

Annual report of the Board of Directors

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ATTIKI NATURAL GAS DISTRIBUTION COMPANY S.A.



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Message from the Chairman of the Board of Directors

Dear Shareholders,

Year 2020, despite the extreme difficulties raised by the global public health crisis, was a milestone year for the dynamic restart of EDA Attikis. However, all of us at EDA Attikis, we managed not only to overcome the obstacles and difficulties posed to the business community by the pandemic, but we managed also to overachieve in this year results in all areas of operation, showing endurance and strength.

At the same time, facing the unprecedented conditions created by the pandemic, the personnel of EDA Attikis, stood united, proving that we all have huge reserves of strength, solidarity, experience and know-how, while remaining committed to our goals.

The undeviating compass towards achieving our goals is always our vision for natural gas to reach every household and business in Attica, providing access to an economical, efficient and environmentally friendly energy source.

We are proud to present the results of year 2020 that confirm the great growth prospects of the Company both in terms of expanding its network and increasing the number of connections. These results create added value to EDA Attikis and support strongly the ongoing privatization program of the Greek Government.

The results of 2020 are a milestone in terms of business operation and performance for EDA Attikis. 2020 ended not only with the achievement of the Company's goals in each sector of its operation, but with exceeding the initial goals at all levels as well:

	Actual 2020	Planned 2020	Achievement
Low Pressure Network	160.4 km	150 km	↑ 6.9%
New Points of Delivery Construction	21,576	20,898	↑ 3.2%
New Activations	20,831	20,548	↑ 1.4%
New Connection Contracts	21,301	20,351	↑ 4.7%
Contracted Volume	23.11 mil. Nm³	22.12 mil. Nm ³	↑ 4.5%

Continuing dynamically in the new year, EDA Attikis is committed to implementing for 2021 - 2025 an ambitious development program with a clear vision to connect every household and business in Attica in the long term. Through the construction of smart networks, the intelligent meters' installation, the development of an integrated and secure communication network, the investment in the digital transformation of its functions and services, the expansion and modernization of its network, EDA Attikis creates added value both for end consumers and for its shareholders.

The new Development Program 2021 - 2025 of EDA Attikis reflects the dynamic restart of the Company. The successful implementation of the program will be based on the utilization of our experienced staff and the huge pool of knowledge and know-how they have created, the demonstration of business

excellence, the robust organizational structure of the Company and the already extensive network as well as the great prospects for its development and densification, while the approval of the five-year development plan by RAE, is a vote of confidence in the growth perspective of the Company.

On behalf of the members of the Board of Directors and all the employees, we would like to sincerely thank you for the excellent cooperation and the unhindered communication. Thank you for the trust with which you surround us, supporting our work.

We honor and reciprocate your trust, with good management, positive results, transparency in our operation and decision-making, as well as with our commitment and strict adherence to the timeline and procedures required to support the company's privatization program.

EDA Attikis, using as drivers the modernization and expansion of its network, the upgrade of its operations, the changes in its organizational structure, and the digital transformation of its processes, is committed to provide a safe, economical and efficient energy to households businesses in Attica, contributing to the implementation of the national strategy for clean energy and the national economy, creating added value for its shareholders and potential investors.

Pierros Hadjiyiannis

Executive Chairman of the Board

ANNUAL REPORT OF THE BOARD OF DIRECTORS

EDA Attikis is the Natural Gas Distribution Company, whose geographical area of activity is the Region of the Prefecture of Attica, as provided in paragraphs 1 and 2 of article 4 of Law 2364/1995 (Government Gazette A '252).

Attiki Gas Distribution Company, as the exclusive Natural Gas Distributor in Attica, covers with responsibility and safety the energy needs of the modern era in the region of Attica, utilizing the valuable knowledge of the past while dynamically plans the future.

The Company under the Distribution License granted by the Ministry of Development in 2001, according to law 2364/95, as amended by Law 2528/97, was the exclusive Operator of the Distribution Network in Attica. In this context, the company held the license for the exclusive use of the Natural Gas Distribution Network in the region of Attica.

On August 17, 2018, the Regulation of Natural Gas Licenses was approved (Government Gazette 3430 / 17.8.2018), which governs the issuance, modification, transfer and revocation of Natural Gas Licenses.

With the decision 1316/2018 of the Energy Regulatory Authority Government Gazette 5904 / 31.12.2018, the Company received a Natural Gas Distribution License for the geographical area of Attica for a period of twenty-five (25) years, expiring on 31.12.2043. The validity of the License may be extended by a decision of the Regulatory Authority of Energy in accordance with the provisions of the Law and the Licensing Regulation.

The Licensee provides the right to Build the Attica Distribution Network according to the Development Program.

In parallel, with the decision 1317/2018 of the Regulatory Authority of Energy (Government Gazette 5923 / 31.12.2018) the company obtained a Management License for the Natural Gas Distribution Network for a period of twenty-five (25) years, expiring on 31.12.2043. The validity period of the License may be extended in accordance with the provisions of the Law and the Regulation of Licenses by decision of the Regulatory Authority of Energy, at the request of the holder, no later than one (1) year before its expiration.

The holder of the Management License acquires the right to manage and operate the Distribution Network in Attica.

The Share Capital of the Company amounts to €243,811,712 divided into 8,307,043 registered shares, with a nominal value of 29.35 euros each.

EDA Attikis closed the 19th Corporate Fiscal Year.

Affiliated companies of EDA Attikis are the Gas Distribution Company of Thessaloniki-Thessaly S.A. (EDA THESS) and the Public Gas Distribution Network Company S.A. (DEDA).

A. Financial Developments

2020 was the fourth year that the company was active exclusively in the Distribution Sector after the spin-off of the Commercial sector, which took place on 2/1/2017.

The financial data of 2020 based on the International Financial Reporting Standards compared to the financial data of 2019 are as follows:

Turnover from regulated distribution activity:	59.43 € mil.	2019:	56.93 € mil.	↑	4%
Operating profit before depreciation, taxes and interest:	37.51 € mil.	2019:	36.35 € mil.	↑	3%
Profits before tax:	24.95 € mil.	2019:	24.15 € mil.	↑	3%
Aggregate total revenues after tax:	18.63 € mil.	2019:	17.90 € mil.	↑	4%
Total RAB	280.22 € mil.	2019:	269.06 € mil.	↑	4%
Net Debt (Debt - Cash & Cash Equivalents):	-21.22 € mil.	2019:	-11.71 € mil.		
Recoverable Difference:	-1.02 € mil.	2019:	2.26 € mil.		

Note: Recoverable Difference amounts shall be finalized upon RAE's approval on regulatory tariff period 2023-2026.

B. Important facts for year 2020

In 2020, 21,293 new retail customer contracts were signed, corresponding to an estimated annual consumption of 21.29 million Nm³. 8 new contracts were signed with large industrial and commercial customers, corresponding to an estimated annual consumption of 1.82 million Nm³.

In February, EDA Attikis implemented the 4th phase of the subsidy program for the construction of internal installations for central and individual heating connections, which yielded 4,723 connection contracts. In addition, during this year 1,244 cases of 2019 subsidy program, which were activated in 2020, were managed. Within 2020, the total invoices for both 2019 and 2020 programs, amounted to €2.05 million.

Throughout the year, connection fee discount up to 100% was offered to all retail end customer categories. Finally, in October the funding program for the construction of gas internal installations for residential customers under ESPA 2014-2020 began, for which EDA Attikis was designated as the administrator.

In October, the annual customer satisfaction survey of EDA Attikis took place, where the total degree of satisfaction by the services provided during the connection stages amounted to 94%. Finally, in December, an advertising program of EDA Attikis was implemented in press, radio, and internet.

At the end of 2020, 18 Distribution Network Users were active and submitted through the electronic information exchange system 36,395 requests, concerning main and auxiliary services. There was an increase in consumers motility, for which 21,150 new gas feed requests were submitted (14% increase compared to 2019) as well as 5,482 switching requests (13% increase compared to 2019).

On 30/04/2020 the incorporation of the societe anonyme under the corporate name "DEPA Infrastructure Societe Anonyme" with the distinctive title "DEPA Infrastructure S.A." has been concluded with the registration and publication in the General Commercial Register (G.E.M.I.) of the resolution of the General Assembly of the Shareholders of "DEPA Societe Anonyme" and the distinctive title "DEPA S.A." dated 27/04/2020 on the partial demerger of the infrastructure sector of "DEPA S.A.", in accordance with the provisions of article 80I of L. 4001/2011, as amended by Article 53 of L. 4602/2019 and replaced by Article 16 of L. 4643/2019 and Articles 56 and 59-74 of L. 4601/2019 and its transfer to the new legal entity. Following the aforementioned partial demerger, the new Company's sole shareholder is the societe anonyme under the corporate name "DEPA Infrastructure Societe Anonyme", under G.E.M.I. Registration Number 154717401000 based on the Municipality of Athens.

Construction Projects Activities

In 2020, the Company executed a construction plan of total budget of €28.3 million through twenty-nine (29) construction contracts. More specifically, 21,556 new delivery points were constructed and activated, of which 8,032 meters at active service lines, 8,120 new service lines and 238 risers. 160,4 km of new Low Pressure network were constructed and 3,2 km of new Medium Pressure network. Furthermore, two (2) M/R 19/4 Distribution Stations and seven (7) Customers Stations were constructed and activated. Finally, sixty (60) service lines were upgraded, fifty-five (55) service lines were replaced and 5,4 km Fe/St network were isolated supporting network upgrade and replacement activities.

With the sub no. 1581/2020 decision of the Energy Regulatory Authority and the relevant Government Gazette 5754 / 28.12.2020, the Distribution Network Development Program 2021-2025 was approved.

The Development Plan includes the expansion of Low Pressure network (4bar) by 624,25 km and Medium Pressure network (19 bar) by 24 km for the five years (2021-2025), of total budget €120,41 million.

End consumers internal installations Activities

The following activities, relating to the internal installations of the end consumers, were carried out during the previous year:

- Commissioning of 20,831 new end users' internal installations,
- Recommissioning of 2,135 end users' internal installations,
- Study surveys and inspections of 3,002 internal installations in new buildings,
- Study surveys of 23,503 internal installations in existing buildings.

Gas Network Operation & Maintenance Activities

The following key activities relating to the 19 bar Medium Pressure Network, were carried out during the last year:

- 100% completion of the annual preventive maintenance plan of the Medium Pressure Distribution Network,
- of the 14" pipeline DEFA RING, between the valve pits No V365 and V361 due to 60% wall thickness metal loss (internal inspection finding),
- Repair works inside the 18" motorised valve pit, No B01 of the WEST A pipeline. (External leak of a 3" elbow),
- Preventive inspections were carried out at the internal installations of 25 large commercial and industrial consumers in order to verify their integrity,
- Following an agreement between EDA Attikis and DEDA, an operation and maintenance plan was implemented and executed for the MP & LP networks and the Distribution and Industrial stations of the geographical areas of Ag. Theodoron, Inofyta, Evia, Thebes, Lamia for the period from 15/5 to 31/10,
- A pressure regulating system was installed between DEFA RING network and the INDUSTRIAL 10 bar network in order to perform as back up supply the the INDUSTRIAL 10 bar network,
- Rerouting of both 14" & 18" pipelines in the NORTH A '& EAST B ' networks in N. Ionia. (rainwater pipeline installation project of Attica Prefecture),
- Complete reconstruction of the roof of the valve pits: V361 - V372 in DEFA RING network,
- Waterproofing related reconstruction of four (4) motorised valve pits (No B119 - B125 - B297- B404),
- Installation of six (6) Remote Terminal Units in order to connect five (5) MR - DR stations and five (5) motorised valve pits in SCADA system. 144 District MR stations mounted, leak detectors (SCADA supervised) were replaced and calibrated,
- The staff was trained and certified in the following thematic fields (Total man-hours of training 390h):

I.Application of Res - Q carbon fibre for the immediate restoration of wear of a 19 bar Medium Pressure conductor in case of damage in the steel network

II.HOT TAPPING operations on 4'' pipeline.

The following activities relating to 4 bar and 25 mbar Low Pressure System, were carried out during the last year:

- Preventive checks at 5,017 service lines,
- Vehicle leak survey of 3.099 Kms of Low Pressure network,
- Foot survey of 64 kms of 25 mbar cast iron network. The foot survey was repeated 4 times, i.e. 256 kms in total of foot survey,
- Preventive maintenance at 669 network valves,
- 4.550 corrective maintenance activities at service lines and LP networks,
- 19.314 incoming calls were served by the 24/7 Emergency Control Center,
- 2.902 field visits for possible gas leak or lack of gas, as a result of the above-mentioned incoming calls,
- 224 old service lines were isolated for safety reasons,
- 827 third-party works in the vicinity of the network were supervised.

Metering Activity

During 2020, 838.965 customer periodic meter readings were performed on for the total active delivery point. Managed and completed 4.500 requests of switching to final customers and 2.574 requests of meter reading for succession reasons.

The total of the 12 initial Allocations was completed according to Government Gazette 1507/2018 and the Recon allocation procedure was modified to be compatible with the Distribution Networks Code in order to take into consideration the last 18 months by making the 2 final 18-month distributions as provided. In addition, the unification of SEDD Thriasio with the SEDD of Athens took place according to Transmission Distribution Code.

In addition, the study for the calculation of the average distance of measurement curves for each category of end customers was submitted to the Energy Regulatory Authority in fulfilment of RAE's decision 750/2020 and was approved without comments. Subsequently, the Standard Consumption Profiles for all final customers were renewed as mentioned in the RAE decision 750/2020 and the methodology for calculating the estimated annual consumption was applied according to the decision 750/2020 of RAE for all active points of delivery.

Finally, 7 Electronic Volume Conversation Devices (PTZ) in Daily Metering Final customers, of which 4 had a telemetry system embedded, were successfully installed. Programming and customization of 1.578 smart meters in risers were performed (1.548 G 4, 3 G 10 and 27 G 16).

Safety of natural gas distribution networks

In EDA Attikis, the protection of those affected by its business activity is completely connected with the safety of the natural gas distribution network. The main goal is to achieve zero leaks in the gas distribution network.

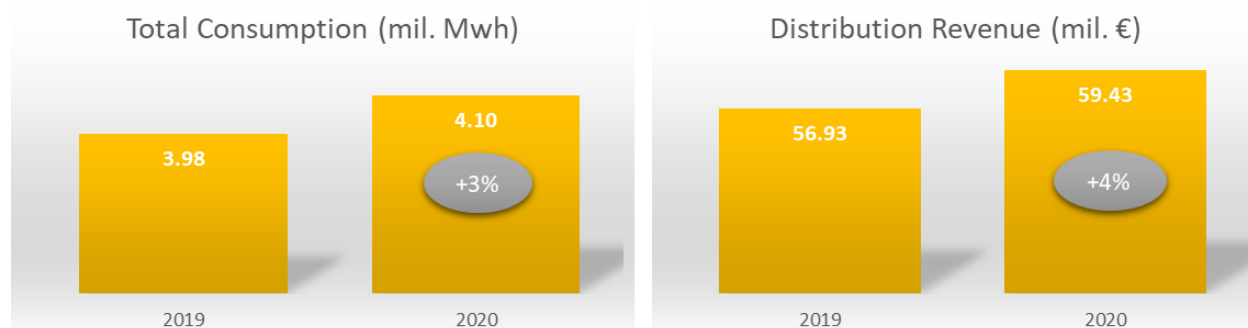
The following programs were designed and implemented in accordance with the current legislation: a program of preventive control of natural gas leakages on LP and MP distribution networks by vehicle, a program of preventive control of natural gas leakages on metal network of LP 25mbar by foot, a program of leakage control of service lines installations as well as a program of leakage control in internal installations of end customers.

Excavation Permits were issued in accordance with the current legislation and provided to 3rd parties that carried out excavation works near natural gas facilities.

Billing Services – Gas Distribution Users and other debtors

In 2020, Gas Distribution Users (428 documents), as well as Other Debtors (22,501 documents) were invoiced for the Basic and Auxiliary Distribution Services.

Regarding the quantities of Energy and Capacity, which were invoiced, they amounted to 4.097.441.105 KWh and 3.736.903.056 KWD, showing an increase of 2.92% and 6.45% respectively, compared to the corresponding quantities of 2019. The total invoiced amount was €59.399.739 In addition, the necessary actions were taken for the timely collection of the balances of all Invoices by the Credit Control department.



Quality Management System

The Company implements a certified Quality Management System which complies with the requirements of the International Standard EN ISO 9001: 2015. In March 2020 began the development of the Unified Management System, in which all Company's Management Systems are gradually integrated, with a progressively review of all documents. The Unified Management System includes the following systems: Quality, Health & Safety, Road Safety and the Environment and Energy Saving Management Systems.

Due to the launch of the Unified Management System, March 2020, the Quality, Environment, Health and Safety Division proceeded to the issue / revision of a total of 75 documents. Specifically, the following were issued or revised:

- 1 Policy
- 15 Procedures
- 1 Operational Instruction
- 58 Forms

In addition, all the existing forms of the Management System of the Commercial Services Division were reviewed, as a result of which 32 obsolete forms that were posted in the System were abolished.

Finally, the annual external audit of the Management System was successfully completed by TUV Hellas S.A. for the 2nd year of supervision of the System.

Other Information

The Procurement Division during the year 2020, prepared and published 90 tenders (Works, Services and Materials Supply), and updated Open Pre-qualification Systems for several categories.

In total, during the year 2020 the company signed 191 contracts concerning Construction, Services and Materials' Supply.

Moreover, the Procurement Division managed a total of 492 Assignments (Services and Materials Supply).

Additionally, digitized the procedures and the implementation of the electronic tender's system using the platform of the company cosmoONE, as well as the preparation for the implementation of tenders according to the Law 4412/2016.

The amount of stock in December 2020 decreased to €3.3 million, compared to €3.7 million in December 2019.

The annual traffic speed of the stock in 2020 (annual spend without divestments to the average annual reserve) decreased slightly to 0.87 compared to 0.91 in 2019.

C. Risk and Uncertainties

Interest rate risk

The Company's exposure to risk, regarding changes in interest rates, is related to the short-term loans it has drawn down from the Banks. The company, for the fiscal year 2020, had short-term loans of 27 million euros with fixed spread and floating interest rate linked to the Euribor. Existing short-term bank loans are mainly financing the company's working capital and their repayment period is expected to be within the first quarter of 2021. The above loans are closed term loans and therefore their interest cannot be affected by a change in interest rates. Cash investments mainly concern short-term time deposits in order to ensure corporate liquidity.

Credit Risk

The Company's credit risk is limited to the amounts of cash and cash equivalents, customer claims and other receivables as presented in the financial statements. The company is not exposed to significant credit risk from commercial claims and from cash and other receivables.

Capital management risk

The company monitors capital management based on loan dependency. This indicator is defined as net debt to total capital. Net debt is the total loans minus cash and amounts to €21,2 million. For the current fiscal year, the company's cash amounts to € 5.77 million.

Price fluctuation risk

Under the current circumstances, intense inflationary pressures are not expected in the coming years. The company is not exposed to risk of price changes.

Liquidity risk (financial risk)

The company has no difficulty to serve its obligations, due to (a) its good operating cash flow, (b) the high credit rating it receives from the Banks and (c) from its assets, the shown value of which in the Financial Statements approaching their fair value. In any case, the Company's Management monitors and evaluates developments in various time zones over a daily, weekly and rolling period of 30 days and takes the necessary measures to ensure adequate liquidity. The provision of liquidity is made frequently, ensuring the smooth continuation of its activities.

Currency risk

The Company operates in Greece. The Company's exposure to foreign exchange risk is mainly limited to the supply of materials. These transactions are not considered essential for the operation of the Company and are normally done with European groups in Euro currency.

Regulatory Risk

Possible changes in the regulatory and legislative framework governing the gas market, such as the implementation of the provisions of European Legislation and the decisions of the Energy Regulatory Authority concerning the general regulation and operation of the Greek energy market, may have a significant impact on operation, economic situation, the operating results and the liquidity of the Company.

Operational Risk

Risks related to network integrity from third party interventions and projects (utilities, municipalities, individuals, etc.) remain stable. The Company, however, continues to apply practices to minimize these risks (obligation of excavation permits, patrolling, continuous updates of agencies).

Other Risk

The COVID-19 outbreak has developed rapidly in 2020. In order to deal with the impact of these circumstances, the Company undertook precautionary measures in order to protect its employees, ensure the continuous smooth operation of the facilities and the smooth operation of EDA Attikis overall. Management will continue to monitor closely the situation and will evaluate any possible further effects on the financial position and financial results of the Company.

D. Non-financial Data

Adopting the provisions of Law 4548/2018, a non-financial module is being developed this year which concerns the areas with the greatest impact on the company in environmental, social, labor and human rights issues, the fight against Corruption and Bribery.

Company

Attiki Natural Gas Distribution Company seeks business excellence and aims towards applying best practices with responsible development and absolute respect for the environment in which it operates.

The mission of the company is to connect every household and business in the Attica region in the modern Natural Gas Distribution Network and to operate in a safe, reliable and efficient manner.

The basic aim of EDA Attikis is to operate the gas infrastructure by carrying out all the necessary tasks associated with the planning, study, design, construction, maintenance, operation and development of a distribution network in the area of Attica and at the same time connecting consumers to the Distribution Network in Attica, providing secure, modern and efficient solutions to its customers and the society while creating added value for its shareholders.

Vision and Principles

The vision of EDA Attikis is to contribute to the operational, technological and economic progress of the natural gas market in terms of transparency and sustainable development, while ensuring equal access of Attica consumers to cleaner, safer, more efficient and cheaper energy.

The Company's business is bound by the following principles:

- Protecting Health and Safety
- Utilizing of know-how and experience
- Seeking continuous improvement
- Investing in human resources
- Respecting the environment
- Prompt and continuous compliance with the legislation in force
- Fairness in its relations with its business partners
- Working honestly and transparently
- Giving priority to the satisfaction of users and final consumers
- Ensuring equal access for providers to its network
- Acting in terms of its sustainability

EDA Attikis is striving to be developed continuously by enhancing the operation of Natural Gas Distribution and expanding the gas network to existing and new areas.

Corporate Responsibility

Corporate responsibility for EDA Attikis is an integral part of its business model, business practices and corporate culture. The Company follows a strategic approach to corporate issues.

Responsibility, with Sustainable Development as a clear vision. This strategy focuses on the critical pillars of the Economy, Society and the Environment. EDA Attikis seeks its continuous responsible development focusing on its safe and efficient mode of operation, strengthening its customer-centric approach and constantly investing in research and development in order to offer high quality services with innovative features. At the same time, EDA Attikis demonstrates concern for the protection of the environment, for the implementation of responsible work practices, as well as for the continuous support and cooperation with the local community.

The Strategic directions of corporate responsibility of EDA Attikis are defined as follows:

Responsible Business Development

- Transparency and responsibility in business behavior
- Creating value for its customers, shareholders and employees
- Investing in new technologies and best practices
- Extroversion and penetration into new markets
- Open communication and fruitful cooperation with its stakeholders
- Ensuring consistency and efficiency in its work

Society concerning

- Occupational Health and safety
- Anthropocentric philosophy
- Local community support
- Utilization of skills and abilities of its employees

Environmental Protection

- Integration of Sustainable Development principles in its decisions and procedures
- Implementation of responsible environmental management practices
- Development of programs and means of prevention and suppression of environmental issues
- Continuous improvement of its environmental footprint

Data Protection

The Company remains faithful to the principle of ensuring privacy and protection of personal data and fully complies with the GDPR and the National Law 4624/2019. The Company has taken the appropriate technical and organizational measures and continuously develops and implements personal data management system consisting of policies, procedures and guidelines. In this regard, the Company has established competent bodies for the management of data subjects' rights and cases of personal data breaches. In addition, the Company has established and regularly reviews a detailed Privacy Statement published on the Company's website.

Regulatory Compliance

In accordance with the requirements of the Distribution Network Management License and following the implementation of the Compliance Program approved by the Regulatory Authority of Energy (RAE), the Compliance Officer conducted during 2020 sample audits in all activities included in the program. Furthermore, the first Compliance Annual Report for 2019 was submitted to RAE with the company's letter no. 270174467/01.04.2020. It is noted that both regulatory documents have been published on the Company's website as required.

In addition, almost two years after the first Compliance Program was submitted to RAE, the Compliance Officer has started its revision, which is expected to be completed within the first quarter of 2021.

Health and Safety

At EDA Attikis, the assurance of occupational health and safety of employees and those affected by its business activities are completely connected with the development of the company as well as with its business prosperity. For this, one of the three pillars of the corporate strategy concerns safety, both at work and safety of natural gas distribution networks.

The main goal of occupational Health and Safety is to achieve zero accidents regarding human resources. Therefore, actions are taken to continuously improve conditions in the workplace, while contractors and partners are encouraged to follow similar practices.

The Company has been certified on Occupational Health & Safety Management System since 2008. In October 2020, the annual external audit of the System, conducted by TUV Hellas (member of TUV Nord), was successfully completed, in accordance with the international standard ISO 45001:2018.

At the same time, the Quality, Environment, Health and Safety Division developed a Road Safety Management System, according to the international standard ISO 39001: 2012, which was also audited and certified by TUV Hellas.

Within 2020, the Quality, Environment, Health and Safety Division designed and implemented actions related to the response to Covid-19 pandemic.

A Prevention and Monitoring Team (HPT Team) has been set up, which monitors progress in collaboration with the Occupational Doctor and the Safety Technician. An out of schedule occupational risk assessment study was prepared, and an Emergency Plan was developed in case of occurrence possible Covid-19 event. All facilities and activities were mapped, areas were identified in terms of their risk, as to take the appropriate organizational and technical measures.

All employees and partners working inside the building were trained for the rules of the new regularity, remotely through a digital platform. At the same time, the entire staff is constantly informed on issues of pandemic management, to raise their awareness, while they are provided with the appropriate Personal Protective Equipment. Due to the pandemic, the rest of the health and safety trainings were limited to training new employees, according to all health protocols.

The Quality, Environment, Health and Safety Division, in collaboration with external partners, carried out measurements related to Health and Safety issues. More specifically, samples were taken in the buildings

of EDA Attikis, in order to detect and measure strains of the Legionella bacterium, as well as measurements of vibrations during maintenance works using drill machine.

Throughout the year 2020, three accidents were recorded with loss of working hours, raising the frequency rate from 2,53 in 2019 to 6,91. All incidents were investigated and appropriate corrective actions were taken.

EDA Attikis participated for the third time in the Health & Safety Awards 2020 competition and achieved eleven awards. Specifically, EDA Attikis was awarded with:

- **5 gold awards** in the categories Health and Safety Culture, Healthy Workplace Campaigns, Awareness of Visitors & Customers at H&S, Occupational Road Safety, H&S System Update & Performance Improvement,
- **2 silver awards** in the categories Truck Loading and Environmental Actions,
- **2 bronze awards** in the categories Critical Incident Response Unit and Conflict Resolution & Mediation,
- **Winner Award** in the Section "Companies, Bodies & Organizations" in the category "Utilities", for all the actions that are implemented, entitled: "Of course, we care!", for the third consecutive year,
- **Special Occupational Health and Safety Team of the Year Award**, among all the competing companies.

Environmental responsibility and energy saving

EDA Attikis recognizes that the development of the economy depends directly on the sustainability of natural ecosystems. The Company recognizes its responsibility for its active contribution for the protection of the environment as well as the sustainable management of natural resources.

EDA Attikis recognizes that taking on its environmental responsibilities creates added value to the company, its customers and the community in the context of its operations. Therefore, the company is committed to address any direct and indirect effects that may occur on the environment, because of its activities.

The company completed the development of the Environmental Management System, according to the international standard ISO 14001: 2015, in order to reduce the environmental impact of its activities and was certified to this standard by the Certification Body TUV Hellas (member of TUV Nord).

At the same time, the company was certified in the Energy Management System according to the international standard ISO 50001: 2018, by TUV Hellas (member of TUV Nord), aiming the proper energy management and the gradual reduction of the energy requirements of its operation.

The Quality, Environment, Health and Safety Division reviewed and updated the energy audit regarding all building facilities and the company vehicles fleet.

Due to the pandemic and in accordance with the health protocols, the Company conducted an environmental training to a part of its employees based on specialized issues such as dealing with fuel and/or chemical leaks, as well as to new employees, aiming to raise their awareness of management issues within the premises.

The program of confidential destruction and recycling of paper, batteries recycling, ink cartridges, small electrical appliances, lamps, packaging materials as well as actions of waste management of polyethylene pipes and other materials, is ongoing. At the same time, a recycling press of mixed packaging material

(cartons and plastic) was installed in the central warehouse, strengthening the proper management of recyclable material while improving the operation of the central warehouse by decongesting the temporary storage of the corresponding packaging materials.

A hazardous waste management program was developed in collaboration with a licensed hazardous material management company, where relevant temporary bins of collection and storage were placed in the central warehouse.

Specific instructions and flow charts have been developed and posted at all waste management points including the Recycling Corner for more efficient waste management.

Special material, in order to deal with fuel or chemical spills to building installations and to maintenance and repair unit was supplied, aiming to minimize the effects of a possible environmental event.

In 2020 the Company participated for the first time in the annual Environmental Awards competition, where it received the following distinctions for actions that relate to environmental protection and energy saving:

- Silver award in the "Energy Conservation" category,
- Bronze award in the category "Reduction of greenhouse gases - GHG Reduction".

In 2020, building connections to the natural gas distribution networks in Attica were increased by 8,371. This resulted in the improvement of energy efficiency and energy savings to these buildings, providing significant economic benefits by replacing fuel with natural gas, in addition to carbon footprint reduction in the environment, due to the reduction of equivalent emissions of carbon dioxide.

Corporate Social Responsibility (CSR)

Corporate responsibility for EDA Attikis is an integral part of its business operation and philosophy. Specifically, the Company undertakes responsible initiatives and implements policies with significant human, environmental and social dimensions with a clear vision of ensuring Sustainable Development.

As part of its commitment to responsible entrepreneurship, the Company focuses on three key and inextricably linked pillars: caring for a society as a whole emphasizing on local communities, caring for the employee and respecting the environment. The eligibility of the actions included in the corporate social responsibility program of EDA Attikis must be in line with the requirements of the United Nations Sustainable Development Goals and the choice of the weight of each action implemented is determined by the social, economic and communication conditions of the current reality.

During the year 2020, EDA Attikis undertook the implementation of series of responsible actions, based on the above pillars of its CSR strategy. In particular, the company adopted initiatives to protect the environment, to promote quality of life in local communities, to support vulnerable groups as well as institutions, citizens and workers by actively participating in the global effort to address the effects of the pandemic.

At the beginning of the year, the Company made donations to the Kallithea Police Department and the 5th Kallithea Fire Brigade Station, with the supply of electronic equipment, as an appreciation for their contribution to the response to the gas leak incident in the area of Kallithea that took place on 02/01/2020.

In the context of the Company's corporate responsibility and based on the pillar of interest in relation to society, energy and the environment, the Company undertook the financial support of organizational actions of the P.E.F. (PANHELLENIC ENERGY FEDERATION) for the 3rd Congress of the European Federation IndustriAll. The P.E.F. is a regular member of the European Federation, while the Natural Gas

Workers' Union of EDA Attikis is a member of the P.E.F. Specifically, the Company covering part of the cost of providing commemorative gifts to the participants of the Conference. The 3rd Congress of INDUSTRIALL Europe was postponed due to the pandemic and will take place on 1-3/6/2021.

In the context of strengthening the actions for the protection of the environment and strengthening of the operation of the institution of voluntary offer, EDA Attikis supported the valuable work of the Centre for the Protection of Forests & Natural Environment of Vyronas, covering part of the cost for the repair of a specific observatory of the Centre with the offer of overlapping windows and security glazing. Similarly, the Company covered part of the cost for the maintenance of vehicles of the Association of Afidnes Forest Protection Volunteers (S.E.A.D).

As part of the strengthening of the pillar of social contribution and education in particular, the Company donated technological equipment to the Piraeus Children Protection Association "The Good Shepherd" to facilitate the distance education of children hosted on the Shelter, but also to enhance their digital skills. In addition, the Company provided on the Christmas holidays 30 Ticket Compliments Gift Cards in order to cover the clothing needs of the hosted children.

EDA Attikis contributed to the efforts of the Municipality of Lykovrysi – Pefki following their request, to address the difficulties of distance education for children of families with limited financial resources residing in the Municipality, by providing 10 tablets for the families of the Municipality.

The Company also undertook the financial support – sponsorship to the Football Club of Psychiko (F.C.P) for the selfless work offered by the Association to the athletes - members and especially to the young children of the wider region, especially in the current special conditions, while cultivating the values that promote the sporting ideal of the time.

Similarly, understanding the needs of the current period, EDA Attikis, at the request of Constantopoulio General Hospital N. Ionia supplied with technical equipment of the latest technology for cleaning and sterilizing the indoor air in order to ensure more favorable conditions for preventing the spread of the virus in the working and hospital environment. Financial support was also provided to the Attiki Natural Gas Workers' Union, in order to cover an expense related to the supply of sanitary equipment for the " Penteli Children's Hospital " and "AMALIA FLEMING" Hospital, to strengthen the operational readiness and resilience of the health system required by the difficult conditions due to Covid-19, specifically in a Hospital that hosts the blood bank of the employees of EDA Attikis.

Aiming to the psychosocial support of children, by organizing inspiring and creative activities for children institutions, earthquake victims, refugees or children living in deprived or remote areas, the Company supported the work of the Association "Camps Happy Children-Happy Youth". The main activity of the Association is the organization and operation of a children's camp, offering hospitality and creative workshops for all children regardless of origin, nationality, religion, gender, age, family, and financial status, with financial resources collected from events and offers.

Also, in order to strengthen Institutions and Organizations that take care of the support and coverage of basic survival needs of non-wealthy families and individuals, the Company proceeded to the financial support of the Organization "Ark of the World".

Finally, EDA Attikis implemented special actions for its staff, as a token of recognition and appreciation for its offer, offering all employees a USB commemorative gift with integrated corporate audiovisual material for the history and evolution of gas and the Company, calendars and pens for 2021, as well as Ticket Compliments Gift Cards for the children of employees, since it was not possible to hold the established Christmas event, due to the restrictive measures against the pandemic. Finally, instead of a wreath, a donation was made to the organization "Ark of the World" in memory of parents of an employee of the Company, as well as in view of the celebration of the patron saint of the Company "Agia Varvara"

on 4/12/2020, maintenance and repair works were carried out in the Church of Agia Varvara, of the outdoor parking of the company which was specifically attributed to the Natural Gas Workers' Union of EDA Attikis, that undertook the coordination of repair works.

Human Resources



259 full time employees



32% women



52% higher education graduates



33% technical staff

EDA Attikis employs 259 full time employees. We believe that human capital is the foundation for the achievement of our strategic objectives and long-term development. Respectfully for the employee, we strive to maintain a healthy working environment, providing equal opportunities, investing in knowledge and promoting dialogue and communication.

Key projects in Human Resources for 2020 were as follows:

- Payroll services and related issues were transferred inhouse since July 2020,
- Conclusion of support contracts for HRMS systems by EpsilonHR and timer by Scan and implementation of a timer with electronic monitoring,
- The HR Hub platform was prepared for the online communication of personnel with HR for leave, presences and declarations. All the secretaries have been trained from HR in purpose to use the platform,
- Renewal of the contract with the Labor Doctor and the Health Visitor for the contend with the Covid pandemic successfully both in the preparation of the prevention plan, in cooperation with the HPT team, and in the successful treatment of cases,
- Conclusion of three contracts with diagnostic centers/hospitals for the conduction of COVID-19 TEST PCR,
- Approx.300 Covid PCR tests were carried out after returning from summer leaves in order to safeguard the employees and the working environment. Preventive health tests were performed for the personnel,
- Planning, controlling and reporting to ERGANI the remotely working personnel according to state instructions,
- The creation of 70 more company accounts/email for the technical staff was initiated, for the purpose of being able to communicate through HR Hub and Generali insurance for health and pension issues,
- Signing of the CLA for the years 2020-2021. Renewal with improvements to the Health Care Program,
- HR support in the DEDA project and support of DEPA Infrastructure through the HRMS system.

Regulatory and Institutional Affairs

Due to the regulated nature of the Company's activities, the Company's compliance with the regulatory framework and the obligations deriving from the Distribution and Network Management Licenses is continuously and systematically monitored by the Regulatory and Institutional Affairs Division.

Key milestones in 2020 were:

- Approval of the 2019-2022 Distribution Tariffs by the Regulator (Government Gazette B '4925 09/11/2020),
- Approval by the Regulator of the Standard Distribution Network Connection Agreement (Government Gazette B' 1788 / 11-5-20),
- Signing of the agreement of interconnected gas network systems with DESFA,
- The amendment, due to the alteration of EDA's brand name, of the Distribution and Network Management Licenses was completed, (Government Gazette B '4695 23/10/2020 and Government Gazette B' 4723 26/10/2020),
- Submission to the Regulator of the annual monitoring reports for 2019 as well as the monthly, quarterly and semi-annual reports for 2020,
- Until May 2020, the Regulator was informed on a weekly basis, about the measures taken by the Company to ensure its unimpeded operational status in relation to the pandemic,
- The Standard Distribution Network Usage Agreement was further elaborated in collaboration with the other Distributors and was submitted to the Authority. Moreover, comments were submitted in the context of the public consultation,
- Approval of the «Standard Consumption Curves Report and 2021 Standard Curves Updating» by RAE (Decision RAE 1579/2020).

Information Technology & Telecommunications Division

Key Business Applications projects during 2020:

- Implementation of the ESPA application for the replacement of oil heating systems with natural gas systems in SAP,
- Implementation of the accompanying Distribution Clearance files (Eighteen months),
- Implementation of SAP application (PM/PS) to monitor network operation and maintenance work in four different geographical areas outside Attica in the context of support services to the IDP,
- Implementation of enhancement to the SAP (PS) system to manage external project monitoring,
- Served 927 SAP application enhancement and support requests.

Key Information & Telecommunication Systems projects in 2020:

- Design - Implementation - Support for Home Office,
- Upgrading the speed of Internet services and implementing a high-speed telecommunications connection with the installation of Metamorphosis,
- Upgrade GIS (Application Server), Access Control, Security Cameras, Tape Library systems to new equipment and operating environment,
- Development of a new infrastructure for the information systems of the Human Resources Directorate (HRMS, Self Service, Timekeeping),

- In the context of cyber security and compliance with v.4577/2018 and EU Directive 2016/1148 (NIS):
 - Conducting penetration tests on all computer systems and the website
 - Completion of the pilot phase of implementing cyber-attack protection tools on servers & end workstations (ATP)
 - Initiation of the final phase of data loss prevention tools (DLP)
 - Cooperation and implementation of instructions of the Information Security Officer (CISO),
- In the context of the support services to DEPA Infrastructure:
 - Planning support services
 - Design of IT infrastructures,
- Establishment of IT infrastructure in the Lamia and Oinophyta branches to support the provision of services to the IDP,
- Upgrading the call center to support new technology communication protocol (SIP TRUNKING) and application of this technology to the new facilities of the Call Center service provider (E-Value),
- Service 1824 tickets and 2300 phone calls (2222).

Internal Audit

The Internal Audit Section (IAS) - under the Board of Directors - operates as an independent, objective, reassuring and consulting activity, designed to add value and improve the Company's operations, as well as to assist the Company in achieving its goals, offering a systematic approach to assessing and improving the effectiveness of risk management, internal control and corporate governance processes. In the context of enhancing the effectiveness of the IAS, there is cooperation with an external consultant specialized in internal control issues.

During the audits carried out in the year 2020, findings were identified in various control areas and evaluated based on criticality and a timeline of all necessary corrective actions per finding has been set up.

Grants

The 2nd cycle of the action "Replacement of oil heating systems with natural gas systems in homes" was announced, which will be implemented under the ESPA 2014-2020 and will take place after the completion of the certification process for the construction of the internal gas installation in collaboration with the Ministry of Environment and Energy / ESPA Staff Structure RIS, Energy Sector.

Strategy and Outlook

In the past three years, EDA Attikis has implemented a clear vision for increased expansion and penetration, leading to accelerated growth.

Our strategy is developed in three main pillars.

Profitability	Operational Excellence	Safety
Ensure long-term profitability	Increase network users & end customers satisfaction	Goal Zero
Increase distribution volume	Optimize connection process	Ensure safe operating practices & road safety
Customer centric approach	Offer online services	Reduce network operating risks
Increase penetration rates on existing and new network	Ensure regulatory compliance	Control gas leaks
Achieve premium WACC	Ensure quality & reliability of services	Grow a proactive culture
Develop non-regulated services	Minimize exposure on risks	

The Company's strategy will be developed in two main pillars for 2020, the expansion of natural gas uses and the dynamic expansion of the network in order to increase the degree of utilization of the distribution network as well as to increase the accessibility of potential consumers.

Existing and new actions will support the achievement of the Company's strategic goals for 2020, such as the subsidization of new connections, the implementation of new promotions and the development of new services.

The dynamic growth course of the Company is expected to continue, aiming to increase penetration and distribution volume, in order to ensure its long-term profitability.

E. Corporate Governance

The Board of Directors at 31.12.2020 comprises of the following members:

Pierros Hadjiyiannis – Chairman of the BoD
 Grigorios Koukeas – Vice Chairman
 Nickolaos Ventikos – Member
 Solon Despotopoulos – Member
 Grigorios Konstantellos – Member
 Diomidis Stamoulis - Member
 Alexia Trokoudi – Member

*Georgios Mylonogiannis – Corporate Secretary

F. Financial Indicators

Net margin ratio (Net Profit after tax / Sales):	30.78%	2019: 30.90%
Working Capital (Current Assets - Current Liabilities):	-18.65 € mil.	2019: -9.90 €
Debt Ratio (Debt / Total Assets):	8.25%	2019: 5.19%
Gearing Ratio (Debt/(Debt+Equity))	9.18%	2019: 5.78%
Net Debt / EBITDA:	0.57	2019: 0.32
Net Debt / RAB:	7.57%	2019: 4.35%

Company's borrowings increased by €10.7 million compared to 2019, from 16.3 million to €27million, for working capital purposes.

Financial gearing level remains low and within tariff regulation provisions. Net Debt/RAB ratio also remains low for the industry.

G. Non-Financial Indicators

Total Recordable Cases - Employees

2020: 3

2019: 1

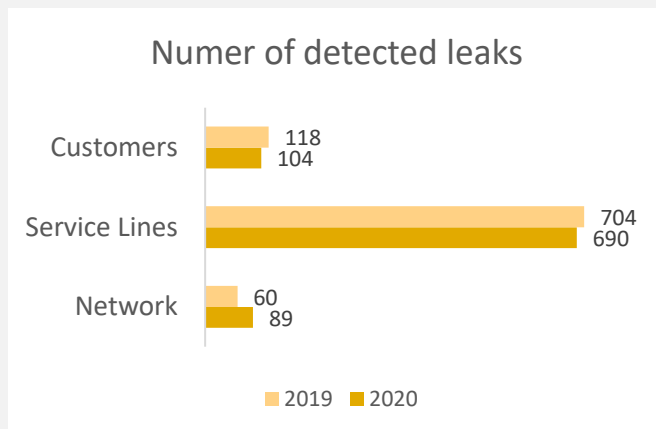
In 2020, we have recorded 3 operational incidents which resulted to lost time for the employees. We remain committed to our safety goals to establish a proactive safety culture to our personnel.

To this end, we continued frequent staff updates and various initiatives relating to Learning From Recorded Incidents and increasing awareness. Also, we developed a Road Safety Management System, according to the international standard ISO 39001:2012 in order to mitigate road hazards.

Gas Leaks per Gas Network Km

2020: 0,17

2019: 0.18



Gas leaks per gas network kilometer remain low at 0,17, near European benchmark threshold at 0,18 detected leaks per kilometer.

Leaks identified in regulators represent over 98% of recorded gas leaks. Service lines are subject to preventive maintenance every 4 years and are the main source of recorded leaks.

During 2020, 224 service lines and 5.4 km in steel network were isolated to eliminate high risk pipe cases.

User Switching

2020: 2.34 days

2019: 3.51 days

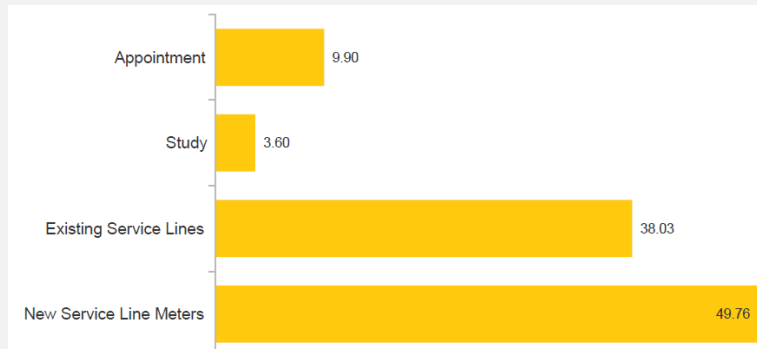
Since the full market liberalization at January 2018, prompt action on user switching requests is important to our goal on establishing a fair relationship with distribution network users.

In 2020, we received 34,102 user switching requests that were managed successfully with a low number of days required to process the requests, well below the SLA target of 8 days.

Technical Completion Days Index

2020: 54%

2019: 58%



54% is the weighted performance on days required to fulfil the requests for:

- New Meters with new service line Move-In
- New Meters at existing service line Move-In
- Internal installation study review
- First switching

Timely and efficient management of new customers connection process remains one of our main targets affecting operational optimization, customer satisfaction, profitability and regulatory compliance.

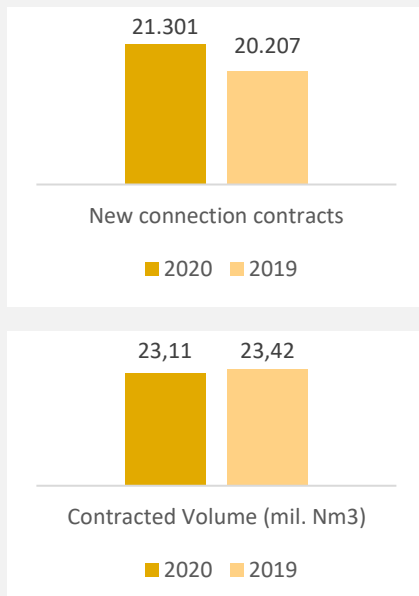
During 2020, 25 new construction contracts, 15 large scale and 10 small scale, were initiated to support the increased construction workload.

As an incentive, contractors are offered the return of 50% discount in case they fulfil contract terms in 90% of the work orders.

Contracted Volume

2020: 23.11 mil. Nm3

2019: 23.42 mil. Nm3



Contracted volume of new residential, commercial and industrial connections is a key driver of our profitability and long-term sustainability and tariff reduction.

For the last two years, the subsidy program, the 100% connection fees discount and the dynamic expansion of our network and the natural gas market maturing have led to increased demand for new connections.

The subsidy program was successfully implemented for 2020. Contracting phase was mainly completed at end of July. Subsidy contracts counted to 4.723, that corresponded to the amount of €1,86 million. The corresponding contracted volume was 4,73 mil. Nm3. Until 31.12.20 we received 3.721 invoices that corresponded to €1,49 million.

In Q1 of 2021 we expect to receive remaining invoices that correspond to €0,30million.

Premium WACC 1,5%

In 2020, EDA Attikis has achieved all new connection contracts and network construction targets set by RAE regarding the eligibility of 1,5% premium WACC on constructed assets.

Municipality Clusters	New Connections	LP Network	MP Network
Central	111%	102%	n/a
West	108%	107%	107%
North-East	100%	103%	101%
South	103%	105%	n/a

Additional return on Regulated Asset Base (RAB) for 2020 will be included in 2023-2026 tariff period.

H. Issues to be settled

TAX FOR KEDE

By virtue of article 5 par. 1 of L. 2364/1995, as it is valid after its amendment with article 54 par. 1 of L. 4602/2019, after the completion of the partial split, according to article 80I of L. 4001/2011 (AD 179) the Distributors of the Natural Gas Networks are obliged to pay a special fee to the Central Union of Municipalities of Greece (KEDE). The amount, and the duration of the payment obligation is to be determined by a Ministerial Decision by the Minister of Environment and Energy, as well as the procedure and conditions of its payment from KEDE to the beneficiary municipalities and its distribution according to the participation of each municipality in the natural gas consumption.

As the decision has not yet been issued, the fee for the year 2019 has not been paid to KEDE

EVIKEN CASE

On 31/08/20, our Company was notified of RAE's Decision 1058 / 22.06.2020 (Government Gazette B '3545 / 27.08.2020) "Taking compensatory measures for gas distribution tariffs", pursuant to par. 10 of article 41 of Directive 2009/73 / EC as incorporated in the domestic law with the provision of par. 4 of article 15 of Law 4001/2011", by which RAE briefly decided to take compensatory measures, concerning the Eligible Customers who during the period 14.08.2015 until 01.12.2016 were charged by the former EPA and DEPA, distribution invoice €4/ MWh, based on the relevant provision of law 4336/2015.

According to the referred Decision, the compensatory measures will be calculated by the Company as an amount payable (in €). For the calculation, RAE has set the rates of the invoices that would be valid for the period 14.08.2015 - 01.12.2016.

These Selected Customers (beneficiaries of the compensatory measures), based on the Decision, will receive a refund following their written request to the Distribution Companies. The Companies may pay the amount payable in installments, in a period not exceeding five (5) years from the publication of the Decision.

Our Company, during the procedure provided by law, submitted to RAE on 23.09.2020 a request for revision of the above decision.

RAE with sub. No. O-84766 letter, informed the Distribution Companies, that the submitted requests for revision have been rejected, and prompted them to proceed, among other things, to the calculation of the amount of compensatory measures per selected Customer and to the settlement of the amount. On 25.01.2021 RAE notified the Company with the 29.10.2020 no. 1479/2020 Decision, justifying all the reasons of the Company as unfounded and re-setting a timetable for the implementation of the Decision.

The Company, according to the provisions of Law 4001/2011, intends to exercise legal remedies against this Decision before the competent administrative courts.

ENERGY EFFICIENCY ENFORCEMENT SCHEMES

In the framework of the Energy Efficiency Obligation Regime for the period 2021-2030, we were informed by the Ministry of Environment and Energy that according to the initial plan, the Electricity and Gas Distribution Operators will assume 10% of the obligation due to the Obligated Parties, with implementation of exclusively technical measures. Cost recovery for distribution companies will be applied through regulated tariffs.

As the exact framework has not yet been formed, we are not able to know either the savings target that will be set for us, or the technical measures and the corresponding costs that will be required to achieve it.

CERTIFICATE OF CERTIFIED AUDITOR ACCOUNTANT

I hereby confirm that the above Management Report by the Board of Directors to the Ordinary General Assembly of Shareholders, which consists of twenty-one (21) pages, is the one mentioned in the Auditors Report submitted on 18th February 2021.

Athens, 18 February 2021

KPMG Certified Auditors S.A.
AM SOEL 114

Anastasios Kyriacoulis
AM SOEL 39291