



EDA THESSALONIKI-THESSALIA S.A.



# 2020

## Sustainability Report

# Table of Contents

<b>Message from our General Manager</b> .....	<b>3</b>
<b>About this report</b> .....	<b>4</b>
<b>EDA THESS at a glance</b> .....	<b>5</b>
<b>2020 ESG highlights</b> .....	<b>6</b>

<b>Chapter 1:</b>	
<b>About EDA THESS</b> .....	<b>7</b>
1.1 Company profile.....	8
1.2 Our vision.....	9
1.3 Our core values.....	9
1.4 Activities and Operations.....	10
1.5 Our presence.....	11
1.6 Strategic approach.....	12
1.7 Strong financial performance.....	14
1.8 Development Program 2021-2025.....	15
1.9 Our response to COVID-19.....	16

<b>Chapter 2:</b>	
<b>Our approach to sustainability</b> .....	<b>17</b>
2.1 Approach overview.....	18
2.2 UN Sustainable Development Goals.....	20
2.3 Engaging with our stakeholders.....	21
2.4 Materiality approach.....	22
2.5 Viewpoints on ESG .....	23
2.6 Materiality matrix .....	24
2.7 Management and impact of material issues .....	26

<b>Chapter 3:</b>	
<b>Our contribution to the energy transition</b> .....	<b>28</b>
3.1 Our role in the energy transition .....	29
3.2 Digitalization .....	30
3.3 CNG innovation.....	33

<b>Chapter 4:</b>	
<b>Safeguarding health and safety</b> .....	<b>34</b>
4.1 Health and safety .....	35
4.2 Emergency preparedness .....	37

<b>Chapter 5:</b>	
<b>Our environmental footprint</b> .....	<b>38</b>
5.1 Our Environmental and Energy Management System.....	39
5.2 Energy management .....	40
5.3 GHG and other air emissions.....	41
5.4 Waste management.....	43
5.5 Water management .....	44

<b>Chapter 6:</b>	
<b>Promoting a responsible and attractive workplace</b> .....	<b>45</b>
6.1 Employment practices .....	47
6.2 Employee wellbeing.....	49
6.3 Diversity and inclusion.....	50
6.4 Human rights.....	51

<b>Chapter 7:</b>	
<b>Interacting with the Community</b> .....	<b>52</b>
7.1 Community relations.....	54
7.2 Training available to external parties.....	55
7.3 Partnerships .....	56
7.4 Supply chain management .....	57

<b>Chapter 8:</b>	
<b>Corporate Governance</b> .....	<b>58</b>
8.1 Characteristics of our governance system.....	59
8.2 Corporate Management System .....	62
8.3 Code of Ethics .....	63
8.4 Anti-corruption practices .....	64
8.5 Compliance .....	65
8.6 Risk Management.....	67
8.7 Business continuity .....	68
8.8 Cyber security and data protection .....	68
8.9 Creating value for all: Corporate Social Responsibility Policy .....	69

<b>Appendix:</b> .....	<b>70</b>
<b>GRI Content Index</b> .....	<b>70</b>



# MESSAGE FROM OUR GENERAL MANAGER



## Leonidas Mpakouras

General Manager  
Legal Representative

The strategic development of EDA THES is based on a holistic view of the principles and commitments of the Company, through the lens of sustainable development, covering the entire spectrum of its business operation.

With the primary goal of maximizing the penetration of natural gas in our areas of License, we develop a modern and sustainable network that exceeds 2,601 km. Thanks to the effective implementation of technical and economic criteria, EDA THES ensures the maximum utilization, efficiency, and sustainable development of distribution networks.

In the long run, we consistently continue to invest in sustainable networks that lead to low regulated distribution charges and thus, reduce energy costs for all consumers. At the same time, we ensure the balanced development of our economic activity with consideration for the environment and social cohesion, in line with ESG criteria.

The 2020 Sustainability Report of EDA THES applies to a landmark period that was marked not only by the effects of the COVID-19 pandemic worldwide, but also by extreme weather phenomena as a result of climate change.

From the first moment, we took all necessary measures and precautions, prioritizing the health of our employees and consumers. We followed strict protocols to prevent the spread of coronavirus, conducting diagnostic tests on a systematic basis. We took all necessary steps to enable our employees to continue executing their duties safely, we implemented a remote working program, and introduced additional measures for vulnerable groups.

These unprecedented circumstances acted as accelerators, giving us the opportunity to secure and further fortify the Company's response mechanisms for the safe and uninterrupted operation of the Distribution Network and the achievement of our investment planning. At the same time, the progressive digital transformation of EDA THES with the use of new technological applications and the utilization of numerous capabilities contributed to the immediate adaptation of our operations to the demands of variable conditions.

We have succeeded in meeting these challenges thanks to our impeccable organization, strict planning and the consistency in our commitments, factors that are the very foundations of our momentum. Maintaining our development track over time is the result of our commitment to our strategic goals, our demonstrable readiness, the experience of our executives, our profound know-how and our modern infrastructure.

In this environment, we continue on a successful path, recording strong operational and financial results that reflect the achievement of our strategic targets and constitute a guarantee for the implementation of ambitious development programs for the coming years.

Acknowledging the increasing importance of implementing sustainability criteria at the corporate and the international level, EDA THES integrates in its strategy, issues related to environmental protection, social prosperity and wellbeing, and corporate governance. The adoption of ESG criteria has become an imperative, and puts the Company's commitment to a green and sustainable development, into practice. The recording and subsequent benchmarking of the indicators followed-up by the Company supports the redirection of its strategic decisions in the path of sustainability.

We implement a broad corporate responsibility program, aligned with the Global Sustainable Development Goals. We maintain an open dialogue with authorities and institutions, and we take actions in order to support, in the best way possible, the areas where we operate.

We hold a leading role in the distribution business, and we broaden our business horizons by recognizing the need for immediate action to tackle climate change effectively. Natural gas constitutes a transitional fuel for the energy transition that will lead to the achievement of National and Community Objectives for Energy and Climate.

In this context, the Company promotes - together with the most important energy groups in Europe - best practices and policies for the benefit of European consumers, the economy and the environment.



# ABOUT THIS REPORT



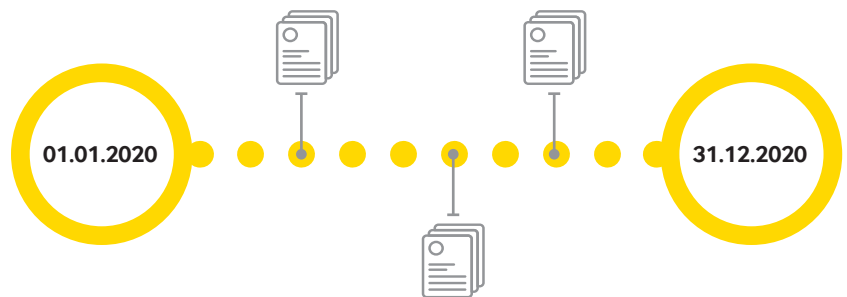
# Introduction

The topic of ESG (Environment, Society, Governance) continues to grow in importance worldwide. ESG holds a prominent position in the international economic, social and political discourse, with visible effects at both the company, and the wider economy and society level.

This is the first Sustainability Report of EDA THESSALONIKI-THESSALIA S.A. This report provides key information on ESG-related topics that are considered important for us and our stakeholders. It presents our approach and actual performance in sustainability-related issues related to our contribution to the energy transition, our environmental footprint, the ways in which we create a responsible and attractive workplace, our relationships with local communities and our corporate governance structure.

## Reporting period

The report refers to the period 01.01.2020 – 31.12.2020. All data and information presented refer to activities undertaken within the year 2020. Where available, data from 2019 are presented for comparison purposes.



## Reporting framework

The report has been developed in accordance with the:

### Global Reporting Initiative (GRI Standards: Core option)

Reporting based on the GRI Standards ensures that the content and issues discussed are relevant, consistent, and comparable across companies and sectors.

# EDA THESS AT A GLANCE

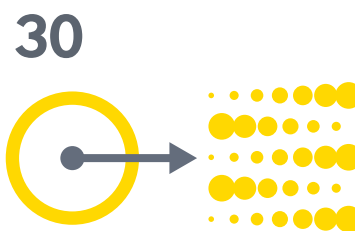
> 4 years



Presence, out of **twenty years course** on the natural gas distribution activity



Licensed Areas



Municipalities served

€62.4 mln



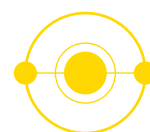
Revenue in 2020

2,601 km



Network in 2020

385,934



Total connections in 2020

375,150



Residential customers

10,673



Commercial customers

111



Industrial customers

>400 mln m<sup>3</sup>



Volume of gas distributed per year

6,932



Smart metering systems installed

246



Volume correctors installed

278



Employees

70%



Of the total installed natural gas meters in Greece

5



Customer Service Offices

## Environment



↑ 10%

Average increase in emission savings with regard to 6 air pollutants

ZERO

Fines and non-monetary sanctions for non-compliance with environmental laws

↓ 2-6%

Total emission savings of CO<sub>2</sub> (2.7%), SO<sub>2</sub> (2.2%) and NO<sub>x</sub> (6.1%) per distributed Nm<sup>3</sup>

15%

The target of 460,000 tCO<sub>2</sub> emission savings was surpassed by 15%.

## Society



ZERO

Serious work-related injuries in 2020

↑ 20%

In the number of inspections for the health and safety of our contractors

~30%

Of our employees are women  
25% in Management  
34% of Heads of Sectors

100%

Of our senior management are hired from the local community

## Governance



Violations of our ethical principles & anti-corruption policy by either employees or business partners

Cyber-attack incidents and complaints regarding customer privacy

ZERO

Incidents of discrimination of any kind

Critical threats to business continuity materialized

# Chapter.01

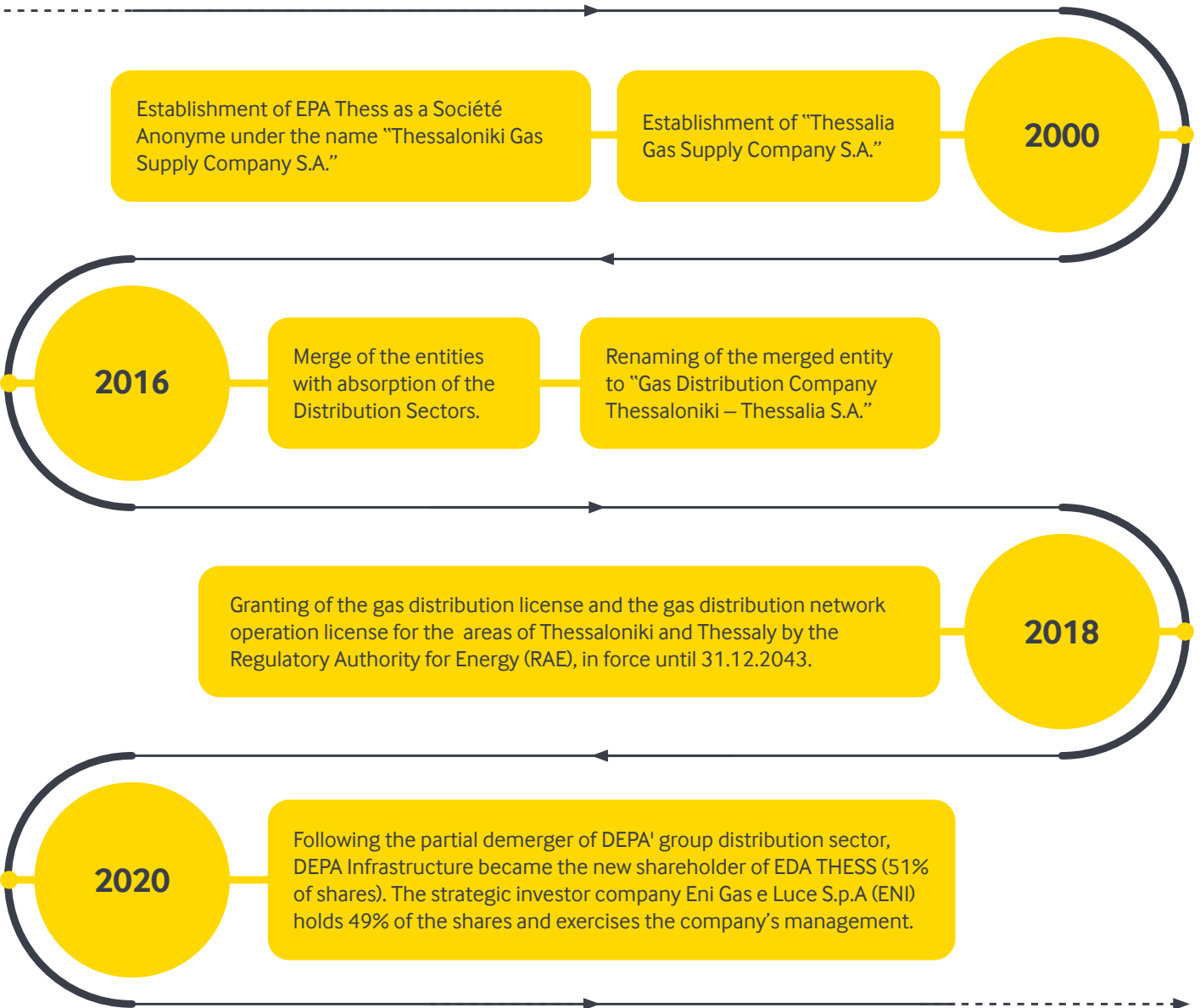


## ABOUT EDA THESS

# 1.1 COMPANY PROFILE

**EDA THESSALONIKI-THESSALIA S.A.**, was established in 2017 and acts as the Operator of the Natural Gas Distribution Network in the Municipalities and Communities within the geographical areas of the Regional Unit of Thessaloniki and the Region of Thessaly.

## OUR HISTORY



The company's activities include the development, construction, operation, maintenance, management and exploitation of the Natural Gas Distribution Network in the geographical areas of its responsibility, according to the distribution License and the distribution network operation License, which are valid until December 2043. In addition, EDA THESS owns the network that has been developed in these areas post April 1st, 2017.

**Serving more than 70% of the installed natural gas meters in Greece, EDA THESS is the leading company of the Gas Distribution sector and drives the market of natural gas while playing a key role to energy transition.**





## 1.2 OUR VISION

Our vision is to offer optimal and continuous services and to expand prospects in the energy market of Greece, creating long-term value for shareholders and stakeholders.

Our goal is to develop the distribution network even in the most remote areas, providing equal access to Distribution Users and final consumers, as well as to ensure the safe and uninterrupted operation of all infrastructure.

The pillars that underpin our strategy, incorporate our values and summarized in our contribution to society, our business excellence and our actions to tackle climate change in light of the energy transition.

We are a leader in the gas distribution business and our mission is to be in the vanguard of the country's energy transition for the decoupling of the economy from carbon and the achievement of national and European goals for Energy and Climate.

Our contribution to the development of best practices and policies for the benefit of consumers and the gas market is the practical expression of our commitment to a sustainable energy future.

## 1.3 OUR CORE VALUES

Our values govern our company's philosophy, drive our business and decisions, including those relating to sustainability, and set the standards of our work ethics:

Health and Safety

Equal Treatment of Distribution Users, Contracts and End Customers and Counter-parties

Consumer oriented strategy

Sustainability

Integrity, Impartiality & Transparency

Respect

Team spirit

Corporate Social Responsibility

Code of Ethics



## 1.4 ACTIVITIES AND OPERATIONS

The Company operates an extensive distribution network, extending from Almyros - Volos in the south to Chortiatis in the north and from Pyli- Karditsa in the west to Municipality of Thermaikos at Thessaloniki in the east.

	<b>Total</b>
<b>Network 4bar</b>	2,336 Km
<b>Network 19bar</b>	266 Km
<b>Decompression stations (CNG)</b>	17
<b>Distribution stations</b>	95
<b>Service lines</b>	105,602
<b>Gas points</b>	381,070
<b>City Gates</b>	10

The company operates in full compliance with the legal and regulatory framework. Its main duties include safeguarding the reliability of the infrastructure; ensuring a technically impeccable and efficient network; and complying with technical specifications and operation & maintenance requirements, thus achieving high performance goals in the distribution activity.

More specifically, the company's main activities and obligations are the following:

- 
Penetration of natural gas
- 
Operation and maintenance of the distribution network
- 
24-hour operation of the Emergency Call Center
- 
Measurement of gas consumption at delivery points
- 
Development, new connections and network expansions
- 
Distribution of natural gas by the Distribution Users to the End Customers
- 
Inspection of the internal installations prior to meter activation

# 1.5 OUR PRESENCE

EDA THESS is committed to increasing the penetration of natural gas in the licensed areas, thereby contributing to the growth of businesses and the prosperity of local communities.

EDA THESS has included 30 Municipalities in the distribution network, having achieved a penetration rate of 64% in the population of its Licensed areas and it distributes more than 5,1 million MWh of natural gas annually.

## 17 Municipalities in the Region of Thessaly

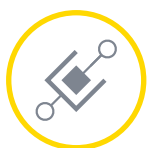
Larissa, Volos, Trikala, Karditsa, Almyros, Kileler, Farsala, Rigas, Feraios, Tirnavos, Meteora, Elassona, Palamas, Agia, Sofades, Pyli, Mouzaki, Tempí

## 13 Municipalities in the Regional Unit of Thessaloniki:

Thessaloniki, Kordelio-Evosmos, Neapoli-Sikees, Pavlos Melas, Ampelokipi-Menemeni, Pilea-Chortiatis, Chalkidona, Delta, Oreokastro, Thermaikos, Thermi, Kalamaria, Lagadas



**2,601 km**  
Network in 2020



**385,934**  
Connections in 2020



**64%**  
natural gas penetration in  
population in the areas of  
EDA THESS operation in 2020

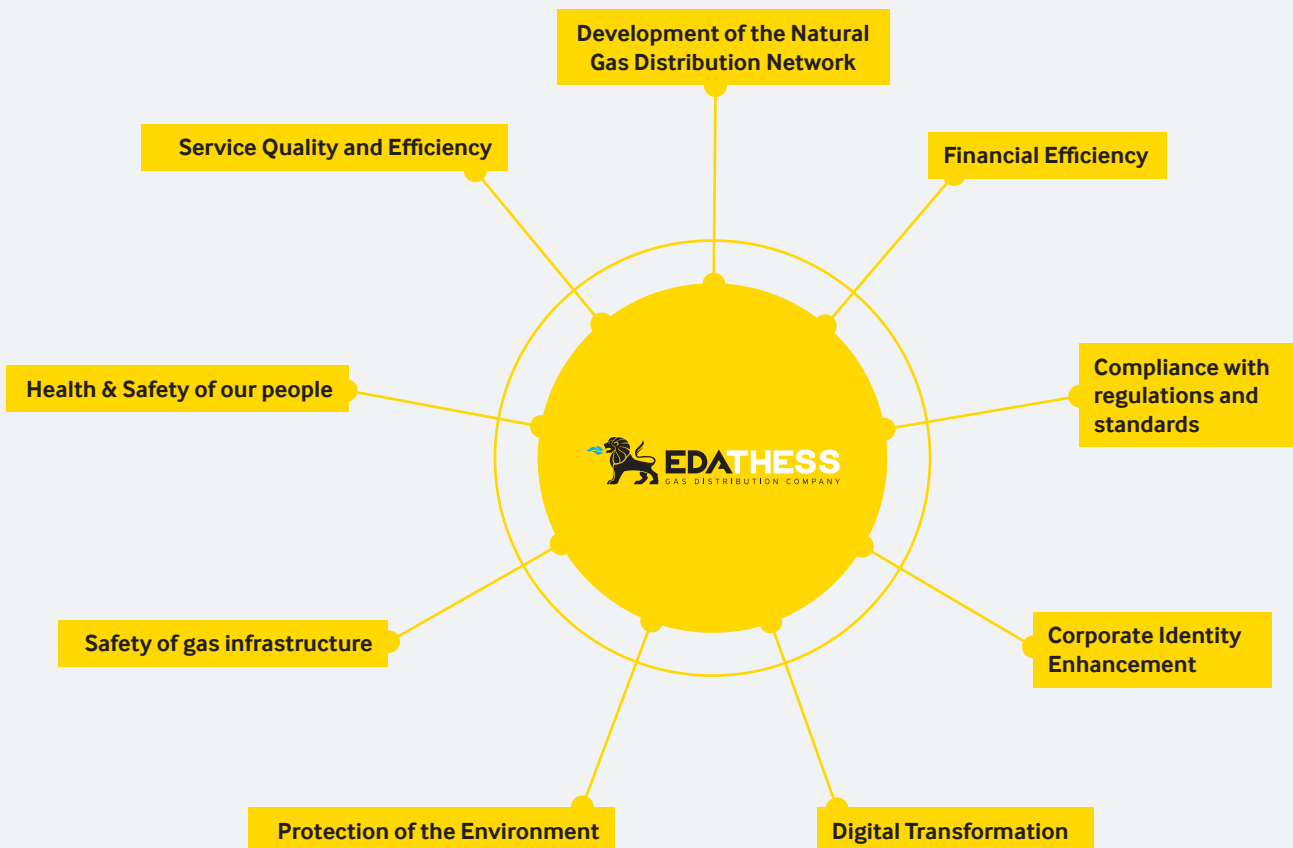


# 1.6 STRATEGIC APPROACH

EDATHES implements a modern management model and keeps a leading position in the energy sector of the country throughout 20-years course of uninterrupted natural gas distribution. Our operational excellence relies on innovation, the development of high-standard infrastructure and the continuous implementation of large investment programs for the gas network deployment. Thanks to the effective application of technical and economic criteria, we ensure the maximum utilization, efficiency and sustainable development of our distribution networks. In this way, we manage to achieve faire return to the Shareholders and the retention of the regulated distribution charge and assist in reducing the energy costs for all consumers, thus contributing to the country's recovery.

We aim at a balanced development of our economic activity along with environmental protection and social cohesion.

**Our business strategy is structured around the following priorities:**



**By adopting leading operating practices, we focus on strong financial and operational performance:**

- Adoption of a Development Plan based on a scientific approach.
- Focus on Network security.
- Continuous training of our employees.
- Strong Corporate Governance practices.
- Robust organizational structure and experienced management team.
- Strategic vision and commitment to its execution.
- Equal Treatment of Users and End Customers.

# WE ARE FOCUSED ON CONSUMER-ORIENTED STRATEGY, EMPLOYING THE FOLLOWING OPERATING STRATEGIES

Business development targeted at the **acquisition of new connections** to achieve **further penetration and increased distribution volumes**.

Employing **available incentive schemes** (discounts on connection fees, upon regulatory approval) to further enhance customer acquisition, and acting as the implementing body of the Ministry's subsidy programs for **internal installations**.

Providing **high quality services** to consumers and Distribution Users.

**Focusing on people and investing in their development.**

Focusing on the **safety of our people and the gas facilities**.

Maintaining high operational preparedness of emergency response mechanisms.

**Continuously monitoring our operations**, using internal and external resources for works' inspection.

**Increasing efficiency through inventory management**, thus improving working capital management.

Achieving **efficiency in operating expense management** and **cost leadership in procurement**, through transparent tender processes.

**Using technological innovations** and targeting at the **digital transformation** of networks and processes.

Achieving the **lowest distribution tariffs in Greece**.



# 1.7 STRONG FINANCIAL PERFORMANCE

The COVID-19 pandemic had significant implications for economies worldwide. Despite the overwhelmingly challenging environment, we maintained a strong economic performance with profits increasing by 8.1% in 2020, compared to 2019. An effective management model, dynamic initiatives and the reliability and consistency of every undertaking lie at the core of EDA THESS' operation and prove our tactical ability to accelerate the implementation of our investment program and to turn capital expenditure into profits. Key parameters of our financial performance in 2020 are presented below, alongside the equivalent results from 2019.



## MAIN FINANCIAL PARAMETERS FOR 2020 AND 2019

	2020	2019	% Change
<b>Total revenues</b> (€ million)	62.4	57.7	▲ 8.1
<b>Personnel expenses</b> (€ million)	13.4	12.6	▲ 6.2
<b>Operating expenses</b> (€ million)	10.8	9	▲ 20.4
<b>EBITDA</b> (€ million)	43.4	41.5	▲ 4.5
<b>Earnings After Taxes</b> (€ million)	20.5	19.9	▲ 3.2
<b>Return on equity</b> (%)	7	7.2	▼ 0.2
<b>Return on assets</b> (%)	5.6	5.5	▲ 0.1

EDA THESS achieved its business goals at 100% for 2020 through the completion of its €36 million investment plan, adding more than 22,000 new customers to its network, with an operating profitability (EBITDA) that stands at €43.4 million (an increase of €1.9 million compared to 2019).

At the same time, we maintain the lowest natural gas distribution tariffs in Greece and consistently introduce innovations that can ensure a downward trend. In particular, between 2019 and 2020: the Weighted Average Distribution Tariff decreased by 14% for Thessaloniki and by 21% for Thessaly. It is worth noting that for the Regulatory Period 2019-2022 the approved Distribution Tariff for Industrial Consumers presented a significant reduction of 43% for Thessaloniki's Distribution Network and 56% for Thessaly. No governmental financial contributions were received during the reporting period.

The company continues the implementation of its strategy in accordance with the **Development Program 2021-2025** which was submitted for approval to RAE in November.

# 1.8 DEVELOPMENT PROGRAM 2021-2025

For the next 5 years, EDA THESS is implementing the long-term **Development Program 2021-2025** that provides for **total investments of €156 million**. The Program is designed to create new growth prospects, making EDA THESS a lever of growth in the Greek energy market, and is expected to further reduce greenhouse gas emissions in the licensed areas. It is developed on a solid basis of financial, commercial, technical and environmental factors that guarantee the company's strong development and is structured according to the following main drivers:

**Increase of the natural gas penetration across its areas of License**

**Expansion and enforcement of the distribution network**

**Digital transformation**

**Implementation of efficient investments to ensure high return to shareholders.**

The key points of the Development Program 2021-2025 are:

- **Investments of €138.7 million** related to the **development and enhancement of natural gas distribution network infrastructure.**
- **Expansion of the low and medium pressure network by 580km.**
- **89,800 new connections.**
- **580 million Nm<sup>3</sup> of distributed gas volumes in 2025.**
- **Increase of the natural gas penetration rate** in the licensed areas **from 64% to 72%.**
- **€9 million investments in digital transformation**, information systems, new technologies and other business requirements.
- **€8.3 million Smart Meter Investments**, for the implementation of a complete installation plan of 136 thousand smart meters and the development of intelligent metering systems.
- **Dividend policy** with fair and stable return to shareholders.
- Provision of optional services to other operators to **disseminate know-how and best network operation practices.**
- **Methane emission reduction program** with the introduction of new technologies and partnerships with European Distributors.
- Ensuring the **sustainability of investments in natural gas infrastructure**, in the context of the Energy Transition and the mitigation of climate change.



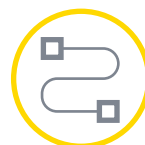
**€156 mln**  
Total Investments



**€138.7 mln**  
Network Capex



**471,000**  
↑ **24%**  
Gas delivery points - meters



**3,168 klm**  
↑ **23%**  
Network length



**580 mln Nm<sup>3</sup>**  
↑ **32%**  
Gas Distributed Volumes



# 1.9 OUR RESPONSE TO COVID-19

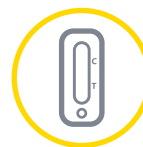
2020 marked an unprecedented year due to the outbreak of the COVID-19 pandemic which is having a significant impact on people and economies globally. During these difficult times, we remained dedicated to supporting our employees and ensuring business continuity. We took several precautionary measures in response to this crisis in order to safeguard the health and safety of our people, and carried out inspections to ensure the correct upkeep of preventive measures against COVID-19.



## Key elements are described below:

- Establishing the **Special Precautionary Measures Team** "CATENACCIO".
- Establishing **hygiene rules** for employees.
- Implementing **travel restrictions** for travel abroad and avoiding unnecessary trips within Greece.
- **Avoiding organizing or attending meetings** requiring physical attendance (internal & external).
- Ensuring timely notification by the **Preventive Task Force** on cases of employees experiencing symptoms similar to those described in the relevant announcements by the National Public Health Agency.
- Establishing a **telephone support line** for employees.
- Informing affiliates and partners.
- Implementing **measures** to protect service bureaus and all employees.
- Activating a **Remote Work policy**.

Finally, the company organized two rounds of **regular Rapid Testing Sessions** for all employees in each licensed area, totaling **1,500 tests in both areas** during the year **2020**.



**1,500**

Rapid tests for all employees in each area in 2020



**831**

Monitoring of the upkeep of preventive measures against COVID-19



# Chapter.02



## OUR APPROACH TO **SUSTAINABILITY**



# 2.1 APPROACH OVERVIEW

EDA THESS is operating in a complex business environment, aggravated by the challenges brought by climate change. Our business activity and the goals we set are intertwined with the imperative for sustainable development. We fully subscribe to the need for the integration of sustainability criteria throughout our operations and the need to take into consideration the interests of all our stakeholders. As our operations expand, so does the application of innovative technologies, large-scale investments in infrastructure and our focus on digital transformation and the energy transition.

We consider the maximization of our positive footprint and the minimization of any negative effects that derive from our activities as a duty towards the society in which we operate, and the necessary starting point for achieving a development that is sustainable and inclusive.

**Our approach to sustainability is multi-faceted, and is based on four key pillars:**



## Responsible market presence

A key responsibility of EDA THESS is to ensure the smooth and safe operation of the natural gas distribution network, in full compliance with the applicable legislation and regulations in force. We continuously strengthen our market presence by improving our services and investing towards the development and enhancement of our network infrastructure. At the same time, we maintain excellent relationships with our stakeholders and have established transparent communication channels, through which we provide regular, valid information to all stakeholders in the natural gas market.



## Protecting the environment

Protecting the environment is a priority for EDA THESS. We aim to monitor and improve our environmental performance by applying measures to reduce our footprint and minimize any negative effects that derive from our activities. Most importantly, our operation is a key enabler to the energy transition, and we consider ourselves to play a central role for the decarbonization of the economy.



## Caring for our people

Our employees are our most important asset, and the drivers for the success of EDA THESS. We invest in our people by undertaking a series of actions to ensure their health and safety, improve their wellbeing and contribute to their personal and professional development.



## Contributing to society

At the center of our operation lies the creation of shared value. We have a strong sense of social responsibility and we act to promote the quality of life of those around us. To achieve this, we are implementing multiple initiatives that deliver positive results to the wider society. Indicatively, we make contributions to local bodies, we strengthen the important role of Public Utility Organizations and we encourage the active involvement of our employees in voluntary actions and events.



# We aim to deliver long-lasting sustainable value and we abide by the following principles:

- Strong positive social footprint among local communities
- Environmental protection and contribution to the reduction of pollutant emissions in accordance with the objectives of the National Plan for Climate and Energy
- Reduction of energy costs, creating competitive advantages for industrial and commercial consumers in Thessaloniki and Thessaly
- Achievement of savings for household budgets associated with heating needs for domestic consumers in Thessaloniki and Thessaly
- Contribution to the alleviation of energy poverty in our licensed areas
- Strengthening of the country's energy security
- Contribution to the sustainable development of local economies
- Efficient cooperation with regulatory authorities
- Transparent relations with all our stakeholders
- High return on investments and distribution of high dividends to shareholders



A major acknowledgment of our commitment to the protection of the environment and to sustainable development came in the form of EDA THESS' recent membership to the Gas Distributors for Sustainability (GD4S), the strong pan-European association for sustainability of Europe's gas distribution companies (see Section 7.3).



# 2.2 UN SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations created a global framework for countries, businesses and other stakeholders to address the most pressing needs that societies are facing across the world. The 17 Sustainable Development Goals (SDGs) aim to eliminate poverty, safeguard the planet and ensure the attainment of global prosperity and peace by 2030. The SDGs provide a framework for action for businesses to improve their sustainability performance and contribute to a better and inclusive future. The oil and gas industry has the potential to contribute to all 17 SDGs.

The implementation of best practices, in full compliance with the SDGs, lies at the core of our business development strategy and permeates the full range of our activities. In the course of our activities, we aim to continuously reduce our carbon footprint, enhance community growth and create shared value in order to make valid contributions to sustainable development.



## 2.3 ENGAGING WITH OUR STAKEHOLDERS

We interact and involve our stakeholders in defining our sustainability approach, as a fundamental step to understanding their needs, what is material to them, and how we can create value in the context of our operations, both within and outside the organization. We define our stakeholders as those actors who have the potential to affect or be affected by our activities.

Our objective is to identify all stakeholders, establish continuous and transparent communication channels, and build mutual trust. Integrity and accountability are the key principles guiding all our engagement initiatives with our stakeholders and we acknowledge that we have a legal, moral and commercial responsibility towards them.

**The following table outlines our stakeholder groups and the main communication channels we utilize in order to communicate and engage with them.**

### Stakeholder engagement: groups and communication channels

Stakeholder group	Communication channels
<b>Employees</b>	Meetings, E-mails, Corporate events, Announcements, Trainings, Annual Performance and Development Review
<b>Shareholders and investors</b>	Announcements, Reports, Press Releases
<b>Customers</b>	Press Releases, Satisfaction surveys, Publications, Customer helpline
<b>Distribution and transmission network administrators</b>	Meetings, Collaborations, E-mails, Press Releases
<b>Banks and financial institutions</b>	Meetings, E-mails, Collaborations, Press Releases
<b>Business Partners</b>	Meetings, Participation in industry Associations, E-mails, Press Releases
<b>Suppliers and contractors</b>	Meetings, Supplier evaluation questionnaire, E-mails, Press Releases
<b>Local communities</b>	Opinion surveys, Press Releases, Publications, Community engagement initiatives, CSR Actions
<b>Government and regulatory authorities</b>	Discussions/ mailing with Authorities' representatives, Participation in unions, Workshops
<b>Industry associations and other organizations</b>	Meetings, Press Releases, Participation in industry associations
<b>NGOs</b>	Meetings, Collaborations
<b>Media</b>	Press Conferences, Press Releases
<b>Academic Institutions</b>	Partnerships and synergies, CSR Actions

We carried out an online survey and distributed electronic questionnaires to sample groups of the full range of our external and internal stakeholders in order to identify and evaluate the most material environmental, social and governance issues related to our operations. Further details on our approach and results are presented in the sections that follow.



## 2.4 MATERIALITY APPROACH

At EDA THESS we are determined to align our business operations and decision-making with ESG considerations. A necessary condition is to validate our understanding of the most material issues pertaining to our business. To this end, we combined information from various sources including our stakeholders' insights, relevant sustainability standards, industry trends and voluntary initiatives.

**The methodology we adopted for the materiality analysis comprised a three-step process:** (1) identification of potentially material ESG topics; (2) prioritization of topics through a stakeholder survey; (3) creation of materiality matrix.

**These are further explored below.**

### 1. Issue identification

In the first stage of the analysis, we consulted leading sustainability standards and frameworks on ESG issues identified as relevant to our business, including sector-specific standards where available. These included:

- The 17 SDGs of the United Nations
- The GRI Standards
- The sector-specific standards for the oil & gas midstream industry of the Sustainability Accounting Standards Board (SASB)
- The sector-specific issues for the oil & gas storage and transportation industry of the Morgan Stanley Capital Investments (MSCI) sustainability index.

We then proceeded with an investigation of the business and industry landscape for the identification of best practices and an informal peer benchmarking with respect to material issues.

**The steps taken to draft our final list of potentially material issues included:**

- Composing a long list of potentially material issues for the sector, based on the requirements of applicable standards and industry practice.
- Initially shortlisting those issues which achieved the highest frequency scores across standards and industry reports.
- Combining material issues into broader categories so that the final list and scope of material issues is both comprehensive and manageable in the context of the stakeholder engagement survey.

### 2. Stakeholder survey and prioritization of material topics

This step concerned the preparation and distribution of questionnaires to key internal and external stakeholders covering the full range of relevant stakeholder groups presented. Our stakeholders were asked to answer a few questions in relation to the importance of ESG and subsequently, they were exposed to the material issues and were asked to evaluate their importance on a scale from 1 to 5.

### 3. Materiality matrix

In the third and final stage of the analysis, we reviewed the results and distilled key information provided by our stakeholders to produce the materiality matrix. Those issues identified as material are highlighted in the remainder of our report's content, as we wish to ensure that our focus lies on the management of those issues.



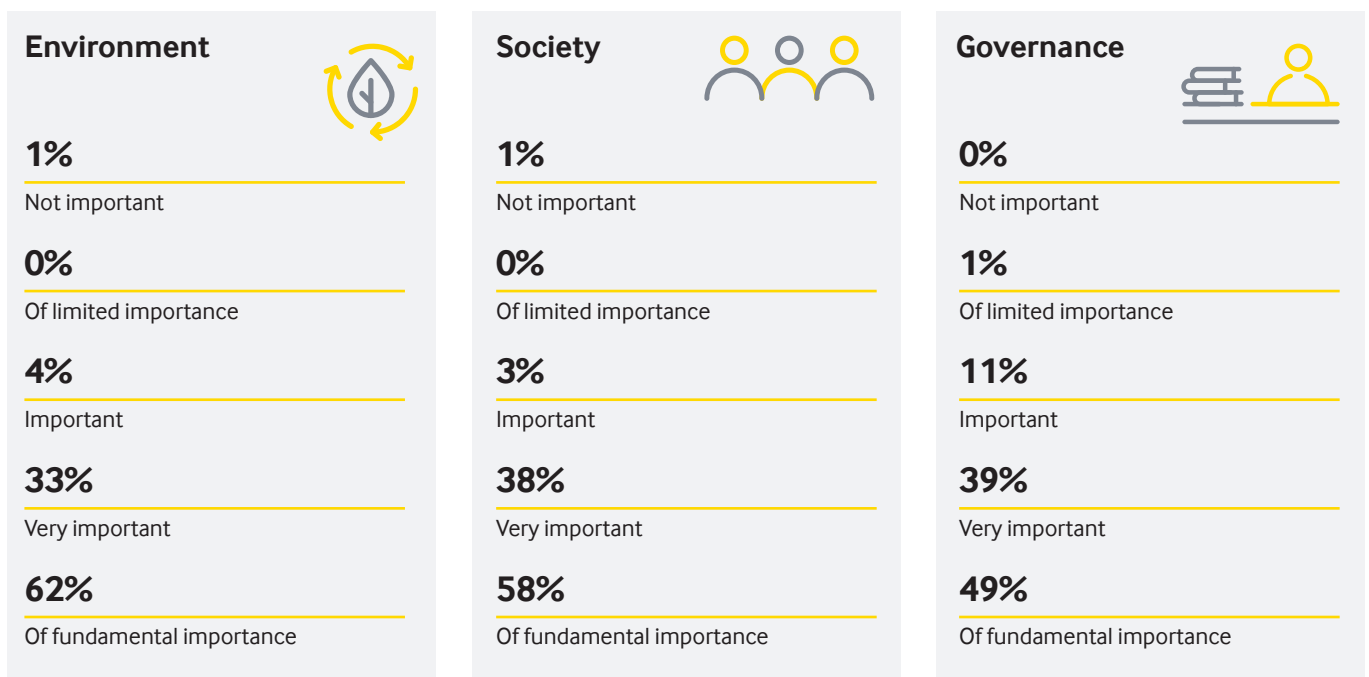
# 2.5 VIEWPOINTS ON ESG

In order to obtain a high-level understanding of stakeholder perspective to ESG overall, we requested respondents to evaluate the importance of the three broad ESG pillars on a scale from 1 to 5 (1: Not important - 5: Of fundamental importance), and the importance of ESG going forward.

The results indicate that our stakeholders perceive all pillars to be of great importance, with the environmental pillar being considered to be the most important, followed by the social and governance pillars.

## Importance of the three ESG categories

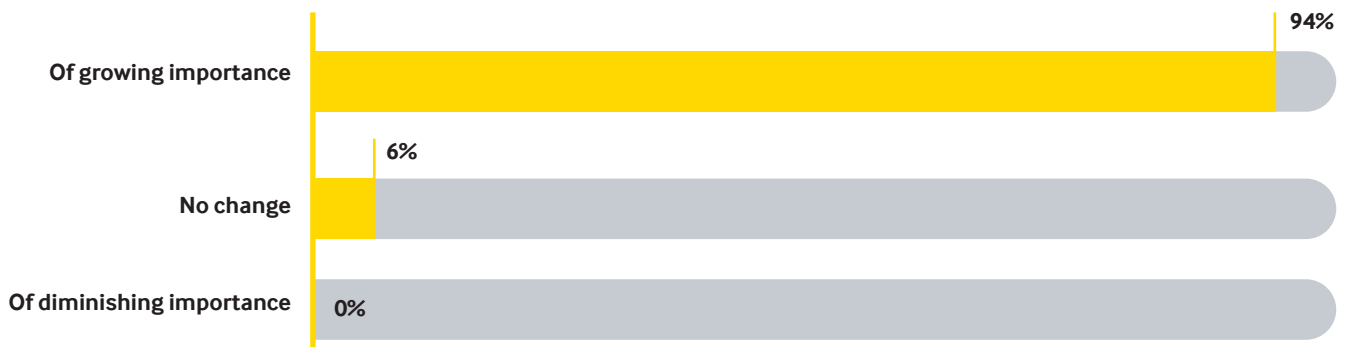
Stakeholder responses on the importance of the three broad ESG categories



The overwhelming majority of our stakeholders agree that the overall set of environmental, social and governance issues will be of growing significance in the future, further indicating the need for us to report on and improve our sustainability performance.

## Importance of ESG in the future

Stakeholder responses on the importance of ESG in the future

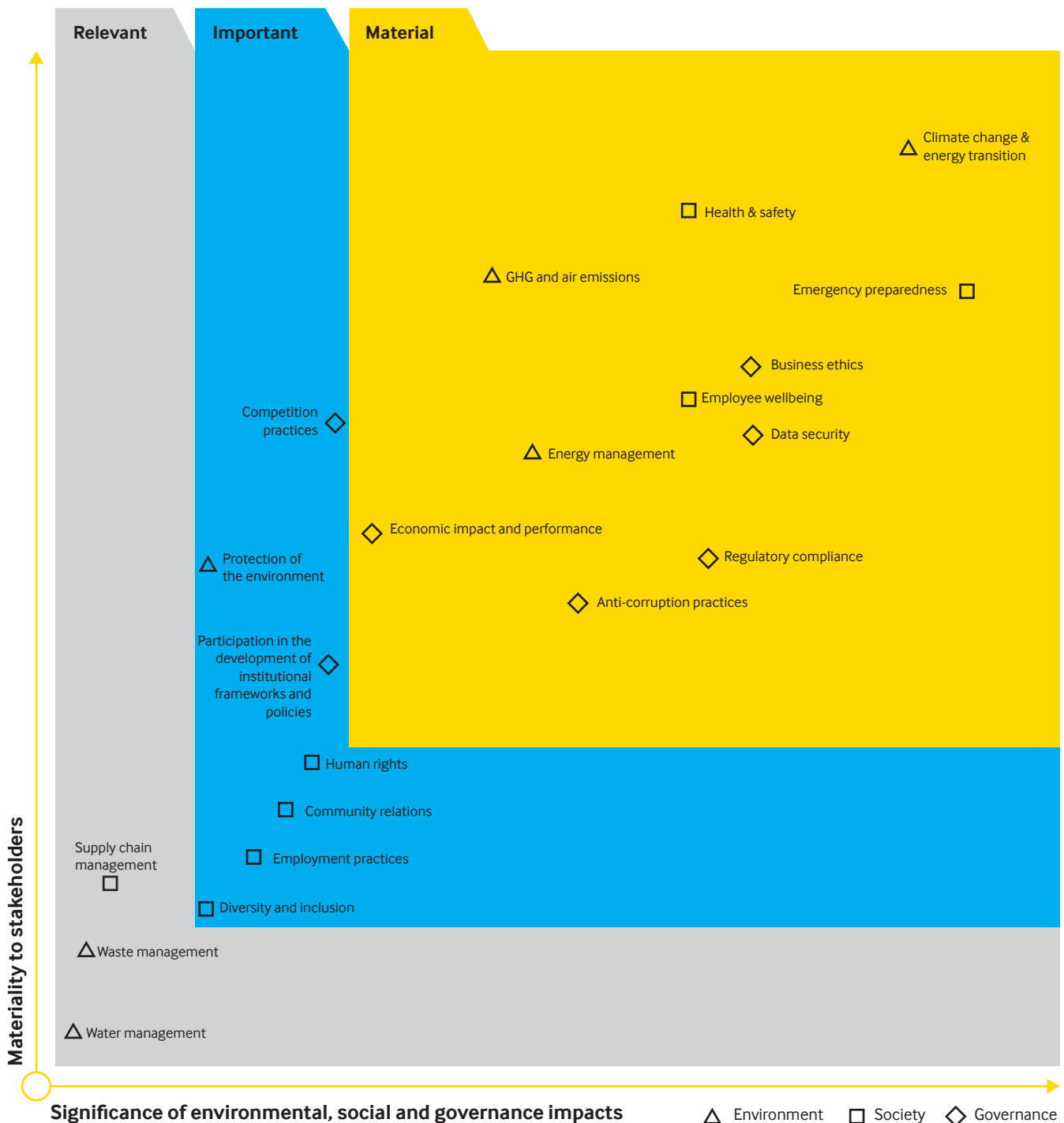


# 2.6 MATERIALITY MATRIX

The outcomes of the material topics - stakeholder survey are summarized in a materiality matrix. In the matrix, issues are prioritized according to the responses of our internal and external stakeholders and based on the perceived impact they could have on our operations and the wider society.

Depending on their significance, the matrix divides ESG issues into three different tiers:

- 1.....  
**Material issues:** Issues identified as material by all stakeholders, which are considered critical to our sustainability performance and they are prioritized to be monitored, reported on, and embedded in our business strategy.
- 2.....  
**Important issues:** Issues identified as significant by either our internal or our external stakeholders, which we will monitor, manage and report on frequently.
- 3.....  
**Relevant issues:** Issues recognized as relevant to our business, which we will monitor and potentially engage with in the future.

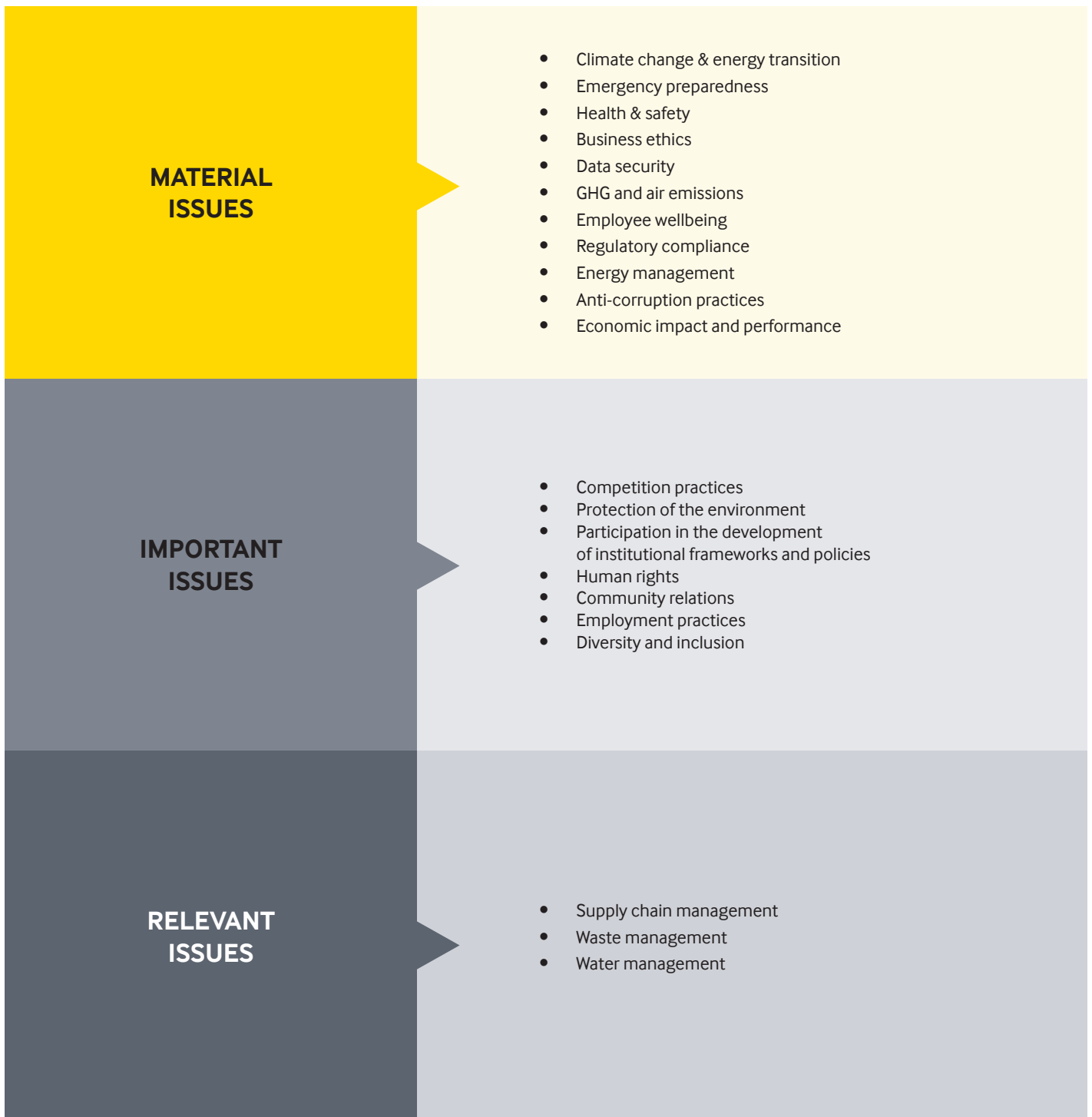




The material issues that are presented in the matrix provide the basis for the content of this report. Through their identification, we ensure that we focus our efforts on managing the most significant issues as expressed through the viewpoints of our stakeholders.

The stakeholder questionnaire included 21 topics, of which 11 were identified as material, 7 as important and 3 as relevant for us and our stakeholders, based on the analysis of the results. The following table categorizes the issues into the three tiers and in a descending order based on the degree of their resulting importance.

## Prioritization of issues



## 2.7 MANAGEMENT AND IMPACT OF MATERIAL ISSUES

The table below presents each material issue, its relationship with the SDGs and the main stakeholder groups concerned with / affected by the issue.

### Material issues, related SDGs and topic boundaries

Material issue	Related SDGs	Relevant affected stakeholder groups
Climate change & energy transition	    	Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Banks and financial institutions, Business Partners, Suppliers and contractors, Local communities, Government and regulatory authorities, Industry associations and other organizations, NGOs.
Emergency preparedness	  	Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Banks and financial institutions, Business Partners, Suppliers and contractors, Local communities, Government and regulatory authorities.
Health & safety	 	Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Business Partners, Suppliers and contractors, Local communities.
Business ethics	 	Shareholders and investors, Employees, Customers, Distribution and transmission network administrators, Banks and financial institutions, Business Partners, Suppliers and contractors, Local communities, Government and regulatory authorities, Industry associations and other organizations, NGOs.
Data security	 	Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Business Partners, Suppliers and contractors.

Material issue	Related SDGs	Relevant affected stakeholder groups
<b>GHG and air emissions</b>	 	Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Banks and financial institutions, Business Partners, Suppliers and contractors, Local communities, Government and regulatory authorities.
<b>Employee wellbeing</b>	  	Employees, Customers, Business Partners, Suppliers and contractors, Local communities.
<b>Regulatory compliance</b>	 	Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Banks and financial institutions, Business Partners, Suppliers and contractors, Local communities, Government and regulatory authorities, Industry associations and other organizations.
<b>Energy management</b>	  	Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Banks and financial institutions, Business Partners, Suppliers and contractors, Local communities, Government and regulatory authorities.
<b>Anti-corruption practices</b>		Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Banks and financial institutions, Business Partners, Suppliers and contractors, Local communities, Government and regulatory authorities, Industry associations and other organizations, NGOs.
<b>Economic impact and performance</b>	 	Shareholders and investors, Employees, Customers, Distribution and transmission network operators, Banks and financial institutions, Business Partners, Suppliers and contractors, Local communities.



# Chapter.03



## OUR CONTRIBUTION TO THE ENERGY TRANSITION

### Material issue covered:

Climate change and energy transition

### Related SDGs:



# 3.1 OUR ROLE IN THE ENERGY TRANSITION

The necessity for energy transition continues to gain momentum, as awareness on the impact of climate change increases, environmental policies and regulations become more stringent and costs in the deployment of low-carbon energy sources decrease. Our operating model at EDA THESS is at the heart of the transition to a low-carbon economy, promoting a cleaner and more sustainable future.

The development of the natural gas market, and the rising penetration of natural are contributing to the direct mitigation of GHG emissions, as natural gas is replacing highly emitting conventional fuels (heavy and heating oil).

The following table provides information on the short-term, direct emission savings materialized as a direct outcome of utilizing the volumes of gas we distributed in 2020 to residential, commercial and industrial customers.

**The increased scale of our operations in 2020 led to significant savings in emissions compared to the previous year, accounting for an average 10% increase in savings for a range of air pollutants.**

## Emission savings (in tons) from the consumption of natural gas in EDA THESS' distribution networks

	2020	2019	% Change in savings
Carbon dioxide (tCO <sub>2</sub> )	527,159	480,109	▲ 9.8
Sulphur dioxide (tSO <sub>2</sub> )	3,261.44	2,935	▲ 11.1
Carbon monoxide (tCO)	374	342	▲ 9.3
Nitric oxide (tNO)	1,233	1,124	▲ 9.7
Unburned hydrocarbons (tHC)	210	193	▲ 8.8
Microparticles (tMPs)	226	201	▲ 12.4

**Our target in CO<sub>2</sub> emission savings for 2020 was 460,000 tons. We achieved and surpassed this target by approximately 15%.**

A main goal of our Development Program is to facilitate the energy transition and contribute to the region's decarbonization: we plan for gas distribution to reach around 580 million Nm<sup>3</sup> per year in our licensed areas by 2025, leading to significant associated emissions reductions through consuming natural gas over conventional fuels.

In the long term, we plan to invest further in the development and enhancement of our distribution network infrastructure, increase the accessibility of natural gas and strengthen Greece's energy security. Through GD4S we have an active role in shaping relevant policies at the European level to facilitate the transition to a zero carbon economy.

## 3.2 DIGITALIZATION

### Digitalization as a key enabler for the energy transition

The achievement of transitioning to a green integrated energy system is directly linked to the utilization of innovation and technology.

The introduction of new participants, such as renewable gas producers, the need for monitoring the quality of the distributed gas mix, the accelerating transformation of energy markets, and the introduction of new technologies such as storage and NG, lead to increased demand for real-time information collection and transmission. This section outlines the main digital transformation actions we are implementing to meet these requirements.



### Digitalization of services to customers, suppliers and third parties

We are constantly evolving and improving our digital operations, and have developed smart tools aiming to the optimization of the provided services for our customers, suppliers and third parties:

#### End Consumers

- Registration of Meter Readings (online form).
- E-Application for New Connection / E-Contract (for document submission).
- Two Mobile customer service units (for consumers in remote areas).
- Progress of Gas Point Construction Works (through company's website).
- Network availability map (depicting the existing network)
- Scheduled network extensions' map (depicting network's scheduled extensions).

#### Suppliers

We have developed a portal as a communication channel with Gas Suppliers:

- Managing Distribution Users Requests through the Electronic Information Exchange System portal "MARTE".
- Transparent access to the Distribution Network.

#### Third Parties Engineers and contractors

Third parties can exchange information and data with the company through the Document Management Solutions (Extranet) for engineers & contractors (monitoring of the projects' progress, thus optimizing time management and process control).

## Digitalization of field activities

Our field employees use digital devices (tablets) and mobile applications to monitor and record daily tasks and activities.



**Augmented reality helmets** for our technicians and engineers, that support actions on the field and enable a step-by-step follow-up procedure through digital glasses.



**Work Sites' Photographic Documentation** (a custom application), for the uploading of documentation on the works' progress, also enabling remote monitoring of Quality, Health and Safety compliance.



Periodic patrolling of the distribution network is carried out with **equipped vehicles** that monitor the network's operation.

## Technical Interventions

- New Connection Inspections
- Internal Installation Inspections
- Network Construction
- Emergency Intervention
- Activations – Deactivations – Reactivations
- Maintenance Activities

## Applications

- Network Patrolling
- Digital Solutions for remote control

## Use of specialized systems

- To automate the Regular patrolling process, we have developed the integrated and innovative Geographic Information System (GIS) that tracks the vehicle's trace and records possible findings and is capable of meeting the needs of managing sensitive geographic information. GIS operates 24-hours and is able to analyze the data of gas distribution, using innovative technologies such as versioning, replication and server-level Disaster Recovery infrastructure.
- We use the **SYNERGIGAS platform**, a specialized software to calculate and simulate studies related to the distribution network.
- We have an extensive, state-of-the-art Supervisory Control & Data Acquisition (SCADA) network, in a wide geographic area, that provides constant updates on the performance of the distribution network, continuous supervision of medium pressure network and enables remote control of valves.
- We have developed a Seismic activity application. The application highlights and alerts the Emergency Call Center when an earthquake of magnitude greater than 4,5R occurs.

**EDA TESS has received the "Special Achievements in GIS" Award for the design, development and implementation of its GIS system.**

## Smart metering

Focusing on operational excellence, we further invest in smart metering and telemetry, for the digitization of the network.

Up to 31.12.2020, through a pilot program, EDA THESS has installed:



**6,932**  
Smart meters



**246**  
Volume Collectors with telemetry

Smart meters offer multiple operational, financial and environmental benefits, including:

Real time readings

Faster leak detection, minimizing losses and environmental harm

Faster detection of gas theft

Long-term reduction of operating expenses

Methane emissions limitation

Rational use of natural gas

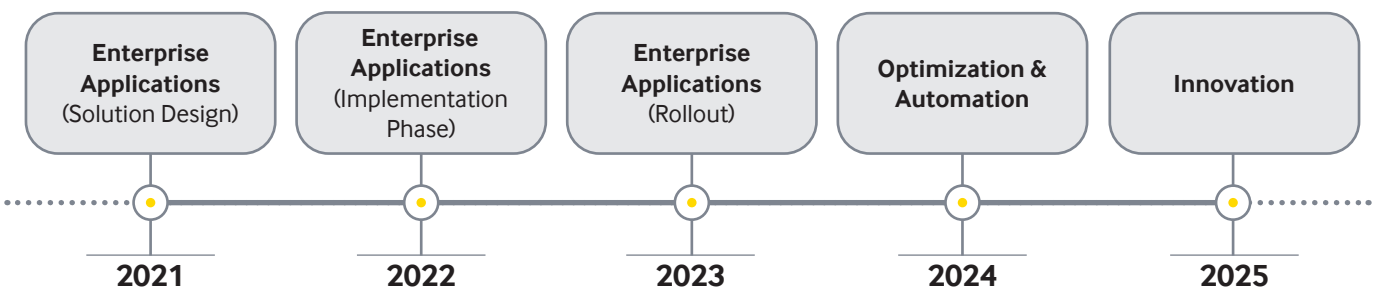
Enabling working with consumers to reduce energy usage and improve their energy profile.

EDA THESS works jointly with other Operators, the Greek Regulatory Authority for Energy (RAE) and the Ministry of Energy for the establishment of the Regulatory Framework on the large-scale deployment of smart meters.

### Digital Transformation Plan '21 – '25

Our vision is for Digital Transformation to become an enabling factor for accelerating company objectives, and to optimize and automate the business processes by providing modern services and differentiating technologies.

### Our pathway to digital transformation





## 3.3 CNG INNOVATION

EDA THESS' primary strategic target is the penetration of natural gas in its Licensed Areas in a way that is safe and economically feasible. In response to requests for connection to the network from consumers in remote areas, we utilized Compressed Natural Gas (CNG) technology – for the first time in Greece – and developed a Virtual Pipeline to serve those areas where developing a physical distribution network presents technical and financial challenges. This development was instrumental in facilitating the first step of the energy transition in remote / off-grid areas, while lifting them out of energy exclusion.

The Virtual Pipeline is a virtual continuation of the physical network that allows us to achieve maximum natural gas penetration. The Virtual Pipeline helps us meet the needs of more and more consumers, protect the environment, achieve energy efficiency and promote the overall fulfillment of National and Community objectives for the energy transition.

CNG technology safeguards equal access; same natural gas quality; and same tariff, for all consumers, irrespective of whether they are connected via the virtual pipeline or the existing physical network. At the same time, CNG technology plays an essential role to the safe and uninterrupted distribution of natural gas.

We installed the first CNG stations in 2018. At the time when EDA THESS introduced this technology in the Greek market, there was no regulatory framework in force. EDA THESS participated in the Committee of the Ministry of Environment and Energy that created the Technical Regulation throughout the whole process, from drafting the regulation to issuing it in May 2018, as well as in the establishment of a regulatory framework by RAE in August 2018 regarding the development of remote networks via Virtual Pipeline.

**We utilized Compressed Natural Gas (CNG) technology – for the first time in Greece.**

**Today, EDA THESS operates 17 CNG stations.**



**The same natural gas quality and the same distribution tariff is applied to all delivery points, without any discrimination.**

**EDA THESS introduced CNG technology in the Greek market, primarily serving remote areas, thereby:**

- Removing barriers to access to natural gas
- Lifting remote areas out of energy exclusion
- Promoting the energy transition

# Chapter.04



## SAFEGUARDING HEALTH AND SAFETY

### Material issues covered:

- Health and safety
- Emergency preparedness

### Related SDGs:



# 4.1 HEALTH AND SAFETY

Health & safety is a core value and a top priority for us. EDA THESS strictly follows all applicable laws, safety protocols and best practices to safeguard our employees' health and to ensure a safe working environment. We implement a series of policies and practices, including the Occupational Health & Safety Policy, the Road Traffic Safety Policy, the Distribution Network Maintenance Program and procedures for the internal audit, identification of risks, risk assessment, communication to involved parties, compliance with the regulatory framework and related requirements.

The policies / programs we have adopted are briefly described below:

## Occupational Health & Safety Policy

- Providing personnel with the necessary training, an appropriate working environment, and the necessary health & safety conditions for the successful accomplishment of their tasks.
- Undertaking all necessary measures to prevent work accidents and occupational ill health.
- Constant assessment of OH&S-related risks arising during the company's activities.
- Establishment and implementation of health & safety programs.
- Development of objectively achievable and quantified targets as well as monitoring indicators related to OH&S performance.
- Commitment to the consultation and participation of its employees in health & safety issues.

We promote a zero accidents culture by ensuring high staff awareness and conducting inspections and preparedness drills, in addition to complying with legislation, health and safety rules. No serious work-related injuries or fatalities were recorded during 2020, achieving our zero accidents target for the year.



**ZERO**

serious work-related injuries in 2020

## The Road Traffic Safety Policy

EDA THESS is committed to full compliance with all applicable legislative and regulatory requirements with respect to Road Traffic Safety, as well as to provide the required resources in order to achieve the improvement of its road safety levels. Our operations are certified with ISO 39001:2012 Road Traffic Safety (RTS) management systems.

## The Distribution Network Maintenance Program

We have adopted an annual maintenance program for the distribution network in accordance with the Code of Natural Gas Distribution Network Operation (OGG Series II, 487/20.02.2017). Our maintenance program is implemented in accordance with the regulatory framework and our internal procedures for proactive maintenance and emergency response, in the context of the implementation of the Quality Management System ISO 9001 and Health and Safety at Work OHSAS 18001. It is posted on our website.

## Health and Safety Inspections

We carry out regular inspections for the health and safety of our contractors. For 2020, the recorded inspections are increased by 20% compared to 2019.

**709**

inspections in 2020

**363** in Thessaly

**346** in Thessaloniki



## Some of the most important actions concluded within 2020 include:

**1,195**

Inspections in Contractor Project Signs.

**1,090**

Health and Safety inspections in field projects (Net, SL, Riser).

**Continuous assessment**

of compliance with Health and Safety regulatory framework.

**8**

Inspections in the company's buildings and vehicles, including contractors' operations.

**715**

Visits from the Safety Officers in the company's facilities and field projects .

**Annual Measurements**

on Health & Safety in the company's facilities and field projects.

**51**

Lists on materials inspection, according to the company's H&S Technical Specifications (procurement & delivery).

**Update of all Technical Specifications**

According to EU & international standards.

## EDA THESS has set out key areas of action for 2021 in the field of health and safety as follows:

Host Health and Safety Seminars.

Draft new Technical Specifications.

Draft Environmental Assessment reports on company's energy consumption and environmental actions taken.

Develop reports outlining the improvements and benefits from the use of natural gas as a substitute to conventional fuels.

Perform measurements for health and safety relating to company facilities and field projects by the company's safety officers.

Update Technical Specifications according to European Standards.

Perform destructive tests on newly supplied material for materials stored long-term both in contractor and in EDA THESS warehouses; materials procured by contractors; and materials weld in the field.

Conduct inspections in field projects.

Conduct inspections according to the Inspection Program.

Conduct emergency preparedness drills.



## 4.2 EMERGENCY PREPAREDNESS

We aim to operate under safe and reliable conditions by adopting a proactive approach. We have implemented a series of measures including those specifically intended for ensuring pipeline safety, identifying risks, preventing accidents and minimizing the impact of potential incidents to our operations. The measures taken to safeguard the timely response to emergencies include preparedness drills and the development of a Local and General Crisis Activation Program which includes dividing responsibilities among our people during emergency events.



### Preparedness Drills

We run regular preparedness drills in order to perform the following:

- Testing and Completeness Check of Emergency and Crisis Management Plans and the required cooperation between the Units involved.
- Recognizing gaps or overlaps in the roles and responsibilities of those involved
- Improving the coordination, communication and information management between the involved structures of EDA THESS, but also of the Authorities and other bodies (Fire Brigade, Greek Police).
- Enhancing the response of the Emergency Intervention mechanism (Call Center, Technicians, Contractor, etc.).
- Enhancing the response of the Local Crisis Activation Team.
- Determining and estimating the required resources.



Six preparedness drills were carried out in the License areas, of which three took place in the Regional Unit of Thessaloniki and three in the Region of Thessaly.

# Chapter.05



## OUR ENVIRONMENTAL FOOTPRINT

### Material issues covered:

- GHG and air emissions
- Energy management
- Waste management
- Water management

### Related SDGs:



# 5.1 OUR ENVIRONMENTAL AND ENERGY MANAGEMENT SYSTEM

We have developed and implement an Environmental Management System and an Energy Management System, in accordance with ISO 14001:2015 (Environmental Management) and ISO 50001:2018 (Energy Management) respectively, both designed to ensure that the company's activities are sufficiently controlled against all possible risks and hazards.

## Through our Environmental Management System, we ensure:

- compliance with applicable environmental laws;
- control of emissions and waste;
- efficient use of natural resources;
- effective monitoring and reporting of environmental metrics;
- immediate and effective response to environmental incidents;
- employee's awareness.
- improvement of our environmental performance

## Through our Environmental Management System, we ensure:

- monitor our energy performance, energy efficiency, energy use and consumption;
- set targets and objectives;
- ensure more efficient use of energy;
- improve energy management;
- Increase employee's energy efficiency awareness.



**ZERO**  
fines or non-monetary sanctions for non-compliance with environmental laws in 2020



## 5.2 ENERGY MANAGEMENT

EDA THESS is determined to optimize its mechanisms for energy management and improve the energy efficiency of its operations, as an important part of the continuous improvement in our overall environmental performance. We carefully monitor our resource use, we have initiated specific actions and set goals in order to increase our energy efficiency in the following areas:



	Air conditioning	Electronic devices	Lighting
Actions	Annual maintenance of heating and air conditioning systems.	Replacement of electronic devices with modern devices of high energy efficiency.	Use of lighting control systems with sensors.
Goals	<p>Establishment of timers connected to thermostats in order to automatically switch off A/C units.</p> <p>Use of natural cooling and night ventilation during summer months.</p> <p>Installation of an Energy Control System in the company's buildings.</p>	Selection of electrical appliances with certified low energy consumption.	<p>Selection of lamps with low energy intensity.</p> <p>Remote control of outdoor lighting.</p>

Our energy consumption for the reporting period is presented in the following table, by source.

### Energy consumption (in MWh)

	2020	2019	% Change
Electricity consumption	976	893	▲ 9.2
Natural gas consumption	558	563	▼ 0.9
Gasoline consumption	114	71	▲ 59.6
Diesel consumption	1,413	1,502	▼ 5.9
CNG consumption	818	601	▲ 36.1
<b>Total</b>	<b>3,879</b>	<b>3,631</b>	<b>▲ 6.8</b>

The increase of total kWh consumption in 2020 in comparison with 2019, is directly related to the enlarged scale of our operations compared to the previous year, and, to a large extent, is due to the operation of 6 additional CNG decompression stations.

Our energy intensity ratio, estimated as consumption of electricity per employee working hour, followed suit, with an increase from 1.49 kWh/employee working hour in 2019 to 1.59 kWh/employee working hour in 2020. The increase in energy intensity between the two years is attributed to the 6 additional CNG stations, as their operation leads to increased consumption without necessarily requiring an increase in working hours. Our natural gas energy intensity ratio, defined as consumption of natural gas used as energy input per employee working hour, remained stable between 2020 and 2019, at 0.09 kWh per employee working hour.





## 5.3 GHG AND OTHER AIR EMISSIONS

Beyond the positive effect of natural gas in terms of overall energy-related GHG savings, EDA THESS is dedicated to decreasing the carbon intensity of its operations and minimizing its pollutant emissions in a way that is aligned with effective air quality control standards.

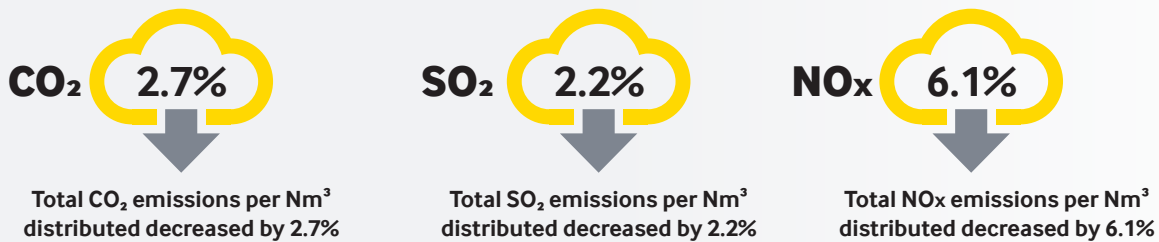
By increasing the efficiency of our operations, facilitating low-carbon energy consumption and utilizing environment-friendly technologies, we aim to reduce our Scope 1, 2 & 3 emissions and other health-threatening air emissions including CO<sub>2</sub>, SO<sub>2</sub> and NO<sub>x</sub>.



Similar to our energy consumption levels, the emissions deriving from our operations (Scope 1) are slightly higher in 2020 compared to 2019. Total emissions from our operations in relation to three major pollutants (CO<sub>2</sub>, SO<sub>2</sub> and NO<sub>x</sub>) are provided below:

- total CO<sub>2</sub> emissions rose by 6.6%
- total SO<sub>2</sub> emissions rose by 7.1%
- total NO<sub>x</sub> emissions rose by 2.9%

These increases are all lower than the overall increase in volumes distributed, indicating an overall increase in the emissions-related efficiency of our distribution network. In fact:



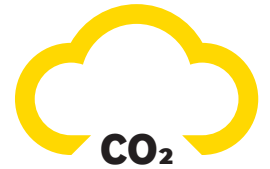
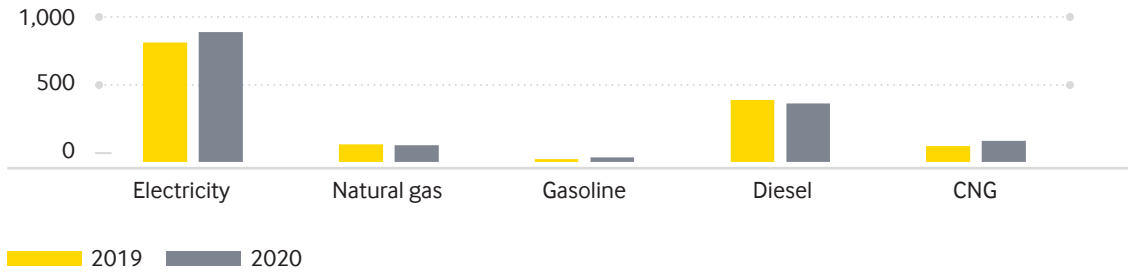
### Scope 1 emissions and gas distribution levels

	2020	2019	% Change
CO <sub>2</sub> emissions (tonnes)	1,475	1,383	▲ 6.6
SO <sub>2</sub> emissions (tonnes)	15	14	▲ 7.1
NO <sub>x</sub> emissions (tonnes)	492	478	▲ 2.9
Gas distribution (Nm <sup>3</sup> )	448,388,554	409,151,299	▲ 9.6

The figures that follow, present a breakdown of our emissions in relation to these categories by energy source.

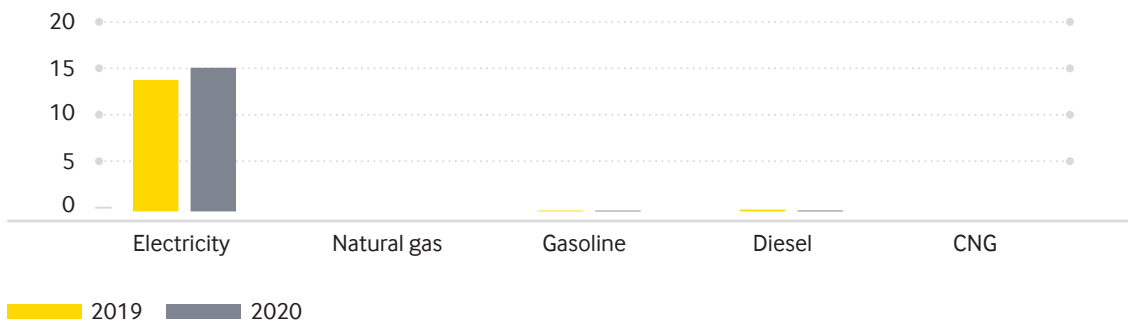
### CO<sub>2</sub> emissions (in tonnes)

CO<sub>2</sub> emissions from EDA THESS operations, 2019-2020



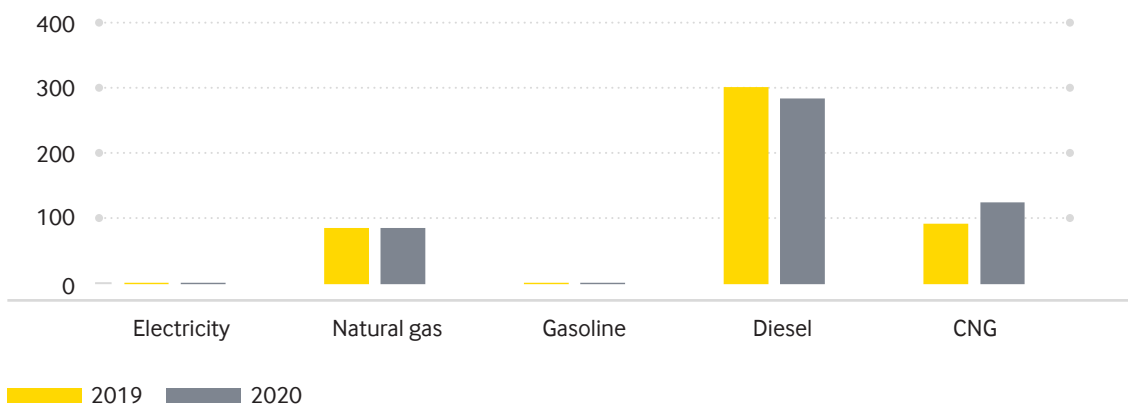
### SO<sub>2</sub> emissions (in tonnes)

SO<sub>2</sub> emissions from EDA THESS operations, 2019-2020



### NO<sub>x</sub> emissions (in tonnes)

NO<sub>x</sub> emissions from EDA THESS operations, 2019-2020



# 5.4 WASTE MANAGEMENT

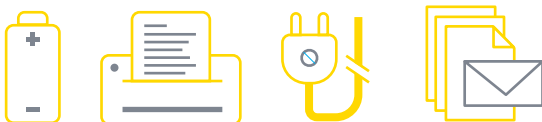
On a day-to-day basis, we manage waste coming from a variety of sources including dismantled or unfit materials, excavations, construction and demolitions, vehicles, electrical equipment, portable batteries and accumulators, paper and packaging. For these categories, we implement the following actions to manage our waste, and propose further actions to ensure that the highest possible volume of waste is appropriately recycled.

	Actions	Proposed actions
<b>Dismantled or unfit materials</b>	Collection of unsuitable materials and materials to be withdrawn, dismantled or replaced in order to be sent for further management to appropriate companies	Sorting of materials into hazardous and non-hazardous in order to be sent to appropriate recycling companies
<b>Excavations, construction and demolitions</b>	Engagement with contractors to dispose the waste resulting from excavations, construction and demolition works to companies with an Approved Alternative Management System	Inspections to contractors for the possession of certificates of disposal of excavation / construction / demolition waste to companies with an Approved Alternative Management System
<b>Vehicle waste</b>	Management of vehicle wastes such as tires, oils and batteries, is carried out by vehicle rental companies	Receipt of files indicating the recycled quantities
<b>Electrical equipment</b>	Contract with Appliances Recycling S.A., a body approved by the Hellenic Recycling Agency (HRA), for the collection of appliances and recyclable lamps	Recycling of non-functional computers or other electrical devices owned by the company
<b>Portable batteries and accumulators</b>	Contract with Appliances Recycling S.A., a body approved by the Hellenic Recycling Agency (HRA), for the collection of appliances and recyclable lamps	Creation of a file with the quantities to be recycled for monitoring purposes
<b>Paper and packaging</b>	Disposal of paper and packaging waste (e.g., plastic and aluminum in designated bins, which are available at the company's premises)	Creation of a file with the quantities to be recycled for monitoring purposes

The following table provides the recycling levels that derived as a result of our efforts, recording an improvement in our recycling figures and indicating that we are in the right direction in terms of waste management.

## Recycling levels in kg, for 2019-2020

	2020	2019
<b>Batteries</b>	72.5	55
<b>Printing consumables</b>	4,500	-
<b>Electrical equipment</b>	100	-
<b>Office stationery</b>	3,880	2,500



# 5.5 WATER MANAGEMENT

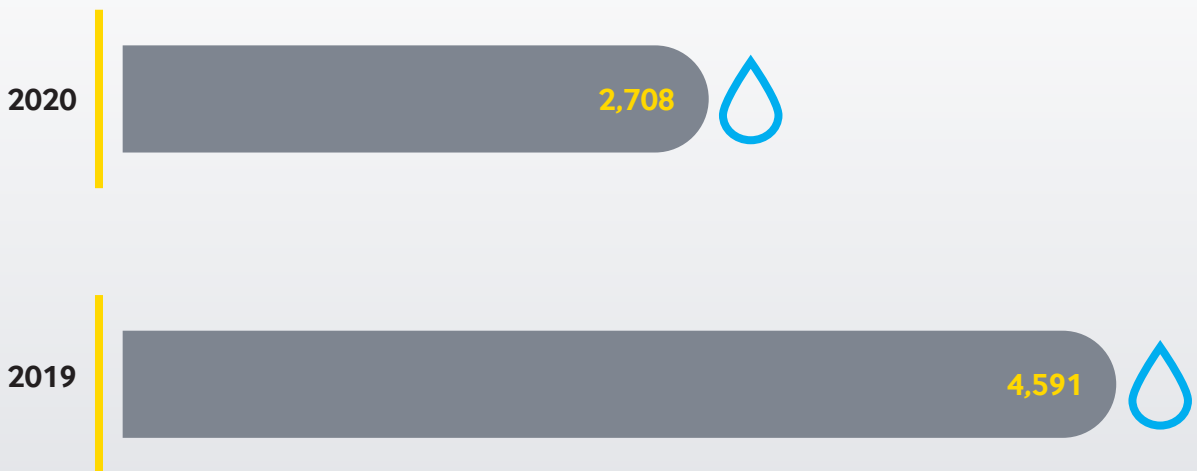
Our approach to water management includes the efficient use of water through the minimization of our water consumption levels as well as the measures taken to address the quality of water discharged as a result of our operations.

The following graph provides the levels of water consumption in our buildings for 2019 and 2020. **Our consumption has almost halved**, mostly due to the implications brought by the pandemic, as fewer employees attended the premises at any given time.



## Water Used (m<sup>3</sup>)

Water consumption levels in our buildings, 2019-2020



# Chapter.06



## PROMOTING A RESPONSIBLE & ATTRACTIVE WORKPLACE

### Material issues covered:

- Employee wellbeing
- Employment practices
- Diversity and inclusion
- Human rights

### Related SDGs:





Our employees are the drivers behind the success of our company and we strive to provide a dynamic and modern work environment that covers their needs. We are committed to delivering on our responsibilities by offering development opportunities, implementing wellbeing initiatives, and creating a diverse and inclusive workplace, while safeguarding human rights.

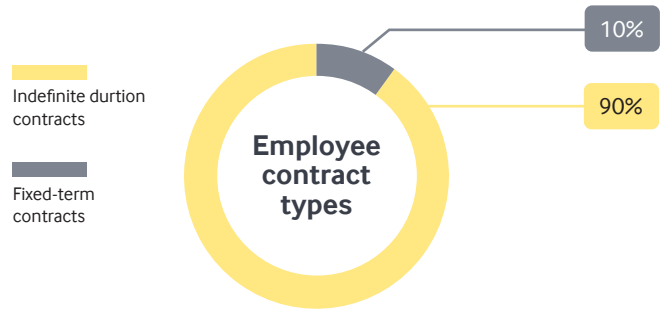


# 6.1 EMPLOYMENT PRACTICES

Our highly trained and skilled workforce is the key to our success. At EDA THESS, we focus on creating a positive working environment in order to attract new talent, increase productivity and enhance educational development. We have created an environment that enables our carefully-selected employees to thrive, both personally and professionally, by enabling them to develop their skills and expand their knowledge.

## Overall employee statistics

The total headcount for the year ending December 31st, 2020 was 278 employees. 38% of them are located in Thessalia and 62% in Thessaloniki. 251 of our employees were under indefinite duration and 27 under fixed-term contracts; with the former showing an increase of 7% in 2020.



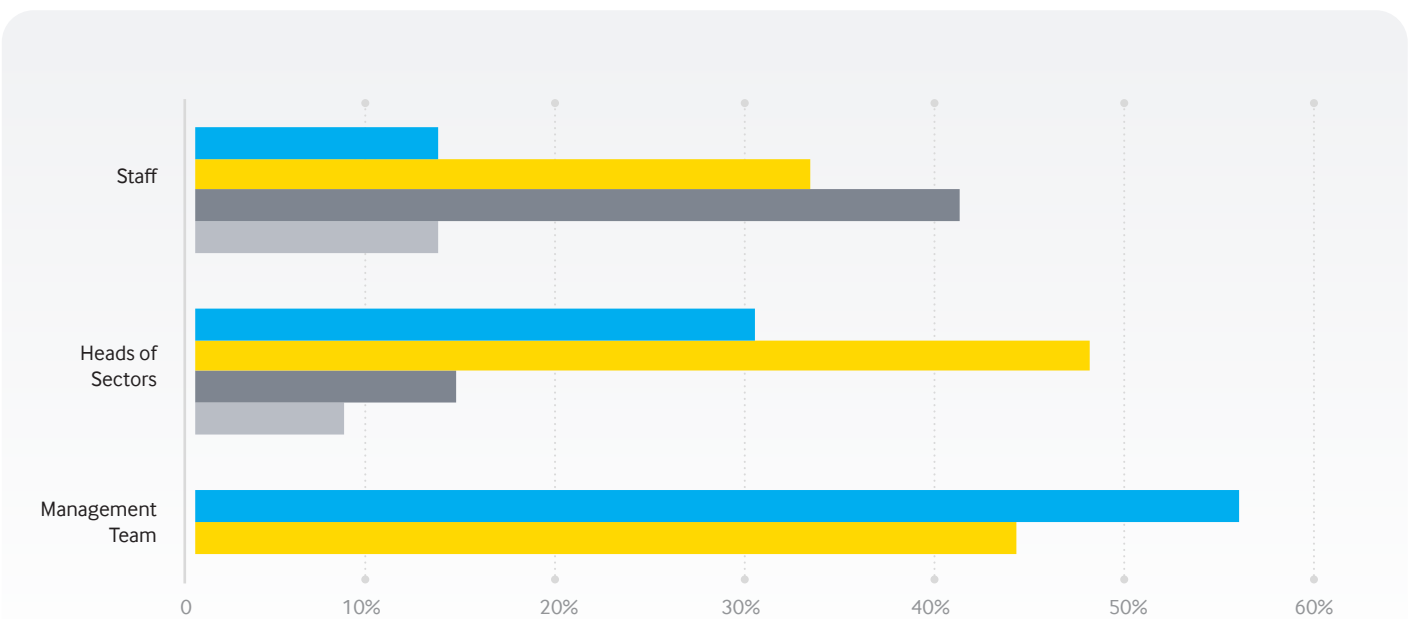
100% of our senior management are hired from the local community, underlining our strong commitment with the communities we operate.

### Our employees have a diverse educational and professional background:

56% of our management team and 30% of our heads of Sectors hold a Postgraduate Degree, while 44% of our management team, 48% of our heads of Sectors and 33% of the rest of the staff hold a Bachelor degree.

## Educational background of our employees

The educational background of our employees



## Recruitment and performance evaluation

We aim to create diverse, highly skilled, and experienced teams. **We utilize various recruiting strategies and platforms and apply transparent recruitment and selection processes** to hire candidates whose skillsets are aligned with the company's requirements.

We have adopted a performance evaluation system, through which our employees receive regular feedback and guidance for their performance and development opportunities. An improvement plan as well as a training plan are built for each employee, to help them achieve their goals and grow in their careers.



**100%**

of our employees received a performance evaluation in 2020

## Training and development

At EDA THESS, we make efforts to create a work environment in which employees continuously develop their skills. We invest in the development of our employees, and thus, training is an important component of their time with us. In 2020, a total of 1,099 training hours were available to our employees. Our training program reached 212 employees and comprised 13 different subjects ranging from technical skills to new legislation provisions, the implementation of the company's various systems and CNG technology.

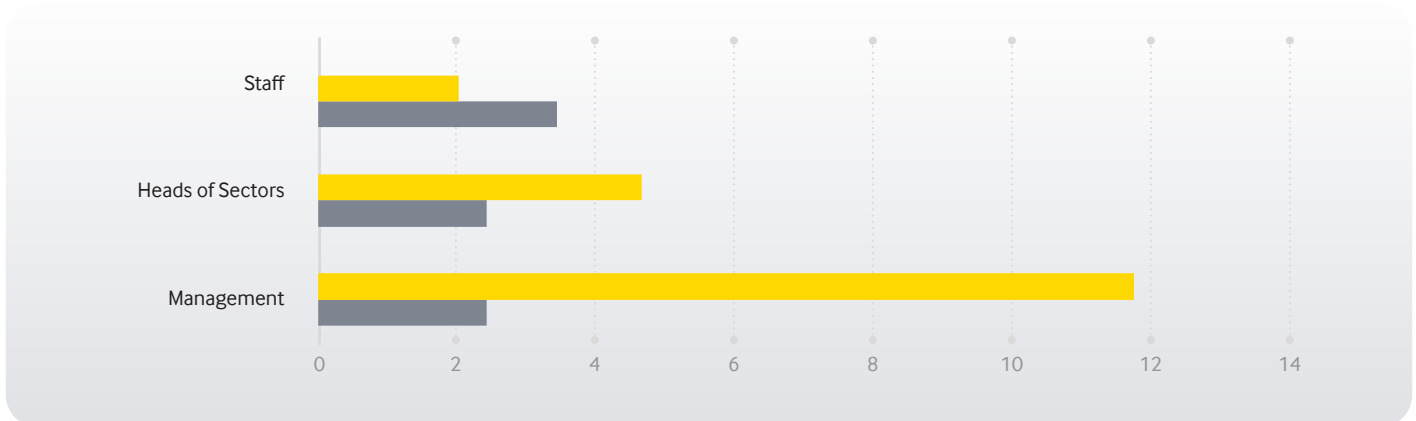
**Information on the average hours of training that our employees attended, by rank and gender, is provided in the following figure.**



### Average training hours

Female Male

Average training hours by hierarchical position and gender, in 2020



**1,099**

Total training hours in 2020



**212**

Participants in training programs

**In addition to internal trainings, EDA THESS has set up training laboratories in its premises for all interested parties, both internal and external, and has made available e-training courses on CNG. These are further elaborated in Section 7.2.**



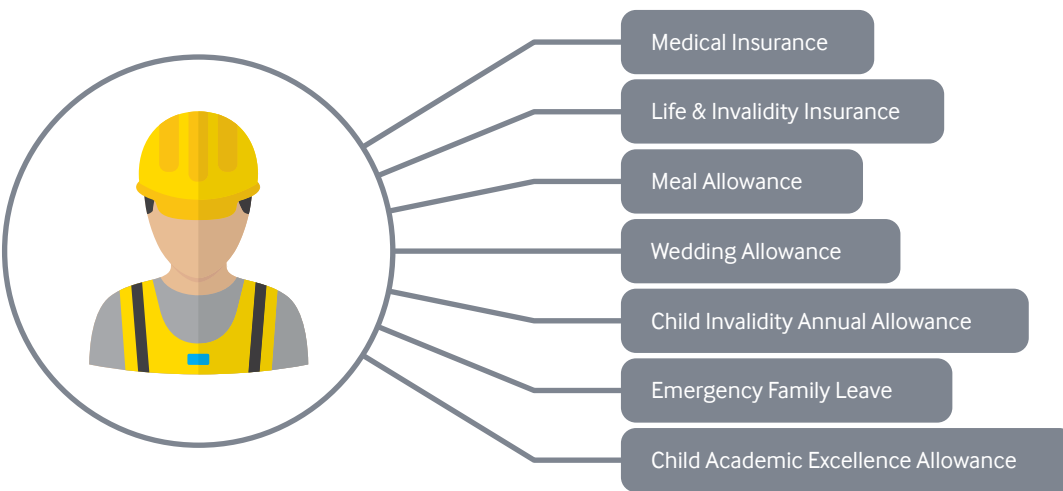
# 6.2 EMPLOYEE WELLBEING

The wellbeing of our employees is a matter of the utmost importance for us. We have the responsibility to make sure that the people working for us are thriving both physically and mentally as we acknowledge that this is a driver of increased productivity, inextricably linked to the company's overall success.

We are implementing numerous initiatives that are specifically designed to enhance our employee's wellbeing. These are briefly outlined below.

## Employee benefits

We provide our employees with initiatives further to law-mandated provisions. At EDA THESS, we offer a Savings' Plan with specific contributions by employees and employer, maturing upon retirement. Further benefits we provide to our employees include:



We provide the option of unpaid parental leave for all new parents at our company. In 2020, a total of 120 employees were eligible to apply for parental leave, albeit no employees opted to make use of this benefit.

## Physical and chemical measurements

We monitor a series of physical and chemical metrics that are linked to our employees' wellbeing and comfort in the workplace. These include sound levels; dust; lighting; CO<sub>2</sub> concentration; temperature and humidity.

**Depending on the results, EDA THESS adopts relevant measures to minimize any negative effects on employees' wellbeing.**



## 6.3 DIVERSITY AND INCLUSION

We seek to promote a diverse and inclusive environment for our people, regardless of their gender, nationality or socioeconomic background. We are committed to creating a work environment that is free from discrimination, where every employee is treated with fairness, equity and respect. We are working to establish diversity and inclusion as central principles of our culture through the means of a healthy gender split and a fair salary ratio between our female and male employees.



### Gender composition

We pride ourselves on our ability to create an environment that provides opportunities for everyone, irrespectively of socioeconomic and demographic characteristics.

The following table presents the gender composition of our workforce in terms of their rank. 30% of our workforce are women and 70% are men. It is clear that we wish to have a strong female representation in our workforce, with a percentage that is above 25% at all ranks.

	Female employees	Male employees
Management	4	12
Heads of Sectors	17	33
Staff	56	156
Total	77	201
Percentage	~30%	~70%

### Salary ratio

We promote gender equality, and we strive to maintain an equitable gender salary ratio. Details for 2020 are shown in the table below. On average, the salary ratio currently stands at 1.02.

	Female / Male salary ratio
Management	1.02
Heads of Sectors	0.89
Staff	1.14
Average	1.02

## 6.4 HUMAN RIGHTS

The respect and protection of human rights is an imperative for EDA THESS, and any form of discrimination, corruption, forced or child labor is rejected. Particular attention is paid to the acknowledgement and safeguarding of the dignity, freedom and equality of our employees, the protection of labor and the freedom of trade union association.



In this regard, EDA THESS operates within the framework of the United Nations Universal Declaration of Human Rights, the Fundamental Conventions of the International Labor Organization (ILO), and the OECD Guidelines on Multinational Enterprises, to protect human rights and promote mutual respect.



# Chapter.07



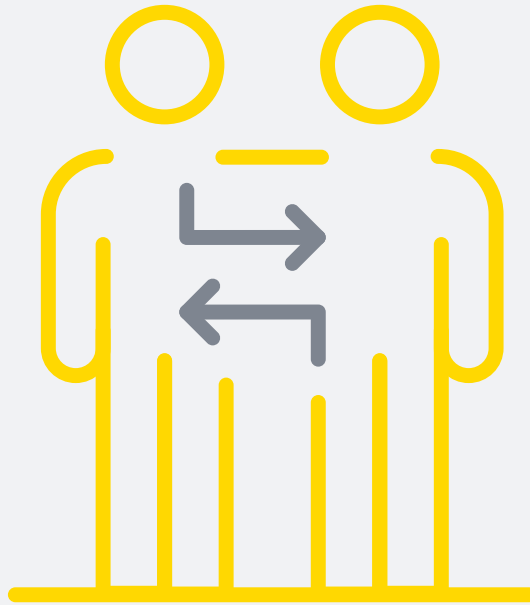
## INTERACTING WITH THE COMMUNITY

### Material issues covered:

- Community relations
- Supply chain management

### Related SDGs:





The empowerment of local communities is directly linked to our performance. We act responsibly to enhance the wellbeing of those living close to our operations and create shared and timeless value, an imperative for our business. To achieve this, we have established a continuous dialogue with our stakeholders and understand their expectations and concerns in order to incorporate their feedback into our business strategy.

Meanwhile, we also recognize that a strong and diverse supplier base is key to our company's success. To this end, we seek to engage with business partners that share the same values as us.



# 7.1 COMMUNITY RELATIONS

Our strong commitment to social responsibility guides our interactions with local communities. We wish to position ourselves as a company with a significant positive social footprint, being considerate to the interests of our stakeholders and undertaking initiatives to enhance the quality of life of those around us. We have established communication channels with local communities as a way to foster open dialogue, build trust and cultivate transparent relationships, which, taken collectively, will enable us to address their expectations and empower their voices.

Additionally, we have a long tradition of supporting local communities through a series of donations, investments and volunteering programs. In fact, through our actions we wish to strengthen organizations that are dedicated and contribute to the development of local communities.

## A series of initiatives that took place in 2020 include:

### Contributions to the public health system

During 2020, we provided financial support to the public health system, offering medical equipment and consumables to multiple hospitals located within our areas of operations. These included the General University Hospital of Larissa, the AHEPA Hospital, the "G. Papanikolaou" Hospital of Thessaloniki and the General Hospitals of Volos, Karditsa and Trikala. Our aim was to safeguard the proper operation of our local medical system and its ability to effectively manage crises for the benefit of local communities.

### Support to Municipal Authorities and Regions

We provided support to all the Municipal Authorities and Regions in our Licensed Areas by distributing food to vulnerable groups. Special support was given to the social structures of Karditsa and Farsala after the onset of the cyclone "Ianos", as a sign of solidarity to the flood victims of these areas.

### Support to local churches

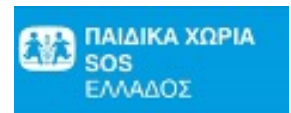
We supported local churches with important social work by covering the basic needs of vulnerable groups as a means of improving their living conditions.

### NGO support

Finally, we financially contributed to NGOs such as "Faros tou kosmou", "Kivotos tou kosmou" and the SOS Children's Villages, whose aim is to improve the living conditions of underprivileged children.



KIBOTOS  
TOY KOSMOY



### Creation of public spaces

We implement initiatives to regenerate public spaces in our areas of operation. To date, we have created a playground in Thessaloniki and a park in Thessaly.



Playground in the Municipality of Ampelokipoi – Menemeni, Thessaloniki



"Park of Natural Gas" in the Prefecture of Thessaly

# 7.2 TRAINING AVAILABLE TO EXTERNAL PARTIES

## Scuola Enrico Mattei training laboratories

At the core of EDA THESS's strategy lies the leveraging of expertise and the dissemination of knowledge to optimise distribution services throughout the country. 'Scuola Enrico Mattei' includes gas educational laboratories at EDA THESS's facilities in Thessaloniki and Thessaly.

The laboratory is a real simulation of the gas distribution network, both upstream and downstream of distribution stations. It simulates hydraulic installations across all pressure levels, steel and

polyethylene pipeline, cathodic protection device, metering and pressure regulation stations, safety devices, household reducers and natural gas meters, as well as the internal installation for the final consumer.

Interested parties and stakeholders of the natural gas value chain are trained regularly, both theoretically and practically, in natural gas operation and maintenance activities, safe execution of works, safe use of natural gas and technical specifications.



## CNG training

In addition, EDA THESS offers integrated e-training courses. In 2020, EDA THESS was the first company in Greece to provide training programs in all aspects of CNG technology to more than 250 interested parties, 161 of which were external participants.

We developed an educational program specifically designed to introduce the basic pillars of this technology to every interested stakeholder. The training curriculum covered four sections:

1. Market development

2. Regulatory framework

3. CNG decompression stations

4. Operation and maintenance

Participants of diverse profiles took part in our CNG educational program, covering a wide range of backgrounds and occupations including:

- Mechanical and Electrical Engineers
- Natural Gas Technicians and Installers
- Heating and Plumbing Technicians
- Self-employed / freelance professionals
- Designers, Civil Engineers and Representatives of Design Offices
- Civil Servants and Firefighters
- Lawyers and Insurers
- Academics and Teachers
- Unemployed
- Graduate and Post-graduate Students

161 external participants completed more than 290 hours of participation.

Participants expressed favorable reviews to the training in terms of expectations covered (90%); satisfaction with the content (over 90%); and user friendliness of EDA THESS' platform.

## Joint training program with the Fire Service Administration

Further to our excellent cooperation with the Fire Service Administrations of Central Macedonia and Thessaly, we decided to develop a joint educational program whose aim was to ensure (i) optimal operational results in case of network damage (ii) the safety of our consumers. The program was a combination of theoretical sessions and field visits and included the following topics:



1. Physical properties of natural gas
2. Development of natural gas networks
3. CNG – transportation and decompression
4. Indoor installations of natural gas and visit to a boiler room
5. Technical characteristics of medium and low pressure networks - Legislation, materials and operating principles
6. Network operation and maintenance
7. EDA THESS' emergency intervention structure
8. Classification of EDA THESS' malfunctions and presentation of actual incidents

## 7.3 PARTNERSHIPS

We are active members in several associations and participate in events, conferences and workshops, to strengthen the collaboration with involved parties, exchange views, identify the requirements and initiatives in the areas where EDA THESS operates, and keep us informed about the issues related to the energy sector.

At the same time, we get informed on the initiatives that we can support to resolve important issues related to our responsibilities.

In 2020, we became members of GD4S, the strong pan-European association for sustainability of Europe's gas distribution companies, alongside the leading natural gas distributors of France, Italy, Ireland, Spain, Portugal and Romania. Members are responsible for the safe distribution of natural and renewable gas to consumers and agree on the strategic role of gas distribution networks as a driving force for the energy transition and the importance of technological innovation in monitoring and reducing greenhouse gas emissions.

### GD4S aims to:

- Provide expertise regarding decarbonization policies
- Contribute to the development of Gas Market Design
- Raise the voice of gas Distribution System Operators (DSOs) in the public discourse in Europe.
- Unlock the potential of renewable gases and gas grids.





# 7.4 SUPPLY CHAIN MANAGEMENT

## Supplier evaluation process

EDA THESS implements an evaluation process that underpins the selection of its Strategic Suppliers. The Evaluation and Pre-selection Process is carried out on the basis of financial, technical, and business knowledge and organization criteria.

Suppliers are asked to submit relevant documentation which is then examined to identify those suppliers that meet the minimum requirements of the company's objectives for each service group. This process is repeated in the event that submitted documents are deemed incomplete and further clarifications are requested.

At any stage of the Evaluation and Pre-Selection Process or after its completion and the registration of the Strategic Supplier in the Register of Strategic Suppliers, the application of additional evaluation or control methods may be proposed in case the confirmation or further investigation is required. **These methods are:**



## Local suppliers

We utilize local suppliers to the highest possible degree as a means of maintaining strong ties with local communities and reducing the environmental burden that comes with long transportation distances.

We increased the share of spending on local suppliers by 4%, from 56% in 2019 to 60% in 2020, as shown below.

### Share of total procurement budget spent on local suppliers

	2020	2019
Total credit amount (€000)	49,020	46,415
Local suppliers credit amount (€000)	29,420	25,875
% of spending on local suppliers	60%	56%

# Chapter.08



## CORPORATE GOVERNANCE

### Material issues covered:

- Business ethics
- Data security
- Regulatory compliance
- Anti-corruption practices

### Related SDGs:



# 8.1 CHARACTERISTICS OF OUR GOVERNANCE SYSTEM

We implement a strong governance system, in line with international best practice standards, as an essential element for achieving our performance goals and creating sustainable value for our shareholders, customers, and all other stakeholders. As our operations expand, and the complexity of sustainability challenges increases, we maintain our focus on building our capacity for transparency and good governance practices which embrace our values and incorporate the rules and requirements applicable to our business.

The driving characteristics of our governance system involve implementing a set of principles and best practices around Corporate Governance, promoting principles of transparency and impartiality through committees, and operating independently.

This chapter provides an overview of how the company has structured its operations and how we ensure compliance and value assurance throughout our operations.

## Board of Directors & Committees



EDA THESS' Board of Directors (BoD) is responsible for establishing and upholding corporate policies and overseeing the company's overall performance, alongside the company's General Manager. Directors are kept informed about the company's performance through regular reports, meetings and discussions with the company's Management. In terms of gender diversity, the Board of Directors of EDA THESS had 14% female representation in 2020.

Board member	Role
Ioannis Tsitsopoulos	Chairman
Christos Vlachokostas	Vice-chairman
Lazaros Kyrizoglou	Director
Nikolaos Papadopoulos	Director
Marco Piredda	Director
Antonio Buonomini	Director
Maria Vittoria di Pietrantonj	Director

# COMPANY COMMITTEES

## 1. Committees approved by the Board of Director of EDA THESS

Committees	Responsibilities
<b>Tendering Committee for Natural Gas Works</b>	The committee conducts and supervises the procedures for the procurement of materials and the provision of services. It is responsible for the receipt of proposals and ensures compliance with the terms of Notice and the Procurement Regulations.
<b>Objections Committee for Natural Gas Works Tenders</b>	The committee examines the submitted objections and proposes either the acceptance or the rejection of these objections in accordance with the terms of Notice and the Procurement Regulations.
<b>Tendering Committee for Material Procurement and Services</b>	The committee conducts and supervises the procedures for the procurement of materials and the provision of services. It is responsible for the receipt of proposals and ensures compliance with the terms of Notice and the Procurement Regulations.
<b>Committee for Bid Evaluation</b>	The committee unseals the main files of the bids, the files of the supporting documents and the files of the technical and financial bids. It records and evaluates the bids and presents to the Tender Committee the result of the tenders.
<b>Objections Committee to Procurement and Services Tenders</b>	The committee studies the submitted objections and proposes either the acceptance or the rejection of these objections in accordance with the terms of Notice and the Procurement Regulations.



## 2. Committees assigned by the General Manager

Committees	Responsibilities
<b>Reserves &amp; Lending Committee</b>	<b>The committee is responsible for:</b> (a) the selection of the best and most profitable investment proposals, in case of a surplus in cash liquidity. (b) the proposal of actions, either for access to solidarity loan payments or for the conclusion of a bond loan, in case that the cash management plan results in a reduction of cash to a level that affects the smooth operation of the company.
<b>Committee for Materials – Order Planning and Inventory Management</b>	The committee is responsible for the management of orders to enable the smooth operation of the Company, the compliance with the Code of Ethics and the management of the inventories.
<b>Legal Committee</b>	The committee is responsible for the examination of new and the monitoring of the existing legal cases of the company.
<b>Committee for Operational Independence</b>	The committee is responsible for the examination of the submitted reports and the suggestions of the necessary actions to be taken to respond to the reports.
<b>Code of Conduct “Guarantor”</b>	

## 8.2 CORPORATE MANAGEMENT SYSTEM

EDA THESS implements a Corporate Management System in the areas of Quality, Environment, Energy, Health and Safety, Road Traffic Safety, Information Security, Anti-bribery, and Business Continuity.



The Management System is enacted through a series of internal procedures, instructions, manuals, specifications of materials, codes, regulations and policies, and is independently certified by the certification body TÜV Austria Hellas, in adherence to the following standards:

- **ISO 9001:2015**, for Quality management
- **ISO 14001:2015**, for Environmental management
- **ISO 50001:2018**, for Energy management
- **ISO 45001:2018**, for Occupational Health & Safety management
- **ISO 39001:2012**, for Road Traffic Safety management
- **ISO 27001:2013**, for Information Security management
- **ISO 37001:2016**, for Anti-Bribery management
- **ISO 22301:2019**, for Business Continuity management

## 8.3 CODE OF ETHICS

Our values form the cornerstone of our corporate deontology and code of conduct and guide all our actions and decisions as to how we perform our work every day. EDA THESS' Code of Ethics sets out the high standards of ethics with which the board of directors and employees at all levels pledge to comply.



The Code of Ethics safeguards the compliance with law, regulations, regulatory provisions, ethical integrity and impartiality. Our employees respect the principles and contents of the Code in their actions and behaviors while performing their functions according to their responsibilities, as compliance with the Code is fundamental for the quality of their working and professional performance.

Any violations of the Code's contents may be considered a violation of primary obligations under labor relations, or of the rules of discipline, and may incur disciplinary actions or other consequences as outlined in relevant legislation and EDA THESS' internal rules.

Beyond employees and management, the Code is brought to the attention of all third parties that have business relations with EDA THESS. The Code is revised regularly and proposals for revisions are submitted for approval to the General Manager, who subsequently proposes their approval to the BoD.



**ZERO**  
Code of Ethics  
violations in 2020

# 8.4 ANTI-CORRUPTION PRACTICES

**We are committed to conducting business with loyalty, fairness, transparency, honesty and integrity; and to ensure that all our employees and any third parties that may provide services on our behalf fully comply with all applicable laws and regulations, both domestic and foreign, relating to anti-bribery and corruption.**

EDA THESS implements an Anti-corruption Policy, which applies to all its activities. A set of Anti-corruption Guidelines provide a systematic reference framework to this policy. These are inspired by principles of the Code of Ethics and are designed to communicate to all company personnel the principles and rules to be adhered to in order to comply with the legislation in force. EDA THESS has also established an independent committee to manage any corruption incidents.

As additional anti-corruption measures, EDA THESS has developed a regularly monitored Documented Anti-Corruption System, which comprises all the organizational units of the company and other third parties. An anti-corruption risk assessment is conducted annually. In case that the assessment outcome produces high risk areas, EDA THESS will apply a Due Diligence (DD) procedure. This will assess the type and extent of risk related to bribery and corruption so that immediate action can be taken in all necessary areas, including financial transactions, external collaborations and human resources management. So far, there have been no corruption incidents and there was no need for a DD process to be initiated.

## Reporting violations: whistleblowing procedure

EDA THESS has a mechanism which is accessible to all employees, for the submission of any whistleblowing reports, concerning behaviors or non-compliance regarding Code of Ethics principles, laws or regulations. Employees have the options of discussing with their direct supervisors and/or Unit Managers, contact the Anti-Corruption Support Team through a dedicated email address, or use one of the channels indicated in the company's procedure on Whistleblowing Reports Management.



**ZERO**

Whistleblowing incidents  
recorded in 2020



# 8.5 COMPLIANCE

EDA THESS operates as a Natural Gas Distribution Network Operator in a regulated environment, being legally and operationally unbundled from the energy Transmission, Production and Supply activities, in accordance with the provisions of the Greek and European law. It addresses compliance through three main pillars: adherence to the legal framework; the regulatory framework; and operational independence.

## Legal aspects

During the four-year operation of EDA THESS, there have been no legal cases that jeopardized the operation of the company

## Regulatory aspects

We have a detailed Regulatory Calendar in place and continuously monitor the regulatory environment. Accordingly, we carry out regular (annual, semiannual, monthly) reporting to authorities.

**In 2020, there were no pending issues towards authorities, and no penalties and regulatory sanctions.**

What's more, at EDA THESS, not only do we comply to regulatory requirements regarding our operational performance, we also achieve performance excellence. Our key operating requirements performance metrics for 2020 are shown below:

## Key regulatory operating requirements and EDA THESS compliance

Key regulatory requirements	EDA THESS performance
Maximum 60 days to connect	Average of 37 days
Maximum 13 days to switch supplier	Average 7 days
Maximum 30 days to respond to requests/complaints	Average 11 days
Maximum 30 seconds to respond to at least 99% of emergency calls	Maximum 30 seconds response time for 100% of emergency calls
Maximum 4 hours to respond to potential gas leak, max. 2 hours for 90% of calls	Less than 30 minutes
Specific timeframes for meter deactivation/disconnection	Always achieved specific timeframes for meter deactivation/disconnection



**ZERO**  
non-compliance  
incidents in 2020

# OPERATIONAL INDEPENDENCE

Operational independence is ensured through the Compliance Program, in line with the provisions of §5 of article 80 of Law 4001/2011 as in force and as approved by RAE. An external Compliance Officer submits by March 31st each year, on behalf of EDA THESS, an annual report which describes the measures taken regarding adherence to the Compliance Program.



The purpose of the Compliance Program is to ensure and validate that EDA THESS (i) in no way demonstrates any discriminatory behavior in favor of the vertically integrated undertaking, or any branch/part thereof, or its affiliates; (ii) does not discriminate against final customers; (iii) does not discriminate against distribution users; (iv) does not distort competition.

**Relevant measures and procedures implemented, through the Compliance Program, emphasize the following:**

- Distinct corporate identity between EDA THESS and other branches or departments of the vertically integrated undertaking or its affiliates.
- Equal treatment of all End Customers and Users of Natural Gas Distribution
- Safeguarding access to commercially sensitive information.
- Equal access to information regarding the activities of Distribution Users.
- Awareness-raising and training of staff on the Compliance Program and its implementation measures
- Reference to sanctions that may be imposed in case of violation of the Compliance Program.



The annual Compliance Report for 2020 was submitted to RAE which ascertains the Company's full Compliance

# 8.6 RISK MANAGEMENT

EDA THESS implements a systematic, continuous and comprehensive process for the identification and management of risks associated with our operations, our people, the local communities and the wider environment. We have developed a Risk Management System, which is in alignment with the international best practices (COSO Framework) and the Company’s business strategy.

Our Risk Management System acts proactively against risks of any nature, through the continuous monitoring of regulatory developments and events that have affected or may affect our operations in the future, while, at the same time, controls the Regulatory Compliance of the Company.

The risk identification, assessment, and management processes are carried out periodically based on the risk variance and, at least once a year, the overall risk assessment is reviewed in terms of changes. During the year, the person within the Risk Management division responsible for the compilation of the risk matrix, carries out risk identification and management activities relating to bribery and corruption, business continuity, and risks resulting from the activities of the Development, Construction, Operation & Maintenance and Procurement departments, as their activities are crucial in the context of our overall operations.

**The company maintains an Overall and a Technical risk assessment portfolio, grouped under the following categories:**

Overall Risk Assessment	Technical Risk Assessment
Strategic	Gas Market Development
Financial	Network Construction
Operational	Operation and Maintenance
Regulatory	Procurement
Health and Safety	
<b>Total number of risks: 116</b>	<b>Total number of risks: 152</b>

## 8.7 BUSINESS CONTINUITY

At EDA THESS we are committed to ensuring business continuity and uninterrupted operation. To actively and systematically manage risks to business continuity, the company has established policies and procedures to identify and manage risks and systematically analyze impact management, and it has developed detailed emergency plans in the event of a business continuity crisis.

### Our Business Continuity Management System defines, among other:

- the objectives regarding the desired security level
- relevant stakeholders and their expectations
- potential critical disruptors
- detailed Emergency Plans for Crisis Management to determine critical activities and timeframes, and responsibilities for the management of critical events, relating to both distribution network incidents and off-distribution network incidents
- the recovery of its operational Departments

We maintain our focus through continuous training and awareness raising of employees, partners/suppliers and third parties, regularly assess potential threats and opportunities relating to critical disruptors and monitor critical key performance indicators.



**ZERO**  
critical threats to  
business continuity  
materialized in 2020

## 8.8 CYBER SECURITY AND DATA PROTECTION

The activities of EDA THESS are intertwined with acquiring, storing, processing, communicating and disseminating information, documents and other data regarding negotiations, administrative proceedings, financial transactions, and know-how (e.g. contracts, deeds, reports, notes, studies, drawings, pictures, software, etc.). All such information is considered confidential, and maintaining this confidentiality is considered one of the most important obligations that our employees have, further to being a fundamental legal obligation by the provisions in force.

The Code of Ethics prescribes the principles, rules and code of conduct associated with handling proprietary information and business secrets and implementing preventive safety measures for all its databases against risks of data loss, unauthorized access or unallowed processing. Moreover, EDA THESS operates in full compliance with the General Data Protection Regulation (GDPR) and implements organizational and technical measures to enhance and ensure cyber security and data protection.

As a result of the measures that we have in place, there were zero cyber attack incidents and zero complaints regarding customer privacy during 2020.



**ZERO**  
cyber-attack  
incidents and  
customer privacy  
complaints in 2020

## 8.9 CREATING VALUE FOR ALL: CORPORATE SOCIAL RESPONSIBILITY POLICY

At EDA THESS, we implement a policy in order to provide guidance on the integration of Corporate Social Responsibility (CSR) practices and Sponsorship management, with the aims of strengthening our brand identity and reputation, and creating sustainable value for society and the environment through our activities.



The Company's CSR strategy is based on three distinct and equal pillars:

1. Sustainable development
2. Impact on Society
3. Environmental footprint

The CSR policy identifies definitions, responsibilities and types of activities that are eligible for consideration in the company's CSR activities, and provides for the management of any activities that are considered non-eligible at a given time. Activities implemented are monitored weekly, and a written statement is produced monthly. The strategy and planning of CSR actions is prepared by the Unit of Corporate Affairs & Internal Audit that takes into account corporate objectives, current developments and relevance to the SDGs.

# APPENDIX | GRI CONTENT INDEX

GRI Standard	Disclosure	Section	Page
<b>General Disclosures</b>			
<b>GRI 102: General Disclosures</b>	102-1 Name of the organization	About this report	4
	102-2 Activities, brands, products, and services	1.1 Company profile 1.4 Activities and operations	8 10
	102-3 Location of headquarters	1.1 Company profile	8
	102-4 Location of operations	1.5 Our presence	11
	102-5 Ownership and legal form	1.1 Company profile	8
	102-6 Markets served	1.5 Our presence	11
	102-7 Scale of the organization	1.1 Company profile	8
	102-8 Information on employees and other workers	6.1 Employment practices	47
	102-9 Supply chain	7.4 Supply Chain management	57
	102-10 Significant changes to the organization and its supply chain	No significant changes to the organization's size, structure, ownership, or supply chain occurred in 2020	
	102-11 Precautionary Principle or approach	4.2 Emergency preparedness 5.1 Our Environmental and Energy Management System	37 39
	102-12 External initiatives	7.3 Partnerships	56
	102-13 Membership of associations	7.3 Partnerships	56
	102-14 Statement from senior decision-maker	Message from our General Manager	3
	102-16 Values, principles, standards, and norms of behavior	1.2 Our vision 1.3 Our core values	9
	102-18 Governance structure	8.1 Characteristics of our governance system	59-61
	102-40 List of stakeholder groups	2.3 Engaging with our stakeholders	21
	102-41 Collective bargaining agreements	-	
	102-42 Identifying and selecting stakeholders	2.3 Engaging with our stakeholders	21
	102-43 Approach to stakeholder engagement	2.3 Engaging with our stakeholders	21
102-44 Key topics and concerns raised	2.6 Materiality matrix	24-25	
102-45 Entities included in the consolidated financial statements	1.1 Company profile	8	
102-46 Defining report content and topic Boundaries	2.7 Management and impact of material issues	26-27	
102-47 List of material topics	2.6 Materiality matrix	24-25	
102-48 Restatements of information	N/A		
102-49 Changes in reporting	N/A		

GRI Standard	Disclosure	Section	Page
<b>GRI 102: General Disclosures</b>	102-50 Reporting period	About this report	4
	102-51 Date of most recent report	N/A	
	102-52 Reporting cycle	About this report	4
	102-53 Contact point for questions regarding the report	Back cover	75
	102-54 Claims of reporting in accordance with the GRI Standards	About this report	4
	102-55 GRI content index	Appendix I: GRI Content Index	70
<b>Economic Performance</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	1.7 Strong financial performance	14
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 201: Economic Performance</b>	201-1 Direct economic value generated and distributed		
	201-4 Financial assistance received from government		
<b>Market Presence</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	6.1 Employment practices	47
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 202: Market Presence</b>	202-2 Proportion of senior management hired from the local community		
<b>Procurement Practices</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	7.4 Supply chain management	57
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 204: Procurement Practices</b>	204-1 Proportion of spending on local suppliers		



GRI Standard	Disclosure	Section	Page
<b>Anti-corruption</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	8.4 Anti-corruption practices	64
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 205: Anti-corruption</b>	205-3 Confirmed incidents of corruption and actions taken		
<b>Energy</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	5.2 Energy management	40
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 302: Energy</b>	302-1 Energy consumption within the organization		
	302-3 Energy intensity		
<b>Water</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	5.5 Water management	44
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 303: Water and Effluents</b>	303-5 Water consumption		
<b>Emissions</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	5.3 GHG and other air emissions	41-42
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 305: Emissions</b>	305-1 Direct (Scope 1) GHG emissions		
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		
<b>Environmental Compliance</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	5.1 Our Environmental and Energy Management System	39
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 307: Environmental Compliance</b>	307-1 Non-compliance with environmental laws and regulations		





GRI Standard	Disclosure	Section	Page
<b>Employment</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	6.1 Employment practices 6.2 Employee wellbeing	47 49
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 401: Employment</b>	401-3 Parental leave		
<b>Occupational Health and Safety</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	4.1 Health and safety 4.2 Emergency preparedness	35-37
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 403: Occupational Health and Safety</b>	403-1 Occupational health and safety management system		
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
403-9 Work-related injuries			
<b>Training and Education</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	6.1 Employment practices	48
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 404: Training and Education</b>	404-1 Average hours of training per year per employee		
	404-3 Percentage of employees receiving regular performance and career development reviews		



GRI Standard	Disclosure	Section	Page
<b>Diversity and Equal Opportunity</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	6.3 Diversity and inclusion	50
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 405: Diversity and Equal Opportunity</b>	405-1 Diversity of governance bodies and employees		
	405-2 Ratio of basic salary and remuneration of women to men		
<b>Non-discrimination</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	2020 ESG highlights 6.3 Diversity and inclusion	6 50
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 406: Non-discrimination</b>	406-1 Incidents of discrimination and corrective actions taken		
<b>Customer Privacy</b>			
<b>GRI 103: Management Approach</b>	103-1 Explanation of the material topic and its Boundary	8.8 Cyber security and data protection	68
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
<b>GRI 418: Customer Privacy</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		

# 2020

## Sustainability Report

EDA THESSALONIKI-THESSALIA S.A.

### Contact Information

For more information on our  
2020 Sustainability Report,  
please contact:

**Aikaterini Stachtari**  
Manager of Corporate Affairs & Internal Audit  
[esg@edathess.gr](mailto:esg@edathess.gr)