as well as the provisions of Law 2937/2001, Chapter II (Government Gazette 169/A) and Law 3016/2002, as amended by Article 26 of Law 3091/2002. The Company's effective term is 99 years from 3.11.1998, and expires on 3.11.2097. The original Articles of Association were approved by decision no. EGA/606/26-7-2001 (Government Gazette 989/30-7-2001) and the company is entered in the Companies Register (Reg. No. 41913/06/B/98/32) and the General Electronic Commercial Registry (GCR) No. 58240404000. The Company's registered offices are in a leased building at 91 Tsimiski St., Thessaloniki.

EYATH is the second largest water supply and sewerage services provider in Greece. It provides water supply services via a 2,700 km long water distribution network within its territorial remit (the wider Thessaloniki urban area and industrial area) and sewerage services via a 1,750 km long sewerage network within its territorial remit (from the river Axios, the Municipalities of Delta and Halkidona, and the high areas of the Thessaloniki urban area to the Municipality of Thessaloniki at the tourist areas). The Company has over 1,000,000 household connections (around 510,000 water supply connections and 60,000 sewerage connections). EYATH also helps with flood protection in the city of Thessaloniki following a framework agreement with the Central Macedonia Region, which along with the Municipalities of the urban area is responsible for designing, constructing and maintaining rainwater drainage works and flood protection works in general.

### FINANCIAL INFORMATION - COURSE OF BUSINESS

The following financial information concern the EYATH S.A. Group.

Group turnover came from the sale of water supply and sewerage services and stood at € 70,902 thousand compared to € 73,626 thousand during the corresponding period last year, reflecting a drop of € 2,723 thousand or 3.70%. This drop was primarily due to the reduced consumption of water supply and sewerage services in the household price list.

The cost of sales was € 65,331 thousand compared to € 50,549 thousand in 2021, up € 14,781 thousand or 29.24%. The increase in the cost of goods sold was primarily due to the increased cost of electricity, which in turn rose by € 13,222 thousand or 78.72%. Consequently, Gross Profit in 2022 stood at € 5,572 thousand compared to € 23,077 thousand in the previous year, down € 17,505 thousand or 75.86%.

Other operating income stood at € 3,689 thousand compared to € 7,156 thousand in 2021, a drop of € 3,467 thousand or 48.45%. This drop is justified by the reversal of a large part of the provisions during the comparator period from the finalisation of the Group's contested cases, which did not exist to a similar degree during the current period.

Group operating expenses stood at € 13,123 thousand compared to € 13,486 thousand in the comparable period, down € 363 thousand or 2.69% primarily due to the provision for bad debt made based on the requirements of IFRS 9, which is down € 1,626 thousand compared to the previous year and the increase in third party fees and expenses and staff benefits amounting to € 921 thousand or 12.63%.

Other operating expenses stood at € 737 thousand compared to € 1,383 thousand in 2021, recording a 46.71% drop due to significantly reduced compensation for court judgments during the current period.

Due to these events, Group EBT stood at € 4,242 thousand compared to Group EBT € 15,753 thousand during the corresponding period last year, down € 19,995 thousand or 126.93%. After tax losses in 2022 stood at € 3,993 thousand compared to earnings net of tax of € 11,335 thousand in 2021, down € 15,328 thousand or 135.23%.

Group EBITDA during the current period amounted to € 878 thousand compared to € 20,971 thousand, a drop of € 20,093 thousand or 95.81%.

Finally, Group cash and cash equivalents at the end of the period on 31.12.2022 stood at € 71,481 thousand compared to € 91,305 thousand on 31.12.2021, down € 19,824 thousand or 21.71%.

#### ALTERNATIVE PERFORMANCE MEASURES ("APMs")

The purpose in providing these measures is so that both Company Management and investors have a fuller picture of the performance, capital structure, activities and liquidity of the Group, but should not under any circumstances be taken into account independently of the measures resulting directly from the financial statements.

The APMs used by the Group are as follows:

#### Gross Profit Margin (%)

This measure is calculated by dividing the Gross Margin by Turnover, as these exact figures appear in the financial statements.

#### Group gross profit reconciliation table

Amounts in € '000	01/01/2022-31/12/2022	01/01/2021-31/12/2021
Sales	70,902	73,626
Cost of sales	(65,331)	(50,549)
<b>Gross Profit</b>	<b>5,572</b>	<b>23,077</b>

#### EBITDA Margin (%)

This measure is widely known among the investing community and is a general performance measure, with the advantage that it isolates the impacts of financing-investing results, income tax and the main category of non-cash expenses which is depreciation.

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, and other operating expenses, and adding other operating income and total depreciation, and then dividing by turnover. These figures are used as shown in the financial statements and the notes thereof, without any adjustments.

#### EBITDA Reconciliation Table - Group

Amounts in € '000	01/01/2022-31/12/2022	01/01/2021-31/12/2021
<b>Sales</b>	70,902	73,626
<b>Cost of sales</b>	(65,331)	(50,549)
<b>Other operating income</b>	3,689	7,156
<b>Selling and distribution expenses</b>	(6,196)	(7,252)
<b>Administrative expenses</b>	(6,765)	(6,056)
<b>Research and development expenses</b>	(163)	(177)
<b>Other operating expenses</b>	(737)	(1,383)
<b>Depreciation of fixed assets and right-of-use assets</b>	5,667	5,855

Depreciation of grants	(190)	(248)
Earnings / (losses) before interest, taxes, depreciation and amortisation	878	20,971

### EBIT Margin (%)

This measure, like the previous one (EBITDA) is widely known among investors and is a general performance measure, with the advantage that it can isolate the impacts of financing-investing results and income tax.

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, and other operating expenses, and adding other operating income, and then dividing by turnover. These figures are used as shown in the financial statements, without any adjustments.

### EBIT reconciliation table - Group

Amounts in € '000	01/01/2022-31/12/2022	01/01/2021-31/12/2021
Sales	70,902	73,626
Cost of sales	(65,331)	(50,549)
Other operating income	3,689	7,156
Selling and distribution expenses	(6,196)	(7,252)
Administrative expenses	(6,765)	(6,056)
Research and development expenses	(163)	(177)
Other operating expenses	(737)	(1,383)
Earnings / (losses) before taxes, financial and investment results	(4,599)	15,364

### EBT Margin (%)

This measure, like the previous one (EBIT) is widely known among investors and is a general performance measure, with the advantage that it can isolate the impacts of income tax.

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, other operating expenses and financial expenses, and adding other operating income and financial income, and then dividing by turnover. These figures are used as shown in the financial statements, without any adjustments.

### EBT reconciliation table - Group

Amounts in € '000	01/01/2022-31/12/2022	01/01/2021-31/12/2021
Sales	70,902	73,626
Cost of sales	(65,331)	(50,549)
Other operating income	3,689	7,156
Selling and distribution expenses	(6,196)	(7,252)
Administrative expenses	(6,765)	(6,056)
Research and development expenses	(163)	(177)
Other operating expenses	(737)	(1,383)
Net financial income	357	389
Earnings / (losses) before tax	(4,242)	15,753

### EAT Margin (%)

This measure is widely known among investors and is a general performance measure, with the advantage that it examines the performance of net earnings /(losses) after tax compared to turnover.

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, other operating expenses, financial expenses, and income tax, and adding other operating income and financial income, and then dividing by turnover. These figures are used as shown in the financial statements, without any adjustments.

**EAT reconciliation table - Group**

Amounts in € '000	01/01/2022-31/12/2022	01/01/2021-31/12/2021
Sales	70,902	73,626
Cost of sales	(65,331)	(50,549)
Other operating income	3,689	7,156
Selling and distribution expenses	(6,196)	(7,252)
Administrative expenses	(6,765)	(6,056)
Research and development expenses	(163)	(177)
Other operating expenses	(737)	(1,383)
Net financial income	357	389
Income tax	250	(4,417)
Earnings / (losses) after tax	(3,993)	11,335

**Current ratio: Total current assets / total short-term liabilities**

This index measures the balance of liquid funds above current liabilities. These figures are used as shown in the financial statements, without any adjustments

**Capital structure ratio**

This ratio shows the relationship between a company's equity and debt. These figures are used as shown in the financial statements, without any adjustments.

**These measures are shown in the table below:**

	01/01/2022-31/12/2022		01/01/2021-31/12/2021	Deviation
<b>PERFORMANCE AND PROFITABILITY RATIOS</b>				
Gross Profit Margin		7.86%		-23.48%
EBITDA Margin		1.24%		-27.25%
EBIT		-6.49%		-27.35%
EBT Margin		-5.98%		-27.38%
EAT Margin		-5.63%		-21.03%
<b>INVESTMENT RATIOS</b>				
Earnings / (losses) per share net of tax	(0.1100)		0.3123	-135.22%
<b>LIQUIDITY RATIOS</b>				
	31/12/2022		31/12/2021	Deviation
General liquidity (Current assets / short-term liabilities)	6.25		8.30	-24.67%
<b>CAPITAL STRUCTURE &amp; VIABILITY RATIOS</b>				
Equity / Debt	404.48%		482.40%	-77.92%

**Calculations:**

Index	Calculation (Group figures)
Gross Profit Margin	Gross profit / Sales
EBITDA Margin	EBITDA / Sales
EBIT	Operating Profits / Sales
EBT Margin	Earnings before tax / Sales
EAT Margin	Earnings after tax / Sales
General liquidity (Current assets / short-term liabilities)	Current assets / short-term liabilities
Equity / Debt	Total equity / Total liabilities

	Group	
	01/01/2022-31/12/2022	01/01/2021-31/12/2021
Sales	70,902	73,626
Cost of sales	(65,331)	(50,549)
Gross Profit	5,572	23,077
EBIT	(4,599)	15,364
EBT	(4,242)	15,753
EAT	(3,993)	11,335
EBITDA	878	20,971
Current Assets	136,798	153,557
Short-term liabilities	21,886	18,507
Total equity	177,420	189,253
Total Liabilities	43,864	39,232
Cash	71,481	91,305

## PRICING POLICY

Decision no. 416/2011 of the Board of Directors set the Company's pricing policy for the 2012-2013 period, which was ratified with Joint Ministerial decision no. 4799/19-12-2012 (Government Gazette 3450/B/27-12-2012) of the Ministers of Finance and Macedonia-Thrace. That decision has remained in effect to this day following successive extensions.

Article 33 of Law 4258/2014 on arrangements for setting the tariffs of EYDAP and EYATH, applied from 1.7.2015 to 31.12.2018, according to which tariffs for water supply and sewerage services were to be approved by decisions of the Special Secretary for Water, following consultations with the Minister of Finance and other stakeholders.

In Special Secretariat for Water decision no. 135275/22.5.2017 (Government Gazette 1751/B) "on general rules for costing and billing water services, methods and procedures for recovering costs of water services for various water uses", general costing and billing rules for water services were laid down. The purpose of the decision is to approve the general costing and billing rules as well as measures to improve water services for various uses of water, and to lay down procedures and methods for recovering the cost of such services, including environmental costs and water resource costs. At the same time, the objective of the Joint Ministerial Decision is to ensure that pricing policy for water offers adequate incentives to users to efficiently use water resources and for the different uses of water to adequately contribute to recovery of the cost of water supply services. Services are charged for based on cost factors, including financial costs, environmental costs and resource costs. Financial costs are worked out by the provider (EYATH S.A. in this instance) whereas environmental and resource costs are calculated and approved by decision of the competent authority, and overall are added to tariffs as an environmental levy per m<sup>3</sup> of water used.

Pricing Policy for the 2019-2023 period, which EYATH S.A. recommended to the Special Secretariat for Water, was approved by decision no. 26142/180 of the Special Secretary for Water (Government Gazette 1105/B/3.4.2019) and took effect on 1.5.2019. The new pricing policy follows the logic of a drop in the cost of water for lower levels of consumption, to ensure it has a social focus, and a rise in cost for high consumption to avoid natural resource wastage. At the same time, the social tariff has been retained and improved for groups of consumers who are socially and economically vulnerable; it is tied into the social and income criteria used for the social residential tariffs for electricity (tariffs A and B), which beneficiaries can access automatically without bureaucratic procedures, and without needing to submit supporting documents. An environmental levy is included in the new tariffs, which is paid over to the Green Fund to finance water resource management and protection projects. For 2021-2023 there will be a 2% annual increase in tariffs (apart from household scale one with consumption of up to 10 m<sup>3</sup>/4-months) to ensure that the Company's investment plan can be implemented (which foresees major water supply and sewerage projects, such as an extension to the Thessaloniki water treatment plant, maintenance of the Aravissos aqueduct, works to improve the water supply and sewerage networks), while the sewerage levy, fixed charges and special water cycle levy will remain firm and fixed over the tariff's 5-year period.

Given that the Company's current pricing policy expires on 31.12.2023, the Company's Board of Directors appointed a special committee on 16.2.2023 by means of decision No. 072/2023. It will examine the company's pricing policy for the next period and will examine cost recovery making proposals to this end.

### MAJOR EVENTS

## Investment projects

During 2022, EYATH S.A. put the following works and design contracts out to tender via an open tender procedure:

- «Repair of damage and local replacement of sections of sewerage network pipelines in 2022», with a budget of € 600 thousand (plus VAT). A contract was signed in May 2022.
- «Repair and maintenance of water supply network in central and eastern Thessaloniki in 2022» with a budget of € 750 thousand (plus VAT). A contract was signed in July 2022.
- «Repair of damage to the load-bearing structure and reinforcement of the foundations of the eastern chamber of water supply tank D5» with a budget of € 600 thousand (plus VAT). A contract was signed in November 2022.
- «Repair and maintenance of the water supply network in western Thessaloniki in 2023» with a budget of € 950 thousand (plus VAT). The tender procedure is under way.
- «Group A of urgent water supply projects for 2023», with a budget of € 3 million (plus VAT). The tender procedure is under way.

In addition, in 2022 the tender procedure to select a contractor was launched and the following works contracts were signed:

- Construction of an extension to the Thessaloniki Water Treatment Plant Phase A2» with a budget of € 21.7 million (plus VAT). A contract was signed in September 2022.
- «Final Design for Tanks D2a and D3a and New Lime Saturation Sedimentation Tank at the Thessaloniki Water Treatment Plant» with a budget of € 1.4 million (plus VAT). A contract was signed in January 2022.

During 2022 the following contracts were also signed for the preparation of designs and provision of technical services:

- 4th individual contract with a contractual value of € 106,209.70 (VAT excl.) under the Framework Agreement entitled: «Framework Agreement for the provision of Technical Advisor support services for designs and projects under the EYATH S.A. Strategic & Business Plan», with a budget of € 1.32 million (April 2022).
- Preparation of a dossier amending the environmental terms and conditions of the environmental assessment approval for the project entitled «Thessaloniki water supply project from the Aliakmon River and related projects» with a contractual value of € 15,000.00 (VAT excl.) (April 2022).
- Updating / supplementation of the repair study for two final settling tanks FST 41.023 and FST 41.024 at the Thessaloniki Waste Water Treatment Plant and installation of mechanical equipment with a contractual value of € 18,300.00 (VAT excl.) (December 2022).
- «Final study for tanks D2a and D3a and New Lime Saturation Sedimentation Tank at the Thessaloniki Water Treatment Plant», for a contractual fee of € 600 thousand € (plus VAT) (January 2022).

- Contract entitled «Repair of damage and local replacement of sections of sewerage network pipelines in 2022», with a budget of € 600 thousand (plus VAT). A contract was signed on 11.5.2022.

- Contract entitled «Design, supply, installation and commissioning of an integrated sewerage pumping station remote control and remote surveillance system» with a budget of € 1,400,000 plus VAT. The contract was signed on 25.7.2022 for a total award value of € 911,571.00 plus VAT.

Moreover, in August 2022 the Framework Agreement entitled «Framework Agreement for the supply, installation, commissioning and operation of household water meters in EYATH S.A.'s territorial remit» was put out to tender with a budget of € 21,165,000.00 plus VAT or € 49,565,000.00 including options, plus VAT. This tender procedure is under way.

Finally, on 5.12.2022 the service agreement was signed to prepare a feasibility study and amend environmental assessment approval No. 106129/25-10-2006 a for the Thessaloniki Waste Water Treatment Plant project, with a contractual value of € 30 thousand (VAT excl.).

The following contracts are currently under way:

«Operation and Maintenance of the Waste Water Treatment Plant in the Wider Thessaloniki Area»

During December 2020 the tender procedure No. Δ1/2016 for the «Operation and Maintenance of the Thessaloniki Wider Area Waste Water Treatment Plant» ended and a 5-year contract was signed with the contractor for the sum of € 42,087,089 which stated that in addition to more general effective operation, maintenance, sanitary monitoring and overall responsibility of the Thessaloniki Waste Water Treatment Plant, it also included: a) major additional maintenance works/repairs/upgrades/replacement/addition of equipment (additional operational interventions) and b) energy optimisation interventions for the facilities to reduce the Thessaloniki Wastewater Treatment Plant's energy footprint. It also includes the design, supply, installation and operation of a 1MW solar farm and the power plant comprised of two units with a total capacity of 2.5 MW has been commissioned, exploiting the biogas produced from the anaerobic digestion tanks for dehydrated sludge.



«Restoration of operation of the thermal drying plant at the Waste Water Treatment Plant»

The scope is repair of various problems, wear and tear and malfunctions, including modifying the automation - operating philosophy and to ensure efficient and safe operation of the thermal drying plant at the Waste Water Treatment Plant. The contract worth € 1,752,129.38 plus VAT was signed on 14.9.2022 and is valid for 12 months.

«Operation of the Thessaloniki Water Treatment Plant»

As part of tender procedure 2B/2019 for the framework agreement on «operation of the Thessaloniki Water Treatment Plant», the 10-month contract with the contractor on general efficient operation, maintenance and overall responsibility for the Thessaloniki Water Treatment Plant was completed on 11.2.2022 for a price of € 1,925,321 plus VAT and an amendment to it was made, extending it from 12.2.2022 to 13.3.2022 (30 days) for a total price of € 181,761.89 plus VAT. On 14.3.2022 the 2nd Implementing Agreement for Framework Agreement No. 2B/2019 on operation of the Thessaloniki Water Treatment Plant was signed with a budget of € 3,267,754.00 plus VAT, valid for 18 months. In 2022 the Thessaloniki Water Treatment Plant treated a total of 53,066,467 m<sup>3</sup> of surface water from the Aliakmon River and 50,440,810 m<sup>3</sup> of drinking water was released from the Facility for consumption, with an average daily flow of 138,194 m<sup>3</sup>. That water met all the requirements of the applicable legislation in Joint Ministerial Decision No. Y2/οικ.2600/2001 and Joint Ministerial Decision No. Γ1(δ)/ΓΠοικ. 67322/2017 (Government Gazette 3282/19.9.2017) for drinking water with an average outlet turbidity of 0.091 NTU.

«Supply and installation of an integrated security system with a SCADA system interface to protect critical infrastructure at the facilities of the Thessaloniki Water Supply & Sewerage Company (EYATH S.A.)»

This includes installing electronic systems with accessories and providing the necessary infrastructure, and providing implementation and support services for a total of 16 EYATH facilities. The purpose is to protect the said facilities against risks such as vandalism, theft, sabotage, etc. to prevent such risks occurring, to constantly monitor them on round the clock / 365 days a year using electronic systems, to identify and detect incidents in good time, to ensure a greater sense of security, to provide in and out checks during hours when the facilities are not in operation and to save resources, by limiting the number of people employed. The total contractual price is € 1,266,792.00 plus VAT. The overall project implementation deadline is 36 months, 12 months for project implementation (€ 1,184,160.00) and 24 months for technical support and post-implementation subscriptions/benefits (€ 82,632.00).

Moreover, within 2022 the Sewerage Pumping Station Operation and Maintenance - Repair Department, actively participating in the Company's wider effort to save energy and improve its energy footprint in general, submitted an application to HEDNO to install a photovoltaic station at the Sofouli Pumping Station as part of the energy Netmetering scheme. The connection terms have already been approved and the project is expected to be completed in 2023.

Lastly, in 2022, cases of extending sewerage networks with third parties assuming part of the cost were examined, around 1.0 km long in various areas, as well as the rebuilding/replacement of sewerage pipelines around 8 km long and the relocation and construction of new water supply pipelines around 10 km long.

In 2022 it completed the tender notice for the open online tender procedure for the EYATH S.A. Sewerage Network Development and Implementation Service to protect the sewerage network from edible fats and oils and solid food waste with a total budget of € 140,000. The tender procedure will be completed and the scope of works will be implemented in 2023.

### **Preparation of the second Sustainability Report**

The annual Sustainability Reports we prepare highlight the Company's involvement in international and national strategies (the 2030 Agenda for Sustainable Development, the Paris Agreement 2016, the European Green Deal 2019) and highlight EYATH's performance on all major issues in society, the environment and corporate governance. Demonstrating its intention to adopt ESG criteria and setting sustainable development standards as an integral part of its day-to-day operations, after successfully completing the first efforts to prepare the 1st Sustainability Report for the 2019-2020 period, EYATH prepared its 2nd Sustainability Report.

The company prepared the 2nd Sustainability Report in 2021, its first ever featuring its performance and initiatives on social, environmental, economic and corporate governance issues. It was prepared in line with the reporting standards devised for the internationally recognised GRI initiative and in line with the guidelines in the ESG 2022 Information Disclosure Guide issued by the Athens Exchange. The aim is to increase its positive environmental and social footprint by remaining dedicated to ethical and effective corporate governance.

### Listing on the Athens Exchange ATHEX ESG Index

Based on the published data in the Sustainability Report, EYATH was also evaluated in November 2022 and joined the ATHEX ESG Index of the Athens Exchange, which accumulates companies with the top levels of sustainable development performance in Greece. EYATH's inclusion in the index is proof of the Company's dedication to caring for the environment, social solidarity and sound management, respect for the legislative framework and regulations, and its unwavering pursuit of a safe working environment free of discrimination and prejudice. The adoption of ESG KPIs in action and in the annual reports shows the company's consistent, transparent, coherent strategy of striving for sustainable development, highlighting its cohesive strategic plan to achieve sustainable development and to contribute to national, European and international 'green' transition goals.

### The subsidiary EYATH SERVICES S.A.

EYATH SERVICES S.A. has not provided any water supply and sewerage services in the period from 1.3.2018 to the present day.

At the Extraordinary General Meeting of EYATH SERVICES S.A. which met on 11.2.2022 it was decided to increase the company's share capital by one million euros (€ 1,000,000.00) by issuing two million (2,000,000.00) new shares with a nominal value of fifty cents (€ 0.50) each and to amend Article 5 of the Articles of Association to finance RES investment plans and covering the cost of the subsidiary's participation in the Havrias River PPP tender procedure.

The Annual Ordinary General Meeting of Shareholders of the subsidiary EYATH SERVICES S.A. was held on 17.6.2022 and approved the following items:

- Approval of the annual financial statements, reports from the Board of Directors and the auditor for the accounting period (1.1.2021 to 31.12.2021) in accordance with the IFRS.
- Approval of overall management of the Board of Directors for the accounting period 1.1.2021 - 31.12.2021 in accordance with Article 108 of Law 4548/2018 and release of auditors from liability in accordance with Article 117(1)(c) of Law 4548/2018.
- Approval of fees paid to the Chairman, CEO, members and secretary of the Board of Directors during 2021 and setting of corresponding fees for 2022.
- Selection of Auditing Firm and approval of its fee for statutory audit of the Annual Financial Statements and tax audit for the period 1.1.2022-31.12.2022.
- Replacement of the member of the Board of Directors Mrs. Despina Lemonidou by Mr. Panagiotis Hatzisarrou.

On 20.10.2022 an Extraordinary General Meeting of the sole shareholder in the subsidiary was held which decided to renew the term in office of members of the Board of Directors, Mr. Agis Papadopoulos and Mr. Dimitrios Alexandris.

The composition of the Board of Directors of the subsidiary EYATH SERVICES S.A., as specified in Board Decision No. 011/2022 of 20.10.2022 is as follows:

- CHAIRMAN: Agis Papadopoulos, son of Michail, elected on 20.10.2022, whose term in office expires on 20.10.2025.
- CEO: Anthimos Amanatidis, son of Anastasios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- VICE CHAIRMAN: Sofia Ammanatidou, daughter of Ilias, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Ekaterini Tsikaloudaki, daughter of Georgios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Parthena Theodoridou, daughter of Antonios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Dimitrios Alexandris, son of Georgios, elected on 20.10.2022, whose term in office expires on 20.10.2025.
- MEMBER: Panagiotis Hatzisarrou, son of Pantelis, elected on 17.6.2022, whose term in office expires on 17.6.2025.

### Participation in Public International Tender Procedure

Decision No. 003/2020 of the Board of Directors taken on 6.8.2020 decided that EYATH Services S.A. would participate as a member of the grouping «INTRAKAT - SUEZ EAU FRANCE S.A.S - EYATH SERVICES S.A.» in the public international tender procedure via the National Electronic

Public Procurement System (NEPPS) to award a public-private partnership agreement relating to: «IMPLEMENTATION OF THE HAVRIA HALKIDIKI DAM WATER TREATMENT PLANTS AND NETWORKS THROUGH PUBLIC-PRIVATE PARTNERSHIP - Phase I» announced by the MINISTRY OF INFRASTRUCTURE & TRANSPORT / GENERAL SECRETARIAT FOR INFRASTRUCTURE / DG HYDRAULIC, PORT AND BUILDING INFRASTRUCTURE / WATER SUPPLY, SEWERAGE & WASTEWATER TREATMENT PROJECTS DIRECTORATE (D18).

The total contractual duration of the project is 30 years and its budget is €86,321,000.00 (3 years) for construction and €80,496,000.00 for operation and maintenance (27 years).

The project award procedure includes two phases (A & B) of which phase B is divided into two stages (B.I & B.II). By the end of 2022, Phase A was completed by evaluating the expression of interest files submitted for the project to prequalify candidates, Phase B.I - DIALOGUE was launched and Phase B.II is also under way in which tenders were submitted by participating associations of companies. This period ends on 30.5.2023.

### **SIGNING OF NEW COLLECTIVE BARGAINING AGREEMENT**

Due to the expiry of EYATH S.A.'s Enterprise-Level Collective Bargaining Agreement on 3.10.2019, after negotiations with the trade union were completed, the Company signed a new Enterprise-Level Collective Labour Agreement valid for 3 years from 1.9.2022 to 31.8.2025.

### **STAFF RECRUITMENT**

In implementation of Decision No. 184/2022 of the Board of Directors, in the context of tender notice No. ΣΟΧ1/2022, (nine (9) successful secondary-education vehicle drivers were recruited on the basis of a fixed-term private law employment contract of 8 months.

During the last quarter of 2022, the Supreme Council for Civil Personnel Selection (ASEP) completed the process of ranking candidates to fill a total of forty-eight (48) posts with a private law open-ended employment contract for university, technological and secondary education in tender notice No. 10K/2021 and the final tables of recruiters were published in the Government Gazette.

### **PROCUREMENT OF NEW VEHICLES**

As part of the process of replacing old, polluting service vehicles, in implementation of the relevant decisions of the Board of Directors of EYATH S.A., during 2022 the tender process to procure a total of twenty-four (24) new anti-pollutant, environmentally-friendly, hybrid and electrical vehicles was completed.

A recharging station was installed at the service car park with the overriding goal being to renew the entire fleet of vehicles in the medium term, bearing in mind at all times the safety of drivers and passengers, and the Company's participation in reducing its carbon footprint.

### **Annual General Meeting of Shareholders**

The Annual Ordinary General Meeting of Shareholders held on 8.9.2022 approved the following items by a majority:

- Approval of the annual financial report and consolidated financial statements of the Group prepared in accordance with the International Financial Reporting Standards (IFRS) for the 21st accounting period (1.1.2021 - 31.12.2021) and the management reports of the Board of Directors and the independent certified auditor-public accountant thereon.
- Approval of overall management of the Board of Directors for the accounting period 1.1.2021-31.12.2021 in accordance with Article 108 of Law 4548/2018 and release of auditors from liability in accordance with Article 117(1)(c) of Law 4548/2018.
- Approval of allocation of profits and distribution of dividends from profits for 2021 to company shareholders..
- Discussion of the Remuneration Report of the Remuneration and Nominations Committee in accordance with Article 112(3) and approval of the remuneration and compensation paid to members of the Board of Directors for the accounting period 1.1.2021 - 31.12.2021 in accordance with the Company's Remuneration Policy and the Remuneration Report.
- Selection of Auditing Firm and approval of its fee for the statutory audit of the Annual Financial Statements, the Report on Review of the Interim Summary Six-Month Financial Statements and issuing of a Tax Certificate, for the fiscal period 1.1.2022 - 31.12.2022.
- Approval of amendments to the Company's Articles of Association to further bring them into line with Law 4548/2018 and Law 4706/2020 and addition of activities to Article 4 (Scope).
- Approval of revision of the Remuneration Policy under Article 111 of Law 4548/2018.
- Announcement of election by the Board of Directors of Mr. Dimitrios Konstantakopoulos as a non-executive member of the Board of Directors to replace Mr. Georgios Satlas, who had resigned.
- Authorising the members of the Board of Directors of the Company and the executives of the

Company's Divisions to participate in the Boards of Directors or in the management of other related parties in accordance with IAS 24, and legal persons controlled by them in accordance with IAS 24.

- Approval of the type of Company Audit Committee in accordance with Article 44 of Law 4449/2017, as in force, and appointment of members where an independent committee is approved. As far as the revision of the Remuneration Policy (item 7) is concerned, the Chairman of the General Meeting proposed to shareholders that the discussion of this item be postponed to the next meeting of the General Meeting and the proposal for postponement was put to a vote.

The General Meeting unanimously decided not to discuss or take decisions on this item.

### Changes to the Board of Directors

The Board of Directors officially met on 9.9.2022 following decision no. 391/2022 and was officially constituted with the composition below:

- Agis Papadopoulos, son of Michail, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on: 1.8.2023.
- Anthimos Amanatidis, son of Anastasios, CEO, Executive Member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Theodoros Koulouris, son of Nikiforos, Executive Member. Elected on 27.8.2019. Term in office ends on: 26.8.2023.
- Nikos Klitou, son of Konstantinos, independent non-executive member, (Chairman of the Audit Committee). Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Dimitrios Konstantakopoulos, son of Grigorios, non-executive member. Elected on 16.12.2021. Term in office ends on: 29.4.2024.
- Sofia Ammanatidou, daughter of Ilias (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Ekaterini Tsikaloudaki, daughter of Georgios, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Maria Petala, daughter of Dimitrios, (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member. Elected on 19.6.2020. Term in office ends on: 18.6.2024.
- Ioannis Mitziias, son of Konstantinos, employee representative, non-executive member. Elected on 19.6.2020. Term in office ends on: 18.6.2024.

### Change in address of head offices

Due to the necessary upgrade works, by means of Decision No. 348/2021 of the Board of Directors issued on 24.6.2021 it was decided to transfer the company's registered offices from the building at 127 Egnatias St. in the Municipality of Thessaloniki to the leased building at 91 Tsimiski St. in the Municipality of Thessaloniki.

### Coronavirus (COVID-19)

The outbreak of coronavirus (Covid-19) at the start of 2020 and the spread of the pandemic to date have brought major changes in how global supply and demand fluctuates, making the macroeconomic environment more difficult at both global and local level.

EYATH S.A.'s financial data, after a series of estimates and analyses during the reporting period, only appears to have fluctuated slightly, without there being any major impact from the public health crisis on the company's business activities and liquidity. Despite that, Management continues to monitor developments carefully so that it can immediately respond to the requirements of the global and domestic environment, based on the major checks and balances it has in place, such as the significant level of cash assets and the general lack of borrowing.

In addition, EYATH also continues to monitor the development of the public health crisis, complying at all times with the recommendations of the National Public Health Organisation (EODY), with the primary focus being to protect employees and consumers.

### Decision of the CoS on the Shareholding Composition of EYATH S.A.

Judgment No. 191/2022 of the Plenary Session of the Council of State, published on 4.2.2022, held that the transfer under Law 4389/2016 by the State to HCAP S.A. of more than 50% of the share capital of EYATH S.A. is contrary to the provisions of Article 5(5) and 21(3) of the Constitution which state that the provision of water supply and sewerage services to the population of the wider Thessaloniki area is not an activity integral to the core of state power and that under current conditions, namely under conditions where those services are provided on a monopolistic basis, it is constitutionally necessary for EYATH S.A. to be controlled by the Hellenic Republic, not simply by the exercising supervision over it but via its share capital. Although the State is the sole shareholder of HCAP S.A. (the shareholder hereinafter of EYATH S.A.) it does not exercise control over the Board of Directors of HCAP and consequently the constitutional condition which requires EYATH S.A. to be controlled by the Hellenic Republic, not just by exercising supervision over it but also via its share capital, is not met, and in addition HCAP S.A., a body governed by private law which intervenes between the State and EYATH S.A., seeks above all to achieve cash flow and money saving objectives and has been organised and is run in such a way as to achieve those objectives.

Articles 114 and 115 of Law 4694/2022, published on 30.7.2022, in implementation of that Council of State judgment, legislated for the transfer of 50%+1 shares by the Hellenic Republic to HCAP to be valid and effective and provided for checks and balances on constitutional security so that: a) HCAP's decisions must be taken exclusively by the Hellenic Republic as the sole shareholder in HCAP and b) HCAP as a shareholder and the management team of EYATH S.A. have a duty to constantly provide high quality water supply and sewerage services to society as a whole.

### VISION - MISSION

Management's vision is to develop the company as an efficient manager of water resources, protecting the environment in the wider Thessaloniki and Thermaikos Bay area.

The Company's mission is to offer quality, comprehensive water supply and sewerage services to old and new consumers who are in need of them, by utilising, improving and extending its infrastructure, through sustainable environmental management practices.

The Company's strategy aims at fulfilling its obligations as a Utility Company, in combination with increasing the shareholders' assets. To this end, it seeks to improve the quality of the services it provides through an investment programme, to upgrade its facilities and to expand its technological infrastructures, and the ICT systems it has.

As part of its drive to look outward, EYATH S.A. through its subsidiary EYATH Services S.A., signed a contract in September 2021 to provide technical advice on the techno-economic assessment of various alternative methods for managing wastewater for the Paralimni Sewerage Board and for preparing an assessment report.

EYATH S.A.'s special features, such as the natural monopoly it has, its strong cash flow basis, zero borrowing, and its business and investment plan, ensure that the Company grows, remains profitable, and transforms into a robust centre for know-how and entrepreneurship in the wider region.

### PROSPECTS

#### Flood protection works

In March 2019 a framework agreement was signed with the Central Macedonia Region to clean and maintain the rainwater network in the Thessaloniki urban area. The project has a budget of € 4 million and will run for 2 years. The specific contract expired in March 2021 and in April 2021 a new framework contract with a budget of € 3 million was signed, with a duration of 2 years and commencement date of 1.5.2021. The contract is in force.

In addition, in December 2022 EYATH S.A. and the Central Macedonia Region signed a MoU relating to the re-sizing and redesign of flood protection works in areas of the Thessaloniki urban area which have inadequate flood protection infrastructure. More specifically, the MoU relates to the area of Ethnikis Amynis St., the area of the Port and Thessaloniki Court Building and the underground passageway at Agion Panton St.

### Strategic and Business Plan

An exceptionally ambitious investment plan worth around € 175 million was prepared by EYATH S.A. in partnership between Management and specialists within the Company and is currently being implemented. It includes, inter alia, tens of projects and designs involving the maintenance, replacement and extension of infrastructure in the city's water supply and sewerage system. The investment plan includes some flagship projects such as: extension of the Thessaloniki Water



Treatment Plant (Phase A2), with NSRF Funding of € 21.7 million (plus VAT), sewerage works to complete the connection between low-lying areas of Thessaloniki (works in the Dendropotamos area and interchange K16) with a budget of € 6 million (plus VAT), extension to the water supply network SCADA with a budget of € 3.35 million (plus VAT), upgrade of the SCADA system for the sewerage network with a budget of € 1.4 million (plus VAT), the framework agreement to improve and repair the Aravissos aqueduct with a budget of € 3.37 million (plus VAT), sewerage works at pump houses, discharge pipes and the coastal pipeline, with a budget of € 5.4 million (plus VAT), replacement of water meters, extension of the water supply network into new areas and others. As far as the project to improve and repair the Aravissos aqueduct is concerned, implementation of the project commenced in June 2020 and will continue in line with the schedule which has been prepared. To help implement its Strategic Plan, framework agreements are in place relating to the provision of technical advisor support services and the preparation of support studies (geological, geotechnical and environmental studies) for a total estimated fee of € 2.05 million (plus VAT).

In October 2022 the Company updated its Strategic and Business Plan for the period 2023-2028, an issue on which the CEO issued decision No. 384/2022 and about which members of the BoD were informed accordingly. The number of innovative projects, some of which were not planned, and the change in the initial estimate of the budget for certain projects led to the need to review and update the company's investment plan, which at completion includes fully preparing the company's strategy and recording financial forecasts, setting a series of individual targets, namely to:

- ensure overall development of its networks and expansion of its operations through a series of technical projects in order to supply water to areas of both the urban area, and beyond it, to regions which currently are lacking good quality water; and face water supply problems due to over-abstraction, salinisation, etc.;
- implement the extension of the Thessaloniki Water Treatment Plant (known as the «refinery») to ensure the necessary extra quantity of water needed to cope with current and mainly future water supply demand for the Thessaloniki urban area;
- ensure uninterrupted, safe operation of the water supply systems, by supplying top quality water, in line with the rules and requirements laid down by the current regulatory framework;
- increase environmental safety in relation to pollution and protection of water resources;
- improve the level of customer service to citizens by offering top class water supply and sewerage services at the least possible cost;
- combine business activity with social responsibility;
- bolster the sense of security by supplying and installing advanced security systems at key company facilities to prevent incidents and unlawful acts;
- ensure legislative compliance on fire safety issues by faithfully implementing fire safety studies at EYATH facilities;
- upgrade infrastructure to improve the productivity of existing systems, which will lead to lower operating costs for the Company, especially energy costs. In exploring the Company's potential for using renewable energy sources (RES) to reduce its energy costs, during the first half of 2019 it analysed the legal framework and the relevant procedures so that EYATH S.A. could install RES plants (photovoltaic stations) and operate as a self-producer, thereby making good use of its own properties or newly purchased/rented ones and benefiting from net metering and virtual net metering. A preliminary technical and economic study was then prepared looking at 3 indicative examples of these options being applied: the Thessaloniki Water Treatment Plant, the Thessaloniki Waste Water Treatment Plant and the Aeneia Waste Water Treatment Plant. Today, the Company is installing PV systems by implementing net metering at the Thessaloniki Waste Water Treatment Plant and the Aeneia Waste Water Treatment Plant;
- raise citizen awareness about environmental issues and brief them about the company's contribution to society as a whole, and about its business activities.

The Company's Strategic and Business Plan is being implemented gradually.

### Investments in the sewerage sector

The following contracts are currently under way:

A) «Works to complete connection of the Thessaloniki low-lying areas» which consists of 5 individual sub-projects within the area in which EYATH S.A. operates. The five (5) individual sub-projects comprising the overall project are as follows:

- An EYATH pipeline relocation study (alternative solution) under the operation entitled «Construction of the K16 grade-separated interchange at the junction of the PATHE Motorway and the Thessaloniki Inner Ring Road - Phase II».



- Improvement - Upgrading of the A3 wastewater pumping station and construction of a discharge pipe.

- Improvement - Upgrading of the A4 wastewater pumping station.

- Diversion of waste from sewerage collection pipes at Agios Nektarios, Dendropotamos.

- Extension of the sewerage collection pipe at pumping station A3 to Kalohoriou St.

B) "Sewerage works to upgrade pumping stations, discharge pipes, a coastal collection pipeline and the Aeneia Waste Water Treatment Plant central pipe", which includes sewerage works to improve - upgrade the wastewater pumping station A5 (at the Port) and pumping station A2B (at the Thessaloniki Industrial Area), to replace the sewerage twin discharge pipe at pumping station A5 (at the Port), to build a coastal collection pipe at pumping station B3 and a rainwater drainage pipe, and to upgrade pumping station A17 at Finikas, while the reconstruction of the central sewerage pipeline for the Aeneia Waste Water Treatment Plant has already been completed.

C) "Sewerage treatment for wastewater in the Neokastro area, southeast of the village of Galini in the Municipality of Oreokastro", relating to implementation of the sewerage works in the Neokastro area, southeast of the village of Galini in the Municipality of Oreokastro.

D) "First group of urgent sewerage works 2020" which relates to the carrying out of emergency sewerage works (construction of sections of open or closed pipes, construction of access and water collection shafts, etc.), construction of private branch lines to connect properties to the network of sewers, and construction of extensions to the sewerage network including and involving third parties in the cost of such works.

E) "First group of urgent sewerage works 2021" which relates to the carrying out of emergency sewerage works (construction of sections of open or closed pipes, construction of access and water collection shafts, etc.), construction of private branch lines to connect properties to the network of sewers, and construction of extensions to the sewerage network including and involving third parties in the cost of such works.

F) "Extension of the Thessaloniki Water Treatment Plant - Phase A2" which seeks to extend the existing Thessaloniki Water Treatment Plant so that the facility's capacity can be increased from 150,000 m<sup>3</sup> a day which it is today to 300,000 m<sup>3</sup> a day (completion of Phase A2). The total duration of the contract is thirty (30) months, namely twenty (20) months for construction, four (4) months for trial operation and six (6) months for efficient operation of the new facility.

#### **Investments in the water supply sector**

The following contracts are currently under way:

A) 4th & 5th Individual (implementing) agreements for the Framework Agreement entitled: «FRAMEWORK AGREEMENT TO REINFORCE - REPAIR THE ARAVISSOS AQUEDUCT» which includes works to improve and repair the Aravissos aqueduct comprised of pre-fabricated concrete pipes Ø165cm and 6.0 m long,

B) "First group of urgent water supply works 2018" whose scope was to carry out urgent water supply works (replacement of pipes and valves, renovations and repairs to the network, lowering and relocation of pipes, removal of old pipes, construction of technical works in the network area and on external aqueducts, etc.), construction of branches - extensions to the water supply network and work to add more - replace valves in areas where EYATH S.A. operates.

C) "First group of urgent water supply works 2019" whose scope was to replace / reinstall water supply pipes and valves, renovate and repair the water supply network, lower and relocate pipes, remove old pipes, build pumping stations, water supply shafts and other works (such as PPC meter posts to implement the new SCADA) using reinforced concrete, technical works in the network area and on external aqueducts and to build extensions and junctions which are necessary to supply water to properties in the city.

D) "First group of urgent water supply works 2021" whose scope is to install water supply pipes in areas where EYATH S.A. operates. It also includes replacing, reinstalling water supply pipes and valves, renovating and repairing the water supply network, lowering and relocating pipes, removing old pipes, building pumping stations, huts, water supply shafts and other technical works made of reinforced concrete (e.g. PPC meter posts, etc.) in the area of the network and external aqueducts and construction of extensions and branches which are necessary to supply water to city properties. Moreover, the works also include construction of around 150 shafts and huts made of reinforced concrete to install devices and equipment necessary to remotely control and automate the water supply system within EYATH S.A.'s remit. The shafts and huts will be built at the local control stations for the new remote control and automation system for the water supply network, which is currently being installed and financed by the Central Macedonia Region as part of the 2014-2020 NSRF programme.

E) Rehabilitation of part of the drinking water network at the Thessaloniki Industrial Area using non-excavation technology which seeks to rehabilitate part of the EYATH S.A. drinking water network, namely a water supply pipe around 250 m long, " which has constant leaks in the Rizia area of the Thessaloniki Industrial Area. This will

be done by using non-excavation technology.

F) “Repair of damage to the load-bearing structure and reinforcement of the foundations of the eastern chamber of water supply tank D5”, which seeks to reinforce the foundations of the eastern chamber of water supply tank D5 in Evosmos, to avoid future subsidence, repair damage to the load-bearing structure, seal the said chamber using a special membrane and carry out work to improve the surrounding area.

## Other Investments

The following contract is currently under way:

«Upgrade of EYATH S.A.’s management building at 127 Egnatias St.» which relates to the overall upgrade of EYATH S.A.’s management building. More specifically:

- (a) Improvement of the building’s load-bearing capacity and harmonisation with the applicable regulations (on earthquake protection, reinforced concrete, etc.).
- (b) Energy improvements to the building in line with the specifications in the Building Energy Performance Regulations. Full refurbishment of building façades.
- (c) Full reconfiguration of indoor areas in line with new circumstances in terms of staff allocation and the type of uses.
- (d) Adaptation of the building to bring it into line with the applicable provisions of the Building Fire Protection Regulations (Presidential Decree 41/2018, Government Gazette 80/A/7.5.2018).
- (e) Full renovation so that the building can be upgraded to a state-of-the-art high-spec office building. All building and electromechanical elements in the building will be fully removed and rebuilt.
- (f) Preparing a Final Design and implementation design and all manner of supplementary designs and studies for construction of the said projects.

Moreover, the scope of this contract also includes all works or supplies and installation of equipment which are necessary for integrated construction, and flawless and efficient operation of the Project.

## Functional and technological modernisation

During 2022 steps were taken at planning, techno-economic analysis and planning level to replace the company’s two central ERPs with a modern, holistic IT ecosystem which will cover all support business functions. In the meantime, until EYATH S.A.’s IT ecosystem is implemented, a project to develop a customer e-service portal was launched in 2021 which interfaces with EYATH S.A.’s existing ERP (Solution II) and to upgrade the company’s payment system, the first version of which is expected to be released for pilot use in March 2023. During 2022 the portal user requirements study was completed, the portal and ERP interface study was completed, interconnection with the electronic services of the GSIS-PA Interoperability Centre was achieved, the graphical interface was completed and gradual implementation of the portal and its interface with the ERP commenced. In addition to the project, the impact assessment for the portal to ensure the protection of users’ personal data was completed and two pentests were held to ensure the security of the application.

## EYATH S.A.’s digital transformation

EYATH S.A.’s digital transformation is vital for improving its efficiency and competitiveness in a constantly changing technological environment. In order to achieve the goal of digital transformation, a digital strategy with clear priorities and milestones is needed, based on current developments and looking to tomorrow, and taking into account the overriding objective of providing better services to citizens. To that end, a recommendation was submitted to prepare a digital strategy and in cooperation with HCAP, EYATH S.A.’s digital maturity indicator was assessed to determine the digital transformation action plan for 2023 and the annual re-evaluation of the indicator.

At the same time, the following actions were taken:

- Inclusion in the scope of Chapters L and M of Law 4727/2020 (Government Gazette 184/A) to accelerate implementation of EYATH S.A.’s digital transformation.

- A tender procedure is currently under way to improve and upgrade e-services to consumers to ensure more direct service, to modernise the Company's e-payment system, and to develop a web-based centralised customer application platform to remotely service them, while maintaining the existing central customer IT system (the customer portal project).
- Further improvement of e-services provided on the Company's website - Creation of an online appointment application, creation of specialised applications for legal persons and sole trader enterprises.
- Further improvement of the phone services provided on the Company's website - creation of a click-to-call application.
- 5 communication campaigns run by the Company using new digital communication channels (Viber, SMS and Email) to brief citizens about (i) frost protection measures, (ii) the option to meet online via our website, (iii) the Company's activities for Environment Day, (iv) the sustainability report questionnaire, and (v) the need to update their data.
- Adoption of the Papyrus IT system for the new procedure for recording documents, a managing internal correspondence and distributing documents within the company, and relevant training for company employees.
- Interface between ERP (Solution II) and IDIKA to automate the process of including beneficiaries in the social tariff.
- Project kick-off for the company's new switchboard, incorporating new digital tools.
- Project kick-off for digitisation of all water supply and sewerage customers files.
- Extension of the approved digital signature application for Company management and other executives.
- Project kick-off for water meter reading recording services as part of which the water meter reading recording application was implemented and it was interconnected to the ERP (Solution II).
- Participation in the Superfund's Open Data Hub by providing company data to ensure better utilisation.
- Project kick-off to gradually implement an integrated business intelligence system to generate targeted reports on energy consumption at EYATH S.A.'s key facilities.
- Start and completion of the project to extend the sewerage CRM application.

### Information System Security and Personal Data Protection

Acknowledging the criticality of the security of its IT systems and the even more urgent requirements brought by the recent Ministerial Decision (1027, 8/10/2019) on the security of network and information systems for critical infrastructures [NIS Directive (EU) 2016/1148], the Company has taken a number of steps from October 2019 to date to protect the organisation from possible cyber threats: During 2022 the following steps were taken:

- Renewal of cybersecurity risk insurance contract to June 2023.
- Performance of a Personal Data Impact Assessment (DPIA) study on the customer portal being developed (March 2022).
- Extension of the 24/7 service to monitor and handle cybersecurity incidents (June 2022).
- Implementation of penetration test and vulnerability assessment for the needs of the customer portal being implemented (September 2022).
- Provision of a service to bolster IT infrastructure against vulnerabilities and cyberattacks (December 2022).
- Project kick-off to provide cybersecurity upgrade services and to bolster the resilience of EYATH S.A. IT systems and infrastructure. (December 2022).
- Participation in a Superfund project to train and raise awareness among EYATH S.A. employees about cybersecurity issues and threat and cyberattack simulation campaigns.
- Continuous actions to raise staff awareness about cybersecurity and cyber threats.
- Staff briefing and training about the GDPR.

### IT actions

The following steps were taken to support these actions in the IT sector:

- Implementing web applications to meet the Company's internal needs.
- Use of interfaces between EYATH S.A. and external third party systems to improve customer service. Steps were taken to interconnect the Citizens Communication Register and Revenue Confirmation Services to the State and to extend the ERP interface to the IAPR Business Register Key Data Search services.
- Design and dimensioning of the transfer of EYATH's systems to the G-cloud.

- Implementation of an e-sign system for EYATH consumers.
- Securing new fixed computer equipment to upgrade the Customer Service Division's systems.
- Redistribution and rationalisation of software usage by EYATH users.
- Organising an EYATH portal user service office.
- Installation of a move tracking system to record the entry - exit of EYATH employees.
- Extension of the digital document management project to the Paperless office standards to all company units and connection to consumer services via the e-sign system and dispatch of a reference number.
- Study on migration of document digitisation from EYATH's old archives to the digital document management system.
- Upgrading network infrastructure (wireless network in decentralised areas of the company, upgrading and ensuring top class network services.
- Implementation of the e-books service based on instructions from the Independent Authority for Public Revenue.
- EYATH S.A. joined Microsoft FastTrack to more productively use and increase adoption of cloud solutions.

### Improving customer service

Since 10.6.2019 the Customer Service Division has been operating out of new, cutting edge offices at 6 Angelaki St., handling all day-to-day transactions and requests of EYATH customers. The purpose of relocating is to improve service and communication with consumers inside open-plan, ergonomic, well-designed premises, by applying accelerated procedures.

The Company launched its new website in May 2019 which among other things improves the channels of communication with customers, allowing them to perform certain tasks online. During 2021 we added many additional application forms that customers can submit online without having to visit EYATH S.A.'s offices. Development of EYATH's new IT System will also include an e-services platform which will allow all user requests to be handled electronically using login credentials.

In addition, after a tender procedure during 2021 further improvements were made to the phone and online customer service provided by the Company by implementing an integrated service for receiving, recording and managing customer phone and online requests via the website or email by ensuring a relevant service.

A contract is under way to procure, configure and commission a web customer portal application which is intended to:

1. Modernise the company's e-payments system by redesigning and re-deploying it.
2. Develop a web platform for customer applications to enable their remote service.
3. Develop a mobile application.

### Water supply SCADA

During 2017, following the Central Macedonia Region NSRF funding decision for the remote control and automation system to manage EYATH's water supply system, steps were taken to finalise technical and other requirements in the tender procedure documents for the financed project. The project is designed to ensure automated monitoring and management of the water supply network (pipelines, pumping stations, reservoirs, etc.) by installing a remote control/remote operation system (SCADA). That system will help identify and check drinking water leaks and safeguard the operational status of all E/M equipment installed, thereby supporting moves being made to optimise operations.

In May 2018, the Central Macedonia Region approved the tender documents for the project entitled "Remote control and automation of water supply system within EYATH's remit" with a total budget of € 3,347,049.00 + VAT which is being funded by the NSRF. The last date for submitting tenders was 30.7.2018 and tenders were opened on 24.8.2018 at which time the process of having them

evaluated by the competent tender committee commenced. The tender procedure to select a contractor and sign the relevant contract was completed in 2019 with the relevant contract being signed on 17.12.2019, for a total award of € 2,434,777.00 plus VAT. The expenditure is covered by the relevant NSRF programme of the Central Macedonia Region. Projects are progressing based on the time frame prepared. Installation of the remote control and automation system at EYATH's water supply facilities continues as normal to this day. When the implementation schedule for the contract entered into on 16.12.2021 is amended, the project is expected to be completed on 31.5.2023.

### **Sewerage system SCADA**

During 2018 the design and specification of the project to upgrade the sewerage pump station SCADA system was finalised; most of the systems relate to the Thessaloniki Waste Water Treatment Plant's sewerage system.

On 5.6.2019 international tender procedure No. 17/2019 for the "design, supply, installation and roll out of a sewerage pumping station integrated remote control system" was launched with a budget of € 1,400,000 (plus VAT). The tender procedure to select a contractor was completed and the contract was signed on 25.7.2022 with a total award of € 911,571.00 plus VAT.

### **Pilot projects**

- Pilot digitisation of the customer archives was completed. Moreover, the preparation of technical specifications and other technical requirements for a tender procedure to digitise the overall customer archives was completed and a recommendation on this matter was submitted in July 2020 by the Digital Transformation & IT Division. following a previous recommendation made in September 2019 by the team established for this purpose, taking into account the more recent discussions which took place in the meantime with the new Consumers Division.
- The contract to maintain and operate a remote monitoring system for water meter consumption continued at the AUTH campus.

Implementing its scope will:

- allow the information recorded by the water meters to be monitored remotely and in real time.
  - allow controlled access to available consumption data.
  - prevent overconsumption and leaks, and avoid needless charges thereby helping save water.
- The Company has implemented a pilot programme to implement the SIWA Blockage Predictor technical solution to forecast and deal with overflows on EYATH S.A.'s combined network. On 7.10.2022 EYATH S.A. and SIEMENS signed a contract for the supply of materials and services to implement and commission the SIWA Blockage Predictor solution (as a pilot application) to address overflows in the EYATH S.A. combined network, worth € 28,284.00 plus VAT. Implementation of the project will be completed in 2023.

### **EYATH S.A.'s VEHICLE FLEET MANAGEMENT APPLICATION**

Following successful completion of pilot operation of the company's in-house vehicle monitoring technology software, which was developed in-house, the Geoinformatics, Surveying & Hydraulic Modelling Department rolled the software out to all company vehicles. The project included configuring hardware devices (servers, gps devices, sim cards), their interface software and developing a vehicle management platform by the competent employees of the company. The objective of the project is to more effectively manage vehicles and works done by company employees, by integrating and combining vehicle monitoring with existing GIS technologies implemented by the company (monitoring network and fault management) based exclusively on the know-how of its staff (implementation using in-house technology). By rolling out the project the company seeks to optimise time usage, costs and procedures with the overriding benefit of providing more efficient services, reduced response times and costs.

### **PREPARATION OF FACILITIES REGISTER**

Survey diagrams were prepared for almost all company facilities, including diagrams of wastewater treatment facilities and the refinery. Moreover, a geospatial database is currently being prepared which will include information about the ownership regime of properties based on data available from the Cadastre.

### **DIGITISATION OF THE ARCHIVE**

The process of digitising the department's in-house archive commenced, which among other things includes maps, diagrams, aerial photographs, documents (e.g. Government Gazette issue



on expropriations, building permits, etc.), data about our facilities, folders to monitor court cases (on ownership issues). In addition to the technical aspect, which has special requirements, the procedure also includes evaluating available data to generate an archive which can be functional and accessible. In conjunction with the facilities register, it seeks to create a digital library where all available information about company networks and facilities will be recorded over time.

### NETWORK MODELLING

The following pilot projects were carried out in the hydraulic modelling sector:

1. Implementation of an integrated hydraulic study for a pilot basin for EYATH S.A.'s sewerage system in the Panorama Municipal Unit area, which includes:

- Hydraulic simulation of the sewerage network in dry and wet weather;
- Adjusting the hydraulic model with reliable actual rainfall and flow data. To this end, measurement data from two rain meters installed in the study area and from one accuracy flowmeter are used.

2. Implementation of hydraulic simulation of the water distribution network for the pilot closed sub-zones (DMAs) of:

- Evangelistria
- Efkarpia
- Gymnasio / Panorama
- Acropolis / Pefka

within EYATH S.A. under normal network operating conditions. The simulations took into account network interventions carried out during the said period as well as planned future interventions.

EYATH's geographical remit

According to Article 26 of Law 2937/2001, the Company's territorial remit, within which it may provide its services and conduct its business, is the following:

WITH REGARD TO WATER SUPPLY: the Municipalities of Thessaloniki, Ambelokipi - Menemeni, Kalamaria, Neapoli - Sykies, Pavlos Melas, Kordelio - Evosmos, Panorama, Pylea - Hortiatis, Oreokastro and the Thessaloniki Industrial Area.

WITH REGARD TO SEWERAGE: the territorial remit of EYATH S.A. is divided into five regions:

«Region A» includes the Municipalities of Thessaloniki, Ambelokipi - Menemeni, Kalamaria, Neapoli - Sykies, Pavlos Melas, Kordelio - Evosmos, Pylea - Hortiatis, Oreokastro in the districts of Ionia and Kalohori of the Municipality of Delta.

«Region B» includes the area surrounded by the rivers Gallikos and Axios, up to the sea, including the industrial zone of the major Thessaloniki area, the district of Sindos of the Municipality of Delta, the districts of Agios Athanasios, Anchialos, Gefyra of the Municipality of Halkidona and the districts of Halastra and Anatoliko of the Municipality of Delta.

«Region C» includes the hill zone of the Thessaloniki urban area and includes the community of Pefka and the Districts of Asvestochori, Exochi, Filyro of the Municipality of Pylea-Hortiatis.

«Region D» extends to the Municipalities of Kalamaria and Panorama, to the Sedes public baths and the airport of Mikra and includes the Industrial area and the Districts of Thermi, N. Redestos, N. Rysio and Tagarades and Agia Paraskevi in the Municipality of Thermi.

«Region E» extends from the airport of Mikra and the districts of N. Rysio and Tagarades of Agia Paraskevi to the sea and includes the Districts of Agia Triada, Perea, N. Epivates, Nea Michaniona, Emvolo and Angelohori in the Municipality of Thermaikos.

The Company, under a contract signed with the corresponding Municipality and EYATH Fixed Assets can undertake the existing network of local government authorities in one of the above regions and the obligation to provide water supply or sewerage services to the corresponding Municipality. The Company, under a contract signed with the corresponding Municipality, EYATH Fixed Assets, and approved by a joint decision of the co-competent ministers, can extend its activity to the territory of local government authorities that are outside the above regions.

Note that the operations of no operating sector have been discontinued.

### GROUP AND COMPANY RESEARCH & DEVELOPMENT OPERATIONS

During the period ended the Group spent a total amount of € 180 thousand on R&D expenditure which primarily related to staff fees for participation in research activities, the procurement of fixed equipment and third party fees.

In 2022 the Company continued to participate in its three current research projects under the same R&D Funding Programme, Horizon 2020:

- “Copernicus Assisted Lake Water Quality Emergency Monitoring Service” (WQeMS) whose general objective is to provide an operational Emergency Water Quality Monitoring Service in the Water Sector and in particular for surface waters from lakes/reservoirs intended to produce drinking water, using Copernicus satellite services. The project's total budget is € 1,499,506 and EYATH S.A.'s budget is € 56,250, 100% of which will be financed by the EU.



- “Pathogen Contamination Emergency Response Technologies” (PathoCERT), and its general objective is to strengthen the coordination capability of all First Responders in dealing with cases of water contamination caused by pathogens. The project’s total budget is € 7.2 million and EYATH S.A.’s contribution to the budget is € 154 thousand, of which 100% will be financed by the European Union.
- “Enhancing Standardisation strategies to integrate innovative technologies for Safety and Security in existing water networks” (aqua3S), to utilise innovative technologies and standardise methodologies for the safety and protection of the end product (drinking water). The project’s total budget is € 6.9 million and EYATH S.A.’s contribution to the budget is € 188 thousand, of which 70% will be financed by the European Union (funding: € 132 thousand). The project was successfully completed on 31.12.2022.

As part of the nationwide action entitled «Bilateral and Multilateral R&D Cooperation between Greece and China - Competitiveness, Entrepreneurship and Innovation» (Competitiveness, Entrepreneurship and Innovation Operational Programme Managing Authority) continued to implement the project entitled «Monitoring and methodologies for removing emerging pollutants from liquid waste» (abbreviated as: MOREM), with a total budget of € 50 thousand for EYATH and funding of € 39 thousand.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Issues of top priority on the international agenda are to secure access for all to water supply services and to sanitary facilities by 2030, and proper and sustainable management of water resources for future generations, and are in fact the UN’s 6th sustainable development target. In fact, in addition to the UN, in line with the provisions of national climate law and the national strategy on climate change adaptation, EYATH seeks to reduce its water footprint by 20% and its carbon footprint by 50% by 2030.

EYATH S.A. works daily with this orientation within its corporate responsibility framework: its strategy includes highlighting the vital relationship it has with the local community, and ensure it has a positive environmental impact on the area. Through dialogue with stakeholders -staff, customers, investors, suppliers, the local community in which it operates- mutual targets can be set which can then be implemented as part of the company’s CSR strategy.

EYATH S.A.’s undisputed role as a public benefit enterprise is reinforced through societal measures designed to improve the quality of life of citizens, to improve their health and protect the environment, all of which are sectors directly related to the Company’s business activities.

We chose to build our commitments and performance around four main themes: The environment, society, human resources and culture. EYATH S.A.’s values are therefore being turned into reality in the following areas:

- 1.Natural resources and the environment
- 2.Society and vulnerable social groups
- 3.Human Resources and Training
- 4.Culture and Sport

With the same philosophy, from the moment the pandemic broke out EYATH took measures to focus on its employees so that staff are and feel safe and active during the crisis. It prepared a business plan for the employment of staff which involved a skeleton staff, tele-working and rotating work depending on staff duties, and closed offices providing services to the public in the spring and only allowed people in by appointment. Immediate implementation of all circulars from ministries to safeguard personal health and hygiene allowed services to be provided as normal to consumers in Thessaloniki over the entire period. In 2022 EYATH also continued to comply with public health measures that year, adapting at all cases to epidemiological data (teleworking, provision of protection equipment, regular disinfection, etc.). Putting people first, the company continues to monitor epidemiological data, adapting to the recommendations of the National Public Health Organisation, in order to maintain a sense of security among employees and consumers.

In addition, collaboration with the Aristotle University of Thessaloniki to identify the coronavirus in wastewater continued without interruption, which has now become a vital tool in combating the pandemic. There are also plans to expand collaboration with the University on other topics so that wastewater can serve as “window into the state of public health” for the entire Thessaloniki urban area. During 2022 the company supported and provided assistance to bodies and collectives in an effort to fully restore normality after the pandemic and to bolster social cohesion which had been impacted.

#### **NATURAL RESOURCES AND THE ENVIRONMENT**

Water is our most precious natural resource. That’s why for EYATH S.A. ensuring sustainable water

management is synonymous with protecting the natural environment; a concept interrelated with sustainable development.

EYATH S.A.'s commitment to ensure the uninterrupted and safe operation of its water supply systems, by providing top quality water, in accordance with the rules and requirements laid down in the existing regulatory framework and to protect the environment, is expressed in the company's day-to-day practices, and all its business activities are in accordance with environmental law.

More specifically:

- it fully implements Community and national environmental law, seeking to minimise the impacts of its activities on the environment;
- it engages in R&D, ever seeking out ways to protect and improve the environment;
- it is planning systematic modernisation of the water supply network to reduce leaks;
- it is working in partnership with similar European companies and bodies as part of research activities on the impact of climate change on aquifers, helping promote solutions to stimulate sustainable development in our area and the wider SE Europe region. One example is its active participation in EUREAU, the European Federation of National Associations of Water and Wastewater Services. During 2022 the company consolidated its involvement in the informal body comprised of EUREAU communication managers, closely monitoring and participating in the communication management of EU water and environment policies.
- it invests in improving its facilities to ensure better performance and reduce energy consumption;
- it has a Water Treatment Plant Lab which includes the Drinking Water Testing Lab and is now fully operational for EYATH at the Thessaloniki Water Treatment Plant; it carries out lab tests at the entrance to the Thessaloniki Water Treatment Plant at intermediate processing stages in line with the specific programme, at the outlet of the water supply plant (D3) from EYATH's distribution network and on water from water abstraction sources, complying as a minimum with the company's legislative obligations before the water is released for consumption; More than 7,000 samples of water are taken each year and at least 50,000 chemical and microbiological tests are carried out in line with the relevant legislation. it systematically participates in inter-laboratory tests and has/ implements a quality management system in accordance with ELOT ISO 17025/2017 (Hellenic Accreditation System certificate No. 1217) with a special scope of accreditation, which includes all chemical and microbiological parameters, and organic parameters (311 pesticides, polycyclic aromatic hydrocarbons and volatile organic compounds) required by law in drinking water, and the method for identifying per- and polyfluoroalkyl substances (PFAs) using liquid mass spectrometry chromatography (LC-MS/MS);
- it actively contributes to cleaning the surface of the sea in the bay of Thessaloniki, removing floating objects, oil spills or contaminants. During 2022 in particular, it addressed the situation for 2 months so that the city's sea front remained clean and attractive to our fellow citizens and visitors;
- it removes urban and industrial wastewater from the urban area via an extensive sewerage network, controlled by remotely controlled and operated systems;
- it operates a state-of-the-art GIS system for preventative maintenance and rapid response to emergencies.
- it implements, when necessary, a programme to re-use water treated at the Thessaloniki Waste Water Treatment Plant to irrigate areas of land in the Halastra - Kalohori plains during droughts;
- it has significantly reduced the time required to carry out network-related tasks (new connections, relocations, extensions, etc.);
- it also ensures environmentally and socially beneficial management of sewage sludge and seeks to improve the biogas production unit running on sewage sludge which is already in operation at the Sindos Biological Treatment Plant, and to utilise its heat generating capacity;
- it systematically recycles at the workplace and uses environmentally-friendly materials;
- it is focusing on rationalising business travel and on applying environmental criteria to procurement;
- it has a sewerage control lab which carries out daily environmental checks at the outflows of wastewater treatment facilities and industries (around 700 checks which result in more than 5,000 quality analyses), supports the work of the Waste Water and Liquid Industrial Waste Treatment and Disposal Designs Inspection Committee via on-site inspections and acceptance of facilities, carries out random checks and analyses of samples from waste treatment facilities, receiving and distributing supporting documents for the issuing of sewerage permits and the permitting documents after the committee has issued an opinion (around 200 issues were examined), and monitors compliance with the special sewerage regulations (Joint Ministerial Decision No. 3594/2021, Government Gazette 4252/B/15.9.2021), systematically participates in inter-laboratory tests and has/implements a quality management system in accordance with ELOT ISO 17025/2017 (Hellenic Accreditation System certificate 1139-3); it also implements a CRM system for all procedures related to departmental operations;

- it shares know-how with other water management bodies such as municipal water supply and sewerage companies, and provides training services to bodies and organisations that lack experience and knowledge about how to manage water resources and waste water;
- it participates in financed research programmes.

## SOCIETY AND VULNERABLE SOCIAL GROUPS

In this sector:

- it is exploring innovative procedures and automated processes to optimise day-to-day operations at its facilities and ensure better customer service (e-transactions, web-banking, payments via an extensive network of supermarkets etc.). In June 2022 it completed the innovation competition by awarding the winning research team the prize for seeking out technologies to remove pollutant load from untreated waste water, which could in fact be used for energy purposes. The competition was organised in partnership with HCAP and MITEF Greece to provide incentives to start-ups or research teams and, of course, promote innovative technologies in Greece;
- it offers a social tariff to vulnerable groups of citizens using the same criteria applied by PPC for its social household tariff, and also offers a broad spectrum of repayment plans for overdue debts for any and all debtors as well as more favourable terms for the financially disadvantaged;
- it facilitates customers via improved e-services and a wide network of partners and associated businesses (more 150 super markets in the prefecture of Thessaloniki and neighbouring prefectures of Halkidiki, Pieria, Imathia, Pella and Kilkis at no extra charge, all OPAP agencies, and Hellenic Post Office branches and Banks);
- it makes donations in areas declared in a state of civil protection emergency, as appropriate, and monitors international developments by intervening when necessary. In the first half of 2022, when war broke out in Ukraine, it supported the suffering Ukrainian people by providing support through the activities of the Red Cross;
- it runs info-campaigns for the public about the options available to socially and financially vulnerable population groups. In 2022 it supported the «Melissa» Girls' Orphanage with vouchers for essentials and consumables;
- it offers work and internships to students and pupils at technical schools as part of their work experience requirements;
- it helps improve the life of refugees in refugee camps in the wider area of Thessaloniki, providing radiators and carrying out infrastructure works (water supply and sewerage facilities at those camps, and repairs to damaged facilities);
- it has a long-standing partnership with the magazine «DROMOS» to support the unemployed; its head offices are a «safe haven» for sellers, and also supports unemployed people in Thessaloniki via the Labour Centre;
- it encourages staff to get involved in volunteering (by collecting food or other items for the poor, participating in running events that share a social cause, etc.). On World Environment Day 2022 it organised a voluntary action to beautify the «Red Road» in Kalohori to raise awareness among employees and fellow citizens about environmental protection;
- it collaborates with the academic community at specialist and general events on environmental issues, attracting audiences comprised of students, experts and ordinary citizens;
- following an invitation from schools, it presents an hourly programme entitled «The sewerage cycle in Thessaloniki» to brief primary school pupils about daily influxes to the sewerage network and raise their awareness;
- it helps students by providing targeted scholarships. The company has signed an open-ended MoU with the Aristotle University of Thessaloniki and is funding two scholarships: Both are annual and are for postgraduate studies in fields relevant to EYATH S.A., while another one is for 4 years to finance the cost of a PhD.
- it prepares educational programmes for children as part of the Thessaloniki International Fair. Around 300 children attended these programmes in 2022 under the guidance of special museum educators;
- it cultivates ecological awareness among consumers thanks to info-campaigns and above all via daily visits by tens of primary and secondary school pupils, students, associations, and special groups such as refugees, to the Water Supply Museum;
- it participates in World Water Day celebrations on 22 March and World Environment Day events on 5 June, hosting info-events for the general public. On World Water Day, 22 March this year, info-materials and ecological promos were distributed at central locations in the city about the issue of ground waters and the need to protect them, which was the theme the UN had chosen for that day. On Environment Day, 5 June, a voluntary action was organised to improve the look of the Kalohori

“Red Road” in collaboration with the Central Macedonia Region.

- it is supporting the activities of local bodies and organisations relating to the environment and water;
- it donates electronic equipment to schools in Thessaloniki. In 2022 it provided computers and air-conditioners to the primary school in the urban area.

#### **HUMAN RESOURCES AND TRAINING**

In the human resources sector:

- it implements group life and health insurance for its employees;
- it invests in developing its employees' skills in life-long learning, offering numerous changes for training both via specialised seminars and post-graduate training;
- it supports the families of staff, covers the costs of kindergartens and summer camps for employees' children;
- it rewards the children of employees who enter university;
- it organises parties for employees' children;
- it implements policies to protect the H&S of all employees;
- it ensures equal opportunities for both genders when it comes to promotions;
- it offers employees a work uniform and personal protection equipment.
- In June 2022 it carried out the first employee satisfaction survey as an attempt to map the positive and negative aspects of their working day-to-day life at the company, with the aim of eliminating complaints and improving conditions where needed.

#### **CULTURE AND SPORT**

In the well-being and cultural advancement sector:

- it runs the Water Supply Museum which is visited every year by around 7,000 children, associations, disabled persons, refugees and other groups of visitors. The museum remained closed for a long time due to a pandemic and successive lockdowns but during that period digital materials (tours) freely accessible to the public were created. However, in the first months of 2022 it returned to normal rates of traffic after the interruption in normal operation caused by the pandemic. A social media account has been opened since the start of the year to promote the activities of the museum and raise awareness among the public about water and environmental issues.
- it supports sports clubs, associations and social actors;
- it supports cultural activities, sports and artistic events in the city, promoting the idea of culture and welfare. In April it took part in “Thess Truth”, the first and largest city game in Thessaloniki to celebrate April Fools' Day. Groups of residents and visitors to Thessaloniki took part in the game, which was organised under the aegis of the Municipality of Thessaloniki. They entertained themselves with puzzle games, authenticity games, question games and physical games which had been set up at selected locations / points around the city. Those landmarks included the EYATH Water Supply Museum in the Sfagia area.
- it keeps an archive of maps, letters and other documents at the Water Supply Museum which cover the history of water supply in Thessaloniki and are available to any interested parties. During the pandemic in particular, the task of recording and digitising the archive was accelerated and extended due to the suspension of the museum's normal operations. During the year, along with school visits, documents and paperwork continued to be archived and additional space was created to store them.

#### **CLIMATE & SUSTAINABLE DEVELOPMENT ISSUES**

It is widely accepted that climate change significantly affects the water cycle since increased temperatures and intense weather phenomena affect the quantity of water available in water abstraction sources.

EYATH understands the critical nature of the situation on the issue of the climate crisis and in particular the global problems of degradation of the quality and quantity of water and consequently due to its role as manager of a vital commodity such as water, it makes a major contribution to addressing the problem, while respecting and protecting the environment are integral priorities for it.

EYATH implements a programme to rationally and sustainably manage water resources, implements actions to protect the aquifer and monitors hydrological data in areas where it has springs. Note that EYATH's main water abstraction sources are located in areas less affected by the impacts of climate change and consequently are at lower risk of water scarcity. At the same time, thanks to continuous monitoring systems for the water supply network installed by EYATH, water losses are being reduced.

However, in addition to risks, the climate crisis also creates opportunities which shape the Company's

strategy and financial planning. To that end, it refers to an increase in investments in actions and projects which promote sustainability, lead to a reduction in the carbon footprint and incorporate the principles of the circular economy. Shaping company strategy based on changing climate, social and market conditions ensures sustainable development while respecting the environment and man.

### **Climate change & climate risks**

To ensure continuous development and to be able to face risks and opportunities, EYATH has set up a Risk Register. The main risk is a reduction in use of the aquifer in the wider area and for that reason the company is attempting to keep the aquifer in excellent condition so that it can be used in the case of intense climate change.

EYATH is targeting surface waters from Western Macedonia as the main source of supply for the future since under all scenarios the specific area will not face water shortages since it is expected to maintain its water balance at a good level.

Actions being taken to address potential natural risks in the future are:

- Upgrading the network and installing a SCADA system which seeks to reduce water management losses;
- Reducing non-billed water and consequently to rationally use water resources.

EYATH takes the impacts of its activities on the natural environment seriously and via a dynamic, constantly developing process seeks to reduce its negative footprint. Through actions and functions, an effort is being made to help raise awareness among members of society about issues relating to rational use of water resources, sustainable management of liquid waste, reduction of the environmental footprint and environmental protection in general.

### **Greenhouse gas emissions**

In 2021 EYATH recorded direct and indirect emissions (scope 1 and scope 2). The results of those records showed a 7.31% reduction in the carbon footprint compared to the previous year.

### **Energy management**

The company focuses on energy savings across its entire range of activities. For example, its facilities have inverters to control pumps that help save energy. At the same time, it is obliged to carry out energy inspections of its facilities every four years in accordance with the relevant legislation.

Based on energy consumption data for the years 2019-2021, there was a reduction in energy consumption. Starting in 2019 with an energy consumption of 157,179.63127 MWh, the company managed to consume just 143,337.99 MWh in 2021, thereby achieving a significant reduction.

### **Company targets and the 2021-2024 strategic plan**

The company sets targets in its 2021-2024 Strategic Plan. More specifically:

- A 50% reduction in the carbon footprint by 2030 via investments in renewable energy sources
- A 20% reduction in the water footprint by 2030
- A 50% reduction in non-billed water by 2030

Other important initiatives taken by EYATH in the environmental sector based on its 2021-2024 strategic plan include:

- Increased water quality control. EYATH intends to expand the use of technology and optimise the methods used to monitor water quality.
- Increased energy efficiency. EYATH seeks to reduce the high cost of running its facilities and above all the cost of energy consumed.
- Investments in renewable energy sources.
- Upgrading wastewater treatment.
- Installation of a biogas plant by mid-2023 and installation of a photovoltaic plant by 2024.
- Investments were made to improve and modernise the water distribution network and automation, checks and digitisation of EYATH's operations and systems. EYATH intends to install the CRM system by 2023 and to bolster it by extending the new SCADA system (the company has already made investments) by 2024.
- Extension of the network to new areas and extension of the Thessaloniki Water Treatment Plant in 2024 with a first stage extension to Asvestohori, Exochi, Hortiatis and Oreokastro by 2025.
- Replacement of old water meters. The first 200,000 old water meters will be replaced by 2025.

### **Environmental inspections/Consumer Safety**

EYATH carries out environmental inspections every day. More specifically, in 2022 the Drinking Water Testing Lab took daily samples and carried out analyses on 1,545 drinking water samples (there is a legislative obligation to take 668 samples) from specific, representative locations in EYATH's water



supply network.

To ensure water quality, EYATH has labs accredited by the Hellenic Accreditation System for the ISO/IEC 17025:2017 standard.

### **Application of internationally recognised standards**

the environmental, social and corporate governance pillars will be presented in detail in the 2022 Sustainability Report. The Report for 2022 will follow internationally recognised standards to capture its non-financial data. More specifically, the company will use the GRI, SASB standards and the Athens Exchange ESG 2022 Information Disclosure Guide. At the same time, for yet another year the company will carry out a materiality study to accurately and in detail capture all material issues relating to the company itself and its stakeholders.

The 3rd EYATH S.A. Sustainability Report for 2022 is currently being prepared. Upon completion, the Report will be posted on the Company's website and will be accessible to all stakeholders.

### **COMPANY BRANCHES**

During the year ended, as well as during the previous one, the Company had no branches through which it engages in its business activities, outside the Thessaloniki urban area.

### **OWN SHARES HELD BY THE GROUP AND THE COMPANY**

At year-end no shares of the parent Company were held by the same or another company included in the consolidation.

### **RISKS**

#### **Risk related to the sector in which the Group operates**

As regards the possibility of the future deregulation of the market, in relation to EU law and its possible impact on the Group, we note that due to the nature of the installed infrastructure (mainly underground networks and tanks), the water supply - sewerage sector is a typical example of a physical monopoly, where the development of alternative networks and the creation of competition conditions, where customers could choose between different suppliers of processed drinking water, is practically impossible. Moreover, EYATH's product suffers from inelasticity.

We further note that in all countries of the European Union, as well as the rest of the world, water supply-sewerage services are provided by private or state companies or local government authorities without any capability of developing competition within the specific geographical boundaries where these companies provide their services.

The specific characteristics of the water supply and sewerage sector (that differentiate this utility sector), are recognised by the European Union, and never to this date has an issue ever been raised regarding the abolition of the monopoly of the sector, and the development of competition, as for example was the case in the telecommunication services sector.

Therefore, we do not consider possible, at least in the foreseeable future, the possibility of development of competition in this sector.

#### **Financial risk factors**

The Group's main financial tools are cash, bank deposits, trade and other receivables and liabilities. Management examines and periodically reviews the policies and procedures related to financial risk management, such as credit risk and liquidity risk, which are described below:

#### **Market risk**

##### **(i) Exchange rate risk**

The Group and the Company do not face exchange rate risks, because throughout the year ended they did not carry out transactions in foreign currency and all assets and liabilities were in euro.

##### **(ii) Price risk**

As regards price risk, the Group is not exposed to significant risk of fluctuation of the variables that determine both revenues and cost.

##### **(iii) Cash flows and fair value of risk rate**

The Group has a limited interest rate risk in interest-bearing assets (time deposits) and therefore the income and the operating cash flows depend, to a point, on the changes to the interest rate market.

There were no loan liabilities on 31/12/2022.

Management is monitoring interest rate fluctuations on an ongoing basis, and evaluates in each case the duration and the type of time deposits..



### Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash at hand and cash in banks, as well as credit exposure to customers, including significant receivables and transactions made. The Company is constantly monitoring its receivables, either separately or per group (customer categories) and incorporates this information into its credit control processes.

Cash and cash equivalents do not entail significant credit risk. Trade and other receivables include receivables from private customers, with a relatively limited degree of risk of losses, mainly due to the broad dispersion of the receivables, whereas for receivables from the State and the broader public sector, the Company examines the possibility of collecting due debts by drawing up contracts or through legislative regulations.

At the end of the period, Management deemed that there is no significant credit risk that is not covered by some collateral or an adequate provision for bad debt.

None of the financial assets has been secured with a mortgage or other form of credit security.

### Liquidity risk

Liquidity risk is kept low, by means of ensuring high cash assets.

As regards the Company's and the Group's cash, note that it is deposited in sight and time accounts in Greek banks and at the Bank of Greece. On the other hand, the Group operates in the domestic market and is not affected by potential adversities, because it does not have any significant transactions with foreign suppliers, which would potentially affect its smooth operation.

The Group continues to follow-up these developments carefully, taking any measure needed to ensure the unhindered continuation of its business activity and will inform investors immediately about any effect which the unfolding events may have on its operation, financial position and results.

### SIGNIFICANT TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

According to the Group, related parties are members of the Board of Directors, members of Management, as well as the shareholders holding a significant percentage of its share capital (including their related persons). Note that since the 2018 accounting period the Company's financial statements are included in the consolidated Financial statements of Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.). Consequently, the Group considers the entities related to HCAP S.A. to be related parties (see note 31).

The Group's trading transactions with these related parties during the 1/1/2022-31/12/2022 period were carried out under market terms and in the framework of its usual business activity. The transactions and the balances of the Group's and Company's related parties, during the 1/1/2022 - 31/12/2022 period and as at 31/12/2022 respectively, as well as during the previous financial year, are broken down in the following tables (see also note 31 of the financial statements):

	THE GROUP		THE COMPANY	
	01/01/2022 - 31/12/2022	01/01/2021 - 31/12/2021	01/01/2022 - 31/12/2022	01/01/2021 - 31/12/2021
Income from subsidiary	-	-	1	1
Income from other related parties consolidated along with HCAP S.A.	170	168	170	168
Expenses to other related parties consolidated along with HCAP S.A.	31,523	17,801	31,523	17,801
Transactions with and fees for executives and board members	1,084	998	1,080	994

Transactions with and fees for senior executives and board members relate to salaries and other benefits specified in the Company's remuneration policy. Note that after submitting an application to that effect the Vice Chairman of the Board of Directors, Mr. Grigorios Penelis, opted not to receive the fees specified in the remuneration policy.

Income from other related parties consolidated along with HCAP S.A. relates primarily to water supply and sewerage network service revenues.

Expenses to other related parties consolidated along with HCAP S.A. relate primarily to services received (expenses for electricity supplied worth € 31,389 thousand) and the leasing of properties.

	THE GROUP		THE COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Receivables from subsidiary	-	-	25	25
Receivables from other related parties consolidated along with HCAP S.A.	626	610	626	610
Liabilities to other related parties consolidated along with HCAP S.A.	7,174	4,578	7,174	4,578
Receivables from management executives and board members	5	8	5	8
Liabilities to management executives and board members	35	7	35	5

Receivables and liabilities from other related parties consolidated along with HCAP S.A. amount to € 626 thousand and € 7,174 thousand respectively. Receivables primarily relate to invoiced income from providing water supply and sewerage services and prepaid property rents, while liabilities relate to accrued expenses from receiving services.

Liabilities to management executives and board members related to salaries payable.

The actuarial liability for the Company's related parties amounts to € 72 thousand on 31.12.2022.

#### EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

(in accordance with Article 4(7) of Law 3556/2007)

#### STRUCTURE OF THE COMPANY'S SHARE CAPITAL (amounts in €)

The Company's Share Capital amounts to forty million six hundred and fifty six thousand euro (€ 40,656,000) divided into thirty six million three hundred thousand (36,300,000) ordinary bearer shares with voting rights, of a nominal value of one euro and twelve cents (€ 1.12) each.

Company shares are listed for trading on the Equities Market of the Athens Exchange (Category: Large Capitalisation). The Company's shareholders rights arising from shares depend on the percentage of capital held which corresponds to the share's paid value.

Each share grants all the rights specified by law and the Company's Articles of Association and in particular:

- Right to obtain a dividend from the Company's annual profits;

35% of the net profits (having deducted the statutory reserve first) are distributed from the profits each fiscal year to shareholders as a first dividend, unless the General Meeting stipulates otherwise. The General Meeting also decides on whether to distribute any additional dividend. Distribution of a dividend of € 0.2186/share (70% of net profits) was approved for the dividend from the profits for 2021.

All persons who are shareholders before the dividend cut-off date are entitled to a dividend. The dividend to which each share is entitled shall be paid to the shareholder within two (2) months of the date of approval by the Ordinary General Meeting of the Annual Financial Statements. The method and place of payment is announced on the Athens Exchange and EYATH S.A. websites. The right to collect a dividend becomes statute-barred and the amount involved devolves to the State if not collected within 5 years from the end of the year in which the General Meeting approved distribution.

- The right to receive the contribution paid, upon liquidation or upon the writing off of capital corresponding to the shares, where this is decided upon by the General Meeting.

- The pre-emptive right in each increase of the Company's share capital with cash and new shares.

- The right to receive a copy of the financial statements and reports of chartered auditors and the Company's Board of Directors.

- The right to participate in the General Meeting which consists of the following specific rights: legal standing, attendance, participation in discussions, submission of proposals on items on the agenda, entry of views in the minutes and voting rights.

- The General Meeting of the Company's shareholders shall retain all its rights during the period of liquidation.

Shareholders' liability is limited to the nominal value of the shares held.

#### LIMITATIONS TO THE TRANSFER OF THE COMPANY'S SHARES

Shares can be transferred in the manner specified in Article 41 of Law 4548/2018 and no restrictions on transfer are contained in its Articles of Association. Company shares are dematerialised and listed

on the Athens Exchange.

#### **SIGNIFICANT DIRECT OR INDIRECT HOLDINGS WITHIN THE MEANING OF THE PROVISIONS OF ARTICLES 9 TO 11 OF LAW 3556/2007**

Shareholders with a significant holding in the Company's share capital on 31/12/2022 were as follows:

SHAREHOLDER	Number of shares held	Holding on 31/12/2022	
HCAP	18,150,001	50.00%	+1
HRADF	8,717,999	24.02%	
SUEZ GROUPE	1,982,870	5.46%	
Other shareholders	7,449,130	20.52%	
<b>Total</b>	<b>36,300,000</b>	<b>100.00%</b>	

#### **HOLDERS OF ALL CLASSES OF SHARES ENTITLING THEM TO SPECIAL RIGHTS OF CONTROL**

There are no shares in the Company granting their holders special rights of control.

#### **LIMITATIONS ON THE VOTING RIGHT - DEADLINES FOR EXERCISING RELEVANT RIGHTS**

The Company's Articles of Association contain no restrictions on voting rights deriving from its shares.

#### **AGREEMENTS BETWEEN COMPANY SHAREHOLDERS**

The Company is not aware of the existence of agreements between its shareholders which entail restrictions on the transfer of its shares or the exercise of voting rights deriving from its shares.

#### **RULES ON THE APPOINTMENT AND REPLACEMENT OF BOARD MEMBERS AND AMENDMENTS OF THE ARTICLES OF ASSOCIATION**

The rules contained in the Company's Articles of Association on appointment and replacement of members of the Board of Directors and amendment of the provisions of the Articles of Association are not different from those contained in Law 4548/2018.

#### **POWERS OF THE BOARD OF DIRECTORS OR SPECIFIC MEMBERS TO ISSUE NEW SHARES OR PURCHASE OWN SHARES**

Article 8 of the Company's Articles of Association states that the General Meeting may reach a decision, to be published in the manner required by Articles 12, 13, 14 of Law 4548/2018 as in force, granting the Board of Directors the right to make a decision by a two-thirds (2/3) majority at least of its members to increase the share capital in whole or in part by issuing new shares by an amount which cannot exceed 3 times the paid-up share capital on the date that the said power was granted to the Board of Directors. The Board of Directors' competence to purchase own shares is no different than that laid down in the provisions of Articles 48, 49 and 52 of Law 4548/2018. There is no provision to the contrary in the Company's Articles of Association.

#### **ANY SIGNIFICANT AGREEMENT CONCLUDED BY THE COMPANY WHICH ENTERS INTO FORCE, IS AMENDED OR ENDS, IN CASE OF CHANGE IN CONTROL OF THE COMPANY FOLLOWING A TAKEOVER BID**

Δεν υφίστανται άλλες συμφωνίες, οι οποίες τίθενται σε ισχύ, τροποποιούνται ή λήγουν σε περίπτωση αλλαγής στον έλεγχο της Εταιρείας κατόπιν δημόσιας πρότασης πέραν της τριμερούς σύμβασης παραχώρησης μεταξύ της ΕΥΑΘ ΑΕ της ΕΥΑΘ Παγίων και του Ελληνικού Δημοσίου, η οποία κυρώθηκε με τον νόμο 2937/2001 ΦΕΚ 169-Α-26.7.2001.

#### **ANY AGREEMENT BETWEEN THE COMPANY AND ITS BOARD MEMBERS OR STAFF PROVIDING FOR COMPENSATION IF THEY RESIGN OR ARE REDUNDANT WITHOUT VALID REASON OR IF THEIR EMPLOYMENT CEASES BECAUSE OF A TAKEOVER BID**

There are no agreements between the Company and members of the Board of Directors or staff

which provide for the payment of remuneration specifically in the case of resignation or dismissal without just cause or termination of service or employment due to a takeover bid.

## DIVIDEND POLICY

On 8.9.2022 the Annual Ordinary General Meeting of Shareholders approved the distribution of a dividend of € 0.2186/share, amounting in total to € 7,935 thousand (gross) from the profits for 2021, compared to € 8,095 thousand for the previous year for all 36,300,000 shares.

The dividend is subject to a 5% withholding tax. The net amount of dividends (after the withholding) cannot be assessed before the dividend is paid and the Hellenic Central Securities Depository is notified because some investors receive special tax breaks and are exempt from the withholding tax.

## CORPORATE GOVERNANCE STATEMENT

The Company has prepared this Corporate Governance Statement (hereinafter the Statement) since its shares are traded on the main market of the Athens Exchange.

This Statement is a special section of the Annual Management Report of the Board of Directors (Annual Report) and has been prepared in accordance with the provisions of Article 152 of Law 4548/2018 on reform of the law of societies anonymes, as in force (hereinafter the Law) and Article 18 of Law 4706/2020 on Corporate Governance of Societes Anonymes, as in force, and the provisions of the Hellenic Corporate Governance Code, as published in 2021. This Corporate Governance Statement presents how the Company has applied the key principles of the Code during the year ended on 31 December 2022 and on the date of the Statement.

### 1. Introduction

Law 4706/2020 [«Corporate governance of societies anonymes, modern capital market, transposition into Greek law of Directive (EU) 2017/828 of the European Parliament and of the Council, measures implementing Regulation [(EU) 2017/1131 and other provisions»] was published on 17.7.2020 (Government Gazette 136/A/17.7.2020). As a societe anonyme whose securities are listed on the Athens Stock Exchange, the Company complies with the requirements of that Law on corporate governance.

In response to the new legislative framework, while at the same time complying with the existing one, as specified in Law 4449/2017 and Law 4548/2018, the Company proceeded, pursuant to the Decision No. 674/16.12.2021 of the Board of Directors with updating, revising, amending and replacing its internal Bylaws to bring them into line with the provisions of Article 14 of Law 4706/2020. A summary of the bylaws has been published on the Company's website: [https://www.eyath.gr/wp-content/uploads/2021/11/kanonismos\\_esoterikis\\_leitourgias2021](https://www.eyath.gr/wp-content/uploads/2021/11/kanonismos_esoterikis_leitourgias2021)

### 2. Statement of compliance with the Corporate Governance Code

Pursuant to decision No. 391/22.7.2021 of its Board of Directors, the Company adopted and implemented the Hellenic Corporate Governance Code, which was issued in June 2021 by the Hellenic Corporate Governance Council as a national body recognized by the Hellenic Capital Market Commission Board of Directors, of recognised repute for issuing a Corporate Governance Code (hereinafter the «Code») which is available on the Hellenic Corporate Governance Council website at the following link: <https://www.esed.org.gr/web/guest/code-listed>.

The Company hereby confirms that it implements the mandatory provisions of Greek law, which as a minimum are included in the Corporate Governance Statement and Special Practices, as self-regulatory provisions introduced by the Code and governed by the «Comply or Explain» principle. In accordance with the above, the Company decided to comply with the Code with deviations from the following Special Practices which are governed by the «Comply or Explain» principle.

#### 2.1. Deviations from the Special Practices in the Code and reasons for them

The deviation relates to Special Practice 3.3.13 for the induction course and ongoing training of Board members and executives. Although the Company has issued a Board of Directors decision approving the training policy for members of the Board of Directors, senior executives and other executives, especially those involved in internal auditing, risk management, regulatory compliance and IT systems, no training course was actually prepared for 2022 but that does not mean it has not taken all necessary induction training and ongoing training steps specified in the Policy to meet the needs of the relevant persons. Relying on this deviation, the company prepared a training course for its members and executives for 2023 which was approved by decision No. 164/23 of its Board of

Directors.

### **3. Key features of the Internal Audit System in relation to the procedure for preparing Financial statements and financial reports.**

#### **3.1. A description of the key features and elements of the Internal Audit System (IAS) (internal audit, risk management, regulatory compliance).**

The Company has adopted and implements a corporate governance system in line with the applicable legislation, taking into account the size, nature, extent and complexity of its activities. Among the other elements included in the Corporate Governance System is an adequate and effective Internal Audit System (IAS), including the Risk Management, Internal Audit and Regulatory Compliance Systems.

The Company implements an adequate and effective IAS which consists of all internal audit mechanisms and procedures, including risk management, internal audit and regulatory compliance, and continuously covers all Company activities, contributing to its safe and effective operation.

The Company's IAS seeks to achieve the following objectives:

- a) Consistent implementation of business strategy by effectively using available resources.
- b) Effective operation of the Internal Audit Unit, whose organisation, operation and competences are laid out in the Law and its Bylaws.
- c) Effective risk management by identifying and managing material risks associated with the Company's business activity and operations.
- d) Ensuring the completeness and reliability of the data and information required for the accurate and timely determination of the Company's financial status and the preparation of reliable financial statements, as well as its non-financial status, in accordance with Article 151 of Law 4548/2018.

- e) Effective compliance by the Company with the regulatory and legislative framework and the bylaws governing Company operations (regulatory compliance).

As far as the procedure for preparing the financial statements is concerned, the Company states that the Issuer's financial reporting system uses an accounting system which is adequate for reporting to Management and external users. The financial statements and other analyses reported to Management are prepared on a simple and consolidated basis in accordance with the International Financial Reporting Standards as adopted by the European Union for reporting purposes to Management and for disclosure purposes in accordance with the applicable regulations on a half-yearly and annual basis. Both the management information and the financial information to be published include all necessary information about an updated internal audit system which includes analyses of sales, costs/expenses, operating profits and other data and indicators. All reports to Management include data for the current period which is compared with the corresponding budget approved by the Board of Directors and data for the corresponding period in the year before the report.

All published interim and annual financial statements include all necessary information and disclosures about the Financial statements in accordance with the International Financial Reporting Standards as adopted by the European Union, are reviewed by the Audit Committee and approved in their entirety by the Board of Directors.

Checks and balances are in place relating to:

- a) identifying and evaluating risks to the reliability of the financial statements;
- b) administrative planning and monitoring of financials;
- c) fraud prevention and detection;
- d) the roles/responsibilities of the executives,
- e) the year end procedure including consolidation (e.g. recorded procedures, accesses, approvals, agreements, etc.) and
- f) safeguarding the data provided by the IT systems.

Preparation of the internal reports for Management and the reports required by Law 4548/2018, the International Financial Reporting Standards and the supervisory authorities, is done by the Financial Division, which has suitable and experienced executives for this purpose. Management ensures that these executives are suitably briefed about changes in accounting and tax issues relating to the Company and Group.

The Company has put in place separate procedures to collect the necessary data from subsidiaries and ensures that individual transactions are reconciled and the same accounting policies are applied by companies in the Group.

The Board of Directors ensures that the functions comprising the IAS are independent of the



business sectors they audit and that they have suitable financial and human resources, and the powers to effectively operate them, in accordance with the requirements of their role. The reporting lines and the allocation of responsibilities are clear, enforceable and duly documented.

### 3.1.1. Internal Audit Unit

**The Internal Audit Unit** checks proper implementation of each internal audit system irrespective of their accounting or other content and evaluates the business by reviewing its activities, acting as a single service to Management. Its key mission is to monitor and improve the operations and policies of the Company and its subsidiaries (hereinafter the Group) and to provide advice and support by submitting proposals to the Board of Directors about the Internal Audit System.

The Internal Audit Unit is an independent organisational unit within the Company which to provide reasonable assurance to shareholders about achievement of the Group's objectives and targets. The head of the Internal Audit Unit has been appointed by the Company's Board of Directors upon proposal by the Audit Committee and is a full-time, exclusive employee who is personally and functionally independent and objective when performing his/her duties and has suitable knowledge and relevant professional experience. In administrative terms, he/she reports to the CEO and in operational terms to the Audit Committee. The head of the Internal Audit Unit meets all formal and substantive selection criteria laid down by law.

Among other things, the Internal Audit System seeks to ensure the completeness and reliability of the data and information required to precisely determine the Company's financial status in good time and to generate reliable Financial statements.

### 3.1.2. Regulatory Compliance and Crisis and Risk Management Unit

**Regulatory Compliance** seeks to assist the Board of Directors in ensuring full, ongoing compliance by the Company (a) with the legislative and regulatory framework applicable from time to time governing its operations and (b) with best Corporate Governance practices, to achieve continuous compliance by the Company and to have a full picture at all times of the degree to which that objective is achieved. Regulatory Compliance's main mission is to put in place policies and procedures that promote business ethics and transparency as a model of corporate culture and a measure to bolster corporate identity, thereby contributing to minimising risks and legal consequences for the company.

On recommendations from the Unit, in its meetings from 01.01.2022 to 31.12.2022 the Company's Board of Directors approved the Code of Ethics and Professional Conduct, the Communication Policy, the Anti-Corruption & Bribery Policy, the Gifts, Hospitality & Entertainment Policy, the Human Rights Policy, the Sponsorship - Donation Policy and the Policy against Workplace violence and harassment, while the Reporting Policy and Whistleblowing Procedure are in the process of being approved by the Board of Directors and this is expected to take place during this year.

**Risk Management** seeks, via suitable and effective policies, procedures and tools, to assist the Board of Directors in identifying, evaluating and managing material risks associated with the business activity and operation of the Company and Group in an adequate and effective manner.

The Board of Directors is briefed about major risks such as financial, operational, environmental, compliance and human resources, and the likelihood and impact of those on its business activities, its financial results and achievement of its objectives.

In line with the Risk Management Policy, the Company has laid down specific, comprehensive management procedures and all senior executives are involved in the process of identifying and primarily assessing risks, to make it easier for the Board of Directors to plan actions and take further decisions to reduce them.

On 22.7.2021 the Company's Board of Directors decided to approve the Risk Management Policy and the Risk Assessment Methodology and at the meeting on 4.11.2021 approved the Risk Register which sets out all forms of risk entailed by the Company's operations, in order to constantly monitor them, as well as the control mechanisms which help reduce them.

### 3.2. Evaluating company strategy, main business risks and Internal Audit Systems

The Company's Board of Directors declares that it has examined the main business risks the Group faces and the Internal Audit Systems. Each year the Board of Directors reviews company strategy, main business risks and internal audit systems based on a recommendation from the Audit Committee.

In accordance with Article 14(3)(j) of Law 4706/2020 and decision No. 1/891/30.9.2020 of the Board of Directors of the Hellenic Capital Market Commission, as amended by decision No.



2/917/17.6.2021 of the Board of Directors of the Hellenic Capital Market Commission, the Internal Audit System is periodically evaluated, particularly in relation to the adequacy and effectiveness of financial reporting, on an individual and consolidated basis, in relation to risk management and regulatory compliance, in accordance with recognised evaluation and internal audit standards, and implementing the provisions on corporate governance set out in Law 4706/2020. This assessment is carried out by an independent assessor who meets the requirements of the above provision of Law 4706/2020 and the above decision of the Board of Directors of the Hellenic Capital Market Commission, in accordance with the relevant policy and procedure on assessment of the Company's Internal Audit System. According to that decision of the Board of Directors of the Hellenic Capital Market Commission, as amended and in force, the first assessment of the Internal Audit System must be completed by 31.3.2023, with a reference date of 31.12.2022 and reference period from the entry into force of Article 14 of Law 4706/2020 (17.7.2021).

By decision of its Board of Directors, the Company assigned Grant Thornton Certified Public Accountants - Business Consultants S.A. the task of «Providing Internal Audit System Assessment Services» to assess the adequacy and effectiveness of the Company's Internal Audit System (IAS), with a reference date of 31.12.2022, in accordance with the provisions of Article 14(3)(j) and (4) of Law 4706/2020 and Decision 1/891/30.09.2020 of the Board of Directors of the Hellenic Capital Market Commission, as in force (the «Regulatory Framework») and as specified in the audit programme issued by Hellenic Accounting and Auditing Standards Oversight Board decision No. 227/10.11.2022. The work of the Independent Assessor was carried out in accordance with the International Standard on Assurance Engagements 3000 «Assurance Projects beyond the Audit or Review of Historical Financial Information».

This assessment of the Internal Audit System was successfully completed in March 2023 and covered the following topics: the Audit Environment, Risk Management, Audit Mechanisms and Checks and Balances, the Information and Communication System and Monitoring of the Company's Internal Audit System.

The Finding of the Independent Assessor, namely Mrs. Athina Moustaki, Certified Public Accountant, Reg. No. 28871, Grant Thornton Partner, which is included in the final assessment report on the adequacy and effectiveness of the IAS dated 29.3.2023 **finds that from the work carried out and the evidence obtained in relation to the assessment of the adequacy and effectiveness of the Company's IAS, no weaknesses were identified which could be considered as material weaknesses in the Company's IAS in accordance with the Regulatory Framework.**

This result is another confirmation that the Company is making any reasonable efforts to ensure compliance with the legislative and regulatory framework governing the Internal Audit System, to ensure the lawful and problem-free operation of the Company's IAS.

### 3.3. Provision of non-audit services to the Company by its statutory auditors and evaluation of the impact this fact may have on the objectivity and effectiveness of the mandatory audit, taking into account the provisions of Law 4449/2017.

In accordance with the approved procedure, the Audit Committee took into account the certified public accountant's annual declaration of independence and discussed with him/her threats which could put his independence at risk, and the ways in which he ensured that those threats were addressed. The Committee also examined to what extent the relations, taking into account the views of the certified public accountant, management and internal audit, as appropriate, appear to be capable of affecting the certified public accountant's independence and objectivity.

The Audit Committee confirmed that the auditing firm has not provided services other than the services required to carry out statutory accounting and tax audits, with the exception of assurance tasks (a) and (b) below:

a) a completeness check of the information referred to in Article 112 of Law 4548/2018 in the remuneration reports for 2021 of € 2,500 + VAT.

b) audit procedures to place the Company in categories of reduced charges for the Special Greenhouse Gas Emission Reduction Charge in accordance with Government Gazette issue No. ΥΠΕΝ/ΔΗΕ/74949/926 for the period from 2019 to 2021 amounting to €1,500 + VAT.

These additional fees do not exceed the limit set by the Audit Committee for the provision of additional services by an external auditor [70% of the average fees paid in the last 3 consecutive financial years for the statutory audit of the audited entity in accordance with Regulation (EU) No 537/2014 on statutory audits of public interest entities and Law 4449/2017] and, in the opinion of the Audit Committee, do not call into doubt the independence and integrity of the external auditor.

### 3.4 Adoption of Code recommendations in the context of the Internal Audit System

As part of its Internal Audit System, the Company has also adopted the following recommendations in **paragraph 6.10** of the Corporate Governance Code:

- Code of Ethics and Professional Conduct and procedures for monitoring its implementation.
- An approved organisational chart in full detail for all hierarchical levels, with a description of the duties of divisions and departments, clearly identifying the area of responsibility per sector/department.
- Composition and operation of the Audit Committee.
- Organisational structure and operation of the Internal Audit function.
- Full and up-to-date Articles of Association which clearly set out and identify the scope of operations, work and main objectives of the economic operator.
- Recording policies and procedures for major company operations and identifying checks and balances or major omissions.
- Procedures for compliance with the applicable legal and regulatory framework (Regulatory Compliance).
- Risk assessment and management procedures.
- Procedures for the completeness and reliability of financial information.
- Staff recruitment, training, assignment of duties and performance evaluation procedures.
- Procedures for the security, adequacy and reliability of information systems.
- Procedures for safeguarding personnel and assets.
- A description of reporting lines and communication channels inside and outside the organisation.
- A mechanism for monitoring and evaluating the efficiency and effectiveness of procedures.
- Periodic evaluation of the adequacy and effectiveness of the IAS by an independent assessor, communication of results and preparation of a rectification plan.
- Policy on the environmental management system and other environmental, social and governance-related issues (ESG factors).

## 4. Board of Directors

### 4. Composition and operation of the Board

#### 4.1.1 Roles and responsibilities of the Board of Directors

The Company's Board of Directors manages the Company and is responsible for the Company's long-term strategy and operational objectives and in general for control and decision-making in the context of the provisions of Law 4548/2018 and its Articles of Association, as well as compliance with corporate governance principles.

The Board of Directors convenes at the necessary intervals so as to perform its duties effectively. More specifically, the Board has the following indicative powers:

- It determines the Company's long-term strategy and operational objectives.
- It is responsible for checking and making decisions in the context of the provisions of the relevant legislation and the Articles of Association, and for complying with corporate governance principles.
- It lays down the corporate governance system referred to in Articles 1 to 24 of Law 4706/2020, oversees implementation and monitors and periodically evaluates implementation and effectiveness at least every three (3) financial years.
- It ensures adequate and effective operation of the Company's Internal Audit System which seeks to achieve the following objectives in particular:
  - a) Consistent implementation of business strategy by effectively using available resources;
  - b) recognition and management of the material risks associated with its business activity and operations;
  - c) effective operation of the Internal Audit Unit and the Regulatory Compliance and Crisis and Risk Management Unit;
  - d) Ensuring the completeness and reliability of the data and information required for the accurate and timely determination of the Company's financial status and the preparation of reliable financial statements, as well as its non-financial status, in accordance with Article 151 of Law 4548/2018;
  - e) compliance with the regulatory and legislative framework and the internal regulations and policies governing Company operations.

#### 4.1.2. Composition - term in office of the Board of Directors

The Company's Board of Directors consists of between seven (7) and eleven (11) members in accordance with Article 13 of its Articles of Association and its term in office is 4 years. The General Meeting may decide on gradual renewal of the Board of Directors and/or successive expiry of the term in office of its members.

The Company's current Board of Directors consists of 11 members, two of whom are executive members (CEO & one member), five are non-executive members (Chairman & four members) and

four are independent non-executive members (Vice Chairman and the three members of the Audit Committee). Of the Board members, eight are men and three are women.

The table below shows the members of the Board of Directors from 1.1.2022 to 31.12.2022 and the capacity of each member (executive, non-executive or independent) appointed by the General Meeting and established in a body by decision of the Board of Directors:

The composition of the Board of Directors from 1.1.2022 to 31.12.2022 was as follows:

Name-surname of member	Capacity	Term in office
Agis Papadopoulos	Chairman- non-executive member	From 2.8.2019 to 1.8.2023
Anthimos Amanatidis	CEO, Executive Director	From 30.4.2020 to 29.4.2024
Grigorios Penelis	Vice-Chairman, Independent Non executive Director	From 21.2.2019 to 20.2.2023
Nikos Klitou	Independent, non-executive member	From 21.2.2019 to 20.2.2023
Theodoros Koulouris	Executive member	From 27.8.2019 to 26.8.2023
Ekaterini Tsikaloudaki	Non-executive member	From 30.4.2020 to 29.4.2024
Maria Petala	Independent, non-executive member	From 30.4.2020 to 29.4.2024
Sofia Ammanatidou	Independent, non-executive member	From 30.4.2020 to 29.4.2024
Dimitrios Konstantakopoulos	Non-executive member	From 16.12.2021 to 29.4.2024
Georgios Archontopoulos	Non-executive member - employee representative	From 19.6.2020 to 18.6.2024
Ioannis Mitzias	Non-executive member - employee representative	From 19.6.2020 to 18.6.2024

#### 4.2. Board of Directors meetings

The Board of Directors shall meet each time the law, the Articles of Association or the Company's needs so require. As regards Special Practice (1.17) concerning the calendar of meetings and the annual action plan of the BoD, which in the Corporate Governance Statement for 2021 had been recorded as deviation, BoD decisions No. 157/2022 and 207/2022 respectively approved the schedule of meetings and the action plan for the year 2022.

The attendance of Board members at meetings in 2022 is shown in the table below:

The attendance of Board members at meetings in 2022 is shown in the table below:

Composition of the Board of Directors	No. of meetings held during the members' term in office	No. of meetings held with representatives	% of attendance at meetings
Agis Papadopoulos	34	-	100%
Anthimos Amanatidis	34	-	100%
Grigorios Penelis	33	-	97%
Nikos Klitou	34	2	100%
Theodoros Koulouris	34	2	100%
Ekaterini Tsikaloudaki	34	6	100%
Maria Petala	34	2	100%
Sofia Ammanatidou	34	-	100%
Dimitrios Konstantakopoulos	34	3	100%
Georgios Archontopoulos	34	5	100%
Ioannis Mitziias	34	4	100%

#### 4.3. CVs of members of the Board of Directors

The CVs of the members of the Company's Board of Directors (which show that the composition of the Board of Directors reflects the knowledge, skills and experience required to exercise its competences, in accordance with the Fit-and-Proper Policy and the Company's business model and strategy) are set out in summary form below and in detail on the Company's website.

**Agis Papadopoulos:** He holds a degree in Mechanical Engineering and a graduate of the Aristotle University of Thessaloniki, an MSc in Energy Saving and Environmental Protection (Cranfield University, 1991) and a PhD in Mechanical Engineering (AUTH, 1994). Since 1998 he has been Professor of Energy Systems at the Department of Mechanical Engineering at AUTH and since 2013 Director of the Process Device Manufacturing Lab. He was a member of the Regulatory Authority for Energy (2003-2005) and the Board of Directors Thessaloniki AHEPA Hospital (2005-2007). He has been a visiting professor at the University of Cyprus (2012-2013), the International University of Greece (2011-2019) and from 2015 to the present day at the Technische Universität Hamburg in Germany. From 2014 to 2018 he was Vice President Academic Affairs of the Management Board of the Open University of Cyprus.

**Anthimos Amanatidis:** He holds a degree in mechanical engineering from AUTH and two postgraduate degrees in Sustainable Development and Energy Production and Management. Since 2010 he has been an executive of ERGOSE S.A. Responsible for announcing project tender procedures and for overseeing construction management of large infrastructure projects and E/M facilities. In 2008 he served as Director of ETAD S.A. in tender procedures for projects, concession and operation of its branches in Northern Greece. He served as Advisor to the Central Macedonia Region on environmental rehabilitation issues and Vice President of the Thessaloniki-Thessaly Gas Distribution Company as representative of DEPA, participating in the planning of the company's development programme for the period 2019-2024.

**Grigorios Penelis:** He is a qualified civil engineer, graduate of the Aristotle University of Thessaloniki, with postgraduate studies in Seismic Engineering at Imperial College London, and a PhD from the Polytechnic School of the Aristotle University of Thessaloniki, managing director of Penelis Consulting Engineers S. A. and 3pi Software Ltd. He is the author of the first and second editions of the book «Concrete Buildings in Seismic Regions» by Taylor and Francis (CRC Press), as well as the book «Structural Restoration of Masonry Monuments» by Taylor and Francis (CRC Press 2019). In his professional life he has been involved in the design of new buildings in his capacity as a structural engineer and has twice been awarded the gold medal of the Patriarchate of Alexandria for his

contribution.

**Nikos Klitou:** He is a graduate of the Department of Accounting and Finance of the University of Macedonia and holds a postgraduate degree in Strategic Financial Accounting and Financial Management from the same University. He has acquired the professional title of certified public accountant (ACCA) and is also certified by the Institute of Certified Public Accountants in Greece (ICPA). Between 2005 and 2015 she worked at Ernst & Young's office in Thessaloniki and at public agencies and non-profit organisations. Since 2015 he has been Deputy CFO of Diamantis Masoutis S.A. as head of financial planning, analysis and monitoring of deviations, and also participates in preparing the annual financial statements. He also sits on the Boards of companies as an independent member and member of audit committees.

**Theodoros Koulouris:** He graduated from the Evelpidon Higher Military School (1984), the Interdisciplinary War School and the NATO Defence College at Rome (NADEFCOL). He also holds a degree in law from the Faculty of Law and Economics of the Aristotle University of Thessaloniki (1996) and a Master of Arts in International Politics from the Centre Européen de Recherche Internationales et Strategiques (CERIS) in Brussels, with his dissertation topic being water management. He speaks English and French. During his career as an officer he has held various positions of responsibility in Greece and abroad, reaching the rank of senior officer (lieutenant general).

**Ekaterini Tsikaloudaki:** She holds a degree in civil engineering (1997) and a PhD (2003) from the Dept. of Civil Engineering / Aristotle University of Thessaloniki. She works as a professor in the Civil Engineering Department of the Aristotle University of Thessaloniki. She has many years of academic experience and a significant corpus of scientific and research work in the field of sustainability in the built environment. She was actively involved in preparing the Building Energy Performance Regulations, in preparing technical guidelines for the Technical Chamber of Greece on how to implement them, and in preparing manuals to train energy inspectors. She was a member of the national coordination committee to update the legislation on the energy performance of buildings, the relevant committees of the Technical Chamber of Greece and the team which prepared the draft regulatory framework for buildings with almost zero energy consumption.

**Maria Petala:** She holds a degree in Chemical Engineering from the Aristotle University of Thessaloniki and a PhD from the AUTH Faculty of Engineering. Since 2000 she has been engaged in research on environmental engineering and since 2013 has been a permanent member of the teaching staff at the Laboratory of Environmental Engineering and Design / AUTH School of Civil Engineering. Her scientific work has been published in respected international scientific journals and has been presented at international scientific conferences. She also serves as Technical Advisor to national and local public bodies on issues of managing water resources, improving water supply networks and water quality. She has served as assistant scientific officer in research programmes and is the co-author of a book on environmental engineering.

**Sofia Ammanatidou:** She is a graduate of the Department of Business Administration and holds a postgraduate degree in Information Systems Management from the University of Macedonia. She works as a grade A insolvency administrator and grade A economist/accountant. She has been involved in liquidation - resolution procedures for companies such as ELVO S.A., Hellenic Sugar Industry S.A., AXON HOLDINGS S.A., among others. Since 2017 she has been an accredited mediator and member of the Insolvency Management Committee of the Ministry of Finance. She has obtained certification in Financial Accounting from the Harvard Business School and International Accounting Standards from the Association of International Accountants and ESG EXECUTIVE from the ATHEX Academy.

**Dimitrios Konstantakopoulos:** He is a graduate of the Athens University School of Economics and holds a Master of Arts in Finance and Investments from Exeter University, Devon UK. He has worked in the banking sector for more than 30 years. Since 1994 he has worked for the National Bank of Greece Group (ETEVA & NBG) both in providing consultancy services on major infrastructure projects (Athens International Airport, Rio-Antirrio Bridge, Attiki Odos, intercity motorway concession projects) and PPP projects and in financing long-term concession projects and PPPs, working as Deputy Director of the Special Project Finance Division of NBG. Since 2018 he has worked for HCAP as Investments & Concessions Manager and as Portfolio Manager for companies in the Funds portfolio.

Georgios Archontopoulos: He is a car technician. He has worked for EYATH since 1999 and has sat on the Board of Directors of EYATH as an elected employee representative since May 2009.

**Ioannis Mitziias:** He is a surveyor engineer. He has worked for EYATH since 2017 and has sat on the of Directors of EYATH as an elected employee representative since May 2020.

#### 4.4. Nomination of prospective members and succession plan

As far as the Code's Special Practices relating to Succession Planning for the Board of Directors under points 2.3.1, 2.3.2, 2.3.3, 2.3.4 (framework for filling posts and succession plan for members of the Board of Directors, including the CEO) are concerned, the Company's Corporate Governance Statement of 14.4.2022 for the period 1.1.2021-31.12.2021 had indicated that there was a temporary deviation and provided an explanation that a process was under way to prepare and design a framework/plan for filling posts and for succession for Board members, which was to be completed within 2022.

Law 4964/2022 (Government Gazette 150/A/30.7.2022) was then published, which entered into force on 30.7.2022. Article 114 of that Law inserted Article 197A into Law 4389/2016 according to paragraph 4 of which: "4. HCAP shall propose to the General Meeting of Shareholders of the companies EYDAP S.A. and EYATH S.A. the members of their Board of Directors to be elected, as the majority shareholder, following prior approval by the General Meeting of its sole shareholder i.e. the Hellenic Republic... Members of the Boards of Directors of the two above companies who acquire that capacity on a proposal from HCAP based on the above procedure shall act within the framework laid down in Article 5(5) and Article 21(3) of the Constitution on the continuous provision of high quality water supply and sewerage services to society as a whole».

Thus, the succession planning framework for the Board of Directors (see Special Practices 2.3.1., 2.3.3.) are regulated by the above provision of law, which is specific to the Company. Likewise, as far as Special Practice 2.3.4 is concerned, due to the Company's intensely public and societal mission, each CEO is chosen taking into account the provisions of Article 197A of Law 4389/2016, as inserted by Article 114 of Law 4964/2022, by the Hellenic Republic, as the sole shareholder of the Company's main shareholder (HCAP S.A.). Lastly, it should be noted that compliance with Special Practice 2.3.2. of the Code is ensured through the provision of Article 13(1) of the Company's Articles of Association, read in conjunction with Article 85(2) of Law 4548/2018, on the possibility of gradual renewal of the Board of Directors and/or successive expiry of the term of office of its members.

#### 4.5. Other professional commitments of Board members

Members of the Board of Directors have notified the Company of the following other professional commitments (including major non-executive commitments to companies and non-profit institutions) as shown in the table below:

Name-surname of member	Name	Professional commitment
<b>Agis Papadopoulos</b>	EYATH SERVICES S.A.	Chairman of the Board of Directors
	Aristotle University of Thessaloniki	Professor
<b>Anthimos Amanatidis</b>	EYATH SERVICES S.A.	CEO
<b>Grigorios Penelis</b>	PENELIS	CEO
	CONSULTANT ENGINEERS S.A.	CEO
<b>Nikos Klitou</b>	3PI-PENELIS SOFTWARE LTD	Chairman of the Audit Committee
	ALUMIL S.A.	Deputy CFO
<b>Ekaterini Tsikaloudaki</b>	D. MASOUTIS S.A.	Non-executive board member
	EYATH SERVICES S.A.	Professor
<b>Maria Petala</b>	Aristotle University of Thessaloniki	Member of the teaching staff of the School of Civil Engineering



<b>Sofia Ammanatidou</b>	Aristotle University of Thessaloniki	Vice-Chairman, Executive Member
	EYATH SERVICES S.A.	Member of the Insolvency Management Committee
	MINISTRY OF FINANCE	Special nominee
	GREEK SUGAR INDUSTRY	Administrator
<b>Dimitrios Konstantakopoulos</b>	ICA FINANCIAL CONSULTANCY PC	Portfolio Manager
	HELLENIC CORPORATION OF ASSETS AND PARTICIPATIONS S.A. (HCAP)	Μη εκτελεστικό μέλος του Δ.Σ.
<b>Georgios Archontopoulos</b>	ATHENS WATER SUPPLY AND SEWERAGE CO. S.A. (EYDAP)	Πρόεδρος Σωματείου Εργαζομένων
<b>Ioannis Mitzias</b>	EYATH S.A.	Γραμματέας Σωματείου Εργαζομένων
	EYATH S.A.	

#### 4.6. Evaluation of the Board of Directors and its members

As far as the special practices in the Code relating to evaluation of the Board of Directors, Chairman, CEO and other members in points 3.3.3, 3.3.4, 3.3.5, 3.3.8, 3.3.9, 3.3.10, 3.3.12, 3.3.15 are concerned, which the Corporate Governance Statement for 2021 had recorded as deviations, in 2022 the company developed a structured framework for evaluating the Board of Directors, the Chairman, the CEO and other members.

The evaluation was carried out by an independent external consultant who reached the following conclusions:

As far as individual criteria are concerned, very high scores were achieved for the complementarity of members in terms of their specialisation in setting up a team capable of effectively supervising and deciding on individual issues and special features of company operations on a comprehensive vision being positively noteworthy. The diversity and experience of members has an impact on achieving targets and on more efficient company operations.

As far as collective criteria are concerned, there is full compliance with the pillars examined and a high degree of receptivity and ability to manage issues of strategic importance and the company's development policy.

Overall evaluation showed a very high level of training, operational continuity, active participation, awareness on environmental issues, social responsibility and corporate governance, coupled with the honesty, integrity and good reputation of members.

Note that the Remuneration and Nominations Committee had evaluated the collective suitability of the Board as a body and the individual suitability of its members in accordance with its minutes No. 29/1.7.2022.

It should also be noted that:

**a) Members of the Board of Directors do not hold shares in the Company** and in all events are obliged to notify transactions in accordance with Regulation (EU) No 596/2014 and the transaction notification procedure laid down by the Company.

**b) Independent non-executive members** of the Board of Directors and persons having close ties with them must notify any relationships of dependence in accordance with Article 9 of Law 4706/2020 and the procedure laid down by the Company in Board of Directors Decision No. 111/2022 **to ensure compliance when the conditions for characterising a member as independent are met and ascertain compliance with the said conditions**, per financial year and before the annual financial report is published, which includes the relevant finding.

Review of whether the conditions for characterising a member as independent for 2022 were met, ascertained that:

- did not directly or indirectly hold more than 0.5% of the Company's share capital
- did not receive any fee or benefit from the Company or an affiliated company apart from the fee for participating in the Board of Directors or its committees in accordance with the Company's Remuneration Policy.
- did not have (directly or indirectly through participation in another entity) a business relationship during the last three (3) financial years prior to their appointment with the Company, or a person related to the Company, or a shareholder who directly or indirectly holds a holding equal to or

greater than ten percent (10%) of the Company's share capital, provided that this relationship affects or could affect the business activity of either the Company or a member of the Board or a person closely associated with it. Such a relationship exists, in particular, when the person is an important supplier or important customer of the Company.

These points were also checked for the natural and legal persons with whom members are considered to have «close ties» and it was ascertained that the conditions for independence continue to be met.

Moreover, members submitted solemn declarations to support fulfilment of the independence requirements.

**c) The Company has adopted and implements a Policy and Procedure for preventing and handling conflicts of interest** which was approved by decision No. 674/2021 of its Board of Directors.

This Policy identifies cases which constitute or could lead to a conflict of interest and sets out the procedures to be followed and measures to be taken in the case where such a situation arises.

The procedure states that before taking up an administrative or management post which is controlled in terms of conflict of interest in accordance with the Policy, the relevant person must disclose business or other activities or posts he holds in other organisations which could give rise to a conflict of interest. In addition, it provides for ways to manage such a situation where it exists, such as for example for that person to refrain from any procedure or action of the Company relating to that situation.

**d) The Company has adopted and applies a Compliance Procedure with the obligations in Articles 99 to 101 of Law 4548/2018 on transactions with related parties** which was approved by decision No. 112/2022 of its Board of Directors. More specifically, in the context of implementing the International Accounting Standards and in accordance with International Accounting Standard (IAS) 24 «Related Party Disclosures», the Company is obliged to disclose its transactions with related parties and the legal persons controlled by them in accordance with International Accounting Standard 27 in its periodic financial statements.

Moreover, according to the provisions of Articles 99-101 of Law 4548/2018, contracts between the Company and related parties, as well as the provision of collateral and guarantees to third parties in favour of these persons, are only permitted with the approval of the Board of Directors or the General Meeting.

Information about these transactions is included in the report accompanying the Company's financial statements.

**e) The Company's Board of Directors has decided to adopt a Training Policy for members of the Board of Directors, senior executives** and other executives, especially those involved in internal audit, risk management, regulatory compliance and IT systems. The relevant Policy lays down the procedure followed by the Company to provide induction to members of its Board of Directors and other executives referred to above, and to meet their training needs.

#### 4.7. Remuneration for members of the Board of Directors and pay for executive members of the Board

The fees of executive and non-executive members of the Board of Directors are set out in the Company's approved Remuneration Policy. The stipulated fees are based on a market survey carried out by an independent consultant at the end of 2019. The Remuneration and Nominations Committee estimates that they are now below the weighted limits set in 2019.

The executive members of the Board of Directors receive pay based on a contract with the Company and additional benefits (company expenses / group insurance policy / company car, etc.). In particular, the executive members of the Board of Directors, namely the CEO and Executive Director do not receive a fee for their participation in the Board of Directors, since that is part of their duties. For the CEO, the fee is gross and annually at 75% of the average market figure reported in an independent consultant survey conducted in 2019. For the executive consultant, the gross annual fee is 90% of the average market figure mentioned in the independent consultant's survey conducted in 2019. Both of them will have additional attendance fees of 12% of their gross pay, which is paid ex post after submitting expense invoices. Payments are equal to 12 salaries.

The Chairman of the Board of Directors is paid a fixed and annual fee which is around 60% of the average market figure (2019 figures), gross, which reflects the increased obligations from his role and the time required to perform his duties. There are additional attendance fees of 12% of the gross fee which are paid ex post after submitting expense invoices.

After submitting an application to that effect, the Vice-Chairman of the Board of Directors, Mr. Grigorios Penelis, opted not collect the fees specified in the remuneration policy.

Other non-executive members of the Board of Directors are paid fees per meeting of the Board of

Directors. These fees are paid at the maximum for two (2) meetings per month or twenty-four (24) per year and in calculating them, the total length of employment and the duties and responsibility of each member for participating in meetings of the Board of Directors are taken into account. The maximum annual remuneration for Board members is around 70% of the average market figure (2019 figures). Fees take into account the number of meetings and the total length of employment, duties and responsibility for each member's participation in Board meetings.

The annual maximum (gross) amount for Board meetings is € 8,000 and for up to 24 meetings a year. Any meetings after the 24th are not remunerated.

The participation fee for members participating in the Audit Committee has the same structure as that for participation in the Board of Directors' meetings (fixed and per meeting). The fee is assessed based on duties and competences, it is the same irrespective of whether the member is executive or not and no other benefits are provided. Regarding the participation of members of the Board of Directors in Board committees and in particular the role of Chairman of the Committee, there is a fixed fee to cover the time required by the Chairman of the Committee to coordinate and organise the work of each Committee and to prepare meetings. In this context and in accordance with HCAP's principles, the remuneration of Committee members is lower than that of the Chairmen and is calculated per meeting, with a maximum limit of 12 meetings per year for the Audit Committee and the technical committees and 4 meetings per year for the Remuneration and Nominations Committee.

In principle, fees are paid per meeting irrespective of whether each Member participates or not. However, breach of the attendance requirements set out in detail in the Board/committee attendance policy results in a pay adjustment depending on the attendance rate at the end of the year.

Moreover, the pay for members of the Audit Committee is higher due to the increased responsibilities of members of the specific committees. In addition to the above fees, the Board of Directors of the Company also receive additional benefits which may change, such as:

- Use of the company management vehicle when representing the Company.
- Mobile telephony handsets for the Chairman the Board of Directors, the CEO and Executive Director and inclusion in the relevant tariff plan (airtime, data volume, number of SMSs).
- Travel expenses for work-related reasons (travel - accommodation - meals) which are not deemed to be remuneration.

#### 4.8. CVs of senior executives and company secretary

**PARTHENA THEODORIDOU:** General Manager She is a Civil Engineer (Democritus University of Thrace). She has worked for EYATH since 2002 and has held managerial posts since 2017 and has held general management posts since 2020.

**NIKOLAOS ARAMBATZIS:** Admin. and Operations Manager. He is a Graduate of the Dept. of Business Administration (Alexandrio Technological Educational Institute). He has worked for EYATH since 1995 and for the Admin. and Operations Division since 2017.

**DIMITRIOS ALEXANDRIS:** CFO. He is a graduate of Economics (University of Macedonia) and Business Administration (Alexandrio Technological Educational Institute). He has worked for EYATH since 1996 and for the Finance Division since 2017.

**PANAGIOTIS PETRIDIS:** Consumer Director He is a Civil Engineer. He has worked for EYATH since 1986. He held managerial posts since 2007 and in Consumer Division from 01/01/2020 to 31/12/2022.

**GEORGIOS ANGELOU:** Digital Transformation & IT Director. He is an Electrical & Computer Engineer (Democritus University of Thrace) with a postgraduate degree in Management of Technological Systems and Radio-Telecommunication Engineering and a PhD in Information Systems (Decision-Making-Investments). He has worked for EYATH since 2002 and has held managerial posts since 2007 and has held posts in the Digital Transformation & IT Division since 2020.

**ALEXANDROS MENTES:** Director of Strategic Planning, Projects and Development. He is a Civil Engineer (AUTH) with a postgraduate degree in Business Administration for executives (IHU) and a PhD from the School of Civil Engineering from the Faculty of Engineering (AUTH). He has worked for EYATH since 2006. He has held managerial posts since 2017 and posts in the Strategic Planning, Projects and Development Division since 2020.

**CHRISTOS TRAGANOS:** Sewerage Networks Manager. He is a Civil Engineer (AUTH). He has worked for EYATH since 1995. He has held managerial posts since 2017 and posts in the Sewerage Network Division from 1.1.2020 to 31.12.2022.

**SPYRIDON LAZARIDIS:** Water Supply Networks Manager. He is a Civil Engineer (AUTH) with a postgraduate degree in INTERNATIONAL CONSTRUCTION MANAGEMENT AND ENGINEERING. He

has worked for EYATH since 2007 and for the Water supply network Division since 2021.

**KONSTANTINOS KOTOULAS:** Sewerage Facilities Manager. He is a chemical engineer (AUTH) with a postgraduate degree in Health Sciences from the National Centre for Public Administration and Local Government (EKDDA). He has worked for EYATH since 2002 and for the Water Sewerage Facilities Division since 2020.

**GEORGIA SERETOUDI:** Water Supply Facilities Manager. She is a chemist (AUTH) with a PhD from the Department of Chemistry, Faculty of Sciences, AUTH. She has worked for EYATH since 2002 and for the Water Supply Facilities Division since 2020.

**GEORGIOS KAFETZIS:** Head of the Internal Audit Unit. He is a graduate of Business Administration (University of Macedonia) with a postgraduate degree in INTERNATIONAL BANKING AND FINANCIAL SERVICES. He has worked for EYATH since 2017 and as head of the Internal Audit Unit since 2022.

**MARIA SAMARA:** Head of the Regulatory Compliance and Crisis and Risk Management Unit. She holds a degree in Economics from the Aristotle University of Thessaloniki (former School of Law and Economics). She has worked for EYATH since 1995 and has held managerial posts since 2010. She has been head of the unit since 2020.

**CHRYSOULA PAPADOPOULOU:** Secretary of the Board of Directors. She is a Graduate of the Dept. of Business Administration (Alexandrio Technological Educational Institute). She has worked for EYATH since 1996 and has been company secretary since 2001.

Management executives do not hold shares in the Company with the exception of the head of the Regulatory Compliance and Risk Management Unit, which holds 800 shares, and in all events are obliged to notify their transactions in accordance with Regulation (EU) No 596/2014 and the transaction notification procedure laid down by the Company.

## 5. Audit Committee

### 5.1. Composition, operation, work, competences and description of issues discussed at Audit Committee meetings

Under its current Bylaws, the Audit Committee which consists of at least three (3) members, may be (a) a committee of the Board of Directors comprised of non-executive members or (b) an independent committee comprised of non-executive members of the Board of Directors and third parties or (c) an independent committee comprised only of third parties. Third party means any person who is not a Board Member. The type of Audit Committee, its term in office, the number and posts of its members is decided on by the Company's General Meeting of Shareholders. The term in office of members of the Audit Committee is the same as that of members of the Board of Directors. The members of the Audit Committee may be re-elected. The members of the Audit Committee are appointed by the Board of Directors when it is its committee or by the Company's General Meeting of Shareholders when it is an independent committee and they are in their majority independent of the Company, in accordance with the provisions on independence in force from time to time (Article 9 of Law 4706/2020). The Chairman of the Audit Committee is appointed by its members at its meeting to officially establish it and he is independent of the Company.

All members of the Audit Committee have adequate knowledge of the sector in which the Company operates. At least one (1) member of the Audit Committee who is independent of the Company, with adequate knowledge and experience in auditing or accounting, must attend the Audit Committee meetings relating to approval of the annual separate and consolidated financial statements.

On 8.9.2022 the Company's Ordinary General Meeting of Shareholders decided to approve the type of Audit Committee as a Board of Directors committee comprised of 3 independent non-executive members in accordance with Article 44 of Law 4449/2017 as in force, who had been appointed by the Extraordinary General Meeting of 30.4.2020 as members of the Audit Committee. Those members are as follows:

**Nikos Klitou:** Independent non-executive member, Chairman of the Audit Committee

**Sofia Ammanatidou:** Independent non-executive member and

**Maria Petala:** Independent, non-executive member.

The key mission of the Audit Committee is to assist the Board of Directors in performing its duties by overseeing financial reporting procedures, the completeness and correctness of the annual separate and consolidated financial statements, the Company's policies and internal audit system [Article 2(7) of Law 4706/2020] and evaluating the adequacy, effectiveness and efficiency of internal control systems [Article 44(3)(c) of Law 4449/2017], the audit function of the internal audit unit and external auditors, to ensure the independence, quality, formal qualifications and performance of auditors.

The Audit Committee examines and ensures the independence of the Company's External Auditors and takes cognisance of their findings and the Audit Reports on the annual or interim financial statements of the Company. At the same time, it recommends corrective actions and procedures so as to deal with any findings or failures in areas of Financial Reports or other important functions of the company.

The Chairman of the Audit Committee submits the Committee's Annual Report to the Annual Ordinary General Meeting of Shareholders based on its competences.

The Audit Committee meets at the Company's seat or, wherever provided for in its Articles of Association, in accordance with Article 90 of Law 4548/2018, as in force. The Audit Committee meets regularly to examine and take decisions on all issues within its remit.

## 5.2. No. of Audit Committee meetings and frequency of each member participating in meetings

The Audit Committee met 14 times in 2022. The frequency at which members of the Audit Committee participated in its meetings in 2022 was as follows:

Name-surname of member	No. of meetings	Participation	Percentage
Nikos Klitou	14	14	100.00%
Sofia Ammanatidou	14	14	100.00%
Maria Petala	14	14	100.00%

## 5.3. Audit Committee activities

In the context of its powers under the relevant legislation and its Bylaws, the Audit Committee meets at least four times a year. The final number of meetings during the year is determined by the requirements for performing its duties. In that context, during 2022 (1.1.2022-31.12.2022) the Committee held thirteen (14) meetings.

All members of the Committee were present at all meetings and depending on the item on the agenda either members of the Internal Audit Unit or senior executives charged with managing and administering company business, affairs and activities or members of the team of certified public accountants were present.

The relevant minutes were prepared at all Committee meetings in 2022. The following specific issues were examined:

- The internal audit plan for 2022, the timeframe and the Training Criteria.
- Repeat examination of Internal Audit Findings from 2021 and corrective actions taken by management.
- Quarterly Internal Audit Reports and the corresponding Findings - Follow-up during 2022 and monitoring of the Internal Audit unit's activities.
- The procedure for preparing the financial statements for 2021, the interim financial statements as at 30.6.2022 and the completeness and integrity of the relevant financial information.
- Grant Thornton's audit and Supplementary Report on the separate and consolidated financial statements for 2021 and the review of the Half-Yearly Financial Statements as at 30.6.2022.
- The procedure for obtaining approvals for the assignment of work to certified public accountants, approval for the receipt of non-audit services and evaluation of the independence of the ordinary certified public accountants.
- Approval of the budget for the relevant fees of certified public accountants.
- Submission of a recommendation/proposal to the Board of Directors to renew the statutory audit services provided by Grant Thornton which provided the same services in 2021 for 2022.
- Submission of a recommendation / proposal to the Company's Board of Directors by independent assessors to assign one of them the task of assessing the internal audit system.
- The procedure for preparing financial information based on information provided by the CFO.
- Implementation of proposals from the Internal Audit Unit to run training courses for staff in the Internal Audit Unit and to attend seminars organised by the Hellenic Institute of Internal Auditors in the context of implementing the International Standard for the Professional Practice of Internal Auditing 1230 «Continuous Professional Development» according to which internal auditors must improve their knowledge, capabilities and other skills through continuous professional development.

# 6. Remuneration and Nominations Committee

## 6.1. Composition, operation, work and competences of the Remuneration and Nominations Committee

Under its current Bylaws, the Remuneration and Nominations Committee, as a single committee,



exercises the competences of both the Remuneration Committee (under Article 11 of Law 4706/2020) and the Nominations Committee (under Article 12 of Law 4706/2020) which have been assigned to the Committee in accordance with paragraph Article 10(2) of Law 4706/2020, pursuant to a relevant decision of the Company's Board of Directors. The Remuneration and Nominations Committee has three members and consists in its entirety of non-executive members of the Company's Board of Directors, at least two (2) of whom are independent. The Committee's term in office is the same as that of the Board of Directors.

At its meeting on 30.9.2021 the Company's Board of Directors decided to replace a member of the Committee who had resigned and at its meeting on 2.10.2021 the Remuneration and Nominations Committee was established into a body comprised of:

Grigorios Penelis, independent non-executive member, as Chairman of the Committee  
Nikos Klitou, independent non-executive member and  
Ekaterini Tsikaloudaki, non-executive member (replacing a member who had resigned).

The committee's main duties are listed below:

- submitting proposals to the Board about the fee of each executive member;
- examining and submitting proposals to the Board of Directors about the total size of annual variable remuneration (other than salary) for the Company;
- submitting proposed performance targets;
- regularly re-examining the salary of executive members of the Board and other terms of their contracts with the Company;
- submitting proposals to the BoD on any remuneration-related business policy;
- evaluating of executive member performance targets.

In performing its task the Committee takes serious account of the size of the public undertaking, the spread and complexity of the Company's activities, the regulatory and statutory environment (e.g. monopolistic compared to competitive undertakings) and the financial situation, as well as challenges (e.g. financial, regulatory, technological, etc.) and other important parameters as appropriate which may apply.

• Remuneration:

Transparency and objectivity in determining remuneration (namely pay and benefits) for members of the Board of Directors are factors which make a substantive contribution to the Company's successful performance and to promoting and preserving its value over time. Determination and supervision of proper compliance with this procedure was assigned to the Remuneration and Nominations Committee.

The fees of members of the Board of Directors are determined taking into account the following:

- i) the statutory framework covering the Company;
- ii) the market survey prepared by the independent consultant firm of the Remuneration and Nominations Committee which set the maximum and minimum pay thresholds in the market for companies of similar size and scope listed on ATHEX;
- iii) fees were weighted based on EYATH's registered offices in Thessaloniki where there is a lag in remuneration levels compared to Athens.

The fees were weighted based on EYATH's monopolistic nature.

• Nominations:

- it monitors effectiveness and re-examines the planning and implementation of the Company's Fit-and-Proper Policy and periodically evaluates it at regular intervals or when major events or changes occur;
  - it identifies and proposes persons suitable for membership of the Board of Directors and Board committees to the Board of Directors, taking into account factors and criteria of individual and collective suitability;
  - it evaluates the performance of members of the Board of Directors and Company committees, evaluating the skills, knowledge and experience of members of the Board of Directors and Company committees and informs the Board of Directors accordingly;
  - it evaluates the structure, composition and size of the Company's Board of Directors and submits proposals about appropriate changes;
  - it constantly monitors the suitability of members of the Board of Directors, and in particular to identify cases in light of any relevant new event where it is considered necessary to re-evaluate their suitability in accordance with the relevant definitions in the Fit-and-Proper Policy;
- it examines the independence of independent non-executive members of the Board of Directors periodically, at least once a year, and in the case where a new Board of Directors is elected or a member is elected to replace a deceased independent member thereof, and on an extraordinary



basis whenever required, and submits proposals to the Board of Directors about the appropriate steps and/or changes to the composition;

- it examines the policy for selecting senior management executives (within the meaning of Article 2(13) of Law 4706/2020).

#### **6.2. No. of meetings of the Remuneration and Nominations Committee and frequency of each member participating in meetings**

The Remuneration and Nominations Committee meets at the Company's seat or, where provided for in its Articles of Association, as in force, in accordance with Article 90 of Law 4548/2018, as in force, at regular intervals and on an extraordinary basis whenever deemed necessary by the Chairman or any member thereof.

The Committee met 6 times in 2022. The main issues addressed by the Remuneration and Nominations Committee at its meetings were as follows:

- Approval of the Committee's activity report for 2021.
- Approval of fees and remuneration paid to members of the Board in 2021 and preparation of the relevant remuneration report.
- Approval of the revised Remuneration Policy for Board members and the relevant recommendation to the Chairman of the Board.
- 2021 annual evaluation of the Directors and of the Board as a body.
- Annual evaluation of members of the Audit Committee
- Approval of the Committee's report for 2022.

The frequency at which members of the Committee participated in its meetings in 2022 was as follows:

Name-surname of member	No. of meetings	Participation	Percentage
Grigorios Penelis	6	6	100.00%
Nikos Klitou	6	6	100.00%
Ekaterini Tsikaloudaki	6	6	100.00%

## **7. Fit-and-Proper Policy**

The current Fit-and-Proper Policy for members of the Company's Board of Directors (in accordance with Article 3 of Law 4706/2020, hereinafter the «Fit-and-Proper Policy») was approved by the Ordinary General Meeting of Shareholders on 1.6.2021.

The Fit-and-Proper Policy is an essential part of the Company's Corporate Governance System. It seeks to ensure quality staffing, effective operation and performance of the role of the Board of Directors based on the Company's general strategy and medium to long-term business objectives to promote the company's interests. Implementation ensures the acquisition and retention of persons with abilities, knowledge, skills, experience, independence of judgement, guarantees of morality and good reputation which ensure sound and effective management for the benefit of the Company, shareholders and all parties involved.

The Company evaluates both individual suitability criteria which include the adequacy of knowledge and skills, the guarantees of morality and reputation, independence of judgement, the allocation of adequate time, incompatibilities relevant to members of the Board of Directors and collective suitability criteria which mean the suitability of all members of the Board of Directors so that it can effectively exercise its leading role in corporate issues, managing corporate affairs for the benefit of the Company, shareholders and all stakeholders, and ensure sound and effective corporate governance and implementation of corporate strategy by executive management.

The Fit-and-Proper Policy and all material amendments to it are proposed to the Company's Board of Directors by the Company's Remuneration and Nominations Committee in cooperation with the Internal Audit Unit and the Company's Legal Department, and are then approved by the Company's Board of Directors and submitted to the Company's General Meeting for approval.

The Company has and implements a diversity policy (within the Fit-and-Proper Policy) to promote a suitable level of diversity within the Board of Directors and a diverse group of members. By collecting a wide range of qualifications and skills when selecting members of the Board of Directors, a range of views and experiences are ensured so that proper decisions can be taken. The Fit-and-Proper Policy includes/refers to the diversity policy to ensure that this issue has been taken into account when appointing new members of the Board of Directors. There is an express provision

for adequate representation per gender with at least 25% of all members of the Board of Directors being from one gender, based on the current 11-member Board of Directors, there being a minimum of three (3) women or men and no exclusion on grounds of sex, race, colour, ethnic or social origin, religion or belief, assets, birth, disability, age or sexual orientation. The Company's diversity policy also includes employee representation on the Board of Directors in order to enrich knowledge and experience about the Company's internal operations on a daily basis. The Fit-and-Propor Policy is available on the Company's website at the following link: <https://www.eyath.gr/>

The composition of the Company's existing Board of Directors from its election by decision of the Company's Extraordinary General Meeting of Shareholders of 30.4.2020 and following the Ordinary General Meeting of 8.9.2022 which approved the selection of a new member to replace a member who had resigned, meets the requirements and suitability (individual and collective) and diversity criteria as specified in Law 4706/2020 and the Fit-and-Propor Policy, as ascertained by the Company's Remuneration and Nominations Committee at the level of prospective members, before the election of the Board of Directors and each member to replace a missing member, and by the Board of Directors during the relevant election.

Moreover, at the Board of Directors meeting on 9.9.2022, following a recommendation to that effect by the Company's Remuneration and Nominations Committee, the Board reviewed and ascertained that the conditions for independence in Article 9(1) and (2) of Law 4706/2020 were met for the existing independent non-executive members of the Board of Directors.

## 8. Sustainability policy

In accordance with the provisions of Article 44(1) of Law 4449/2017, as replaced by the provisions of Article 74(4)(9) of Law 4706/2020, the Audit Committee is required to include in the annual activity report to the Ordinary General Meeting a description of the sustainability policy followed by the Company.

The Company's strategy focuses on optimising the quality of services provided via the investment plan, improving facilities, expanding technological infrastructure using cutting-edge software packages, implementing best practices for managing water resources (automation, new technologies, digital transformation, etc.), making investments to upgrade the network and developing specialised computer applications.

The Company implements a Sustainability Policy and over time has sought to generate value for stakeholders, namely shareholders, customers, employees and society as a whole.

This policy is an integral part of corporate governance, since it summarises the commitment to and approach to sustainability issues and is geared towards preparing specialised policies relating to HR training and development, occupational health and safety and environmental protection.

The policy focuses on the important issues related to the company's activities and seeks to ensure its continuous development, always as a responsible corporate citizen, focusing on four pillars: Environment, Market, People, Society.

To achieve that goal, the Company places particular emphasis, among other things, on training and developing human resources, on occupational health and safety and on respecting the environment, by following the principles of sustainable operation and development.

The Company's Sustainability Policy reflects the Management's approach and commitment to sustainability and responsible operations. Responsible operation is an ongoing commitment to substantive actions that aim to generate value for all stakeholders who respond to society's modern needs and contribute to its prosperity in general. The Company has a specific strategy which focuses on the important issues relating to its operations and seeks to ensure continuous, responsible growth by focusing on the critical pillars of business responsibility: Economy, Society, Environment. The sustainability policy is an integral part of the Company's business practices and corporate culture. The Company has recognised that it is obliged to operate its business in a sustainable manner and Management is committed to implementing the Sustainability Policy at all levels of the Company and in all sectors in which it operates. In this context, even though there is no legal obligation, modern sustainability requirements have been adopted in all aspects of its operations. To that end, it is a key strategic choice to adopt the UN 2030 agenda, as expressed in the 17 Sustainable Development Goals, and to integrate the ESG criteria into both the Company's investment and business planning. In addition, a Sustainability Report is prepared to fully and comprehensively brief Company stakeholders about responsible operating practices. The report is prepared in accordance with the GRI-G4 guidelines and the provisions of the Hellenic Sustainability Code and the Athens Exchange

ESG Reporting Guide.

Integrated management of Company operations in line with the Sustainability Policy contributes both to responsibly addressing environmental and social issues and to bolstering the Company's economic value.

For a Company that operates the critical water supply and sewerage infrastructure of the wider Thessaloniki Urban Area, sustainability is not only a strategic objective but also a tool for addressing climate change in the medium term and protecting sensitive aquatic ecosystems.

The Company implements the principles of corporate responsibility with particular emphasis on environmental protection, through investments and actions aimed at reducing its water and energy footprint, as it moves towards sustainability and the transition from a linear to a circular economy. Each individual stakeholder group has a specific channel and frequency of communication based on needs and requirements to achieve the best possible interaction. Moreover, as far as the ability to record views and comments on sustainability issues is concerned, a special online form is available to be filled out by anyone interested.

Each year during the preparatory phase of the Sustainability Report, a materiality analysis is carried out to constantly improve the Group's approach to sustainability and social responsibility issues, to rank Group issues which have the most important economic, social and environmental impacts and those which significantly affect stakeholders. The material issues are set out in the report and are associated with achieving the Sustainable Development Goals via responsible operations, programmes and the relevant results.

Communication and dialogue with stakeholders via the channels established for each joint venture is supervised in its entirety by Company Management and has an impact on operations and decision-making and also contributes to improved trust-based relationships.

Stakeholders are informed about the work being carried out in the Sustainability sector via a report published in accordance with internationally accepted Sustainable Development standards. To facilitate Company stakeholders, the Corporate Responsibility Report is posted on EYATH's official website [www.eyath.gr](http://www.eyath.gr). The Company's Investment Programme Office is responsible for providing more information and clarifications about the content of the Report.

## 9. Other management and administrative bodies

### 9.1. Management Board

The Management Board is a coordinating body for Management and consists of the CEO as Chairman, the General Manager and the Managers. Its operation and competences are governed by special regulations, the Management Board's Bylaws, which are attached as an Annex. All decisions of the Management Board are subject to approval by the Board of Directors.

Competences of the Management Board

1. The Management Board coordinates and contributes to the consistency of Company operations, prevents cases of overlaps and resolves issues that require collaboration between various Divisions.
2. It handles requests from citizens relating to water supply or sewerage issues, water supply or sewerage charges, exemptions from or reductions in them. The relevant decisions shall be approved by the Board of Directors.
3. It schedules overtime and on call work or work on holidays or non-working days based on the work schedule presented to the Management Board by the competent Director. It evaluates and makes recommendations to the Board of Directors about exceedance in the planned overtime work of staff.
4. It evaluates strategic planning and programming proposals, suggestions and ideas for research programmes relating to company business, proposals on IT and development issues and staff training as well as communication policy issues.

### 9.2. Staff Boards

The Staff Boards are divided into First and Second Instance boards and operate with the same composition as Disciplinary Boards (at First and Second Instance). The establishment, competences and running of such boards are regulated by the relevant article of the Company's Staff Regulations.

### 9.3. Technical Council

It is an advisory body to Management on issues of project, design and service assignments. It reports to the General Manager. The establishment and operation of the Technical Council is governed by a special regulation, the Technical Council's Bylaws, which are attached as an Annex and constitute an integral part thereof, subject to any separate amendment or supplementation by decision of the Board of Directors.

## 10. Public takeover offers - Information

- There are no binding takeover bids and/or rules of mandatory assignment and mandatory takeover of the Company's shares or any statutory provision on takeover.
- There are no third-party public offers to take over the Company's share capital during the last and current year.
- In case the Company decides to take part in such a procedure, this will take place in the context of European laws and applicable Greek laws.

## 11. General Meeting of shareholders and rights of shareholders

The General Meeting of Shareholders is the Company's supreme body in law and is entitled to decide on all corporate affairs. It is convened and operates in accordance with the provisions of the Articles of Association and the relevant provisions of Law 4548/2018, as in force.

The Company makes the requisite publications and in general takes the necessary measures to inform shareholders in good time about how to exercise their rights. The latter is ensured by publishing the invitations to General Meetings and uploading them on the Company's website, the text of which contains a detailed description of shareholders rights and how these are exercised. As part of its corporate governance system, the Company has developed adequate and effective communication mechanisms with shareholders to make it easier for them to exercise their rights and engage in active dialogue with them. The Company has a Shareholder Relations and Corporate Announcements Department to provide information directly to all shareholders on an equal footing, to support them in exercising their rights and to brief them by publicising all corporate events.

### 11.1 Modus operandi and powers of the General Meeting of Shareholders

The modus operandi and powers of the General Meeting of Shareholders and the rights of shareholders and how they can be exercised are set out in detail in Articles 29 to 39 of the Company's Articles of Association which are available on the Company's website at the following link: <https://www.eyath.gr/>

According to the Articles of Association, the General Meeting of Shareholders is the supreme management body which decides on all corporate affairs and its lawful decisions are binding on all shareholders.

The General Meeting of Shareholders is convened by the Board of Directors and meets regularly at the place and time specified by the Board of Directors within the first six months from the end of each financial year.

The General Meeting convenes where 20 whole days before the meeting an invitation was published which clearly sets out the place and time of the meeting, the items on the agenda, and the procedure to be followed by shareholders to participate and exercise their voting rights.

The General Meeting meets and has a quorum where 51% of the share capital is present and represented at it, apart from cases where a 2/3 qualified quorum is required by the Articles of Association.

Shareholders who participate in the General Meeting and have voting rights elect the Chairman and Secretary. The items on the agenda are then discussed and decisions are taken on those matters by absolute majority.

The results of voting are announced by the Chairman of the Meeting once ascertained and published on the Company's website within five (5) days from the General Meeting.

Minutes are kept of the items discussed and decided on by the General Meeting signed by the Chairman and Secretary of the meeting.

The General Meeting is the sole body competent to decide on:

- a) Extension of the Company's effective term, transformation, merger or winding up.
- b) Amendment of the Articles of Association.
- c) Share capital increases or decreases.
- d) The election of members of the Board, auditors and valuers.
- e) Approval of the annual Financial statements.
- f) Profit distribution.

### 11.2 Rights of Company shareholders

The rights of shareholders and the rights of shareholders with non-controlling interests are set out in the aforementioned articles of the Articles of Association.

The rights of Company shareholders deriving from its shares depend on their holding in the capital which corresponds to the paid-up value of each share. Each share grants all the rights specified by Law 4548/2018 as amended and in force, and the Company's Articles of Association and in particular:

- Right to obtain a dividend from the Company's annual profits. 35% of the net profits (having deducted the statutory reserve first) are distributed from the profits each fiscal year to shareholders as a first dividend. The General Meeting decides on whether to distribute any additional dividend. Each shareholder entered in the register of shareholders maintained by the Company on the holder-of-record date are entitled to a dividend. The dividend will be paid to the shareholders within two (2) months from the date of the Ordinary General Meeting that approved the annual financial statements. The place and manner of payment is announced in the press. The right to collect a dividend becomes statute-barred and the amount involved devolves to the State if not collected within 5 years from the end of the year in which the General Meeting approved distribution.
  - The pre-emptive right in each increase of the Company's share capital with cash and new shares.
  - The right to receive a copy of the financial statements and reports of chartered auditors and the Company's Board of Directors.
  - The right to participate in the General Meeting which consists of the following specific rights: legal standing, attendance, participation in discussions, submission of proposals on items on the agenda, entry of views in the minutes and voting rights.
  - The right to receive the contribution paid, upon liquidation or upon the writing off of capital corresponding to the shares, where this is decided upon by the General Meeting.
- The General Meeting of the Company's shareholders shall retain all its rights during the period of liquidation.
- Company shareholders' liability is limited to the nominal value of the shares held.

## EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

### Changes to the Board of Directors

Decision No. 040/2023 of the Board of Directors on 2.2.2023 accepted the resignation of the employee representative, Mr. Ioannis Mitziias, and his replacement by the first alternate member thereof, Mr. Dimitrios Mavropoulos.

### Extension of the term in office of members of the Board of Directors

By means of decision No. 035/2023 of 19.1.2023 the Board of Directors decided to extend the term in office of Board members Mr. Grigorios Penelis and Nikos Klitou in accordance with Article 13 of the Articles of Association and Article 85 of Law 4548/2018 until the date of the 2023 Ordinary General Meeting of Shareholders, with the last date being 10 September 2023, while reserving the right to further extend that date under a provision of law, as has been the case over recent years.

Thessaloniki, 20 April 2023

### ON BEHALF OF THE BOARD OF DIRECTORS

Agis Papadopoulos  
Chairman of the Board of  
Directors

ID Card No. AN 201633

Anthimos Amanatidis  
CEO

ID Card No. AE 125155

Nikos Klitou  
Board member

ID Card No. AM 674658

**Independent Certified Public Accountant**

To the Shareholders of “THESSALONIKI WATER SUPPLY & SEWERAGE Co. S.A.”

**Report on the audit of the Separate and Consolidated Financial Statements****Opinion**

We have audited the accompanying separate and consolidated financial statements of “THESSALONIKI WATER SUPPLY & SEWERAGE Co. S.A.” (the Company), which comprise the separate and consolidated statement of financial position as at 31 December 2022, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the separate and consolidated financial statements, including a summary of significant accounting policies and methods and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of “THESSALONIKI WATER SUPPLY & SEWERAGE Co. S.A.” and its subsidiary (the Group) as at 31 December 2022, their financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as they have been incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements” section of our report. We are independent of the Company and the subsidiaries included in the consolidation throughout our entire appointment, in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements that are relevant to the audit of separate and consolidated financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and consolidated financial statements of the audited period. These matters, as well as the related risk of significant misstatements, were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Key Audit Matters****How our audit addressed the key audit matter**

Trade Receivables – Trade Receivables Recoverability Assessment



As at 31.12.2022, the Group and Company's trade and other receivables stood at € 104,689 thousand and € 104,592 thousand respectively, whereas the relevant accumulated impairment referred to in Notes 14 and 15 of the attached financial statements stood at € 41,209 thousand for the Group and € 41,193 thousand for the Company.

At the period end, the Management reviews the recoverability of the Group and Company's trade and other receivables, so that they are reflected in their recoverable amount, recognizing the required impairment provisions for expected credit losses. This process includes important judgements and estimates, in relation to the proper application of IFRS 9 «Financial Instruments», which was adopted by the Group on 1/1/2018 by the method of cumulative effect.

Given the significance of trade and other receivables and the level of judgement and estimates required, we consider the review of the recoverability of trade and other receivables as an area of particular audit interest.

The Group and Company disclosures about recognition of impairment of trade and other receivables are included in Notes 5.1, 14 and 15 of the attached financial statements.

Our audit procedures to assess the recoverability of trade and other receivables included:

- Assessment of the assumptions and methodology used by Management to identify the recoverability of trade and other receivables or characterise them as bad debt.
- Examination of the attorney's confirmation letter regarding bad receivables handled during the year and identification of any indication of doubtful accounts.
- Assessment of the level of impairment of trade and other receivables, taking into account specific debtors classifications and factors, such as maturity, substantial debtors and high risk debtors.
- Assessment of recoverability of balances through comparing the year end closing balances with subsequent amounts collected / settlements.
- Assessment of the application of the methodology, in accordance with IFRS 9, as well as the accuracy and completeness of the data used by the Management in the calculation model.
- Assessment of the adequacy and appropriateness of the Company and Group's disclosures in Notes 5.1, 14 and 15 of the attached financial statements.

## Contingent liabilities and provisions for litigation

As at 31.12.2022, the Group is engaged in numerous active lawsuits, out-of-court notice and future claims from court cases totalling approximately € 23 million, for which a provision is recognized amounting to approximately €1.8 million. The relative reference is provided in Notes 5.6, 20 and 32 of the attached financial statements. Management uses legal advisors who periodically examine all significant legal cases. If the potential loss from litigation is considered probable and the amount can be estimated reliably, Management recognizes the relevant provision in the financial statements.

Management's assessment in respect of the outcome of legal cases involves subjectivity, as it requires significant judgment to include assessments based on the latest available information, determination of potential risk and reliable data on similar court cases. Negative outcome in the course of litigations or on the basis of estimates made by Management and external legal advisors could result in recognizing impairment losses that may have a material impact on the Group's income statement. Given the above factors, significant Management's estimates and the amount of provisions and contingent liabilities, we consider this issue to be one of the key audit matters.

Our audit procedures regarding contingent liabilities and provisions for litigations include, among others, the following:

- Analysis of provisions that have been made in comparison with the detailed checklist of pending court cases held by the Company's Legal Department.
- Receiving direct external confirmation letter from legal advisors handling pending court cases.
- Discussion with the Group's Legal Department on legal cases and their potential outcome, and assessment of reasonableness of estimates as well as the evidence on which Management's assessment is based.
- Assessment of the adequacy and appropriateness of the Company and Group's disclosures in Notes 5.6, 20 and 32 of the attached financial statements.

## Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Director's Report, the reference to which is made in the "Report on Other Legal and Regulatory Requirements" section of our Report, and Statements of the Members of the Board of Directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and

consolidated financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union and for such internal control checks and balances as Management determines are necessary to enable the preparation of separate and consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, Management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management intends to liquidate the Company and the Group or to cease operations or has no other realistic alternative but to do so.

The Company's Audit Committee (Article 44, Law 4449/2017) is responsible for overseeing the Company's and the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole, are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as transposed into Greek law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, as transposed into Greek law, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control checks and balances
- Evaluate the appropriateness of accounting policies and methods used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control checks and balances that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the audited period and are therefore the key audit matters.

## Report on other Legal and Regulatory Requirements

### 1. Board of Directors' Report

Taking into account that Management is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement included in this report, under the provisions of Article 2(5) (Part B) of Law 4336/2015, we note the following:

- a. The Board of Directors' Report includes the Corporate Governance Statement that provides the information required by Article 152 of Law 4548/2018.
- b. In our opinion, the Board of Directors' Report has been prepared in compliance with the applicable legal requirements of Articles 150 and 153, and Article 152(1)(c) and (d) of Law 4548/2018 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended as at 31/12/2022.
- c. Based on the knowledge we acquired during our audit of "THESSALONIKI WATER SUPPLY & SEWERAGE Co. S.A." and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

### 2. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Company's Audit Committee, prepared in compliance with Article 11 of Regulation (EU) No 537/2014.

### 3. Provision of Non-Audit Services

We have not provided to the Company and its subsidiary the prohibited non-audit services referred to in Article 5 of Regulation (EU) No 537/2014.

### 4. Auditor's Appointment

We were first appointed as auditors of the Company by the Annual General Meeting of Shareholders on 4.8.2011. Since then, our appointment has been renewed annually for a total uninterrupted period of 12 years following the decisions of the Annual General Meetings of Shareholders.

### 5. Bylaws

The Company has Bylaws in line with the content specified in the provisions of Article 14 of Law 4706/2020.

### 6. Assurance Report on the European Single Electronic Format

We examined the digital files of the company THESSALONIKI WATER SUPPLY AND SEWERAGE CO S.A. (hereinafter the Company and/or Group) which were prepared in accordance with the European Single Electronic Format (ESEF) laid down in Commission Delegated Regulation (EU) 2019/815 as amended by Regulation (EU) 2020/1989 (hereinafter the ESEF Regulation) and which include the separate and consolidated financial statements of the Company and Group for the period ended on 31.12.2022 in XHTML format (21380054CNOGH2BJQJ59-2022-12-31-el.xhtml) and the required XBRL file (21380054CNOGH2BJQJ59-2022-1-31-el.zip) suitably marked on the aforementioned consolidated financial statements, also including the other explanatory information (notes to the financial statements).

### Regulatory framework

Digital files in the European Single Electronic Format are prepared in accordance with the ESEF Regulation and Commission Interpretative Communication 2020/C 379/01 of 10 November 2020, as specified in Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Exchange (hereinafter the «ESEF Regulatory Framework»). In short, this Framework includes the following requirements, among others:

- All annual financial reports should be prepared in XHTML format.
- As far as the consolidated financial statements prepared in line with the International Financial Reporting Standards are concerned, the financial information included in the statement of comprehensive income, statement of financial position, statement of changes in equity and cash flow statement and the financial information included in other explanatory information must be marked with XBRL tags (XBRL <tags> and <block tag>) in accordance with the ESEF Taxonomy, as in force. The technical specifications for ESEF, including the relevant taxonomy, are set out in the ESEF

Regulatory Technical Standards.

The requirements laid down in the applicable ESEF Regulatory Framework are suitable criteria for expressing conclusions that provide a reasonable assurance.

### Management and governance responsibilities

Management is responsible for preparing and submitting the separate and consolidated financial statements of the Company and Group for the period ended on 31.12.2022, in accordance with the requirements laid down in the ESEF Regulatory Framework, and for such internal checks and balances as Management considers necessary to make it possible to prepare the digital files free of material misstatement due to fraud or error.

### Auditors responsibilities

Our responsibility is to plan and carry out this assurance work in accordance with decision No. 214/4/11.2.2022 of the Board of Directors of the Accounting Standardisation and Auditing Committee (ELTE) and the «Guidelines on the work and assurance report of certified public accountants in the European single electronic reporting format (ESEF) for issuers with transferable securities listed on a regulated market in Greece», as issued by the Institute of Certified Public Accountants on 14.2.2022 (hereinafter the «ESEF Guidelines»), in order to obtain reasonable assurance that the separate and consolidated financial statements of the Company and the Group prepared by management in accordance with ESEF comply in all material respects with the applicable ESEF Regulatory Framework.

Our work was carried out in accordance with the Code of Ethics for Professional Auditors issued by the International Ethics Standards Board for Accountants (IESBA Code) which has been transposed into Greek law and we have also performed our ethical independence obligations in accordance with Law 4449/2017 and Regulation (EU) No 537/2014.

The assurance work we carried out only covers the items included in the ESEF Guidelines and was carried out in accordance with the International Standard on Assurance Engagements 3000, «Assurance Projects Beyond Control or Review of Historical Financial Information». Reasonable assurances are high level assurances but are not a guarantee that this work will always identify a material error in relation to non-compliance with the requirements of the ESEF Regulatory Framework.

### Conclusion

Based on the work carried out and the evidence obtained, we can draw the conclusion that the separate and consolidated financial statements of the Company and Group for the period ended on 31.12.2022 in XHTML file format (21380054CNOGH2BJQJ59-2022-12-31-el.xhtml) and the required XBRL file (21380054CNOGH2BJQJ59-2022-12-31-el.zip) with suitable indications in the aforementioned consolidated financial statements, including the other explanatory information, that have been prepared in all material respects in accordance with the requirements of the ESEF Regulatory Framework.

Athens, 20 April 2023

The Certified Public Accountant

Andreas Sofis

ICPA (GR) Reg. No. 47771



**Grant Thornton**

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Ορκωτοί Ελεγκτές Σύμβουλοι  
Επιχειρήσεων  
Ζεφύρου 56, 17564 Παλαιό Φάληρο  
Α.Μ. ΣΟΕΛ 127

# Annual Financial Statements

For the period 1/1 – 31/12/2022

In accordance with the International Financial Reporting Standards (IFRS)

## Statement of Financial Position

		THE GROUP		THE COMPANY	
	Note:	31/12/2022	31/12/2021	31/12/2022	31/12/2021
ASSETS					
Non-Current Assets					
Tangible assets	7	76.553	66.806	76.553	66.806
Intangible assets	8	98	88	98	88
Participations in subsidiaries	10	-	-	1.060	60
Deferred tax assets		3.615	3.377	3.615	3.377
Other long-term assets	11	3.054	2.863	3.054	2.863
Right-of-use assets	9	1.115	1.743	1.115	1.743
Financial assets measured at fair value through other comprehensive income	12	50	50	50	50
Total non-current assets		84.485	74.928	84.485	74.928
Current Assets					
Inventories	13	1.837	1.820	1.837	1.820
Trade receivables and contractual assets	14	57.093	57.095	57.058	57.050
Other receivables	15	6.387	3.337	6.340	3.300
Cash and cash equivalents	16	71.481	91.305	70.331	91.019
Total current assets		136.798	153.557	135.566	153.189
TOTAL ASSETS		221.284	228.485	221.111	228.177
LIABILITIES					
Equity					
Share capital	17	40.656	40.656	40.656	40.656
Premium on capital stock	17	2.830	2.830	2.830	2.830
Reserves	18	30.610	30.610	30.587	30.587
Results carried forward		103.324	115.157	103.226	114.999
Total equity		177.420	189.253	177.299	189.072
Non-controlling interests		-	-	-	-
Total equity		177.420	189.253	177.299	189.072
Liabilities					
Long-term liabilities	19	1.128	1.265	1.128	1.265
Provisions for employee benefits	20	1.829	1.603	1.829	1.603
Provisions for contingencies and expenses	21	505	695	505	695
Grants	23	211	859	211	859
Long-term lease liabilities	22	18.305	16.303	18.305	16.303
Other long-term liabilities		21.978	20.725	21.978	20.725
Total long-term liabilities					
Short-term liabilities	24	21.192	17.533	21.142	17.407
Trade and other liabilities	23	655	628	655	628
Short-term lease liabilities		37	40	37	40
Dividends payable	25	1	307	-	306
Short-term tax liabilities		21.886	18.507	21.834	18.381
Total short-term liabilities					



	43.864	39.232	43.812	39.105
<b>Total Liabilities</b>				
	221.284	228.485	221.111	228.177
<b>TOTAL OWNERS' EQUITY AND LIABILITIES</b>				

**Notes:**

The disclosures on pages 84 to 124 constitute an integral part of these Financial Statements.

**Statement of Comprehensive Income**

	Note:	THE GROUP		THE COMPANY	
		01/01-31/12/2022	31/12/2021	01/01-31/12/2022	01/01-31/12/2021
-					
<b>Sales</b>		70.902	73.626	70.902	73.626
Less: Cost of sales	26	(65.331)	(50.549)	(65.331)	(50.549)
<b>Gross profit margin</b>		<b>5.572</b>	<b>23.077</b>	<b>5.572</b>	<b>23.077</b>
Other operating income	27	3.689	7.156	3.654	7.099
		<b>9.261</b>	<b>30.233</b>	<b>9.225</b>	<b>30.176</b>
Selling and distribution expenses	26	(6.196)	(7.252)	(6.196)	(7.252)
Administrative expenses	26	(6.765)	(6.056)	(6.675)	(5.791)
Research and development expenses	26	(163)	(177)	(163)	(177)
Other operating expenses	27	(737)	(1.383)	(737)	(1.383)
<b>Operating results</b>		<b>(4.599)</b>	<b>15.364</b>	<b>(4.545)</b>	<b>15.572</b>
Net financial income	28	357	389	357	389
<b>Normal operating results</b>		<b>(4.242)</b>	<b>15.753</b>	<b>(4.188)</b>	<b>15.961</b>
<b>Results before tax</b>		<b>(4.242)</b>	<b>15.753</b>	<b>(4.188)</b>	<b>15.961</b>
Income tax	29	250	(4.417)	250	(4.417)
<b>Results net of tax</b>		<b>(3.993)</b>	<b>11.335</b>	<b>(3.938)</b>	<b>11.543</b>
<b>Allocated among:</b>					
Parent shareholders		(3.993)	11.335	(3.938)	11.543
Non-controlling interests		-	-	-	-
<b>Other comprehensive income net of tax:</b>					
Items which will not be classified subsequently in the income statement:					
Actuarial Results		101	22	101	22
<b>Total comprehensive income net of tax</b>		<b>(3.892)</b>	<b>11.357</b>	<b>(3.838)</b>	<b>11.565</b>
<b>Allocated among:</b>					
Parent shareholders		<b>(3.892)</b>	11.357	(3.838)	11.565
Non-controlling interests		-	-	-	-
<b>Earnings / (losses) per share (€ per share)</b>	30	<b>(0,1100)</b>	<b>0,3123</b>	<b>(0,1085)</b>	<b>0,3180</b>
Basic					

**Notes:**

The disclosures on pages 84 to 124 constitute an integral part of these Financial Statements.

## Statement of Changes in Equity

### Statement of changes in equity (Group)

	Share capital	Share premium	Statutory Reserve	Other reserves	Other comprehensive income / results carried forward	Total
<b>Balance on 1/1/2022 according to IFRS</b>	<b>40.656</b>	<b>2.830</b>	<b>13.574</b>	<b>17.035</b>	<b>115.158</b>	<b>189.253</b>
Earnings after tax 01/01 - 31/12/2022	-	-	-	-	101	101
Other Comprehensive Income for the period 1/1 - 31/12/2022	-	-	-	-	(6)	(6)
Share capital increase expenses	-	-	-	-	(7.935)	(7.935)
<b>Dividends distributed</b>	<b>40.656</b>	<b>2.830</b>	<b>13.574</b>	<b>17.035</b>	<b>115.158</b>	<b>189.253</b>
Balance on 31/12/2022 according to IFRS						
	<b>40.656</b>	<b>2.830</b>	<b>13.310</b>	<b>17.035</b>	<b>111.897</b>	<b>185.991</b>
Balance on 1/1/2021 according to IFRS	-	-	264	-	11.335	11.335
Earnings after tax 01/01 - 31/12/2021	-	-	-	-	22	22
Other Comprehensive Income for the period 1/1 - 31/12/2021	-	-	-	-	(8.095)	(8.095)
<b>Dividends distributed</b>	<b>40.656</b>	<b>2.830</b>	<b>13.574</b>	<b>17.035</b>	<b>115.158</b>	<b>189.253</b>
<b>Balance on 31/12/2021 according to IFRS</b>						

### Statement of changes in equity (Company)

	Share capital	Share premium	Statutory Reserve	Other reserves	Other comprehensive income / results carried forward	Total
<b>Balance on 1/1/2022 according to IFRS</b>	<b>40.656</b>	<b>2.830</b>	<b>13.552</b>	<b>17.035</b>	<b>114.999</b>	<b>189.072</b>
Earnings after tax 01/01 - 31/12/2022	-	-	-	-	(3.938)	(3.938)
Other Comprehensive Income for the period 1/1 - 31/12/2022	-	-	-	-	101	101
Dividends distributed	-	-	-	-	(7.935)	(7.935)
<b>Balance on 31/12/2022 according to IFRS</b>	<b>40.656</b>	<b>2.830</b>	<b>13.552</b>	<b>17.035</b>	<b>103.226</b>	<b>177.299</b>
<b>Balance on 1/1/2021 according to IFRS</b>	<b>40.656</b>	<b>2.830</b>	<b>13.288</b>	<b>17.035</b>	<b>111.528</b>	<b>185.601</b>
Earnings after tax 01/01 - 31/12/2021	-	-	264	-	11.543	11.543
Other Comprehensive Income for the period 1/1 - 31/12/2021	-	-	-	-	22	22
Dividends distributed	-	-	-	-	(8.095)	(8.095)
<b>Balance on 31/12/2021 according to IFRS</b>	<b>40.656</b>	<b>2.830</b>	<b>13.552</b>	<b>17.035</b>	<b>114.999</b>	<b>189.072</b>

#### Notes:

The disclosures on pages 84 to 124 constitute an integral part of these Financial Statements.

## Cash Flow Statement

### Indirect method

	Note:	THE GROUP		THE COMPANY	
		01/01-31/12/2022	01/01-31/12/2021	01/01-31/12/2022	01/01-31/12/2021
<b>Cash flow from operating activities</b>					
Profit / (loss) before income tax (continuing operations)		(4.242)	15.753	(4.188)	15.961
<b>Plus/(Minus) adjustments for:</b>					
Depreciation	7,8	5.029	5.300	5.029	5.300
Depreciation of rights-of-use	9	638	555	638	555
Depreciation of fixed asset investment subsidies	21	(190)	(248)	(190)	(248)
Provisions		2.895	4.267	2.895	4.282
Offsetting of prior period provisions	20	(304)	(2.224)	(304)	(2.224)
Interest and related (income) / expenses		(357)	(389)	(357)	(389)
		<b>3.469</b>	<b>23.014</b>	<b>3.523</b>	<b>23.237</b>
Decrease/ (increase) in inventories		(17)	(278)	(17)	(278)
Decrease/(increase) in trade and other receivables		(5.231)	6.484	(5.231)	6.559
Increase/(decrease) of trade and other liabilities (except loans)		8.512	899	8.587	874
Decrease/(increase) in other long-term receivables (Less):		(191)	263	(191)	263
Interest charges and related expenses paid		(99)	(120)	(99)	(120)
Tax paid		(3.398)	(3.540)	(3.398)	(3.540)
<b>Total inflow/(outflow) from operating activities (a)</b>		<b>3.044</b>	<b>26.722</b>	<b>3.173</b>	<b>26.995</b>
<b>Cash Flows from Investing Activities</b>					
Purchases of tangible assets	7	(14.734)	(9.211)	(14.734)	(9.211)
Purchase of intangible assets	8	(51)	(16)	(51)	(16)
Increase in holding in subsidiaries		-	-	(1000)	-
Interest received		449	512	449	512
<b>Total inflow/(outflow) from investing activities (b)</b>		<b>(14.336)</b>	<b>(8.714)</b>	<b>(15.336)</b>	<b>(8.714)</b>
<b>Cash flows from financing activities</b>					
Capital increase expenses payments		(6)	-	-	-
Leasing arrangement liabilities paid	23	(674)	(607)	(674)	(607)
Dividends paid		(7.852)	(8.012)	(7.852)	(8.012)
<b>Total inflow/(outflow) from financing activities (c)</b>		<b>(8.532)</b>	<b>(8.620)</b>	<b>(8.526)</b>	<b>(8.620)</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period (a) + (b) + (c)</b>		<b>(19.824)</b>	<b>9.388</b>	<b>(20.689)</b>	<b>9.661</b>
Cash assets and equivalents at start of year		91.305	81.916	91.019	81.358
<b>Cash assets and equivalents at end of period</b>	16	<b>71.481</b>	<b>91.305</b>	<b>70.331</b>	<b>91.019</b>

**Notes:**

The disclosures on pages 84 to 124 constitute an integral part of these Financial Statements.

**NOTES TO THE FINANCIAL STATEMENTS****1. GENERAL INFORMATION ABOUT THE COMPANY AND THE GROUP**

The THESSALONIKI WATER SUPPLY AND SEWERAGE CO. S.A., trading as EYATH S.A. (hereinaf-

ter the Company) has its registered offices at 91 Tsimiski St., Thessaloniki GR-54622, and has been listed since 2001 with its shares being traded in the High Cap category on the Athens Exchange. It provides water supply and sewerage services to more than 1 million citizens in the wider Thessaloniki urban area.

Thessaloniki Water Supply and Sewerage Co. S.A. (EYATH) is a société anonyme which was established by Article 20 of Law 2651/1998 (Government Gazette 248/A) following the merger of the companies «Thessaloniki Water Supply Organisation S.A.» (OYTH S.A.) and «Thessaloniki Sewerage Organisation S.A.» (OATH S.A.). Article 18 of Law 2937/2001 states that EYATH S.A. is governed by the provisions of Law 4548/2018, Article 22 of Law 2733/1999 which applies to EYATH S.A. from publication of that law, and also by the provisions of Emergency Law 1563/1939, Legislative Decree 787/1970, Presidential Decrees 156/1997 and 157/1997 and Article 20 of Law 2651/1998, and is under the supervision of the Ministers of Finance and Macedonia-Thrace. Decision no. ΕΓΑ/606/26-7-2001 of the Ministers of Economy-Finance-Macedonia-Thrace was issued by delegation of Article 18(9) of Law 2937/2001 (Government Gazette 989/B/30.7.2001), and the Company's Articles of Association were drawn up.

These Articles of Association, as amended and codified on 20.12.2019, were lawfully entered in the GCR on 9.3.2021 with entry number 2099211 (notice no. 1919394).

Article 18(2) of Law 2937/2001 and Article 4(1)(a) of its Articles of Association expressly state that EYATH S.A.'s objects include the provision of water supply and sewerage services, the design, construction, installation, operation, running, management, maintenance, extension and renewal of water supply and sewerage systems. To achieve its objects, the Company can (among other things) enter into all manner of contracts.

Moreover, under Article 20 of Law 2937/2001 and the tripartite agreement of 27.7.2001 signed by the Hellenic Republic, EYATH S.A. Fixed Assets and EYATH S.A., an exclusive right to provide water supply and sewerage services in the geographical areas within its remit, as defined in Article 26(1) of that same Law was conferred on EYATH S.A.

Moreover, via the subsidiary EYATH SERVICES S.A., the Group seeks to provide telecom services via the water supply and sewerage networks and is also involved in the generation and sale of electricity, which is primarily generated by utilising water from springs, dams, aqueducts and pipelines.

Board of Directors:

1. Agis Papadopoulos, Chairman, non-executive member
2. Anthimos Amanatidis, CEO, executive member
3. Grigorios Penelis, Vice Chairman, independent non-executive member.
4. Theodoros Koulouris, executive member
5. Nikos Klitou, independent non-executive member, Chairman of the Audit Committee.
6. Dimitrios Konstantakopoulos, non-executive member
7. Sofia Ammanatidou, independent non-executive member
8. Ekaterini Tsikaloudaki, non-executive member
9. Maria Petala, independent non-executive member
10. Georgios Archontopoulos, employee representative, non-executive member
11. Ioannis Mitzias, employee representative, non-executive member

Companies Reg. No. 41913/ 06/ B/ 98/ 32  
General Commercial Reg. No. 58240404000

Auditing Company: GRANT THORNTON SA  
58 Katehaki Ave., GR-  
11525  
Athens, Greece  
ICPA (GR) Reg. No. 127

## 2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

### 2.1 Basis of preparation of the financial statements

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), including the International Accounting Standards (IAS) and the interpretations issued by the IFRIC Committee, as adopted by the European Union up to 31 December 2022. The key accounting policies implemented for drawing up the Financial statements for the period that ended on 31 December 2022 are the same as those followed when drawing up the annual financial statements of the year ended on 31 December 2021, and are described in them. Where necessary, the comparable data have been reclassified to reconcile with any changes to the presentation of the current period's data. Any differences between the amounts reported in the financial statements and the respective amounts in the notes are due to rounding.

The financial statements have been prepared based on historical cost and the going concern

principle, as disclosed below in the Company's accounting policies, have been approved by the BoD on 20.4.2023 and are subject to approval by the General Meeting.

Preparing the Financial statements in accordance with the IFRS requires the adoption of certain estimates and assumptions. It also requires Management to use its discretion when implementing the Company's accounting policies. Areas entailing a high degree of subjectivity or which are complex or where assumptions and estimates are significant for the financial statements are cited in Note 5 below.

These financial statements are presented in Euro (€), which is the currency of the primary economic environment in which the company operates.

The Group and Company's annual separate and consolidated financial statements, the audit report of the certified public accountant and the management report of the Board of Directors for the period ended on 31 December 2022 are posted to the Company's website [www.eyath.gr](http://www.eyath.gr).

## **2.2 Standards and Interpretations mandatory for the financial year ended**

Specific new standards, amendments to standards and interpretations have been issued which are mandatory for accounting periods which commence on or after 1.1.2022. Where not otherwise stated, other amendments and interpretations which applied for the first time in 2022 have no impact on the consolidated financial statements. The Company and Group did not engage in early adoption of standards, interpretations or amendments which have been issued by the IASB and adopted by the EU, which are not mandatorily applicable in the 2022 period.

### **Standards and interpretations mandatory for the current financial year**

#### **IAS 16 (Amendment) "Property Plant and Equipment – Proceeds before intended use" (effective for annual accounting periods beginning on or after 1.1.2022)**

The amendment prohibits an entity from deducting from the cost of property plant and equipment any proceeds received from the sale of items produced while the entity is readying the asset for its intended use. It also requires entities to disclose separately the amounts of income and expenses related to such items produced which are not the result of the entity's normal activities. The amendments have no impact on the separate and consolidated financial statements.

#### **IAS 37 (Amendment) "Onerous Contracts — Cost of Fulfilling a Contract" (effective for annual accounting periods beginning on or after 1.1.2022)**

The amendment clarifies that "the cost of fulfilling a contract" comprises the costs that relate directly to the contract and the allocation of other costs that relate directly to fulfilling the contract. The amendment also clarifies that, before recognising a separate provision for an onerous contract, an entity must recognise any impairment losses on the assets used to fulfil the contract, and not on assets dedicated only to the specific contract. The amendments have no impact on the separate and consolidated financial statements.

#### **IFRS 3 (Amendment) «Reference to the Conceptual Framework» (effective for annual accounting periods beginning on or after 1.1.2022)**

The amendment updated the standard to refer to the Conceptual Framework for Financial Reporting issued in 2018 when it is necessary to determine what constitutes an asset or liability in a business combination. In addition, an exception was added for certain types of liabilities and contingent liabilities acquired in a business combination. Lastly, it should be clarified that the acquirer must not recognise contingent assets as defined in IAS 37 on the acquisition date. The amendments have no impact on the separate and consolidated financial statements.

### **Annual improvements to the IFRS 2018-2021 (effective for annual accounting periods beginning on or after 1.1.2022)**

The amendments presented below describe the basic changes to four IFRSs. The amendments have no impact on the separate and consolidated financial statements.

#### **IFRS 1 "First-time adoption of International Financial Reporting Standards"**

This amendment allows the subsidiary to apply paragraph D16(a) of the Appendix to IFRS 1 to measure cumulative foreign exchange differences using the amounts reported by the parent company which are based on the parent company's transition date to IFRS.

#### IFRS 9 «Financial instruments»

The amendment examines which costs should be included in the ten per cent test for derecognition of financial liabilities. The relevant costs or fees could be paid either to third parties or to the creditor. Under the amendment, the cost or fees paid to third parties will not be included in the ten per cent test.

#### IFRS 16 «Leases»

The amendment removed the example for payments by the lessor relating to lease improvements in explanatory example 13 of the standard in order to remove any possible confusion about how lease incentives are handled.

#### IAS 41 «Agriculture»

This amendment has abolished the requirement for entities to exclude tax cash flows when measuring fair value in accordance with IAS 41.

#### **IFRS 16 (Amendment) «COVID-19-Related Rent Concessions — Extension of practical expedient» (effective for annual accounting periods beginning on or after 1.4.2021)**

The amendment extends the application of the facilitation practice provided for rent concessions by one year to cover the rent reductions due on or by 30 June 2022. The amendments have no impact on the separate and consolidated financial statements.

#### Standards and Interpretations mandatory for later accounting periods

#### **IAS 1 (Amendments) «Presentation of Financial Statements» and IFRS Practice Statement 2 «Disclosure of Accounting Policies» (effective for annual accounting periods beginning on or after 1.1.2023)**

The amendments require companies to provide information about their accounting policies when they are material, and provide guidance about the concept of materiality when applied to accounting policy disclosures. These amendments have not yet been adopted by the European Union.

#### **IAS 8 (Amendments) «Accounting Policies, Changes in Accounting Estimates and Errors: «Definition of Accounting Estimates» (effective for annual accounting periods beginning on or after 1.1.2023)**

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. This distinction is important since a change in an accounting valuation is applied without retroactive effect and only for future transactions and other future events, compared to a change in an accounting policy which has retroactive effect and applies to transactions and other past events. These amendments have not yet been adopted by the European Union.

#### **IAS 12 (Amendments) «Deferred Tax related to Assets and Liabilities arising from a Single Transaction» (effective for annual accounting periods beginning on or after 1.1.2023)**

The amendments require companies to recognise deferred tax in specific transactions which, upon initial recognition, leads to equal amounts of taxable and deductible interim differences. This usually applies to transactions such as leases for lessees and decommissioning obligations. These amendments have not yet been adopted by the European Union.

#### **IAS 1 (Amendments) «Classification of liabilities as current or non-current» (effective for annual accounting periods beginning on or after 1.1.2024)**

In January 2020 the IASB issued amendments to IAS 1 which affect the requirements for presenting liabilities. In particular, the amendments clarify one of the criteria for classifying a liability as long-term, as being the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: a) clarification that an entity's right to defer settlement should exist at the reporting date, b) a clarification that the classification of the liability is not affected by the management's intentions or expectations regarding the exercise of the right to defer settlement, c) an explanation of how the borrowing conditions affect the classification, and d) a clarification of the requirements regarding the classification of liabilities of an entity that will or may settle through the issue of own equity instruments. Moreover, in July 2020 the IASB issued an amendment to postpone by one year the effective date of the initially issued amendment



to IAS 1 as a result of the spread of the COVID-19 pandemic. However, in October 2022 the IASB issued an additional amendment which seeks to improve the information companies provide about long-term loan commitments. IAS 1 requires a company to classify the loan as long-term only if the company can avoid settling the loan within 12 months from the reporting date. However, a company's ability to do so often depends on compliance with its commitments. The amendments to IAS 1 specify that commitments to be complied with after the reporting date do not affect the classification of the loan as short-term or long-term on the reporting date. On the contrary, the amendments to the standard require a company to disclose information about those commitments in the notes to the financial statements. The amendments apply to annual periods commencing on or after 1.1.2024, with early adoption being permitted. The Group and Company will examine the impact of all the above on the Financial Statements. The above amendments have not been adopted by the European Union.

#### **Amendments to IFRS 16 “Leases: Lease Liability in a Sale and Leaseback (effective for annual accounting periods commencing on or after 1.1.2024)”**

In September 2022, the IASB issued narrow-scope amendments to IFRS 16 «Leases» which add requirements on how a company accounts for a sale and leaseback after the transaction date. Sale and leaseback is a transaction where a company sells an asset and leases the same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback on the date the transaction is entered into. However, the Standard had not specified how the transaction would be measured after that date. The amendments issued are in addition to the requirements in IFRS 16 on sale and leaseback, thereby supporting consistent application of the accounting standard. These amendments will not change the accounting for leases apart from those arising from a sale and leaseback transaction. The Group and Company will examine the impact of all the above on the Financial Statements. The above amendments have not been adopted by the European Union.

### **3. MAIN ACCOUNTING POLICIES**

#### **3.1 Investments in subsidiaries**

Subsidiaries are businesses over which the Group exerts control. The parent company acquires and exercises control via voting rights. The existence of any potential voting rights which are exercisable at the time the financial statements are prepared is taken into account in order to determine whether the parent company exercises control over subsidiaries. Subsidiaries are fully consolidated from the date on which control of them is acquired and they cease to be consolidated from the date on which such control no longer exists.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of acquiring a subsidiary is the fair value of the assets given, the shares issued and the liabilities assumed on the transaction date plus any cost directly associated with the transaction. Individual assets, liabilities and contingent liabilities acquired in a business combination are measured at acquisition at fair value regardless of the holding. The cost of acquisition above fair value of the specific assets acquired is posted as goodwill. If the total acquisition cost is lower than the fair value of the individual assets acquired, the difference is directly recorded in the profit and loss account. Intra-group transactions, balances and unrealised profits from transactions between companies in the group are crossed out. Unrealised losses are also crossed out but are taken into account as indications of impairment of the asset transferred. The subsidiary's accounting policies have been changed, where necessary, so that they are identical with those adopted by the Group. Investments in subsidiaries in the parent company's separate financial statements are valued at acquisition cost less any accumulated impairment losses.

#### **3.2 Basis of consolidation**

The consolidated financial statements consist of the financial statements of the parent Company and the subsidiary of the Group. The following table presents the parent and the subsidiary included in the consolidation, together with the corresponding participation percentages, the country where they are registered as well as their activity.

COMPANIES	% GROUP	COUNTRY	ACTIVITY
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THESSALONIKI WATER SUPPLY AND SEWERAGE CO. S.A. (EYATH.	PARENT COMPA- NY	GREECE	Water supply & Sewerage Services Construction and operation of power and thermal power plants Acquisition and trade in electricity produced from RES Geothermics exploration and utilisation Sea/brackish water treatment Management, processing, recycling and trade in solid and liquid waste and biomass
EYATH SERVICES S.A.	100%	GREECE	Provision of all types of Water supply & Sewerage Services, telecommunication services & production / sale of electric- ity Work to build and maintain water man- agement facilities (dams, aqueducts) and manage water resources.

### 3.3 Tangible fixed assets

Tangible assets are measured at acquisition cost less accumulated depreciation and impairment. The cost of acquisition includes all directly payable expenses for acquiring assets. Subsequent expenses are recorded as an increase to the book value of the fixed assets or as a separate asset only where it is likely that the future financial benefits accruing to the Group and the cost can be reliably measured. The cost of repair and maintenance works is recognised in profit and loss when the said works are carried out.

Fixed assets under construction include assets being constructed presented at cost. Fixed assets under construction are not depreciated until the asset is completed and available for the purpose for which it is intended.

Plots, works of art and other fixed assets which are not subject to wear and tear and obsolescence due to age are not depreciated. Depreciation of other tangible assets is calculated using the straight line method, charged in equal amounts over the assets expected useful life, so as to write off the cost at residual value, as follows:

Buildings and technical works	9 έως 40 έτη
Machinery and installations	10-25 έτη
Transportation equipment	5-15 έτη
Furniture and other equipment	5-15 έτη

Residual value and the useful life of tangible assets are subject to re-examination on each balance sheet date. When the book value of tangible assets exceeds the recoverable value the differences (impairment) are posted as expenses to the results.

When the tangible assets are sold, differences between the price received and the book value are posted as profits or losses in the income statement. Financial expenses which relate to the construction of assets are capitalised for the time required to complete construction. All other financial expenses are recognised in the income statement.

### 3.4 Intangible assets

#### 3.4.1 Software

Software here means the cost of purchasing or developing such software, such as payrolling, materials and services, as well as all expenses incurred to develop software in order for it to be put into service. Costs which improve or extend the performance of software beyond initial specifications are recognised as capital expenditure and added to the initial cost of the software. Depreciation on software is imputed to the income statement using straight line depreciation over the entire useful life of the asset. The estimated useful life is 6 years.

### 3.4.2 Product Research and Development (R&D) cost

The R&D cost is recognised in the Income Statement when incurred. Development costs are incurred mainly for the development of new products and production methods. The costs incurred for developing a separate program are recognised as intangible assets only when the requirements of IAS 38 «Intangible assets» are met. There was no such case in 2022..

### 3.5 Financial assets

#### a) Classification, recognition and measurement

To a large extent IFRS 9 retains the existing requirements in IAS 39 on classification and measurement of financial liabilities. However, it removes the previous IAS 39 categories on financial assets: assets held to maturity, loans and receivables, and assets available for sale.

In accordance with IFRS 9, the Group and Company's financial instruments are measured at fair value through profit and loss, at amortised cost or at fair value through other comprehensive income.

Classification is based on two criteria:

- the business model within which the financial asset is held, namely whether the objective is to hold it to collect contractual cash flows or collect contractual cash flows and sale financial assets and
- whether the contractual cash flows form a financial asset which consists Solely of Payments of Principal and Interest on the outstanding capital balance (the SPPI criterion).

Normal purchases and sales of investments are recognised on the date the transaction takes place, which is the date the Group and Company undertake to purchase or sell the asset.

Upon initial recognition, the Group and the Company measure a financial asset at fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of the financial asset. Transaction costs of financial assets measured at fair value through profit or loss are recognised directly in profit or loss.

Investments cease to be recognised when the rights to receive cash flows from financial assets expire or are transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

The Group and Company use the following categories to classify and measure financial assets:

#### Financial assets at amortised cost

Financial assets are measured at amortised cost if held in the context of a business model for the purpose of retaining them and collecting contractual cash flows which meet the SPPI criterion. Interest earned from those assets is included in financial income and recognised using the effective interest rate. Any profit or loss arising from deletion is recognised immediately in the Income Statement.

The Financial assets classified in this category are "trade and other receivables". Trade and other receivables are initially recognised at fair value and are subsequently valued at amortised cost using the effective interest rate method, unless the results of discounting, less any impairment losses, are not significant.

#### Financial assets classified at fair value through other comprehensive income

According to the relevant requirements of IFRS 9, upon initial recognition, the Group and Company may irrevocably opt to present subsequent changes in the fair value of an equity investment not intended for commercial exploitation, in other results directly in equity.

Gains and losses from those financial assets are never recycled in the results for the period.

Dividends are recognised as other income in the income statement when the payment entitlement has been established unless the Group and the Company benefit from such income as recovery of part of the cost of the financial asset, in which case those profits are recognised in the statement of comprehensive income. Equity instruments designated at fair value through comprehensive income are not subject to impairment testing. This is done for each individual equity instrument.

The Group and the Company have chosen to classify investments in this category (see note 12).

#### b) Impairment

The Group and Company recognise provisions for impairment for expected credit losses for all financial assets apart from those measured at fair value through profit and loss. The relevant methodology depends on whether there is a significant increase in credit risk.

For contractual assets and customer receivables, the Group and the Company apply the simplified approach permitted by IFRS 9. Based on this approach, the Group and the Company recognise the

credit losses that are expected over the lifetime of these receivables.

### 3.3.6 Trade receivables

Trade receivables are balances owed by customers for services provided to them from the Group's normal operations. If it is expected that these balances will be collected within a year or less (or more if this is part of the normal business cycle) then the receivables are classified as current assets. If not, they are classified as non-current assets.

Trade receivables are posted initially at fair value and subsequently valued at amortised cost using the effective interest rate less impairment losses.

### 3.7 Inventories

Inventories are valued at acquisition cost or net realisable value, whichever is lower. The cost is calculated using the average weighted cost method. The financial cost is not included in the acquisition cost of inventories. Net realisable value is assessed based on current sale prices of inventories in the context of normal activities less any sales expenses which apply in the case.

More specifically, inventories/stocks consisting of specialist spare parts for machinery purchased when the machinery is purchased are considered to be an integral part of the machinery's value and are depreciated along with the machinery, while replacements for used spare parts are expensed at the time of purchase. On the contrary though, consumables for machinery maintenance and spare parts for general use are included in inventories and are expensed at the time of consumption.

### 3.8 Cash assets

Cash also includes cash equivalents such as sight deposits and short-term time deposits. Overdrafts payable upon first demand, which are an integral part of managing the Group and Company's cash are included as an integral part of cash for the purpose of preparing the cash flow statement.

### 3.9 Share capital

Expenditure paid to third parties related directly to the issuing of new shares is recorded in equity, less the corresponding tax, as a reduction in the premium on capital stock.

When acquiring own shares, the price paid including relevant expenses are presented as reducing equity.

### 3.10 Income tax

Current and deferred income tax is calculated based on the relevant Financial statement accounts, in accordance with taxation laws which apply in Greece. Current income tax relates to tax on the taxable profits of the Group and Company adjusted in accordance with tax law requirements and calculated based on the current tax rate.

Deferred taxation is calculated using the liability method on all interim differences on the balance sheet date between the taxation basis and the book value of the assets and liabilities.

Expected tax impacts from interim tax adjustments are determined and presented either as future (deferred) tax liabilities or as deferred tax assets.

Deferred tax assets are posted for all tax deductible interim difference and tax losses carried forward to the extent that this is likely that there will be taxable profits available in respect of which the interim difference can be utilised.

The book value of deferred tax assets is revised on each balance sheet date and reduced to the extent that it is not considered likely that there will be sufficient taxable profits for which all or part of the deferred tax assets can be used.

Current tax assets and liabilities for the current and past accounting periods are valued at the figure expected to be paid to the tax authorities (or recovered from them) using tax rates (and tax laws) which have been adopted or substantively adopted by the balance sheet date.

### 3.11 Dividends

Dividends payable are presented as a liability at the time they are approved by the General Meeting of Shareholders.

### 3.12 Provisions for employee benefits

The Company's and Group's obligation to staff employed by them for future payment of benefits depending on their length of previous service is measured and presented based on the accrued right expected to be paid to each employee, on the balance sheet date, discounted at present value, compared to the expected time of payment.

The relevant obligation is calculated based on the financial and actuarial assumptions and is specified using the actuarial valuation method called the projected unit method. The net cost of retirement in the period is included in payrolling cost in the attached statement of comprehensive income and consists of the present value of benefits which became accrued during the year, interest on the benefit obligation, the cost of past service, actuarial profits or losses, and any other additional pension costs.

### 3.13 Provisions

Provisions are formed when the Group has a legal or presumed obligation as a result of some past event and it is considered likely that an outflow of resources will be required to settle the liability, and that amount can be reliably estimated.

The Company re-examines the need to form provisions at the end of each year and adjusts them so that they reflect the best possible assessments and in the case where this is considered necessary discounts them based on a reasonable pre-tax discount rate. Contingent liabilities are not posted to the financial statements but are disclosed unless the likelihood of a resource output incorporating financial benefits is minimal. Contingent assets are not posted to the financial statements but are disclosed where the inflow of financial benefits is likely.

### 3.14 Grants

Grants are initially recognised at their nominal value when there is a reasonable assurance that the grant will be received and that the Company will comply with all specified terms and conditions laid down for payment. Grants for current expenditure are recognised in the results during the period when the grant is needed, in order to be matched to the expenditure it is intended to offset. Grants for the purchase of tangible (fixed) assets are included in long-term liabilities as deferred income and are recognised as income and transferred to the income statement over the useful life of the subsidised asset.

### 3.15 Revenue recognition

Revenue is defined as the amount which an economic entity expects to be entitled to as consideration for the goods or services which were transferred to a customer, apart from amounts collected on behalf of third parties (VAT, other sales taxes).

An economic entity recognises revenues when (or as) it fulfils the contract performance obligations, by transferring the goods or services it has promised to the customer. The customer acquires control of the goods or services where he can direct how they are to be used and in effect enjoys all the financial benefits from the goods or services. Control is transferred over a period or at a specific point in time.

#### 3.15.1. Revenue from the supply of water and sewerage services and related services

The Group and Company are involved in providing water supply and sewerage services. Revenue for each of the two performance obligations mentioned above is recognised over time as the customer receives -and at the same time uses- the benefits of water consumption and usage of the sewerage network. Revenue is measured on the basis of the quantities of water consumed and the current price lists. The Group and the Company bill customers for water and sewerage services mainly on a quarterly basis, based on relevant meter readings.

The customer receivable is recognised when there is an unconditional right for the entity to receive the price for the contractual obligations performed for the customer. A contract asset is recognised when the Group (or Company) has satisfied its performance obligations before the customer makes payment or before the payment is due, for example when the goods or services are transferred to the customer before the Group's (or Company's) right to issue a bill.

The contractual obligation is recognised when the Group (or the Company) receives a consideration from the client (prepayment) or when it reserves the right to a price that is unconditional (deferred income) before the performance of the obligations of the contract and the transfer of the goods or services. The contractual obligation is de-recognised when the contractual obligations are

performed and the revenue is recorded in the income statement

For the Group and Company, liabilities from contracts with customers arise from down payments made in lieu of water consumption and water supply services, which customers pay when they sign the water supply and sewerage services agreement. Those liabilities are accounted for and included in the “Other long-term liabilities” lines in the statement of financial position.

Down payments for water consumption and the provision of water supply services are returned to customers when the contract is terminated. The Group reached the conclusion that the best approach is to present the above liabilities from contracts with customers as long-term liabilities since they can be expected to be settled at a period more than 12 months hence.

### **3.15.2. Income from interest**

Income from interest is recognised based on the accrual principle.

### **3.15.3. Income from dividends**

Income from dividends is recognised as revenue on the date distribution is approved.

## **3.16 Cost of financing**

The net cost of financing consists of accrued interest on loans taken out, calculated using the effective interest rate method.

## **3.17 Earnings / (losses) per share**

The basic earnings / losses per share are calculated by dividing net earnings / losses for the period by the average weighted number of ordinary shares in circulation during the specific period, apart from the average number of ordinary shares acquired by the Group as own shares.

## **3.18 Leases**

### **3.18.1 The Group and Company as lessee**

Asset leases where the Group or Company substantially retains all risks and rewards of ownership are classed as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the assets and the present value of the minimum lease payments. The corresponding liabilities from lease payments net of financial charges are presented as liabilities. That part of financial expenses relating to finance leases is recognised in the income statement over the term of the lease.

Leases where in effect the risk and rights of ownership remain with the lessor are posted as operating leases. Payments made under operating leases are recognised in the income statement on a straight line basis over the term of the lease.

### **3.18.2 The Group and Company as a lessor**

Leases where the Group and Company do not in effect transfer all risks and rewards of ownership are characterised as operating leases. Income generated by operating leases, including advances received, is recognised in the income statement using the straight line method pro rata over the term of the lease. The initial direct costs incurred by lessors when negotiating an operating lease are added to the book value of the leased asset and are recognised during the term of the lease on the same basis as the lease income.

## **3.19 Group operations by segment**

A Group's sector or segment of activity is each distinct business activity with special features in terms of the nature of the activity and the business risks entailed (business segment). A similar distinction can be drawn based on the business environment within which it carries on activity (geographical segment).

The Group primarily operates in the water supply - sewerage segments in the wider area of the Prefecture of Thessaloniki, in order to rationally manage water resources on the one hand, and collect and process waste water so as to provide top level services to society as a whole, to safeguard hygiene and a clean environment.



### 3.20 Set-off

Financial assets and liabilities are set off and the net amount is shown in the balance sheet when there is an applicable legal right to set off and the intention is for them to be paid by set-off.

### 3.21 Rounding off

Financial assets and liabilities are set off and the net amount is shown in the balance sheet when there is an applicable legal right to set off and the intention is for them to be paid by set-off.

## 4. FINANCIAL RISK MANAGEMENT

The Group is exposed to various financial risks, the most important of which are price risk and credit risk. The Group's risk management policies aim to minimise the negative impacts that those risks could have on the Group's financial position and performance. Risk management is primarily done by the Company's general management and the relevant policies are approved by the Board of Directors. Financial risk management includes recognition, calculation and hedging of financial risks in close collaboration with the Group's operating units.

### 4.1 Market risk

#### (i) Exchange rate risk

As regards price risk, the Group is not exposed to significant risk of fluctuation of the variables that determine both revenues and cost.

#### (ii) Price risk

As regards price risk, the Group is not exposed to significant risk of fluctuation of the variables that determine both revenues and cost.

There were no loan liabilities on 31/12/2022.

#### (iii) Cash flows and fair value of risk rate

The Group has a limited interest rate risk in interest-bearing assets (time deposits) and therefore the income and the operating cash flows depend, to a point, on the changes to the interest rate market. Management is monitoring interest rate fluctuations on an ongoing basis, and evaluates in each case the duration and the type of time deposits.

### 4.2 Credit risk

The Group applies the expected credit loss model to trade receivables and non-current receivables from currently earned income. The Group applies the simplified approach permitted under IFRS 9 to these receivables, under which the Group recognises the credit losses expected over the lifetime of the receivables.

To calculate expected credit losses, trade receivables and non-current receivables from currently earned income were grouped together based on common credit risk characteristics and days past due. Non-current receivables from currently earned income have the same risk features as trade receivables and so the same methodology was followed to calculate the expected credit losses. For trade receivables and non-current receivables from currently earned income from the public sector, the expected credit losses were calculated as the difference between the contractual cash flows and the present value of the expected cash flows, taking into account the possibility of default by the State over the lifetime of the those receivables.

### 4.3. Liquidity risk

Liquidity risk is kept low, by means of ensuring high cash assets.

The maturity of Group and Company financial assets on 31.12.2022 can be broken down as follows:

FINANCIAL LIABILITIES MATURITY AS AT 31/12/2022

	THE GROUP				THE COMPANY			
	ΒΡΑΧΥΠΡΟΣΘΕΣΜΕΣ	ΜΑΚΡΟΠΡΟΣΘΕΣΜΕΣ			ΒΡΑΧΥΠΡΟΣΘΕΣΜΕΣ	ΜΑΚΡΟΠΡΟΣΘΕΣΜΕΣ		
	Within 1 year	1 to 5 years	Over 5 years	Total	Εντός 1 έτους	1 έως 5 έτη	Πάνω από 5 έτη	Σύνολο
Long-term lease liabilities	-	211	-	211	-	211	-	211

Other long-term liabilities	-	-	18,305	18,305	-	-	18,305	18,305
Short-term lease liabilities	655	-	-	655	655	-	-	655
Suppliers and other liabilities	21,229	-	-	21,229	21,179	-	-	21,179
Short-term tax liabilities	1	-	-	1	-	-	-	-
<b>Total</b>	<b>21,886</b>	<b>211</b>	<b>18,305</b>	<b>40,401</b>	<b>21,834</b>	<b>211</b>	<b>18,305</b>	<b>40,350</b>

The maturity of Group and Company financial assets on 31.12.2021 can be broken down as follows:  
FINANCIAL LIABILITIES MATURITY AS AT 31.12.2021

	THE GROUP				THE COMPANY			
	SHORT-TERM	LONG-TERM			SHORT-TERM	LONG-TERM		
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Long-term lease liabilities	-	859	-	859	-	859	-	859
Other long-term liabilities	-	-	16,303	16,303	-	-	16,303	16,303
Short-term lease liabilities	628	-	-	628	628	-	-	628
Suppliers and other liabilities	17,572	-	-	17,572	17,447	-	-	17,447
Short-term tax liabilities	307	-	-	307	306	-	-	306
<b>Total</b>	<b>18,507</b>	<b>859</b>	<b>16,303</b>	<b>35,669</b>	<b>18,381</b>	<b>859</b>	<b>16,303</b>	<b>35,543</b>

#### 4.4 Capital risk management

The Group's aim when managing capital is to ensure the ability to continue operating, to generate profits for shareholders and benefits for other stakeholders and to maintain its capital structure which will reduce the cost of capital.

Capital is reviewed based on the gearing ratio. This ratio is calculated as net debt / total capital. Net debt is calculated as total borrowing (including short- and long-term loans presented in the balance sheet) less cash assets. Total capital is calculated as equity presented in the balance sheet plus net debt. More specifically

	THE GROUP		THE COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Total borrowing	-	-	-	-
Less: Cash assets	(71,481)	(91,305)	(70,331)	(91,019)
<b>Net debt</b>	<b>(71,481)</b>	<b>(91,305)</b>	<b>(70,331)</b>	<b>(91,019)</b>
Total equity	177,420	189,253	177,299	189,072
<b>Total capital</b>	<b>105,939</b>	<b>97,948</b>	<b>106,968</b>	<b>98,053</b>
<b>Gearing ratio</b>	<b>-67.47%</b>	<b>-93.22%</b>	<b>-65.75%</b>	<b>-92.83%</b>

#### 4.5 Determination of fair value

The fair value of financial instruments traded on active markets (Stock Exchanges) (e.g. derivatives, shares, bonds, mutual funds) is determined by the published prices which apply on the financial statements reference date.

The fair value of financial instruments not traded on active markets is determined using valuation techniques and assumptions based on market data on the financial statements reference date.

The amounts shown in the balance sheets for cash, short-term receivables and liabilities are close to the relevant fair values due to their short-term maturity. The nominal value less provisions for bad trade debts is deemed to be close to the actual value.

The Group and Company use the following scale to determine and disclose the fair value of financial instruments for each measurement technique:

Level 1 Negotiable (non-adjusted) prices on active markets for similar assets or liabilities.

Level 2 Other techniques for which all inflows with a major impact on recorded fair value are directly or indirectly observable.

Level 3: Financial assets valued using valuation techniques where the most important data is non-observable. When collecting non-observable data, the best available information is used, including Company data, while at the same time reflecting the assumptions of market participants (e.g. assumptions about risk). Level 3 financial assets include non-traded equities or equities traded on markets which are not considered active. Additional information is disclosed in Note 12.

### 5. MAJOR ACCOUNTING ESTIMATES AND ASSUMPTIONS

Preparation of the financial statements in accordance with the IFRS requires the use of certain important accounting estimates, which may affect the book balances in the balance sheet with the disclosures required, and the exercise of judgement by Management in applying and implementing accounting policies. Moreover, it requires the use of certain calculations and assumptions which affect the value of assets and liabilities mentioned, the disclosure of contingent receivables and liabilities on the date of preparation of the financial statements and the income and expenses for the duration of year being reported on. Despite the fact that these calculations are based on Management's best possible knowledge of current conditions and activities, the actual future results may in fact differ from those calculations. The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances. The basic estimates and evaluations referring to data whose development could affect the financial statements' accounts in the upcoming 12 months are as follows:

#### 5.1 Bad debt

The Group and Company apply the simplified approach in IFRS 9 to calculate expected credit losses, according to which the impairment provision is measured at the amount of expected lifetime credit losses of customer receivables and contractual assets. The Group and Company have formed provisions for bad debt to adequately cover the loss which can be reliably assessed as coming from those receivables. The provision formed is adjusted in each reporting period, with changes in it being recognised in the results for the period (more information in Notes 14 and 15).

#### 5.2 Provision for income tax

The provision for income tax is calculated by estimating the taxes to be paid to the tax authorities and includes the current income tax for every financial year and a provision for surtaxes that may emerge in future tax audits. In order to determine the size of the Group and Company's provision for income tax, a proper understanding of these matters is required. The final statement of income tax payable may differ from the amounts entered in the Group and Company's financial statements and those differences may affect income tax and provisions for deferred tax.

#### 5.3 Provisions for employee benefits

Employee benefit obligations are calculated based on a study prepared by independent actuaries. The final obligation may differ from the actuarial figure due to various facts related to the discount rate, inflation, pay rises, as well as demographic and other data.

#### 5.4 Depreciation of tangible and intangible assets

The Group calculates depreciation on tangible and intangible assets based on estimates of their useful life. The residual value and useful life of those assets are re-examined and determined on each

balance sheet date if that is considered necessary.

### 5.5. Impairment of tangible assets and holdings

Tangible assets are tested for impairment in case events or changes in the circumstances suggest that the accounting value may not be recoverable. In order to estimate the current value, Management estimates future cash flows arising from the asset or cash generating unit and chooses the suitable discount rate in order to estimate the future cash flows present value. Alternatively, it selects another reasonable method which it considers reflects the recoverable value of tangible assets at the end of the period in a reliable manner.

The book value of holdings is re-assessed for possible need for impairment when events or conditions indicate that their reported value may not be recovered.

### 5.6. Pending litigation

The Group is involved in legal proceedings and claims for compensation in the normal course of its operations. Calculating the contingent liabilities associated with pending litigation and claims is a complex process which includes value judgements about the likely consequences and also interpretations of laws and regulations. If the potential loss from litigation is considered probable and the amount can be estimated reliably, Management recognizes the relevant provision in the financial statements.

Assessing court cases entails subjectivity, since it requires major judgments to be made which include estimates based on the most recently available information, determining the likelihood of the risk and reliable information from relates court cases.

Changes in judgements or estimates may lead to the Group's contingent liabilities decreasing or increasing in the future.

### 5.7. Provision for accrued but not yet invoiced supply of water and sewerage services

Revenues are recognised in accordance with the accounting policy in paragraph 3.15. In cases where the Group and Company have not measured the quantities consumed by the reporting date, they estimate the quantities consumed based on historical data and recognise the relevant revenue. The actual amounts which are eventually invoiced may differ from those forecast.

## 6. SEGMENTAL REPORTING

The Group's Management (Chief Operating Decision Maker) responsible for taking financial decisions, after evaluating the Group's activity, has designated the Provision of Water Supply Services and the Provision of Sewerage Services as its operating segments. The break-down per segment of activity is as follows:

### 6.1 Break-down per Business Segment (primary reporting type)

#### 6.1.1 Distribution of income statement per business segment

	1/ Group data for the period 1 - 31/12/2022		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Sales to third parties	46,435	24,468	70,902
<b>Less: Total cost of sales</b>	(38,297)	(27,034)	(65,331)
<b>Gross Profit</b>	<b>8,138</b>	<b>(2,566)</b>	<b>5,572</b>
Other operating income	1,731	1,958	3,689
Selling and distribution expenses	(3,720)	(2,476)	(6,196)
Administrative expenses	(3,729)	(3,036)	(6,765)
Research and development expenses	(95)	(68)	(163)
Other operating expenses	(483)	(254)	(737)
<b>Earnings before taxes, financial and investment results</b>	<b>1,842</b>	<b>(6,441)</b>	<b>(4,599)</b>
Net Financial Income	265	92	357

Normal operating results	2,107	(6,349)	(4,242)
<b>Results before tax</b>	<b>2,107</b>	<b>(6,349)</b>	<b>(4,242)</b>
Income tax	(128)	377	250
<b>Results net of tax</b>	<b><u>1,979</u></b>	<b><u>(5,972)</u></b>	<b><u>(3,993)</u></b>

<b>Earnings before taxes, financial and investment results and depreciation</b>	<b><u>6,375</u></b>	<b><u>(5,497)</u></b>	<b><u>878</u></b>
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**Other income statement information**

Depreciation of fixed assets	4,533	1,133	5,667
Depreciation of grants	-	(190)	(190)

	Group data for the period		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Sales to third parties	47.928	25.698	73.626
<b>Less: Total cost of sales</b>	<b>(27.051)</b>	<b>(23.498)</b>	<b>(50.549)</b>
<b>Gross Profit</b>	<b>20.877</b>	<b>2.200</b>	<b>23.077</b>
Other operating income	3.781	3.375	7.156
Selling and distribution expenses	(4.528)	(2.725)	(7.252)
Administrative expenses	(3.375)	(2.681)	(6.056)
Research and development expenses	(116)	(62)	(177)
Other operating expenses	(829)	(554)	(1.383)
<b>Earnings before taxes, financial and investment results</b>	<b>15.810</b>	<b>(446)</b>	<b>15.364</b>
Net Financial Income	281	108	389
Normal operating results	16.091	(338)	15.753
<b>Results before tax</b>	<b>16.091</b>	<b>(338)</b>	<b>15.753</b>
Income tax	(4.486)	69	(4.417)
<b>Results net of tax</b>	<b><u>11.605</u></b>	<b><u>(270)</u></b>	<b><u>11.335</u></b>
<b>Earnings before taxes, financial and investment results and depreciation</b>	<b><u>20.494</u></b>	<b><u>477</u></b>	<b><u>20.971</u></b>
<b>Other income statement information</b>			
Depreciation of fixed assets	4.684	1.171	5.855
Depreciation of grants	-	(248)	(248)

**6.1.2 Distribution of Assets and Liabilities per business segment**

	Group data as at 31/12/2022		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
<b>Group data</b>	<b>44.234</b>	<b>33.532</b>	<b>77.766</b>
Fixed Assets	41.573	21.906	63.480
Trade receivables, contractual assets and other receivables	-	-	80.038

Non-allocated assets	-	-	99.415
<b>Total Assets</b>	<b>85.808</b>	<b>55.438</b>	<b>221.284</b>
Future subsidy income	-	505	505
Liabilities	14.471	7.625	22.095
Non-allocated Liabilities	-	-	198.683
<b>Total Liabilities</b>	<b>14.471</b>	<b>8.130</b>	<b>221.284</b>

Group data	Group data as at 31/12/2021		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Fixed Assets	39.042	29.596	68.638
Trade receivables, contractual assets and other receivables	39.339	21.093	60.432
Non-allocated assets	-	-	99.415
<b>Total Assets</b>	<b>78.381</b>	<b>50.689</b>	<b>228.485</b>
Future subsidy income	-	695	695
Liabilities	12.407	6.652	19.059
Non-allocated Liabilities	-	-	208.730
<b>Total Liabilities</b>	<b>12.407</b>	<b>7.347</b>	<b>228.485</b>

## 6.2 Break-down per Geographical Segment (secondary reporting type)

The Group's registered offices are in Greece and all the activities take place in Greece.

## 7. TANGIBLE ASSETS

The Company and Group's fixed tangible assets can be broken down as follows:

	THE GROUP/ THE COMPANY						Total
	Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	
<b>Acquisition or valuation value</b>							
<b>Balance on 1/1/2022</b>	<b>18.896</b>	<b>6.107</b>	<b>125.637</b>	<b>1.836</b>	<b>4.945</b>	<b>8.217</b>	<b>165.638</b>
Additions 1/1 - 31/12/2022	-	118	2.424	39	245	11.907	<b>14.734</b>
Redistributions 1/1 - 31/12/2022	-	143	1.030	-	-	(1.174)	-
Total on 31/12/2022	18.896	6.369	129.092	1.875	5.190	18.951	<b>180.372</b>
<b>Balance on 1/1/2022</b>	-	2.689	90.876	1.444	3.823	-	98.832
<b>Depreciation of period 1/1 - 31/12/2022</b>	-	<b>207</b>	<b>4.446</b>	<b>87</b>	<b>247</b>	-	<b>4.987</b>
Total on 31/12/2022	-	2.896	95.322	1.531	4.070	-	<b>103.819</b>
<b>Net carried value on 31/12/2021</b>	<b>18.896</b>	<b>3.418</b>	<b>34.761</b>	<b>392</b>	<b>1.122</b>	<b>8.217</b>	<b>66.806</b>
<b>Net carried value on 31/12/2022</b>	<b>18.896</b>	<b>3.473</b>	<b>33.769</b>	<b>345</b>	<b>1.120</b>	<b>18.951</b>	<b>76.553</b>

THE GROUP/ THE COMPANY



	Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	Total
<b>Acquisition or valuation value</b>							
Balance on 1/1/2021	18.896	5.940	121.613	1.853	4.790	3.352	156.444
Additions 1/1 - 31/12/2021	-	122	1.930	-	155	7.003	9.211
Redistributions 1/1 - 31/12/2021	-	44	2.094	-	-	(2.138)	-
Sales 1/1 - 31/12/2021	-	-	-	(17)	-	-	(17)
<b>Total on 31/12/2021</b>	<b>18.896</b>	<b>6.107</b>	<b>125.637</b>	<b>1.836</b>	<b>4.945</b>	<b>8.217</b>	<b>165.638</b>
<b>Accumulated depreciation</b>							
Balance on 1/1/2021	-	2.511	86.183	1.378	3.559	-	93.631
Depreciation of period 1/1 - 31/12/2021	-	178	4.693	83	264	-	5.218
<b>Sales 1/1 - 31/12/2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17)</b>	<b>-</b>	<b>-</b>	<b>(17)</b>
<b>Total on 31/12/2021</b>	<b>-</b>	<b>2.689</b>	<b>90.876</b>	<b>1.444</b>	<b>3.823</b>	<b>-</b>	<b>98.832</b>
<b>Net carried value on 31/12/2020</b>	<b>18.896</b>	<b>3.429</b>	<b>35.430</b>	<b>475</b>	<b>1.230</b>	<b>3.352</b>	<b>62.813</b>
<b>Net carried value on 31/12/2021</b>	<b>18.896</b>	<b>3.418</b>	<b>34.761</b>	<b>392</b>	<b>1.122</b>	<b>8.217</b>	<b>66.806</b>

No encumbrances have been registered on the Company's and the Group's assets.

Additions to assets under construction worth € 11,907 thousand relate to works to extend and improve water supply and sewerage networks.

The reallocations to assets under construction amounting to € (1,174 thousand) pertain to the consolidation of new investments made ready for use during the 2022 financial year in the categories of «Buildings and building facilities» and «Machinery and mechanical facilities».

## 8. INTANGIBLE ASSETS

The intangible assets of the Company and the Group can be broken down as follows:

	THE GROUP/ THE COMPANY	
	Software Applications	Total
<b>Acquisition or valuation value</b>		
Balance on 1/1/2022	1.739	1.739
Additions 1/1 - 31/12/2022	51	51
<b>Total on 31/12/2021</b>	<b>1.790</b>	<b>1.790</b>
<b>Accumulated depreciation</b>		
Balance on 1/1/2022	1.651	1.651
Depreciation of period 1/1 - 31/12/2022	42	42
<b>Total on 31/12/2022</b>	<b>1.692</b>	<b>1.692</b>

Net carried value on  
31/12/2021

88

88

Net carried value on  
31/12/2022

98

98

#### THE GROUP/ THE COMPANY

Software  
Applications

Total

#### Acquisition or valuation value

Balance on 1/1/2021

1.723

1.723

Additions 1/1 - 31/12/2021

16

16

Total on 31/12/2021

1.739

1.739

#### Accumulated depreciation

Balance on 1/1/2021

1.568

1.568

Depreciation of period 1/1 -  
31/12/2021

82

82

Total on 31/12/2021

1.651

1.651

Net carried value on  
31/12/2020

155

155

Net carried value on  
31/12/2021

88

88

## 9. RIGHT-OF-USE ASSETS

The recognised right-of-use assets which are presented in the assets in the Group and Company's statement of financial position are right-of-use buildings. The right-of-use assets of the Company and the Group can be broken down as follows:

#### THE GROUP/ THE COMPANY

Buildings and building facilities

Total

#### Recognition value

Balance on 1/1/2022

3.004

3.004

Settlements 1/1- 31/12/2022

9

9

Total on 31/12/2022

3.014

3.014

#### Accumulated depreciation

Balance on 1/1/2022

1.261

1.261

Depreciation of period 1/1- 31/12/2022

638

638

Total on 31/12/2022

1.899

1.899

Net carried value on 31/12/2022

1.115

1.115

Settlement of the value of right-of-use assets of € 9 thousand relates to an adjustment in the rent for a property based on the valuation specified in the lease. That increase took place from 1.7.2022. Consequently, to more accurately depict the leased premises, the right-of-use and the obligation deriving from it were re-measured.

## 10. PARTICIPATIONS IN SUBSIDIARIES

Company participations in subsidiaries and the relevant transactions for the year can be broken down as follows:

	31.12.2022	31.12.2021
<b>Opening balance</b>	<b>60</b>	<b>60</b>
Share capital increase / (decrease) in holdings	1.000	-
Decrease / (Increase) in impairment provisions	-	-
<b>Closing balance</b>	<b>1.060</b>	<b>60</b>

At the Extraordinary General Meeting of EYATH SERVICES S.A. which met on 11.2.2022 it was decided to increase the company's share capital by one million euros (€ 1,000,000.00) by issuing two million (2,000,000.00) new shares with a nominal value of fifty cents (€ 0.50) each and to amend Article 5 of the Articles of Association to finance RES investment plans and covering the cost of the subsidiary's participation in the Havrias River PPP tender procedure.

## 11. LONG-TERM RECEIVABLES

Long-term receivables on 31.12.2022 primarily represented guarantees provided to PPC worth € 423 thousand (2021: € 426 thousand) and long-term trade receivables after settlements made to pay them, worth € 2,631 thousand (2021: € 2,437 thousand).

## 12. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31.12.2022	31.12.2021
<b>Opening balance</b>	<b>50</b>	<b>50</b>
<b>Closing balance</b>	<b>50</b>	<b>50</b>

The financial assets measured at fair value through other comprehensive income include the purchase of 1,783 shares in the Metropolitan Development Agency of Thessaloniki acquired during 2018.

Fair value was measured in accordance with Level 3: Prices from valuation models not based on observable market data" and there was no change in fair value.

	THE GROUP/ THE COMPANY		Fair value scaling
	31.12.2022	31.12.2021	
<b>Assets</b>			
Financial assets measured at fair value through other comprehensive income	50	50	Level 3

## 13. INVENTORIES

Group and Company inventories can be broken down as follows:

	THE GROUP/ THE COMPANY	
	31-ΔΕΚ-22	31-ΔΕΚ-21
Raw direct and indirect materials - consumables - spare parts	1.873	1,855
Impairment of inventories	(35)	(35)
<b>Total after impairment</b>	<b>1.837</b>	<b>1.820</b>

There is an impairment provision of € 35 thousand on the Group's inventories (2021: € 35 thousand).

Moreover, there are no pledges on the Group's inventories.

#### 14. TRADE RECEIVABLES AND CONTRACTUAL ASSETS

Group and Company trade receivables can be broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Trade receivables	42.427	42.980	42.392	42.935
Doubtful – disputed customers and debtors	40.413	38.116	40.397	38.100
Contractual assets	13.860	13.309	13.860	13.309
Non-current receivables from currently earned income	806	806	806	806
Less: Provision for bad debt	97.506 (40.413)	95.211 (38.116)	97.456 (40.397)	95.151 (38.100)
<b>Total trade receivables and contractual assets</b>	<b>57.093</b>	<b>57.095</b>	<b>57.058</b>	<b>57.050</b>

The “contractual assets” account worth € 13,860 thousand relates to accrued, uninvoiced income from customers from supplying water and sewerage services, which will be invoiced for in the subsequent period.

The “Non-current receivables from currently earned income” account includes a provision for uninvoiced revenues for 2022 from the Central Macedonia Region for the part of the relevant bilateral agreement which was implemented.

The book values of the above receivables represent their fair value and no discounting is required on the Balance sheet date.

On the balance sheet date 17% of the value of trade receivables comes from one customer, however, since it is a Greek state agency, the company considers that there is no question of it not being able to pay the amounts owed to the Company, nor any concentration risk from providing credit to the specific customer.

As far as the rest of the trade receivables portfolio is concerned, there is no concentration of credit risk since the Company has a large number of customers and the credit risk is spread.

The change in bad debts (trade and other receivables) and the provision formed can be broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
<b>Balance on 1 January in accordance with IFRS 9</b>	<b>38.967</b>	<b>35.028</b>	<b>38.951</b>	<b>35.028</b>
Provisions (expenses) for current period	3.090	4.920	3.090	4.905
Provisions used in current period	(848)	(982)	(848)	(982)
<b>Balance on 31 December</b>	<b>41.209</b>	<b>38.967</b>	<b>41.193</b>	<b>38.951</b>

To measure expected future credit losses, the Group and Company divide up receivables based on maturity. The loss rates for each category of receivables were estimated based on historical data and taking into account current conditions.

The parent company sends bills to customers - consumers of water three times a year. Each bill is for the consumption of water of a calendar quarter.

#### 15. OTHER RECEIVABLES

Group and Company other receivables can be broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Loans and other receivables from staff	478	478	467	478
Short-term receivables from related parties	-	-	25	25

Sundry debtors	1.744	2.416	1.735	2.415
Advances and credit control accounts	111	110	111	110
Prepaid expenses	105	98	105	98
Non-current receivables from currently earned income	339	105	339	105
Hellenic Republic - Other Receivables	3.617	147	3.554	86
Less: Provision for bad debt	<b>7.183</b> (796)	<b>4.188</b> (851)	<b>7.136</b> (796)	<b>4.151</b> (851)
<b>Total other receivables</b>	<b>6.387</b>	<b>3.337</b>	<b>6.340</b>	<b>3.300</b>

The «Loans and other receivables from staff» account includes interest-free short-term payrolling advances, cash assistance and short-term interest-bearing loans to staff.

The advances and credit management account on 31/12/2022 mainly included receivables-bills for payment of the Company's collectors and other associates.

The «Hellenic Republic - Other Receivables» account consists of other tax withholdings for the current period and trade and other receivables from the Hellenic Republic. The increase in this account is primarily due to the income tax advance for 2021 of € 3.4 million.

## 16. CASH AND CASH EQUIVALENTS

Cash assets can be broken down as follows:

	THE GROUP		THE COMPANY	
	31-Δεκ-22	31-Δεκ-21	31-Δεκ-22	31-Δεκ-21
Cash	-	2	-	2
Sight deposits	37.781	80.302	36.631	80.017
Time deposits	33.700	11.000	33.700	11.000
<b>Total</b>	<b>71.481</b>	<b>91.305</b>	<b>70.331</b>	<b>91.019</b>

Cash assets include cash in hand for the Company and its subsidiary, and bank deposits available upon demand.

The rating of cash assets based on the credit ratings of FITCH is:

Credit rating in cash assets (Fitch)	Ο ΟΜΙΛΟΣ		Η ΕΤΑΙΡΕΙΑ	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
B+	<b>25.746</b>	-	<b>25.746</b>	-
B	<b>775</b>	-	<b>775</b>	-
B-	1.847	46.902	697	46.902
CCC+	-	2.329	-	2.329
CCC	-	285	-	-
Sight and time deposits in banks not rated by Fitch	43.113	41.787	43.113	41.787
<b>Total</b>	<b>71.481</b>	<b>91.302</b>	<b>70.331</b>	<b>91.017</b>

All sight and time deposits are deposited with Greek banks. There are no blocked cash and cash equivalents.

## 17. SHARE CAPITAL

The Company/Group's share capital can be broken down as follows (figures are in € and are not rounded off):

	31.12.2022	31.12.2021
Number of registered shares	36.300.000	36.300.000
Nominal value per share (in Euro)	1,12	1,12
<b>Nominal value</b>	<b>40.656.000</b>	<b>40.656.000</b>
<b>Premium on capital stock</b>	<b>2.829.985</b>	<b>2.829.985</b>

Company shares are listed for trading on the Large Capitalisation category of the Athens Exchange. According to the Company's Shareholder Registry, on 31/12/2022, shareholders with a significant participation percentage in the Company were:

SHAREHOLDER	Number of shares held	Holding on 31/12/2022
HCAP	18.150.001	50,00% +1
HRADF	8.717.999	24,02%
SUEZ GROUPE	1.982.870	5,46%
Other shareholders	7.449.130	20,52%
<b>Total</b>	<b>36.300.000</b>	<b>100,00%</b>

At its meeting on 21.2.2018, the Interministerial Committee for Restructuring and Privatisation decided to:

1. Revoke Interministerial Committee for Restructuring and Privatisation decision No. 195/27.10.2011 (Government Gazette 754/B) to the extent that it transferred 14,520,000 shares in EYATH owned by the Hellenic Republic to the company Hellenic Republic Asset Development Fund S.A. That decision is effective from 1.1.2018.

2. Revoke Interministerial Committee for Restructuring and Privatisation decision No. 206/25.4.2012 (Government Gazette 1363/B/26.4.2012), to the extent that it transferred 3,630,001 shares in EYATH owned by the Hellenic Republic to the company Hellenic Republic Asset Development Fund S.A. That decision is effective from 1.1.2018.

The decision was published in Government Gazette 614/B/22.2.2018. In light of that 18,150,001 shares of EYATH S.A. belong to the State (50% + 1 share) and 8,717,999 shares (24.017%) belong to HRADF.

According to the notice submitted by the Ministry of Finance, which the company received by email on 21.3.2018, on 20.3.2018 following an OTC trade on that date the Hellenic Republic transferred free of charge 18,150,001 shares in EYATH S.A. to HCAP, in accordance with Article 380(20) of Law 4512/2018 as amended by Article 197(1) of Law 4389/2016. That transfer is effective from 1.1.2018. HCAP directly holds 50% + 1 share in EYATH and via HRADF indirectly holds 24.02%, which directly holds 24.02%. HCAP's voting rights account for 74.02% of the capital.

The total voting rights controlled by the Hellenic Republic remain at 74.02%. The Hellenic Republic owns all voting rights in Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.) which in turn holds all voting rights in HRADF.

The Hellenic Republic's total direct and indirect holding in those companies has not changed.



## 18. RESERVES

Τα αποθεματικά της Εταιρείας και του Ομίλου αναλύονται ως εξής:

	THE GROUP		THE COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Statutory Reserve	13.575	13.575	13.552	13.552
Special law untaxed reserves	399	399	399	399
Reserves for own share acquisition	1	1	1	1
Other reserves	16.635	16.635	16.635	16.635
<b>Balance</b>	<b>30.610</b>	<b>30.610</b>	<b>30.587</b>	<b>30.587</b>

Under Greek company law, the establishment of a statutory reserve (by transferring 5% of the annual earnings net of tax to it each year) is mandatory until an amount accounting for 1/3 of the share capital has been reached. The “statutory reserve” is distributed only upon the final winding up and liquidation of the Company; it may though be set off against accumulated losses.

The tax law reserves were established under the provisions of tax laws which either entitle the taxation of certain income to be rolled forward to the time at which that income is distributed to shareholders or grant certain tax breaks as incentives for making investments.

The own shares reserve consists of fractional rights in shares from share capital increases in which gratis shares were distributed on 17/1/2003.

Since on 31.12.2022 the balance of the statutory reserve formed has been at one third of the Group's share capital. Consequently, there is no need to form an additional reserve.

## 19. PROVISIONS FOR EMPLOYEE BENEFITS

The Company's and Group's obligation to staff employed in Greece for future payment of benefits depending on their length of previous service is measured and presented based on the accrued right expected to be paid to each employee, on the balance sheet date, discounted at present value, compared to the expected time of payment. The accrued benefits of each period are charged in profit or loss with corresponding increase of the pension liability. The payment of benefits to employees leaving due to retirement correspondingly decrease the pension liability.

The present value is an estimate made at a specific point in time (the present). That estimate calculates an amount which is considered to express the economic equivalent (at the present time) of one or more amounts which will be paid at future points in time. The need to calculate the present value rises from the established principle that amounts which refer to different points in time are not comparable. To be able to compare the two or more amounts, they must be «extrapolated» to the current date.

The obligation arising from currently completed service is equal to the present value of benefits accrued up to the valuation date (i.e. those which correspond to completed service by members on the valuation date) and is based on estimated final pensionable pay for active members.

Contributions are the present value of the increase for benefits due to one year's service, which will be added during the year after the valuation date, relate to service during that year and are based on estimated final pensionable pay for active members. That is done by calculating present value, which is the only method acceptable under IAS 19.

The number of staff employed in the Company and the corresponding payroll cost are as follows:

	THE GROUP/ THE COMPANY	
	31/12/2022	31/12/2021
Payroll expenses	11.073	10.120
Employer contributions	2.520	2.352
Other benefits and staff expenses	572	389

Personnel dismissal and retirement compensation provision	123	119
<b>Total cost</b>	<b>14.289</b>	<b>12.980</b>

<b>No. of employees</b>	<b>323</b>	<b>333</b>
-------------------------	------------	------------

During 2022 a total nine (9) employees were recruited under a private law fixed-term employment contract of 8 months. Since then, the Company has not engaged any more employees under fixed-term employment relationships.

The Group and Company obligation to pay compensation to its staff leaving due to retirement was reduced based on an actuarial study which was prepared by an independent company of certified actuaries. The key figures and assumptions of the actuarial study are as follows:

	<b>THE GROUP/ THE COMPANY</b>	
	<b>31.12.2022</b>	<b>31.12.2021</b>
Provisions for retirement benefits	1.128	1.265
	<b>1.128</b>	<b>1.265</b>

The key financials and assumptions of the actuarial study for compensation benefits are as follows:

**Changes in net liability recognised in the balance sheet**

	<b>THE GROUP/ THE COMPANY</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>
Current value of non-financed liabilities	1.128	1.265
Fair value of plan assets		
	<b>1.128</b>	<b>1.265</b>
<b>Net liability recognised in balance sheet</b>	<b>1.128</b>	<b>1.265</b>

**Amounts recognised in income statement**

	<b>THE GROUP/ THE COMPANY</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>
Cost of current employment	113	101
Interest on liability	10	16
<b>Normal expenses in income statement</b>	<b>123</b>	<b>117</b>
Recognition of past service cost	1	-
<b>Cost of cutbacks / settlements / termination of service</b>	<b>9</b>	<b>18</b>
Total expense in income statement	133	135

**Changes in net liability recognised in the balance sheet**

	<b>THE GROUP/ THE COMPANY</b>	
	<b>31/12/2022</b>	<b>31/12/2021</b>
Net liability at start of period	1.265	1.208
<b>Benefits paid by employer</b>	<b>(140)</b>	<b>(49)</b>
Total expense recognised in income statement	133	135
<b>Amount recognised directly in comprehensive income statement</b>	<b>(130)</b>	<b>(29)</b>
Net liability at end of period	1.128	1.265

Change in net value of liability		
Present value of liability at start of period	1.265	1.208
Cost of current employment	113	101
Interest cost	10	16
Benefits paid by employer	(140)	(49)
<b>Cost of cutbacks / settlements / termination of service</b>	<b>9</b>	<b>18</b>
Past service cost during previous period	1	-
<b>Amounts recognised in other comprehensive income</b>	<b>(130)</b>	<b>(29)</b>
Present value of liability at end of period	1.128	1.265

**Actuarial assumptions**

Discount Rate	3,80%	0,70%
Inflation	3,00%	2,00%
Future increases of salaries	3,00%	2,30%
Retirement Increase Rate	0,00%	0,00%

On the valuation date (31.12.2022) use of a discount rate 0.5% lower would result in the actuarial obligation being 2% higher.

The relevant sensitivity tests for the expected pay rise showed that use of a higher expected pay rise of 0.5% would result in the actuarial obligation being 0.0% higher.

Based on the actuarial study, the gross value of the amount recognised in other comprehensive income is € 101 thousand, of which the net amount is € 130 thousand and the corresponding deferred tax is € (29) thousand.

**20. PROVISIONS FOR CONTINGENCIES AND EXPENSES**

A provision of € 475 thousand covers contingent liabilities that may arise during the settlement of litigation with third parties and Company staff.

Income from unused provisions of € 6 thousand relates to the reversal of existing provisions for litigation either due to the cancellation of cases or due to a positive outcome in those cases based on court rulings.

The provisions used relate to (i) reversing existing provisions for litigation where the final judgment turned out to be negative for the Group and Company (€ 79 thousand) and (ii) reversing the provision already formed to remove sludge and materials collected in grates from the previous year, which was implemented during the period ended (€ 164 thousand).

For the period ended on 31.12.2022 the change in the provisions account for the Group and Company was as follows:

Long-term provisions	THE GROUP/ THE COMPANY		
	Pending litigation	Provisions for contingencies & expenses	Total
<b>01 January 2022</b>	<b>1.439</b>	<b>164</b>	<b>1.603</b>
Additional provisions for year	475	-	<b>475</b>
Income from unused provisions	(6)	-	<b>(6)</b>
Provisions used/reversal of provisions for the period	(79)	(164)	<b>(243)</b>

31 December 2022

or the period ended on 31.12.2021 the change in the provisions account for the Group and Company was as follows:

Long-term provisions	THE GROUP/ THE COMPANY		
	Pending litigation	Provisions for contingencies & expenses	Total
<b>01 January 2021</b>	<b>3.075</b>	<b>489</b>	<b>3.564</b>
Additional provisions for year	130	110	<b>240</b>
Income from unused provisions	(1.194)	-	<b>(1.194)</b>
Provisions used/reversal of provisions for the period	(572)	(435)	<b>(1.007)</b>
<b>31/12/2021</b>	<b>1.439</b>	<b>164</b>	<b>1.603</b>

## 21. GRANTS

	THE GROUP/ THE COMPANY	
	31.12.2022	31.12.2021
<b>Opening balance</b>	<b>695</b>	<b>943</b>
Depreciation of grants carried forward to results	(190)	(248)
<b>End of period balance</b>	<b>505</b>	<b>695</b>

Grants primarily relate to the construction of the Company's water supply and sewerage network. The Company has complied with all obligations required in order to receive the grants and so there is no issue of the grants being returned.

## 22. OTHER LONG-TERM LIABILITIES

The sum of €16,968 thousand on 31/12/2022 and € 16,303 thousand on 31/12/2021 related to guarantees from customers for use of meters and for bills, which were collected when the initial supply connection was made. Those guarantees are returned (without interest) when the customer terminates the connection. The guarantees have been recorded at nominal value, and not at fair value when initially recorded and then subsequently at carried cost because customers may request those amounts back at any time. On 31.12.2022 the sum of € 1,321 thousand related to long-term revenues for subsequent years related to the technical project entitled «Works to complete connection of the Thessaloniki low-lying areas» which is co-financed via the Central Macedonia Region by the European Programme «Central Macedonia 2014-2020» in the context of the project entitled «Remaining works at the K16 interchange at the junction of PATHE and the Thessaloniki Inner Ring Road». Lastly, € 16 thousand relates to other long-term liabilities.

## 23. LEASE LIABILITIES

Οι υποχρεώσεις μισθώσεων του Ομίλου και της Εταιρείας αναλύονται ως ακολούθως:

	THE GROUP/ THE COMPANY
<b>Adjusted balance of lease liabilities as at 1.1.2022</b>	<b>1.487</b>
Of which:	
Long-term lease liabilities	859
Short-term lease liabilities	628
<b>Lease liabilities as at 1.1.2022</b>	<b>1.487</b>
Conversions / remeasurements	9
Lease repayments	(674)
Financial cost for period	43
Lease liabilities as at 31.12.2022	866
<b>Of which:</b>	

Long-term lease liabilities	211
Short-term lease liabilities	655
<b>Lease liabilities as at 31.12.2022</b>	<b>866</b>

Group and Company lease liabilities mature as follows:

Up to 1 year	THE GROUP/ THE COMPANY
From 1 to 2 years	676
From 2 to 5 years	214
Over 5 years	-
Total	-
<b>Less: Future financial charges for leases</b>	<b>891</b>
Lease liabilities as at 31.12.2022	(25)
<b>Υποχρεώσεις μισθώσεων κατά την 31η Δεκεμβρίου 2022</b>	<b>866</b>

## 24. TRADE AND OTHER LIABILITIES

The total liabilities of the Group and the Company to suppliers and other third parties are broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Suppliers	14.994	11.145	14.978	11.055
Cheques payable	5	23	5	23
Other Taxes - Duties	431	863	431	862
Insurance and pension fund dues	569	564	569	563
Accrued expenses	4.337	3.982	4.304	3.949
Sundry creditors	856	956	855	954
Total	21.192	17.533	21.142	17.407
<b>Σύνολο</b>	<b>17.533</b>	<b>12.590</b>	<b>17.407</b>	<b>12.503</b>

The maturity of the Group and Company suppliers and other liabilities accounts can be broken down as follows:

	THE GROUP		THE COMPANY	
	SHORT-TERM 2022		SHORT-TERM 2022	
	WITHIN 6 MONTHS	FROM 6 TO 12 MONTHS	WITHIN 6 MONTHS	FROM 6 TO 12 MONTHS
Suppliers	14.994	-	14.978	-
Cheques payable	5	-	5	-
Insurance and pension fund dues	569	-	569	-
Sundry creditors	856	-	855	-
Accrued expenses	4.337	-	4.304	-
Other taxes and duties	431	-	431	-
<b>Total</b>	<b>21.192</b>	<b>-</b>	<b>21.142</b>	<b>-</b>

## 25. SHORT-TERM TAX LIABILITIES

Group and Company short-term tax liabilities can be broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Income tax	1	307	-	303
	<b>1</b>	<b>307</b>	<b>-</b>	<b>306</b>

## 26. EXPENSES PER CATEGORY

Expenses per category for the Group and Company in 2022 can be broken down as follows:  
For the 2022 annual period, administrative expenses include fees of the auditing company of € 4 thousand relating to other assurance works.

THE GROUP					
for the period ended on 31/12/2022	Cost of Goods Sold	Selling & distribution expenses	Administrative expenses	Research & Development expenses	Total
Cost of goods used	2.087	-	-	-	2.087
Self-supplied fixed assets	(155)	-	-	-	(155)
Staff salaries and expenses	9.114	1.901	3.193	132	14.339
Third party fees and expenses	776	1.142	1.888	-	3.806
Electricity	30.010	382	493	-	30.885
Rent	44	3	34	-	81
Maintenance - Repair expenses	15.872	-	90	-	15.962
Other charges for outside services	319	25	292	-	635
Expenses from tax and duties	295	128	221	-	644
Various expenses	1.553	318	334	1	2.206
Depreciation of tangible & intangible assets	5.416	-	221	30	5.667
Provision for bad debt	-	2.297	-	-	2.297
<b>Total</b>	<b>65.331</b>	<b>6.196</b>	<b>6.765</b>	<b>163</b>	<b>78.454</b>

THE COMPANY					
for the period ended on 31/12/2022	Cost of Goods Sold	Selling & distribution expenses	Administrative expenses	Research & Development expenses	Total
Cost of goods used	2.087	-	-	-	2.087
Self-supplied fixed assets	(155)	-	-	-	(155)
Staff salaries and expenses	9.114	1.901	3.193	132	14.339
Third party fees and expenses	776	1.142	1.800	-	3.718
Electricity	30.010	382	493	-	30.885
Rent	44	3	34	-	81
Maintenance - Repair expenses	15.872	-	90	-	15.962



Other charges for outside services	319	25	292	-	635
Expenses from tax and duties	295	128	220	-	643
Various expenses	1.553	318	334	1	2.205
Depreciation of tangible & intangible assets	5.416	-	221	30	5.667
Provision for bad debt	-	2.297	-	-	2.297
<b>Total</b>	<b>65.331</b>	<b>6.196</b>	<b>6.675</b>	<b>163</b>	<b>78.364</b>

The corresponding expenses for 2021 can be broken down per category for the Group and Company as follows:

<b>THE GROUP</b>					
<b>for the period ended on 31/12/2022</b>	<b>Cost of Goods Sold</b>	<b>Selling &amp; distribution expenses</b>	<b>Administrative expenses</b>	<b>Research &amp; Development expenses</b>	<b>Total</b>
Cost of goods used	2.009	-	-	-	2.009
Self-supplied fixed assets	(143)	-	-	-	(143)
Staff salaries and expenses	8.333	1.640	2.941	109	13.024
Third party fees and expenses	794	1.036	1.556	51	3.437
Electricity	16.789	198	256	-	17.244
Rent	65	3	11	-	79
Maintenance - Repair expenses	15.615	1	234	-	15.850
Other charges for outside services	174	17	291	-	482
Expenses from tax and duties	270	110	207	-	587
Various expenses	1.024	324	318	8	1.674
Depreciation of tangible & intangible assets	5.620	-	226	9	5.855
Provision for bad debt	-	3.923	16	-	3.938
<b>Total</b>	<b>50.549</b>	<b>7.252</b>	<b>6.056</b>	<b>177</b>	<b>64.035</b>

<b>THE COMPANY</b>					
<b>for the period ended on 31/12/2021</b>	<b>Cost of Goods Sold</b>	<b>Selling &amp; distribution expenses</b>	<b>Administrative expenses</b>	<b>Research &amp; Development expenses</b>	<b>Total</b>
Cost of goods used	2.009	-	-	-	2.009
Self-supplied fixed assets	(143)	-	-	-	(143)
Staff salaries and expenses	8.333	1.640	2.941	109	13.024
Third party fees and expenses	794	1.036	1.308	51	3.189
Electricity	16.789	198	256	-	17.244
Rent	65	3	11	-	79
Maintenance - Repair expenses	15.615	1	234	-	15.850
Other charges for outside services	174	17	291	-	482
Expenses from tax and duties	270	110	206	-	586
Various expenses	1.024	324	317	8	1.673
Depreciation of tangible & intangible assets	5.620	-	226	9	5.855
Provision for bad debt	-	3.923	-	-	3.923

<b>Total</b>	<b>50.549</b>	<b>7.252</b>	<b>5.791</b>	<b>177</b>	<b>63.770</b>
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## 27. OTHER OPERATING EXPENSES - OTHER OPERATING INCOME

Other operating income can be broken down as follows:

	THE GROUP		THE COMPANY	
	01/01-31/12/2022	01/01-31/12/2021	01/01-31/12/2022	01/01-31/12/2021
Income from Subsidies	140	98	140	98
Rainwater network management & maintenance compensation	1.100	1.681	1.100	1.681
Income from services provided	1.659	2.257	1.660	2.258
Rent	36	58	-	-
Depreciation on subsidies	190	191	190	191
Other prior period income	-	273	-	273
Other income	260	233	260	233
Revenue from forfeited guarantees	-	141	-	141
Income from prior period provisions	304	2.224	304	2.224
<b>Total other operating income</b>	<b>3.689</b>	<b>7.156</b>	<b>3.654</b>	<b>7.099</b>

Other operating expenses can be broken down as follows:

	THE GROUP		THE COMPANY	
	01/01-31/12/2022	01/01-31/12/2021	01/01-31/12/2022	01/01-31/12/2021
Tax and other fines and surcharges	1	18	1	18
Compensation to third parties for damage to the water supply and sewerage network	104	77	104	77
Compensation under court rulings	21	825	21	825
Other expenses, provisions and losses	475	240	475	240
Losses from replacement of water meters and Other losses	70	180	70	180
Other prior period expenses	66	43	66	43
<b>Total other expenses</b>	<b>737</b>	<b>1.383</b>	<b>737</b>	<b>1.383</b>

Other expenses, provisions and losses on 31.12.2022 stood at € 475 thousand (2021: € 240 thousand) and include provisions for pending litigation.

## 28. FINANCIAL INCOME/ (EXPENSES)

Financial income (expenses) can be broken down as follows:

	THE GROUP		THE COMPANY	
	01/01-31/12/2022	01/01-31/12/2021	01/01-31/12/2022	01/01-31/12/2021
Financial expenses for discounting receivables	50	-	50	-
Financial expenses for finance leases	43	49	43	49
Financial cost of actuarial study	10	16	10	16
Other financial expenses	99	120	99	120
<b>Total financial expenses</b>	<b>202</b>	<b>184</b>	<b>202</b>	<b>184</b>
Interest and related income	285	512	285	512
Accrued credit interest	274		274	
<b>Total financial income</b>	<b>559</b>	<b>573</b>	<b>559</b>	<b>573</b>

**Net financial income/(expenses)****357****389****357****389**

It should be noted that the balance of the Group account «Credit interest and related income» as at 31/12/2022 amounted to € 285 thousand and includes financial income from discounting the long-term settlement with the Municipality of Pylea - Hortiatia of € 64 thousand and other interest of € 221 thousand, which primarily relates to interest on deposits. «Accrued credit interest» includes the sum of € 244 thousand which corresponds to accrued income from the Bank of Greece and € 30 thousand relating to accrued interest on time deposits.

The “Other financial expenses” account primarily records bank commissions for bank transactions and issuing guarantee letters.

**29. INCOME TAX**

Income tax for the period is calculated based on the local tax rates applicable.

The tax charge was calculated as follows:

	THE GROUP		THE COMPANY	
	01/01-31/12/2022	01/01-31/12/2021	01/01-31/12/2022	01/01-31/12/2021
Income tax	17	3.971	3.971	3.971
Deferred tax	(267)	447	447	447
<b>Total</b>	<b>(250)</b>	<b>4.417</b>	<b>4.417</b>	<b>4.417</b>

The tax amount in the «Income tax» line of the comprehensive income statement is different from the theoretical amount that would arise by applying the current tax rate to the Company's profits. This difference is as follows:

	THE GROUP		THE COMPANY	
	01/01-31/12/2022	01/01-31/12/2021	01/01-31/12/2022	01/01-31/12/2021
<b>Earnings before tax</b>	<b>(4.242)</b>	<b>15.753</b>	<b>(4.188)</b>	<b>15.961</b>
Tax calculated at the corporation tax rate (22%)	-	3.511	-	3.511
Expenditure not exempted from income tax	79	112	71	112
Untaxed income	(2)	(6)	(2)	(6)
Impact of change in tax rates	-	(319)	-	(319)
Other differences in accounting/taxation base	(327)	1.119	(319)	1.119
<b>Total taxes in Comprehensive Income Statement</b>	<b>(250)</b>	<b>4.417</b>	<b>(250)</b>	<b>4.417</b>

As far as the rates used to calculate deferred tax are concerned, note that paragraph of IAS 12 “Income Tax” states that:

“Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date”.

Consequently, deferred tax was calculated using the new tax rates which apply in the year in which the asset or liability is expected to be settled.

The fact that in some cases income and expenses are booked at a time other than the time at which income is taxed or expenses deducted for the purpose of determining taxable income gives rise to the need to recognise deferred tax assets or deferred tax liabilities.

The deferred tax asset/liability recognised by the Group and the Company can be broken down as follows:

Deferred tax assets
Deferred tax liabilities
<b>Total deferred tax in the Statement of Financial Position</b>

THE GROUP / THE COMPANY	
31.12.2022	31.12.2021
4.845	4.700
(1.230)	(1.323)
<b>3.615</b>	<b>3.377</b>

<b>Opening balance</b>
Tax on income/equity
<b>Closing balance</b>

THE GROUP / THE COMPANY	
31.12.2022	31.12.2021
<b>3.377</b>	<b>3.831</b>
237	(454)
<b>3.615</b>	<b>3.377</b>

<b>Deferred tax liabilities</b>
Adjustment of fixed asset subsidies

THE GROUP / THE COMPANY			
As at 31/12/2021	Credits (Debits) in results	Credits (Debits) in equity	As at 31/12/2022
(1.323)	93	-	(1.230)
(1.323)	93	-	(1.230)

**Deferred tax assets**

Depreciation on tangible assets	2.871
De-recognition of depreciation on capital expenditure and adjustment in depreciation for intangible assets	615
Adjustment of value of receivable accounts	604
Provisions for contingencies - other provisions	(45)
Personnel dismissal and retirement compensation provision	278
Other long-term liabilities	-
Impact of adopting IFRS 16	378

109	-	2.980
(21)	-	594
(28)	-	576
(40)	-	(85)
(1)	(29)	248
291	-	291
(137)	-	241

**Net deferred tax assets in the statement of financial position**

<b>174</b>	<b>(29)</b>	<b>4.845</b>
<b>267</b>	<b>(29)</b>	<b>3.615</b>

**Presentation in statement of financial position**

Deferred tax liabilities (net)
Deferred tax assets (net)

-	-
3.377	3.615
<b>3.377</b>	<b>3.615</b>

**Deferred tax liabilities**

Adjustment of fixed asset subsidies

THE GROUP / THE COMPANY			
As at 31/12/2020	Credits (Debits) in results	Credits (Debits) in equity	As at 31/12/2021
(1.531)	208	-	(1.323)
(1.531)	208	-	(1.323)

**Deferred tax assets**

Depreciation on tangible assets	3.442	(571)	-	2.871
De-recognition of depreciation on capital expenditure and adjustment in depreciation for intangible assets	636	(21)	-	615
Adjustment of value of receivable accounts	653	(48)	-	604
Provisions for contingencies - other provisions	186	(231)	-	(45)
Personnel dismissal and retirement compensation provision	290	(5)	(7)	278
Impact of adopting IFRS 16	155	222	-	378
<b>Net deferred tax assets in the statement of financial position</b>	<b>5.362</b>	<b>(654)</b>	<b>(7)</b>	<b>4.700</b>
	<b>3.831</b>	<b>(447)</b>	<b>(7)</b>	<b>3.377</b>

**Presentation in statement of financial position**

Deferred tax liabilities (net)	-	-
Deferred tax assets (net)	3.831	3.377
	<b>3.831</b>	<b>3.377</b>

Deferred income tax is calculated using the expected applicable tax rate at the time the tax asset/liability matures.

**30. EARNINGS / (LOSSES) PER SHARE**

The basic earnings / (losses) per share are calculated by dividing the net earnings / (losses) for the period by the average weighted number of ordinary shares outstanding during the period. Earnings / (losses) are defined as profits or losses from the Group's continuing operations. It should be clearly understood that during the current and previous financial year there were no discontinued operations. There are no debentures convertible to shares or other potential instruments convertible to shares which would reduce earnings / (losses) during the periods to which the financial statements relate and consequently diluted earnings / (losses) per share have not been calculated.

Basic earnings /(losses) per share were calculated as follows:

	THE GROUP		THE COMPANY	
	01/01-31/12/2022	01/01-31/12/2021	01/01-31/12/2022	01/01-31/12/2021
<b>Net earnings / (losses) attributable to the Company's ordinary shareholders</b>	<b>(3.993)</b>	<b>11.335</b>	<b>(3.938)</b>	<b>11.543</b>
Average weighted number of shares in circulation	36.300.000	36.300.000	36.300.000	36.300.000
<b>Less: Weighted average number of own shares</b>				
Average weighted number of shares in circulation	<b>36.300.000</b>	<b>36.300.000</b>	<b>36.300.000</b>	<b>36.300.000</b>
<b>Basic earnings /(losses) per share (in euro)</b>	<b>(0,1100)</b>	<b>0,3123</b>	<b>(0,1085)</b>	<b>0,3180</b>

**31. TRANSACTIONS WITH RELATED PARTIES**

According to the Group, related parties are members of the Board of Directors, members of Management, as well as the shareholders holding a significant percentage of its share capital (including their related persons). Note that since the 2018 accounting period the Company's financial statements are included in the consolidated Financial statements of Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.). Consequently, the Group considers the entities related to HCAP S.A. to be related parties.

The Group's trading transactions with these related parties during the 1/1/2022-31/12/2022 period were carried out under market terms and in the framework of its usual business activity. The transactions and the balances of the Group's and Company's related parties, during the 1.1.2022 - 31.12.2022 period and on 31.12.2022 respectively, as well as during the previous period, can be broken down in the following tables:

THE GROUP	THE COMPANY
-----------	-------------

	01/01- 31/12/2022	01/01 - 31/12/2021	01/01- 31/12/2022	01/01 - 31/12/2021
Income from subsidiary	-	-	1	1
Income from other related parties consolidated along with HCAP S.A.	170	168	170	168
Expenses to other related parties consolidated along with HCAP S.A.	31.523	17.801	31.523	17.801
Transactions with and fees for executives and board members	1.084	998	1.080	994

Transactions with and fees for senior executives and board members relate to salaries and other benefits specified in the Company's remuneration policy. Note that after submitting an application to that effect the Vice Chairman of the Board of Directors, Mr. Grigorios Penelis, opted not to receive the fees specified in the remuneration policy.

Income from other related parties consolidated along with HCAP S.A. relates primarily to water supply and sewerage network service revenues.

Expenses to other related parties consolidated along with HCAP S.A. relate primarily to services received (expenses for electricity supplied worth € 31,389 thousand) and the leasing of properties.

	THE GROUP		THE COMPANY	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Receivables from subsidiary	-	-	25	25
Receivables from other related parties consolidated along with HCAP S.A.	626	610	626	610
Liabilities to other related parties consolidated along with HCAP S.A.	7.174	4.578	7.174	4.578
Receivables from management executives and board members	5	8	5	8
Liabilities to management executives and board members	35	7	35	5

Receivables and liabilities from other related parties consolidated along with HCAP S.A. amount to € 626 thousand and € 7,174 thousand respectively. Receivables primarily relate to invoiced income from providing water supply and sewerage services and prepaid property rents, while liabilities relate to accrued expenses from receiving services.

Liabilities to management executives and board members related to salaries payable.

The actuarial liability for the Company's related parties amounts to € 72 thousand on 31.12.2022.

## 32. COMMITMENTS FROM CONTINGENT LIABILITIES

### 32.1 Contingent liabilities from disputes in litigation or arbitration (amounts in €)

On 31.12.2022 there were active lawsuits, out-of-court notices and in general future claims totalling approximately € 23 million against the Company and Group, for which a provision of €1.8 million in total had been formed, which is included in the long-term liabilities account «Provisions for contingencies and expenses» (see Note 20).

Of those lawsuits, the sum of € 14 million relates to compensation for damage done by flooding or actions from various counterparties/suppliers and contractors for breach of contractual terms and € 9 million relates to labour disputes, retirement compensation and fines imposed by insurance funds.

The Group's Legal Department estimates that other than the provision formed there will be no other cases whose outcome in court will significantly affect the Group's assets and operations.

### 32.2. Other contingent liabilities

On 31.12.2022 the Group had granted performance bonds for project contracts of a total amount of € 526 (2021: € 514) which primarily relates to guarantee letters from the Strategic Planning, Projects and Development Division.

### 32.3 Open tax periods



**Tax Compliance Report**

For the years 2011 to 2022, the Company and its subsidiary EYATH Services S.A. have undergone a tax audit carried out by certified public accountants, as provided for in Article 82(5) of Law 2238/1994 (for the years 2011 to 2013) and Article 65a of Law 4172/2013 (Income Tax Code) (for the years from 2014 onwards). Upon completion of the tax audit by the certified public accountants for the periods 2011-2021, audit reports were issued with the assenting opinion for the Company and its subsidiary, while there were no tax liabilities other than those recorded and presented in the separate and consolidated financial statements.

For the 2022 financial year, the Tax Compliance Reports are expected to be issued after the publication of the annual financial statements.

After the completion of the tax audit, the Management of the Company and the Group does not anticipate any additional tax liabilities that will have a material effect, other than those recorded in the separate and consolidated financial statements.

**Open tax periods**

Note that based on their judgments in similar cases (see Council of State Judgments No. 1738/2017, 675/2017 and Athens 3-member Administrative Court of Appeal Judgment No. 1490/2016) the Administrative Courts have ruled that 2016 has been statute-barred for tax purposes (with a 5-year statute-barring period). In light of this, it is clear that audits can only be carried out for the years 2017-2022 for which the provisions on tax certificates and 18-month deadlines for carrying out random tax audits have been repealed.

**33. NUMBER OF STAFF EMPLOYED**

The Group employed a total of 323 people on 31.12.2022 compared to 333 in the comparison period. This figure includes 9 employees on fixed-term contracts (of 8 month's duration) compared to 10 in the same period last year.

**34. SEASONALITY OF OPERATIONS**

Company revenues are cyclical (with higher water consumption during summer months) meaning that there are major fluctuations from quarter to quarter in turnover and results. Consequently, results per quarter cannot per se be indicative of the trend for results which will arise by the end of the period, but are indicative only if compared to the corresponding results for previous periods. During the second half of each year a rise in consumption over the summer is recorded, which bolsters Company turnover compared to the first half of the year.

### 35. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

#### Changes to the Board of Directors

Decision No. 040/2023 of the Board of Directors on 2.2.2023 accepted the resignation of the employee representative, Mr. Ioannis Mitziias, and his replacement by the first alternate member thereof, Mr. Dimitrios Mavropoulos.

#### Extension of the term in office of members of the Board of Directors

By means of decision No. 035/2023 of 19.1.2023 the Board of Directors decided to extend the term in office of Board members Mr. Grigorios Penelis and Nikos Klitou in accordance with Article 13 of the Articles of Association and Article 85 of Law 4548/2018 until the date of the 2023 Ordinary General Meeting of Shareholders, with the last date being 10 September 2023, while reserving the right to further extend that date under a provision of law, as has been the case over recent years.

Thessaloniki, 20 April 2023

Agis Papadopoulos	Anthimos Amanatidis	Dimitrios Alexandris
Chairman of the Board of Directors	CEO	CEO
ID Card No. AN 201633	ID Card No. AE 125155	ID Card No. AZ 683204 ECON. CHAMBER OF GREECE LICENCE NO. 0105601 (1St Class)

#### AVAILABILITY OF FINANCIAL STATEMENTS

The annual and interim financial statements of the Group and Company, the Audit Report, and the Board of Directors' Annual Management Report to the Annual Ordinary General Meeting have been posted to the company's website ([www.eyath.gr](http://www.eyath.gr)).

