



### **3. Audit Committee Report**



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## 1. Introduction

To the Board of Directors,  
The Audit Committee briefly presents through this Annual Report the activities conducted during 2023.

## 2. Purpose and main responsibilities

The purpose of the Audit Committee, as a Board of Directors Committee, is to provide a structured, systematic oversight of the organization's governance, risk management and internal control practices. The Audit Committee assists the Board and Management by providing advice and guidance on the organization's initiatives for:

- 1) the adequacy of the Company's Internal Control System (ICS)
- 2) the adequacy of the Company's Risk Management process to manage and minimise risks
- 3) the assessment of the risks and setting of the Board risk appetite
- 4) the Business Continuity System plus all other principal airport risk categories
- 5) oversight of the internal audit activity, external auditors and other assurance providers
- 6) oversight of independence of the external auditors
- 7) oversight of the process for the selection of the external auditors
- 8) the integrity and accuracy of the Financial Statements
- 9) business ethics and sustainability reporting
- 10) the adequacy of the Company's process regarding compliance, data protection and ethics.

## 3. Committee composition prior to trading date

The General Assembly Meeting of the Company's shareholders on May 17, 2021, decided, after the election of the members of the new Board of Directors of the Company, that the Audit Committee (hereinafter referred also as the "AC") is a Committee of the Board of Directors, consisting of two non-executive and one independent member. The term of office of the AC is two years equal to the term of office of the Board of Directors of the Company. Such term of office may be extended until the ordinary General Meeting immediately following the date upon which the term of office would have otherwise expired for the purpose of approving the Company's financial statements of the year in which the term of office expired. In any event, the term of office may not exceed a period of three (3) years; the term expires on May 16, 2024.

The composition of the AC during the period 01/01/2023 – 31/12/2023 was as follows:

- ✓ Mr. K. Kollias – Chairman – Non-executive member of the BoD
- ✓ Mr. S. Erler – Member - Non-executive member of the BoD
- ✓ Mr. P. Tampourlos – Independent member

## 4. Committee meetings

Based on the AC Charter, the AC has at least six (6) ordinary meetings a year. During 2023 the AC acted in accordance with its purpose, authority, duties and responsibilities as established by the AC's Charter dated December 2022 (DCN 392985). The Audit Committee had eleven (11) formal meetings and several informal discussions. Depending on the topic discussed AIA's Management as well as the Company's statutory auditors were invited to participate to provide related information. Minutes of formal meetings were kept and the BoD was constantly updated on matters examined by the Audit Committee through presentations of the AC Chairman and the submission of the related minutes. The issues that the Audit Committee reviewed in 2023 per area of responsibility were the following:

## 5. System of Internal Control

Several presentations were made by Management in the most critical areas of the Regulatory and Legal Compliance monitoring issues, Code of Business Conduct, Anti-Fraud and Whistleblowing, Corporate Risk Landscape, Legal Cases, Business Continuity Management Program, Sustainability and Cybersecurity:

- a) **Code of Business Conduct, Anti-Fraud and Whistleblowing:** Management presented to the AC a paper related to Anti-Fraud, Code of Business Conduct and Whistleblowing analyzing the updated internal controls,

effected in 2022 relevant to the three principal pillars (prevention, detection and investigation / response) and the developments related to the applicable regulatory requirements,

- b) **Whistleblowing Policy:** the AC reviewed the whistleblowing policy submitted by Management and proposed to the AC related approval. The topics reviewed during the meeting were: background and preparation process, purpose and scope, main characteristics of the policy, actions further to the endorsement of the policy by the BoD and considerations on Law 4990/2022, snapshot of AIA's compliance status and reporting (all submitted reports were irrelevant to the scope of the whistleblowing framework)
- c) **Regulatory and Legal Compliance monitoring issues:** Management presented to the AC the Regulatory and Legal Compliance Matrix for the year 2023 incorporating developments related to legal affairs, data protection & compliance, aviation unit, ground handling services & PRM assistance, security services, information technology, accounting & tax, corporate finance, human resources, fire life safety and energy & asset management,
- d) **Corporate Risk Landscape:** Management presented to the AC the update of the Corporate Risk Landscape informing the AC of the current industry challenges faced by the aviation industry, as well as, of the main risks faced by the Airport Company and the related actions taken by Management,
- e) **Legal Cases:** Management presented to the AC the Legal Cases and the related risk assessment,
- f) **Business Continuity Management Program (BCMS):** The developments pertaining to the BCMS were presented by Management. The most important developments are update of the Corporate Business Continuity policy and manual, re-assessment of the operational criticality of AIA's systems and infrastructure, drafting of procedures relevant to critical systems / infrastructure, improved operational resilience by healing weaknesses highlighted in incidents and exercises performed,
- g) **Sustainability:** Management presented the Sustainability Program Outcome of the Assurance Exercise and related action plans (AIA's strategic sustainability vision, approach, corporate citizenship, 2022 annual & sustainability report, materiality assessment, EY assurance engagement, external recommendations and AIA's response)
- h) **Cybersecurity:** Management presented to the AC a Cyber Security Update (follow up actions since last meeting, aviation prime threats 2023, EUROCONTROL MISP integration with AIA, AIA Cybersecurity incidents / events overview for 2023, action plan and next steps).

## 6. External Audit & Financial Statements

- a) At a joint meeting with the Finance Committee, the AC met with AIA's Management and AIA's External Auditors to discuss the most significant accounting and audit issues relating to the December 31, 2022, Financial Statements
- b) The AC exchanged views in separate meetings held with the External Auditors
- c) The AC met with the CFO and Manager IAD to evaluate the performance and independence of the external auditors; reviewed the External Auditors fees and proposed to the BoD the External Auditors re-appointment for the fiscal year 2023,
- d) The AC approved the updated External Auditors Independence policy submitted by the CFO,
- e) The AC met with the External Auditors in order to discuss the internal control issues and Management's Action Plans that arose during the 2022 statutory audit and were included in the External Auditors' Management Letter
- f) The AC reviewed the Engagement Letter for the 2023 audit. In this respect, the AC discussed with the External Auditors the scope and time plan of the statutory and tax audit,

- g) The AC reviewed and approved the Q3 2023 (nine months) financial statements,
- h) The AC met with the External Auditors and AIA's Management, to discuss matters arising from the Preliminary work of the audit of the December 31, 2023, Financial Statements. The auditors stated that no control deficiencies were identified during the course of the interim audit procedures,
- i) The AC discussed with the CFO the re-appointment of EY as external auditors for the financial year 2024.

## **7. Internal Audit Department (IAD)**

The Audit Committee throughout 2023 had several meetings with the Manager Internal Audit. During these meetings the AC:

- a) Reviewed and approved IAD's Quarterly Internal Audit Reports which address all major issues encountered by Internal Audit and appropriate action plans agreed upon with Management,
- b) Was presented the results of the Internal Audit Quality Assurance and Improvement Program Self-Assessment for 2022 and 2023. IAD having reviewed the 52 Internal Audit standards, IAD concluded that it "*Conforms with the International Standards for the Professional Practice of Internal Auditing*".
- c) Reviewed and approved the IAD Manager's 2022 Annual Performance Evaluation and 2023 Annual Goals
- d) Reviewed the 2022 Internal Audit Annual Client Satisfaction Survey Results. The survey was communicated to 49 auditees. The participation in the survey was voluntary and the responses provided were anonymous. The participation level reached 63%. The overall rating for the services provided by IAD is analyzed as follows: adequacy of overall audit services (very good), adequacy of auditor's knowledge (very good), overall audit findings communication and follow up (very good) and overall audit staff behavior (very good),
- e) Reviewed the IPO readiness analysis performed by IAD for the requirements of the AC and IAD taking into consideration the Corporate Governance Guide based on Law 4706/2020 and the decision 5/204/14.11.2020 of the BoD of the Capital Market Commission,
- f) Was informed about the intention of IAD not to renew the agreement for the maintenance and support of the GRC platform which ended in September 2023 and approved the tender methodology to be followed for the selection of an internal audit software,
- g) Was informed by IAD Manager that according to the International Standards for the Professional Practice of Internal Audit in 2024 a full External Qualified Assessment must be carried out for IAD, approved the tender methodology to be followed,
- h) Reviewed and approved IAD's 2024 financial budget
- i) Reviewed and approved IAD's 2024 annual audit plan
- j) Approved the amended Internal Audit Charter.



## **8. Audit Committee (AC)**

- a) The AC assessed its performance over the fiscal year 2022,
- b) The AC approved its amended Charter,
- c) In view of the IPO the AC approved the following documents: Internal Control System periodic assessment policy, Internal Control System periodic assessment procedure, risk management policy, risk management procedure, corporate compliance policy, corporate risk and control charter and charter of the regulatory compliance, data protection & ethics department,
- d) The Audit Committee prepared the 2024 Annual Agenda of ten meetings to be held and issues to be discussed.

The Audit Committee of Athens International Airport prior to the trading date,

Athens, 29 February 2024

The undersigned

K. Kollias  
Chairperson of the AC

S. Erler  
Member of the AC

P. Tampourlos  
Member of the AC



## 9. Committee composition after the trading date

The General Assembly Meeting of the Company's shareholders on December 15, 2023, decided, after the election of the members of the new Board of Directors of the Company, that the Audit Committee (hereinafter referred also as the "AC"), effective from the trading date, is a Committee of the Board of Directors, consisting of two independent and one non-executive member. The term of office of the AC is two years equal to the term of office of the Board of Directors of the Company and expires 2 years after the trading date; February 6, 2026.

The composition of the AC effective from the trading date is as follows:

- ✓ Mrs. L. Scaramangas – Chairperson – Independent Non-executive member of the BoD
- ✓ Mr. R. Goebbels – Member of the AC, Independent Non-executive member of the BoD
- ✓ Mr. S. Erler – Member of the AC, Non-executive member of the BoD

Mr. Erler was also a member of the previous AC and the previous AC Chair remains a member of the new BoD.

## 10. External Audit & 2023 Financial Statements

Following the appointment of the AC, the newly appointed Chair held a series of preparatory meetings and discussions with the CFO and members of the Finance team, the external auditors, the independent member/financial expert of the previous Audit Committee, the Head of Internal Audit and the Head of the Legal Department to be briefed on issues in their respective areas of expertise, the progress and results of the external audit and the status of litigation issues.

The AC reviewed the 2023 financial statements and held a joint meeting with the Finance Committee to discuss the most significant accounting issues with AIA's Management and the External Auditors. The Committee discussed with the external auditors the results of their audit, the involvement of experts during the audit, and the contents of the report to the Audit Committee prepared in accordance with Article 11 of EU Reg. 537/2014, including the Key Audit Matters ((a) Accounting treatment of the concession right granted as an intangible asset due to the exercise of management judgements, the complexity of calculations and the materiality of this intangible asset and (b) the accounting treatment of derivative financial instruments and hedge accounting due to their materiality, the complexity of the accounting treatment and the uncertainties involved in the management's judgements in the application of hedge accounting). The AC also held a separate meeting with the auditors without the presence of management.

The AC communicated the results of the external audit to the Board of Directors and explained how the audit contributed to the integrity of the financial reporting and the AC's role in the process.

The Audit Committee of Athens International Airport,

Athens, 29 February 2024

The undersigned

L. Scaramangas  
Chairperson of the AC

S. Erler  
Member of the AC

R. Goebbels  
Member of the AC