ATHENS MEDICAL GROUP

Always one step ahead!

AUDIT COMMITTEE'S REPORT

TO THE ORDINARY GENERAL ASSEMBLY MEETING



In accordance with Article 44 (1)(i) of Law 4449/2017 as amended and in force pursuant to Article 74 of Law 4706/2020

Kefalari, 26 April 2024

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To: The shareholders of the Ordinary General Assembly Meeting
of Athens Medical Center S.A.

The Board of Directors of Athens Medical Center S.A.

Dear Shareholders,

We hereby submit the Audit Committee's Report (hereinafter the "Committee" and the "Report" respectively) in accordance with Article 44(1)(i) of Law 4449/2017 as amended and in force pursuant to Article 74 of Law 4706/2020.

The Report was approved in sub no. 59/2/26.4.2024 meeting of the Audit Committee and aims to inform the Board of Directors (hereinafter "Board") and the Ordinary General Assembly Meeting of Shareholders, regarding the following:

- The procedure for selecting Certified Public Accountants in accordance with Article 16 of Regulation (EU) No 537/2014 for the audit of the year ended on 31.12.2023.
- The independence of the Certified Public Accountants from their election date until the date on which their audit report was issued for the financial year ended on 31.12.2023 in accordance with Articles 21, 22, 23, 26 and 27 and Article 6 of Regulation (EU) No 537/2014 and in particular the suitability of providing non-audit services to the audited entity according to the Article 5 of Regulation (EU) No 537/2014.
- The results of the statutory audit for the financial year ended on 31.12.2023 and its contribution to the integrity of the financial information disclosed in the separate and consolidated financial statements for that period.
- The effectiveness, particularly in relation to financial reporting of the:
  - ✓ Internal Audit
  - ✓ Internal Control System,
  - ✓ Quality assurance and risk management systems of the Company as for the financial year ended on 31.12.2023.
- The Sustainable Development Policy

Yours faithfully

The Chairman of the Audit Committee

Agisilaos Panagakos

The Members of the Audit Committee

Alexandra Mikroulea

Panagiotis Katsichtis

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INTRODUCTION

The Audit Committee of the company "Athens Medical Center S.A." was elected by the decision of the Company's Annual General Assembly Meeting of its Shareholders taken on 17.6.2022. The members elected were the same as those of its previous composition, as they had been elected, with the corresponding decision of the Company's Annual General Assembly Meeting taken on 10.7.2019.

It is an independent committee of the Board of Directors (herein "BoD"), which consists of non-executive members of the BoD and third parties, in accordance with paragraph (1) (ab) of article 44 of law 4449/2017, as amended and in force by paragraph 4 of article 74 of law 4706/2020.

The Audit Committee was officially constituted as a body at its meeting No:45/5/2022 which held on 17.06.2022 as follows:

1. Agisilaos Panagakos, Chairman
2. Alexandra Mikroulea, Independent Non-Executive BoD Member, Member
3. Panagiotis Katsichtis, Member

The term of office of the Members of the Committee lasts until the end of the term of office of the BoD.

The majority of Members of the Committee are independent of the Company and the Group within the meaning of Article 9 of Law4706 /2020, as determined by paragraph 1 and 2, as it applies.

The majority of Members of the Committee have adequate knowledge and experience in auditing or accounting while all Members have adequate knowledge of the sector in which the Company and the Group operate.

The Committee's operation is governed by Article 44 of Law 4449/2017, as amended and in force, and the "Audit Committee's Regulation and Procedure".

It meets at the Company's headquarters in accordance with Article 90 of Law 4548/2018 and the "Audit Committee's Regulation and Procedure". During its meetings, the discussions and decisions of the Audit Committee are recorded in Minutes, which are signed by all the Members in attendance, in accordance with Article 93 of Law 4548/2018.

During the year 2023, the Audit Committee held seven (7) meetings, which all Members attended.

DISCLAIMER

The Company's Management is responsible for establishing and maintaining an effective internal system of procedures and controls in the context of achieving the Company's objectives, a substantive part of which is the procedure for preparing and presenting financial information free of errors or omissions.

This responsibility includes Management putting in place certain checks and balances / controls that prevent or allow the uncovering of cases where the procedures and control systems do not function effectively. A well-designed Company's internal audit system should not normally leave room for grounds for fraud to arise or contribute to fraud.

Without prejudice to the responsibility of members of the BoD:

- The Audit Committee is responsible for supporting the BoD in its duties by monitoring the internal procedures and audit system independently and objectively, and financial reporting, quality and risk management, the internal audit unit and the supervision of the statutory audit.
- The Committee is responsible for regularly briefing Management by submitting, when required, the Committee's recommendations / proposals, relating both to monitoring of the financial reporting procedure and the internal audit system and procedures which have been designed and implemented and are monitored by the Company's Management.

The Members of the Committee exercise their responsibilities with the "Due Professional Judgement" in accordance with Article 44 of Law 4449/2017 as amended and in force by Article 74 of Law 4706/2020 and the "Audit Committee's Regulation and Procedure".

"Due Professional judgement" means showing the level of attention and competence that a prudent and capable member of an Audit Committee would be expected to demonstrate in a similar case/situation. Consequently, "Due Professional Judgement examines issues within its remit to a reasonable extent given the circumstances of each case.

1. SELECTION OF CERTIFIED PUBLIC ACCOUNTANTS FOR THE AUDIT OF THE FINANCIAL YEAR ENDED 2023 (FROM 1.1.2023 TO 31.12.2023).

The Audit Committee at its meeting held on 26.4.2023, following evaluation, expressed its positive recommendation to the BoD for the re-election of the audit firm "Grant Thornton Anonymous Company of Certified Auditors and Business Consultants", registered int the Audit Register (SOEL) with a Registration Number 127, for the assignment of the statutory audit, corporate and consolidated financial statements for the financial year ended 2023 (1/1 – 31/12/2023).

2. INDEPENDENCE OF CERTIFIED PUBLIC ACCOUNTANTS ACCORDING TO THE ARTICLES 21,22,23,26 AND 27 OF LAW 4449/2017 AS WELL AS ARTICLES 5 AND 6 OF REGULATION (EU) 537/2014.

The Audit Committee received and reviewed the “Declaration of Independence” from the Certified Public Accountants upon undertaking the statutory audit of the financial year ended 31.12.2023.

The Audit Committee received and reviewed the “Supplementary Audit Report for the financial year ended 31.12.2023 of the Certified Public Accountants, which includes its “Declaration of Independence” upon completion of the statutory audit of the year ended 31.12.2023.

In addition to the Statutory Audit (including the assurance services on the European Single Electronic Reporting Format), the Tax Compliance Audit and the Assurance on the Completeness of the Remuneration Report, the Audit Committee has examined and authorized, the carrying out of the following permitted non – audit services, provided by "Grant Thornton Société Anonyme of Chartered Auditors and Business Consultants"
Specifically:

- Execution of pre-agreed procedures regarding the calculation of the financial ratios of the Company's Common Bond Loan agreement.
- The performance of pre-agreed audit procedures on the "Certificate of Legal Representative" of paragraph 2 (a) of sub no. 222/13-07-2023 Decision of the Board of Directors of EOPYY on “Determination of the procedure for the implementation of sub no. GDOU 47 Joint Ministerial Decision (Government Gazette 2758/26-04-2023)”.
- The performance of pre-agreed audit procedures in relation to the eligibility of the expenses claimed by ATHENS MEDICAL CENTER S.A. for the project entitled “PrescIT: Smart, Personalized and Interoperable Electronic Prescription Platform” (MIS5069116 / T2EDK-00640), under the action "RESEARCH - CREATE - INNOVATE".

Also, the Audit Committee examined and noted that the provision of the following services by the company “Grant Thornton Tax and Advisory Services S.A”, a member of the Grant Thornton network does not pose a threat to the auditor’s independence. Specifically:

- Translation into English of the interim and annual Corporate and Consolidated Financial Statements for the financial year 2023.
- Design and conduct training/information program on ESG & Sustainability framework.
- Evaluation of the preparation of the Documentation File of Intra-Group Transactions for the fiscal year 2023 and for the companies ATHENS MEDICAL CENTER S.A., IATRIKI TECHNIKI MONOPROSOPI A.E.V.E. and PHYSIOTHERAPY AND REHABILITATION OF ATHLETIC INJURIES S.A.

Finally, the Audit Committee examined and noted that the total remuneration for the non-audit services provided in 2023 is limited to no more than 70% of the average remuneration paid for the statutory audit of corporate and consolidated financial statements in the last three (3) consecutive financial years (2021, 2022 and 2023).

3. AUDIT COMMITTEE AND FINANCIAL REPORTING - CONTRIBUTION OF STATUTORY AUDIT TO THE INTEGRITY OF FINANCIAL INFORMATION

Regarding the financial year ended 31.12.2023, from the election date of the Certified Public Accountants (19.6.2023, the date on which the Annual General Assembly Meeting of Shareholders issued its decision) to the date of issuance of the Audit Report was issued, the Committee held three (3) meetings with the Certified Public Accountants. In particular:

- **1st meeting, 27 September 2023:**

Kick-off meeting with the Certified Public Accountants, as part of the review of the condensed

separate and consolidated interim financial statements for the first half of 2023.

The Committee has taken note of:

- The progress and extent of the review of the separate and consolidated interim financial statements for the first half of 2023.
- The most important areas covered by the review which the certified public accountants focused on during the first half of 2023.
- The Key audit matters in the review of the first half of 2023.

Having discussed the matters, the Committee did not express any reservations..

- **2nd meeting, 13 February 2024:**

Meeting of the Committee with the Certified Public Accountants. The Committee was apprised of:

- The audit approach and methodology to be followed for the expression of an opinion on the separate and consolidated financial statements for the financial year ended 31.12.2023,
- The level of materiality and considerations regarding the criteria for selecting entities subject audit for consolidation purposes (scoping).
- The business risks which have been identified, their evaluation and the audit approach to address them.
- The audit schedule,
- The communication scheduled with Management,
- Staffing the Audit Team, focusing on their number and experience,
- The areas covered by the ordinary audit.
- Possible key audit issues and how they are approached.

Having discussed these matters the Committee did not express any reservations.

- **3rd Meeting, 26 April 2024:**

Meeting of the Committee with the Certified Public Accountants, in the context of the completion of the Statutory audit. The Committee was apprised of:

- The key financials in the annual separate and consolidated financial statements for the year ended on 31.12.2023.
- The audit work was carried out on important key audit issues.
- The main findings of the statutory audit to date include the main accounting judgements used.
- Communication with Management.
- The draft Audit Report for the annual separate and consolidated financial statements for the year ended 31.12.2023 will be issued following the approval of the statements by the BoD.
- The “Additional Report to the Audit Committee” in accordance with the requirements of Article 11 of Regulation (EU) No 537/2014.
- The “Declaration of Independence” in accordance with Article 11(2)(a) and (2)(c) of Regulation (EU) No 537/2014.

Having discussed these matters the Committee did not express any reservations.

4. AUDIT COMMITTEE AND INTERNAL AUDIT

4.1 OPERATION OF THE INTERNAL AUDIT

The operation of the Internal Audit is supervised by the Audit Committee.

The Audit Committee is responsible for monitoring the independence of the Internal Audit.

The Chief Audit Executive participates in all meetings of the Audit Committee.

For the year 2023, the Audit Committee:

- Approved the Annual Audit Plan for the year 2023.
- Took cognizance of the Annual Continuous Training Plan of the Internal Audit for the year 2023.
- Took cognizance of the quarterly reports on the activities of the Internal Audit for the year 2023.
- It took note of the internal audit reports of the Internal Audit Unit on the audits it carried out.
- Prepared the Annual Evaluation of the Internal Audit for the year 2023.

The Committee did not have any reservations in the operation and independence of the Internal Audit.

4.2 INTERNAL CONTROL, QUALITY AND RISK MANAGEMENT SYSTEMS

The Audit Committee for the year 2023, took the following steps, which were brought to its attention at its meeting no 59/2/26.4.2024, in order to form an opinion on the Company's internal control system, quality and risk management, the responsibility for the planning, implementation, control and evaluation of which lies with Company Management. Specifically, the Audit Committee took note of:

- The Annual Report of the Internal Audit for the year 2023.
- The Annual Report for the year 2023 of the Quality Management Systems & Effectiveness Measurement Division of Group Clinics.
- The Annual Report of the Compliance Unit for the year 2023.
- The Annual Report of the Risk Management Unit for the year 2023.
- The Annual Report of the Data Protection Officer (DPO) for the year 2023.
- The Annual Report of the Information Systems Security Unit for the year 2023.

In addition, during the year 2023, the Audit Committee monitored the actions of all those involved in the internal control system towards the implementation of the non-significant findings mentioned in the 31.3.2023 Evaluation Report, of the audit carried out in accordance with the provisions of paragraph 3 (i) and paragraph 4 of Article 14 of Law 4706/2020 and the Decision no. 1/891/30.09.2020 of the Board of Directors of the Hellenic Capital Market Commission.

In view of the above, for the year 2023, the Committee did not raise any reservations that could be considered as a material weakness in the Company's Internal Control, Quality and Risk Management System.

5. SUSTAINABLE DEVELOPMENT POLICY

The Company has established a "Sustainable Development Policy" (hereinafter the "Policy"), acknowledging its responsibilities and obligations towards the environment and people.

The Policy was drawn up with decision 785/15-7-2021 of the Company's Board of Directors, taken with participation of the Audit Committee. The Policy is also followed by the important subsidiary "IATRIKI TECHNIKI ANONYMOS ETAIRIA PARAGOGIS KAI EMPORIAS EXOPLISMON YLIKON TROFODOSIAS KAI VIOTECHNOLOGIAS MONOPROSOPI A.E.V.E", as fulfilling the required criteria within the scope of Article 2(16) of Greek Law 4706/2020.

The Sustainable Development Policy is in accordance with the Group's values on accountability, integrity, transparency, efficiency and innovation.

The Policy is determined by Senior Management, which is committed to:

- implementing the Sustainable Development Policy throughout all levels and areas of activity of the Company and the Group,
- stringently complying with current legislation and fully implementing standards, policies, internal guidelines and relevant procedures set in place by the Group,
- maintaining open, two-way communication with shareholders to identify and document their needs and expectations,
- providing a safe and healthy work environment for its staff, associates and all visitors,
- protecting human rights and providing a workplace of equal opportunities, free of discrimination,
- continually endeavoring to reduce the environmental footprint by implementing responsible actions and preventive measures, as specified by Best Available Techniques,
- cooperating and supporting the local community so the Group can contribute to the

sustainable development of the localities in which it operates,

- consistently striving to create added value for shareholders.

The Company's development planning is always underpinned by the key principles of its founder: principles which focus on ethos, dependability, respect for people and contribution to society.

The Company has incorporated sustainable development principles in its business activities and the manner in which it operates, recognizing that these principles are an essential prerequisite for its growth over the long term.

Concern for employee health and safety, respect for and protection of the environment, integrated coverage of patient needs and the harmonious coexistence with the local communities where business activities are based are the primary areas of sustainable development.

Details on all Group actions and performance indicators on sustainable development issues are set out in the Corporate Responsibility Report, published annually and posted on the corporate website, www.iatriko.gr.

The Sustainable Development Policy pillars are summarized below:

CORPORATE GOVERNANCE

The Company implements corporate governance practices related to the size, composition, duties and overall function of the Board of Directors and its committees.

Pursuant to the Board of Directors decision of 15-7-2021, the Company has adopted and implemented the Hellenic Corporate Governance Code of June 2021, which was formulated by the Hellenic Corporate Governance Council (HCGC).

The Board of Directors is responsible for planning the Company's corporate strategy and development policy and bears full responsibility for the Company's and Group's risk management, including those risks related to the integrity of its financial statement.
The Company has instituted and complies with these policies:

- Policy on Board Member Suitability
- Policy on Training Company Board Members, Managing Directors & other Managers
- Remuneration Policy.
- Conflict of Interest Policy.
- Ethics and Gifts Policy.
- Privacy and Personal Data Protection Policy.

Management is committed to complying with and promoting Corporate Governance and the

Internal Procedures and Control System, principles which are applied to all Company functions.

The areas of competence and scope of responsibility for every corporate division are determined by the Company's organizational structure.

The organizational structure is configured to:

- respond to the needs of the principal business sectors in which the Company and Group are engaged,
- be aligned with the principles of the institutional framework in place from time to time,
- facilitate the development and dissemination of a unified business philosophy,
- ensure operational control and risk management.

QUALITY OF SERVICES PROVIDED

The Athens Medical Group's Quality Management aims at ensuring the highest level of services provided by its departments, always from the perspective of patient needs. It focuses on people, with the patient at its centre.

Each department has a Scientific Board as a key body for oversight and control of issues related to the level and quality of medical and nursing services offered.

The ongoing acquisition of updated, state-of-the-art technological equipment at all hospital facilities, support for ground-breaking medical methods, highlighting international scientific achievements, investing in their implementation and ensuring qualitative and safe healthcare in Greece as well, with respect for human individuality and the use of modern technology and advanced methods and practices have all been part of the Athens Medical Group's chief mission throughout its history.

The Athens Medical Group's Quality Management System, the development, operation and ongoing improvement of which are the responsibility of the Organization & Procedures Division, aims at:

- rigorous compliance with current legislation and all regulatory provisions governing the Greek National Health System,
- management based on the analysis and documentation of all procedures in real time within Athens Medical Group departments,
- monitoring, analysis of indicators and results, and comparison with national and international data, and
- applying a risk-based approach critical to the effectiveness of the Quality Management System, leading to continually increasing satisfaction of patients and all recipients of services provided by Group departments.

EMPLOYEES

For the Athens Medical Group, its employees are its most valuable resource and driving force. To that end, it is committed to an ongoing effort to improve their performance by offering opportunities for growth and a successful professional and personal life.

The Group ensures an excellent, safe and equitable work environment that respects people and promotes trust, team spirit and efficiency. Management and employees work together as a large family in a relationship of deep trust, which facilitates prompt adjustment to situations and achieves set goals.

Management selects personnel based on knowledge, experience, ethos, quality of character and personality development in general.

The Group fosters respect for equality amongst all employees, regardless of gender, educational level, position, religion or other unique characteristics.

The continuing improvement of knowledge and formal qualifications of managers, their consistent briefing on developments in healthcare, new techniques and modern methods applied worldwide, and the development of mechanisms for employee self-improvement and further training are all priorities for the Group to help them flourish as professionals.

The Group places great emphasis on continuous training, with integrated training programs aimed at lifelong development of managers and providing opportunities for advancement within the Group.

The protection and safeguarding of personnel health and safety is an uncompromising commitment for the Group.

With respect for human rights and personal data protection, Group employees are bound to observe complete confidentiality regarding any information coming to their knowledge or which is revealed by a patient or third party, within the context of employees performing their duties and which may refer to patients or those close to them.

Management acts ethically, transparently and with open procedures at all levels.

The participation of managers and employees in successfully implementing the Policy is direct and substantive, thus achieving the goal while underscoring the fact that corruption and bribery are unacceptable to the Group.

ENVIRONMENT

The Athens Medical Group wishes to help improve environmental conditions and achieve the best possible use of resources. It has developed and implemented an Environmental Management System, acknowledging its responsibilities and obligations to the environment and people, and is committed to:

- enriching and improving the services it provides on an ongoing basis,
- safe healthcare waste management and safeguarding public health and the environment,
- responding to the need for emergency humanitarian assistance, implementing multi-faceted social contribution programs,
- complying with current environmental legislation and regulatory provisions governing the Greek National Health System,
- the continual improvement of its environmental performance,
- preventing and avoiding causes of pollution, taking all essential measures to respond to environmental issues related to its activities, and
- the rational use of resources,

The Group determines all environmental parameters applicable to its activities and develops procedures and programs with the aim of consistently improving its environmental performance.

Its environmental policy focuses on:

- allocating the necessary financial resources to manage healthcare waste management,
- managing all generated solid and liquid waste, with priority for sorting and recycling/management,
- proper energy management through development of a system to monitor natural resource consumption,
- ongoing briefing of senior management and personnel on environmental issues,
- employee training and increasing awareness, and
- cooperating with authorities to provide all necessary data.

SOCIETY

With its key principle being “respect for people”, the Athens Medical Group engaged in a particularly socially sensitive area: health. As such, it goes without saying that it implements a multi-faceted social contribution program.

This program is either ad hoc in response to emergency humanitarian needs, or as part of a framework of commitments the Group has assumed over time.

Since its founding, it has included corporate responsibility in its main strategic planning pillars.

The Group remains true to the declaration of its founder: “to always give back to society a small piece of what it has generously offered it.” This declaration is an integral part of the Group's culture and DNA; it is a declaration that encapsulates the fundamental premise and key element of the term “Corporate Social Responsibility” (CSR) around the world.

The plan of CSR actions aims at supporting the work of non-governmental organizations, charitable foundations, societies, associations and local governmental bodies, and at improving the lives of vulnerable social groups.

The Group’s social contribution actions are in the areas of:

- health,
- sports,
- the science of health, through centers of reference and excellence.

GLOBAL REPORTING INITIATIVE (GRI)

The Company publishes an annual “Corporate Responsibility Report” based on the standards of the Global Reporting Initiative (GRI), which are the most recognized and demanding standards of their kind internationally.