



2019

Integrated
REPORT

“And from the start - a new beginning”

Y. RITSOS

Table of Contents

-  TABLE OF CONTENTS
-  ABOUT THIS REPORT
-  OTE GROUP
-  FINANCIALS
-  RESPONSIBLE BUSINESS
-  EMPLOYEES
-  CUSTOMERS
-  SOCIETY
-  CLIMATE & ENVIRONMENT
-  GOVERNANCE
-  APPENDIX

	ABOUT THIS REPORT	
	Message from Chairman and CEO	03
	Report Profile	04

	1. OTE GROUP	
	1.1 Group Presentation	06
	1.2 Product and Service Portfolio	09
	1.3 Sustainable Business Model	11
	1.4 Key Achievements and Targets	20
	1.5 Risks and Uncertainties for the next years	23
	1.6 Responding to Covid-19 crisis	25
	1.7 Stakeholder Dialogue	28
	1.8 SRI Indices & Ratings	30
	1.9 Awards & Memberships	31

2. PERFORMANCE & DIGITAL RESPONSIBILITY

	2.1 FINANCIALS	
	2.1.1 Financial and Operational Highlights	34
	2.1.2 Financial Position Statements	36
	2.1.3 Income Statements	38
	2.1.4 Changes in Equity Statements	40
	2.1.5 Cash Flow Statements	42
	2.1.6 Economic Value Distribution	43

	2.2 RESPONSIBLE BUSINESS	
	2.2.1 Enterprise Risk Management	45
	2.2.2 Compliance Management	46
	2.2.3 Human Rights Management	49
	2.2.4 Responsible Purchasing and Supply Chain Management	51
	2.2.5 Business Security and Data Privacy	54
	2.2.6 Business Continuity	58
	2.2.7 Integrated Management System	59

	2.3 EMPLOYEES	
	2.3.1 Human Resources Management	61
	2.3.2 Employment	62
	2.3.3 Fair Employment Policy Framework and Equal Opportunities	63
	2.3.4 Health and Safety	65
	2.3.5 Employee Selection, Attracting & Retaining Exceptionally Talented Employees	67
	2.3.6 Employee Training and Skills Development	69
	2.3.7 Employee Communication, Engagement and Satisfaction	72

	2.4 CUSTOMERS	
	2.4.1 Connectivity for All	75
	2.4.2 Products and Services for Sustainability	78
	2.4.3 Safe and Responsible Technology Use	83
	2.4.4 Communication with Customers	85
	2.4.5 Customer Service and Satisfaction	87

	2.5 SOCIETY	
	2.5.1 Social Contribution	91
	2.5.2 Digital Skills for All	93
	2.5.3 Access to Digital Society	97
	2.5.4 Social Initiatives	99
	2.5.5 Employee Volunteering	101

	2.6 CLIMATE AND ENVIRONMENT	
	2.6.1 Environmental Strategy	103
	2.6.2 Energy and Climate Change	105
	2.6.3 Circular Economy	110
	2.6.4 Electromagnetic Fields	115
	2.6.5 Other Environmental Aspects	117

	3. GOVERNANCE	
	3.1 Corporate Governance Structure & Members	120
	3.2 Board of Directors	125
	3.3 Audit Committee	127
	3.4 Compensation & Human Resources Committee	128
	3.5 Board of Directors Nomination Committee	129
	3.6 Compliance Enterprise Risks & Corporate Governance Committee	130
	3.7 Sustainability Governance	131

	APPENDIX	
	2019 Performance	03
	Accountability Principles Standard AA1000 Index	06
	United Nations Global Compact – Communication on Progress (CoP)	07
	ATHEX Guide Index	09
	Greek Sustainability Code – Declaration of Conformity	11
	Global Reporting Initiative Content Index	12
	Additional Information for GRI Indicators	26
	Human Resources Performance Data	37
	Environmental Performance Data	45
	Independent Assurance Report	51



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

Message from the Chairman and CEO



2020 is a year humanity will never forget. In just a few months, the coronavirus pandemic changed everything on the planet: from the economy and every business sector, to education and work patterns.

Some lessons we have learned during our battle against the virus:

- **Technology is our great ally.** Digital tools have helped citizens, businesses and the government to mitigate the impact of the health crisis and continue daily operations in safety. The pandemic has served as an **accelerator for digital growth** in Greece. We have come to realise that this growth must continue, at an even greater pace.
- **Society embraced solidarity.** Citizens' responsible behaviour has contributed decisively to the national effort against the pandemic. The mobilisation of the private sector was unprecedented. **Collaboration, solidarity and responsibility** are the positive legacy of Covid-19.
- **Science and research took a leading role.** The health crisis highlighted the benefits of investing in knowledge, research and innovation. At the same time, we witnessed the risks posed by the spread of fake news.

The overall impact of Covid-19 on global economy and society has not yet been determined. However, this unprecedented crisis creates an **opportunity for change.**

Sustainable development will play a key role in the post-covid era. Protecting human health and

natural environment, adopting digital solutions such as teleworking and promoting international solidarity are now a priority, **thoroughly changing the way we operate.**

Sustainable growth is nothing new to **OTE Group.** It has been **part of our strategic planning and operations** for many years now. The epidemic **further boosted our sustainability agenda** - in support of society, the economy, our environment.

Since the outset of this crisis, OTE Group's priority has been to **protect** its people and ensure the **seamless operation of its networks and services.** We took immediate action in order to facilitate our customers, enhance our national health system and support the government's work. Our total contribution during the crisis **exceeded €12 million.**

Looking ahead, we want to make sure that **telecommunications and technology remain a great ally** for citizens and our society.

To this end:

- We are **forging ahead with our planned investments in next-generation networks and services**, like FTTH and, soon, 5G



The overall impact of Covid-19 on global economy and society has not yet been determined. However, this unprecedented crisis creates an opportunity for change.

- We continue to take action in **support of vulnerable groups**
- We set new and **ambitious environmental goals** for climate protection and phasing out single-use plastics
- We continue investing in our **people's development**, considering the emerging workplace trends and possibilities
- We intensify our efforts to **enhance citizens' digital skills**

So, as we move on to the new normal, we can **all be part of the digital age** and **create a better world** for us and our children.

Michael Tsamaz
Chairman and CEO
OTE Group

About this Report | Report Profile



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

The 2019 OTE Group Integrated Report refers to the Group's companies' activities.

Financial risk

This Integrated Report covers the period from 1st January to 31st December 2019 (unless otherwise stated) and is addressed to all OTE Group stakeholder groups.

This is OTE Group's first Integrated Report, drafted in line with the principles of the International Integrated Reporting Council (IIRC), which presents consolidated data for the Group.

Financial information refers to all companies of the Group, unless otherwise stated.

Non-financial information has been collected from the following companies that contribute around 99% of OTE Group revenues:

- OTE, COSMOTE, GERMANOS, OTEGLOBE, OTE Academy and COSMOTE e-Value (all with headquarters in Greece)
- Telekom Romania Communications and Telekom Romania Mobile Communications (with headquarters in Romania)

Report content definition

The content of the Report is defined according to the following principles, guidelines and directives:

- The Global Reporting Initiative's Sustainability Reporting Guidelines, GRI Standards

- The AccountAbility AA1000 Principles on Inclusivity, Materiality, Responsiveness and Impact
- The United Nation's Global Compact Principles
- The Athens Stock Exchange (ATHEX) ESG Reporting Guide
- The criteria of the Greek Sustainability Code

The index tables for each of these standards are provided in the [Appendix](#).

In addition, the companies took into account:

- The Group's vision, strategic pillars and sustainability principles
- The outcomes of the stakeholders' dialogue
- The most significant sustainability issues that arose from the Materiality Analysis
- The stakeholders' feedback for the 2018 Sustainability Report for OTE Group companies

The Integrated Report is subject to external assurance, covering the Principles of Standard AA1000 and specific performance indicators of OTE Group companies (see [Independent Assurance Report](#)).

Report data

The data in the Report derive from the OTE Group's reporting systems and indicatively include aggregated financial and personnel data, aggregated data on customer service and summary data on regulatory actions. They also include environmental data that are calculated according to internationally accepted methods, based on information provided by the Operational Divisions of the companies. The collection and presentation of the data were undergone by

following the definitions and parameters of the GRI guidelines, as well as internal guidelines. Further information on measurement techniques and methods for the assessment of data is included in the Report.

No major re-statement of information, provided in earlier sustainability reports, has been included.

Compilation in accordance with IFRS

The separate and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee, as adopted by the European Union.

OTE Group's complete financial activity for 2019 is presented in its [2019 Annual Financial Report](#).

Compilation in accordance with GRI guidelines

The Report has been written in accordance with the core option of GRI Standards.

Full information on the fulfillment of GRI Standards requirements is provided in the [Global Reporting Initiative Content Index](#).

Compilation in accordance with the ATHEX ESG Reporting Guide

Leveraging on ATHEX's mission to empower Greek-listed companies to improve their ESG

performance and effectively communicate it with investors, OTE Group discloses its performance with respect to the core, advanced and sector-specific metrics outlined in the Guide.

Full information on the fulfillment of ATHEX ESG Reporting guidelines is provided in the [ATHEX Guide Index](#).

Report Feedback

The Report is published exclusively on-line, in electronic form. Any opinion and comments regarding the Integrated Report are welcome. Please send your feedback to the e-mail address: otegroup.cr@ote.gr.

At OTE Group, we continuously seek to enhance our content and increase our transparency. If you wish to be part of our efforts, please help OTE Group with improving its content by completing this online 9-question [questionnaire](#).

OTE Group

>€12m.

TOTAL CONTRIBUTION TO CUSTOMERS
AND SOCIETY DUE TO COVID-19

28

ANNUAL SUSTAINABILITY
TARGETS FOR 2020

OTE GROUP INCLUDED IN THE
2020 BLOOMBERG LP
GENDER-EQUALITY INDEX



- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

1.1 Group Presentation

OTE Group is the largest technology company in Greece. It offers the full range of telecommunications services, from fixed-line and mobile telephony, broadband services, to pay television and integrated ICT solutions.

In Romania, the Group operates in the telecommunications market, where it offers fixed-line and mobile communications, as well as television services.

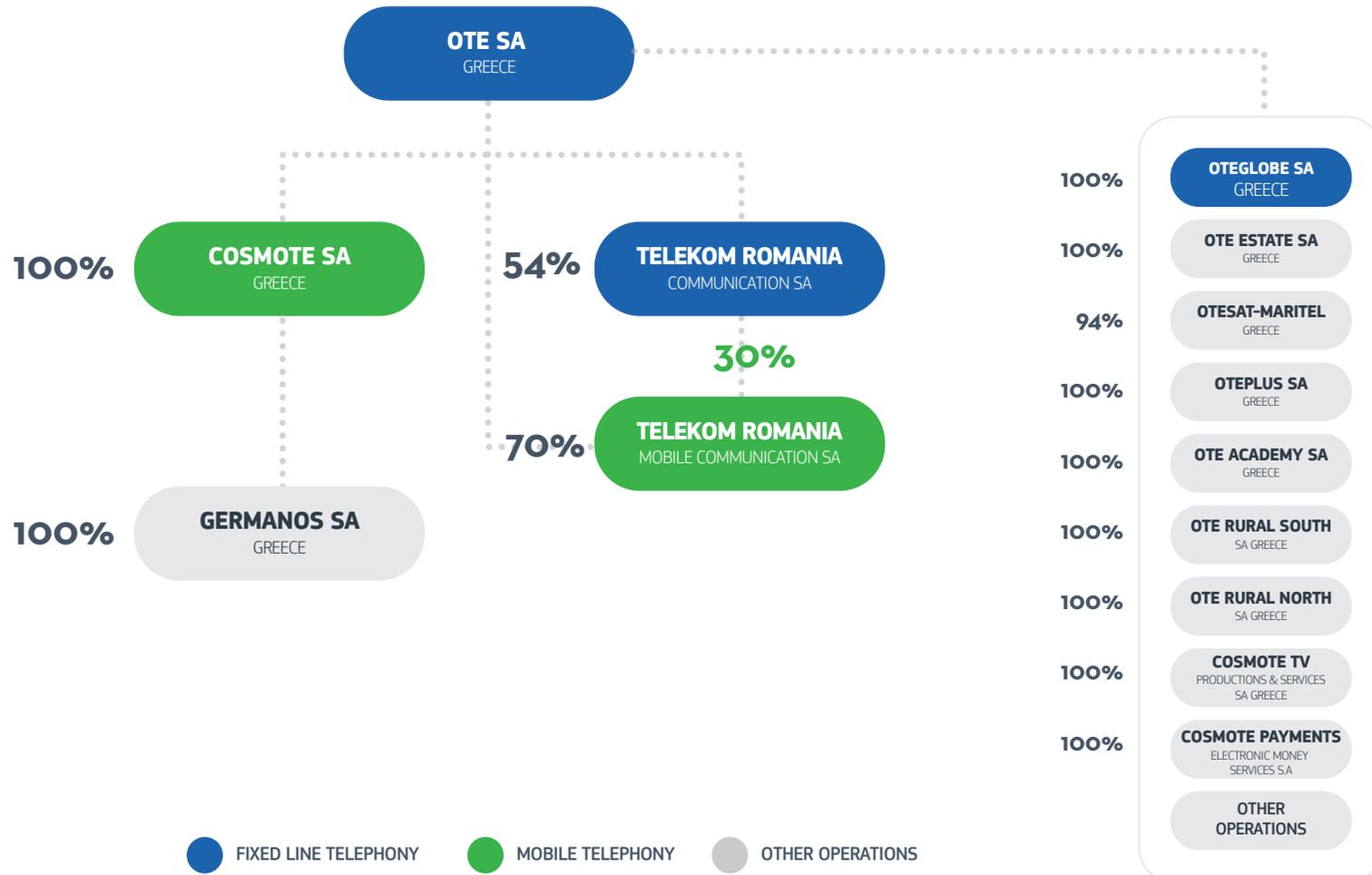
Details on the on the Group's products and services are available on its companies' [websites](#) and the [Products and Services Portfolio](#) and [Products and Services for Sustainability](#) sections.

Greece

Hellenic Telecommunications Organization S.A. ("OTE") is the parent company of the OTE Group and the main fixed telephony operator in Greece. It offers broadband, ICT services, fixed-line telephony, television, data and leased lines.

OTE was incorporated as a société anonyme in Athens, Greece in 1949 and is listed on the Athens Exchange. Until September 19, 2010, OTE ADRs (American Depositary Receipts) were also listed on the New York Stock Exchange. Following OTE's delisting from NYSE, OTE ADRs now trade in the US OTC (Over the Counter) market. OTE GDRs (Global Depositary Receipts) are also listed on the London Stock Exchange.

The OTE Group includes other than the parent Company, all the entities which OTE controls directly or indirectly. The financial statements of the consolidated non-listed entities, which



cumulatively represent more than 5.0% of the consolidated total revenues, or consolidated total assets, or consolidated total net profit excluding non-controlling interest, are presented in the following table and are available in the parent Company's [WEBSITE](#).

COSMOTE S.A., a subsidiary of OTE, is the leading mobile service provider in Greece.

OTE Group also established COSMOTE as the single commercial brand for all fixed, mobile, internet and television products in the Greek

market, so that all customers can enjoy an integrated communication and entertainment world with ease, speed and simplicity.

The Group's branch network in Greece comprises of 260 GERMANOS and 131 COSMOTE stores.

OTEGLOBE operates as a provider of international wholesale telecommunications services. It offers a complete portfolio of services for transfer, voice, mobile and corporate services to other international providers and multinationals.

OTE ESTATE is active in the management and commercialization of the OTE Group real estate.

OTEACADEMY provides innovative educational services, contributing to the development of human resources.

OTESAT_MARITEL is a leader in the provision of satellite telecommunications services to the Greek shipping industry and one of the faster growing providers of these services to the global shipping market.

Romania

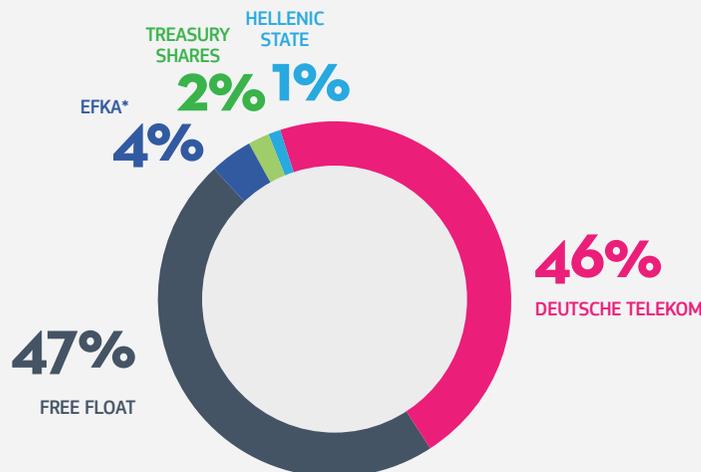
TELEKOM ROMANIA is a dynamic brand that provides a complete and innovative array of fixed and mobile telecommunication services, specifically customized for a large community base of customers.

It has been active in the Romanian market since 2014, after the joint rebranding of Romtelecom and COSMOTE Romania. Approximately 10 million consolidated services in fixed and mobile telephony are provided to its customers. Telekom Romania is a trusted partner for companies, providing them with complete communication and ICT solutions. Its network connects people and devices in order to ensure a better, safer and simpler future.

Telekom Romania is a brand associated with Deutsche Telekom, one of the world's leading integrated telecommunications companies..

OTE Group Ownership

31.12.2019



* Refers only to the transfer or 4% from the Hellenic State.
EFKA: The Unified Insurance Fund.

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

OTE Group Subsidiaries

ENTITY NAME	LINE OF BUSINESS	COUNTRY	GROUP'S OWNERSHIP INTEREST	
			2019	2018
COSMOTE MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE")	Mobile telecommunications services	Greece	100.00%	100.00%
OTE INTERNATIONAL INVESTMENTS LTD	Investment holding entity	Cyprus	100.00%	100.00%
COSMO-ONE HELLAS MARKET SITE S.A. ("COSMO-ONE")	E-commerce services	Greece	61.74%	61.74%
OTE PLC	Financing services	U.K.	100.00%	100.00%
OTESAT-MARITEL S.A. ("OTESAT-MARITEL")	Satellite telecommunications services	Greece	94.08%	94.08%
OTE PLUS TECHNICAL AND BUSINESS SOLUTIONS S.A.– SECURITY SERVICES ("OTE PLUS")	Consulting and security services	Greece	100.00%	100.00%
OTE ESTATE S.A. ("OTE ESTATE")	Real estate	Greece	100.00%	100.00%
OTE INTERNATIONAL SOLUTIONS S.A. ("OTE GLOBE")	Wholesale telephony services	Greece	100.00%	100.00%
OTE INSURANCE AGENCY S.A. ("OTE INSURANCE")	Insurance brokerage services	Greece	100.00%	100.00%
OTE ACADEMY S.A. ("OTE ACADEMY")	Training services	Greece	100.00%	100.00%
TELEKOM ROMANIA COMMUNICATIONS S.A. ("TELEKOM ROMANIA")	Fixed and mobile telecommunications services	Romania	54.01%	54.01%
NEXTGEN COMMUNICATIONS SRL ("NEXTGEN")	Telecommunications services	Romania	54.01%	54.01%
TELEKOM ROMANIA MOBILE COMMUNICATIONS S.A. ("TELEKOM ROMANIA MOBILE")	Mobile telecommunications services	Romania	86.20%	86.20%
TELEKOM ALBANIA	Mobile telecommunications services	Albania	-	99.76%
GERMANOS S.A. ("GERMANOS")	Retail services	Greece	100.00%	100.00%
COSMOTE E-VALUE	Marketing services	Greece	100.00%	100.00%
MOBILBEEEP LTD	Retail services	Greece	100.00%	100.00%
COSMOTE TV PRODUCTIONS	TV productions and services	Greece	100.00%	100.00%
E-VALUE DEBTORS AWARENESS ONE PERSON LTD ("E-VALUE LTD")	Overdue accounts management	Greece	100.00%	100.00%
COSMOHOLDING INTERNATIONAL B.V.	Investment holding entity	Netherlands	100.00%	100.00%
E-VALUE INTERNATIONAL S.A.	Marketing services	Romania	100.00%	100.00%
OTE RURAL NORTH SPECIAL PURPOSE DEVELOPMENT & MANAGEMENT OF BROADBAND INFRASTRUCTURE S.A. ("OTE RURAL NORTH")	Wholesale broadband & infrastructure services	Greece	100.00%	100.00%
OTE RURAL SOUTH SPECIAL PURPOSE DEVELOPMENT & MANAGEMENT OF BROADBAND INFRASTRUCTURE S.A. ("OTE RURAL SOUTH ")	Wholesale broadband & infrastructure services	Greece	100.00%	100.00%
COSMOTE PAYMENTS - ELECTRONIC MONEY SERVICES S.A. ("COSMOTE PAYMENTS")	Electronic money services	Greece	100.00%	100.00%
COSMOTE GLOBAL SOLUTIONS S.A.	ICT services	Belgium	100.00%	100.00%

1.2 Product and Services Portfolio

Technology market characteristics

OTE Group as a full-service Digital Telco provides fixed-line voice telephony, internet access services, mobile telephony and subscription television services, as well as television and integrated ICT solutions, in the Greek and Romanian market.

In **Greece**, the Telecommunications services is the leading category in the telecom sector and accounts for 84% of the market, while equipment accounts for the remaining 16%. According to the latest market review of the Electronic Communications and Postal Services sector, carried out by the Hellenic Telecommunications and Post Commission (EETT), the telecommunication sector's contribution to Greece's GDP amounted to 2.8% in 2017, as the number of fixed and mobile telephony operators decreased. Furthermore, OTE Group, as the undisputable market leader, works towards improving the countries' digital status, by developing integrated, scalable and open 5G infrastructure and increasing fiber-optic connectivity through its Fiber to the Home project (FTTH) where OTE has put forward a € 2.2-billion-euro investment that will foster the installation of fiber optics to 1m. Greek households by 2022.

In **Romania**, Telekom Romania invests in new technologies in order to remain competitive, especially in light of intensifying competition as local competitors expand together with the increasing demand for bandwidth. Accordingly, Telekom Romania offers FTTH solutions commercially. A major driver for its broadband roll-out is to establish a large platform for TV delivery. There is continuous competition to acquire content that could be the most appealing to subscribers.



Primary telecom products and services

	FIXED TELEPHONY	MOBILE TELEPHONY	TV SERVICES & CONTENT	CONVERGED SERVICES	BUSINESS IT SOLUTIONS	CUSTOMER & RETAIL SERVICES	WHOLESALE SERVICES
COSMOTE	●	●	●	●	●	●	●
Germanos						●	
COSMOTE eValue						●	
OTEGLOBE							●
OTE RURAL							●

Primary telecom products and services

COSMOTE has been assigned as the brand ambassador for OTE Group's primary telecom products and services, to ensure their uninterrupted provision to all OTE Group customers. Fixed telephony

OTE Group provides local, long-distance and international fixed-line telecommunications services in Greece and Romania offering internet access services and fully integrated internet protocol (IP) based telecommunications solutions over Vectoring / Supervectoring and FTTH infrastructure.

In addition, it offers a wide range of other telecommunications services, including value-added services, Intelligent Network services, IP-based hosting services, leased lines, public telephone services, operator assistance services, sales of fixed equipment and directory services.

Mobile telephony

OTE Group offers mobile telephony and data services through COSMOTE in Greece and Telekom Romania in Romania:

- **Greece**, using GSM/GPRS, 3G/UMTS, 4G/LTE, 4G+/LTE-A and local multipoint distribution service technology
- **Romania**, using GSM 900, GSM 1800, 3G and 4G technology, through OTE's 70.0% owned subsidiary, Telekom Romania Mobile as well as using 3G 2100 MHz through OTE's wholly-owned subsidiary, Telemobil S.A. (Zapp)

TV Services and Content

OTE Group provides television services over both xDSL (IPTV) and satellite in Greece and Romania. In the fourth quarter of 2019, COSMOTE introduced the Over the Top service in the Greek market. With the launch of the new Over the Top service the IPTV service has been retired from the market (for new customers). As at 31 December 2019, COSMOTE TV had 554,986 TV subscribers in Greece and Telekom Romania had approximately 1.4m. TV subscribers in Romania.

Converged services

COSMOTE is developing converged (FMC) services bundling fixed, mobile and TV packages in order to address holistic household communication and entertainment needs, enabling both single and family households to experience and share more, wherever they are.

Business IT solutions

OTE Group provides to its enterprise and business customers comprehensive Business IT solutions such as: Infrastructure as a Service ("IaaS") cloud services, cloud servers, cloud storage, Platform as a Service ("PaaS") and many more. For more details on the specific products and services offered, please refer to the company's [WEBSITE](#).

These services are integrated with mainstream connectivity services i.e.: IP virtual private networks (VPN), Ethernet services, leased lines, dedicated internet access, ATM, streaming and radio transmission services, as well as value added services, such as service level agreement services (SLA), quality guarantees with Class of Service (CoS), and managed network services (MNS).



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

Customer and Retail Services

COSMOTE e-Value

COSMOTE e-Value has been providing integrated Contact Center services, since 1999. With 20 years of experience in the contact center services field and with around 7,000 specialized agents employed, COSMOTE e-Value fully utilizes all the options provided by digital technology, offering telephone support services, on a 24/7 basis. Its services range from sales growth, customer care,

Help Desk and consulting services. The last years, the company has undertaken important projects for domestic and international customers, offering services to 21 countries in South East Europe in 16 different languages.

COSMOTE Shops and Germanos

COSMOTE and Germanos shops are designed to offer a unique experience in terms of design and technology-oriented product range, significantly contributing towards the loyalty and increase of OTE Group's customer base.



The Germanos and COSMOTE retail network leverage on their salesperson expertise and technological orientation and offer OTE and COSMOTE mobile and fixed telephony products and services, Internet and TV plans as well as a wide range of technology products (including smart watches, wearables, smartphones, tablets, laptops, TV sets, game consoles).

Wholesale Services

Focused on customer experience excellence, as part of the OTE Group growth mindset, OTE Wholesale provides high-quality support and business approach/ methods.

OTE Group offers Telcos in Greece, the opportunity to easily create and expand their own portfolio, by choosing from the wide range of available services.

More specifically, the services offered are Next Generation Access services (fiber optics and 5G connectivity), Copper access, Data, Voice, Value Added Services (call blocking), Mobile.

Collaboration with providers creates sustainable growth in the Greek Telco industry, which leads to beneficial end-results in favor of residential and business customers. Long-term synergies of mutual interest provide healthy competition and strengthen the conditions of equity and market's financial development.

Global Telecom services

OTEGLOBE, provides **international** wholesale telephony services and international wholesale data capacity/IP services to telecommunication providers and to multinational companies outside of Greece with a particular focus on the region of South-Eastern Europe.

OTEGLOBE focuses on:

- Important collaborations with customers that take place during the year to serve the increased needs for data traffic; and
- Maintenance of high profitability margin of voice services by serving international traffic through an IP network that ensures quality at competitive prices

Fixed infrastructure

OTE Rural North and South (both 100% OTE Special Purpose subsidiaries) are the Group's Private Partners for the Project **"Development of Broadband NGA Infrastructure in "White" Rural Areas"** in Greece providing wholesale telecommunications services via this infrastructure to remote and dispersed residential departments of Greece, mostly mountainous or insular.

The implementation of the project follows the Public-Private Partnership (PPP) scheme, between OTE Rural North and South, OTE and Information Society. Both companies develop and manage a network of telecommunications infrastructure, which supports the provision of wholesale broadband services from third party telecommunication providers to end-users (citizens and businesses) in over 2,000 "white" settlements.

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

1.3 Sustainable Business Model

OTE Group uses technology and its capabilities to create a better world for all. At the same time, it enhances its sustainable entrepreneurship, while, contributing to the economy, the society and the environment.

The Group is focused on further embedding sustainability principles into its core strategic pillars, which drive the Group's ability to create value.

Responsible Business

OTE Group operates responsibly throughout its value chain, aiming to stand as an example. In this framework, it applies and develops procedures, policies, tools, systems and mechanisms to manage issues regarding risks and compliance, human rights, business continuity, security and data privacy, as well as responsible procurement and supply chain.

Employees

OTE Group provides a sustainable, efficient and technological smarter workplace, which cultivates a growth mindset for its people, recognizes high performance and gives them equal opportunities to grow. At the same time, it invests in digital learning tools and focuses on digital skills development, while supporting cross functional collaboration and communication. OTE Group's goal is to be the employer of choice for this new digital era, both for its existing employees as well as for young talents.

Customers

The Group is the largest telecommunications provider in the Greek market. It connects people, in a world of unlimited digital possibilities, aiming to increase everyone's quality of life. In this

context, it develops innovative products and services, which contribute to the sustainable development, with environmental and social benefits for all.

Society

OTE Group contributes to the development of digital skills of people of all ages, providing equal access to new technologies for all. It conducts various social contribution and corporate volunteering initiatives, aiming to support vulnerable social groups, children, education, local communities, entrepreneurship, culture and sports.

Climate and Environment

The Group aims for financial growth in accordance with environmental responsibility in all aspects of its activities. Its environmental strategy focuses in addressing climate change and the continuous integration of the circular economy principles into its activities. It sets targets on the development and provision of products and services, that seek to minimize the environmental impact of its activities, allow the enhancement of productivity and protection of the environment in other sectors of economic activity and on inform and raise awareness for its stakeholders.

Sustainability Policy

The Groups' Sustainability Policy, determines the sustainability strategy and action plan of OTE and its subsidiaries, taking into account the existing social and economic conditions, as well as the cultural priorities and challenges. The Policy identifies responsibilities, tasks and forms of cooperation between OTE's business units and its subsidiaries, regarding sustainability issues.

Code of Human Rights and Social Principles



The Code of Human Rights and Social Principles of OTE Group defines the behavioral rules in relation to human and social rights that all Group employees, investors and suppliers must abide and adhere to.

It sets the rules on matters, such as the respect of diversity in the workforce, the right to freedom of association and collective bargaining, the prohibition of all kinds of forced labor and health in the workforce.

It has been developed in accordance with internationally recognized standards, guidelines and rules such as the International Bill of Human Rights and the Core Conventions of the International Labor Organization. It takes into account the Organization for Economic Cooperation and Development (OECD) Guidelines, the UN Global Compact, the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) of the International Labor Organization and the guiding principles of the United Nations on Business and Human Rights.

[LEARN MORE](#)

Contribution to the UN SDGs

OTE Group companies participate in the UN Global Compact, a United Nations' initiative on sustainable development.

In September 2015, the United Nations adopted the 17 Sustainable Development Goals (SDGs). OTE Group has analyzed its impact to the SDGs throughout its value chain and has identified 7 SDGs that it mostly contributes to. These priority SDGs were linked to the Group's sustainability strategic pillars and actions.

SDGs with Significant Contribution



[LEARN MORE](#)



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



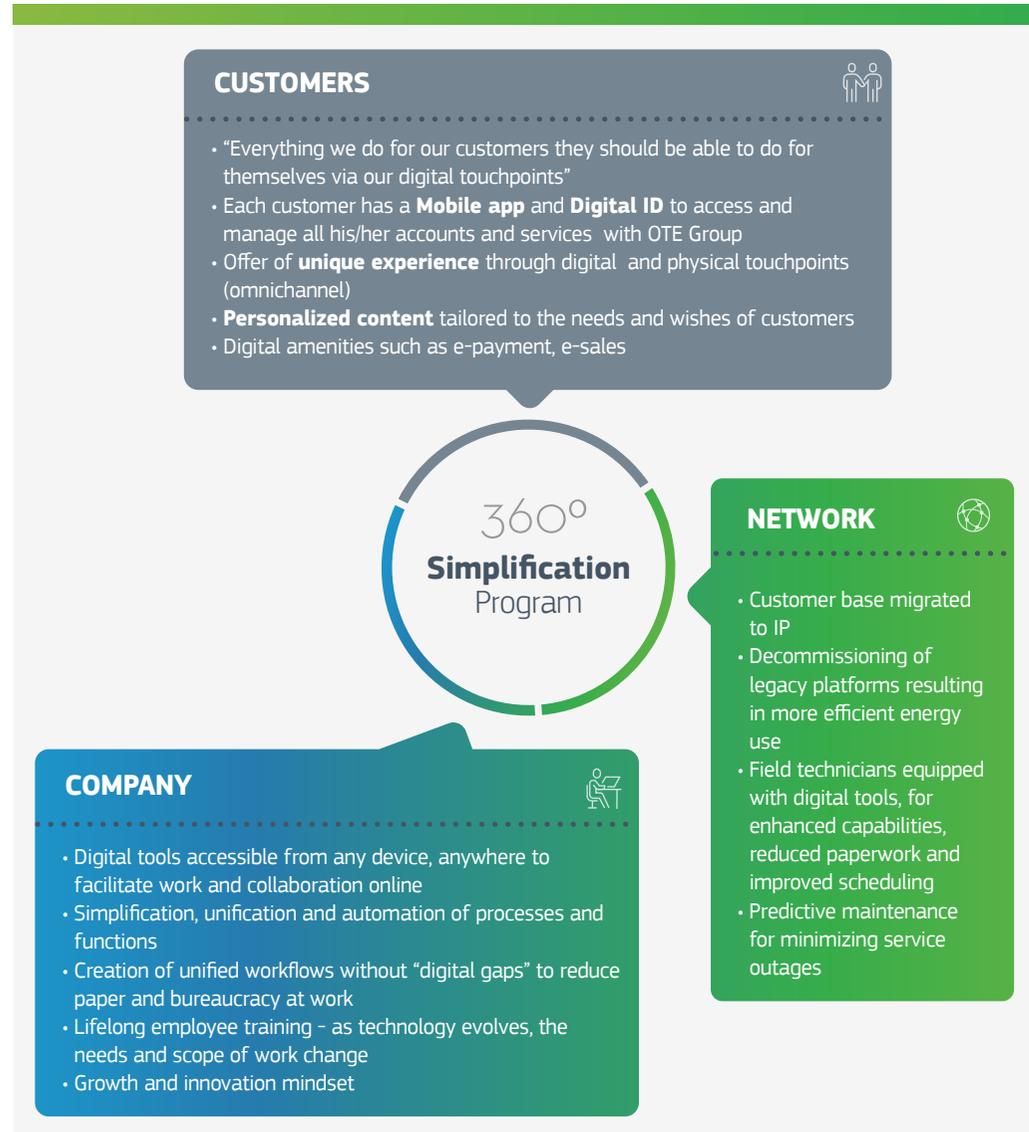
GOVERNANCE



APPENDIX

Digital Transformation

OTE Group aspires to become the Digital Transformation leader in Greece and a role-model in South-East Europe. To achieve this goal, a holistic **360 Digital Transformation Program** is implemented, addressing the key areas of 3 activities: **Customer, Network, Company** and an additional **Simplification** program launched as a key enabler for Digitalization. The simplification program aims to make the product portfolio (for fixed and mobile rate plans) and their respective billing process simpler and easier to understand, so as to improve customer and user experience.



Greece
SIGNIFICANT DATA 2019

>2,900,000
CUSTOMERS HAVE BEEN USING THE GROUP MOBILE APPS

58% **customer penetration**
OF ELECTRONIC BILL PLATFORM;
A DIGITAL AND OMNI-CHANNEL EXPERIENCE LAUNCHED WITH INTERACTIVE CAPABILITIES AND A USER-FRIENDLY INTERFACE.

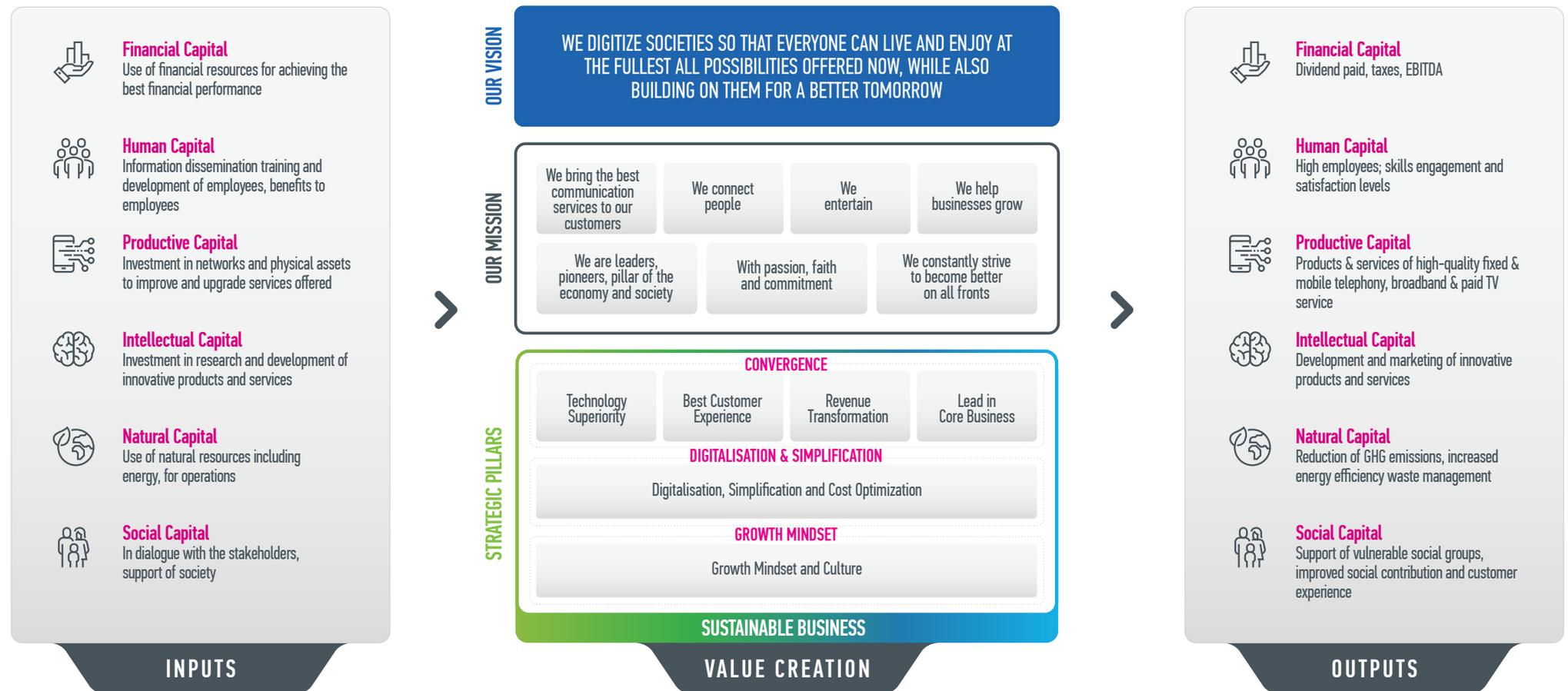
>60%
OF NETWORK ALARMS
HANDLED BY AN AUTONOMOUS NETWORK OPERATIONS SYSTEM -
DIGITALIZATION AND AUTOMATION OF NETWORK OPERATIONS THROUGH AI

Business model

OTE Group's business model aims to create value for its shareholders, its customers, the society, its employees and the environment.

To this end, the Group continuously improves its products and services, offers new job opportunities, cooperates with a large number of suppliers, pays taxes to the state and contributes (financially and in kind) to society. In addition, it provides equal opportunities, facilitates access of vulnerable social groups to the digital world and takes measures to reduce its environmental footprint. At the same time, its products and services help customers reduce their environmental impact. The Group's efficient operation and high competitiveness level lead to positive economic results and allows the Group to reinvest in its business operations to create more value for all its stakeholders in the short, medium and long-term.

Governance



OTE Group Strategy

OTE Group has set the path to become a digital leader in the ICT sector. It seeks to transform into a modern **Digital Telco**, by investing in Gigabit infrastructure and technology. The Group looks to make this transition by strongly embracing its six strategic pillars, which encompass the Group's core sustainability principles. In this context, in 2019, priority was given to the creation and implementation of an action plan to achieve integrated thinking in business and embed sustainability into business strategy. As such, 12 targeted sustainability sessions were organized with the participation of all business units, with more than 50 senior level executives taking part. At the sustainability sessions, the opportunities and challenges for creating value for both external and internal stakeholders as well as the foundations for the Group's transformation into an inclusive, responsible and sustainable Digital Telco were presented and acknowledged. Looking forward into the future, OTE Group will strive to make improvements to its existing policies and processes, commitments and sustainability targets.

OTE Group Strategic Pillars and Sustainability Principles

CONVERGENCE

Technology Superiority

We invest in the technological excellence of our networks and IT systems. We seek to provide reliable fiber-optic connectivity to our customers through our Fiber-to-the-Home programs at Gigabit speeds, fostering the socio-economic development of the countries we operate in as well as assisting the transition to digital society. By improving our connectivity infrastructure, we seek to minimize its impact on local communities and the environment.

Best Customer Experience

We always place our customers at the center of our actions. We strive to expand our digital solutions in addressing customer service requests with best-in-class uninterrupted service, as well as to inform them about the safe use of technology.

Revenue Transformation

We put emphasis on services with significant growth prospects. We offer sustainable products and services, enabling customers to improve their business's operation, competitiveness and prosperity, and meet their IT Business needs in a more sustainable manner, by leveraging the opportunities offered by NB-IoT network. Our products and services contribute to climate change mitigation, the rational and efficient use of natural resources, and the reduction of waste generated.

Lead in Core Business

We leverage on our strong brand, our fully fledged product portfolio and our sales network. We look to providing combined services, thus extending our customer base and safeguarding our customers from possible disruptors. We are able to achieve our leadership status by adopting responsible operation and business practices, capitalizing on our strong data security and corporate compliance policies, engaging with our stakeholders as well as by embracing proactive governance and responsible supply chain management practices.

DIGITALISATION & SIMPLIFICATION

Digitalisation, Simplification and Cost Optimization

We transform our company into a modern, digital provider, by simplifying our products, main operational functions and IT systems, as well as by digitalizing our internal operations, thus fostering a sustainable lifestyle in a digital world. Through our efforts to optimize our internal operations, we seek to reduce our environmental footprint and improve our energy efficiency.

GROWTH MINDSET

Growth Mindset and Culture

We upgrade the skills of our people and adopt a culture of growth and innovation. We conduct employee training programs focusing on employee Upskilling and Reskilling by leveraging the Group's digital e-learning platforms.



Value creation

OTE Group integrates its six capitals into its value creation process, developing smart, high-quality and inclusive ICT products and services, leveraging its innovative and leading technologies and practices. The Group capitalizes on its assets, skills and relationships, creating value for both external and internal stakeholders and laying the foundations for the Group's transformation into inclusive, responsible and sustainable Digital Telco.

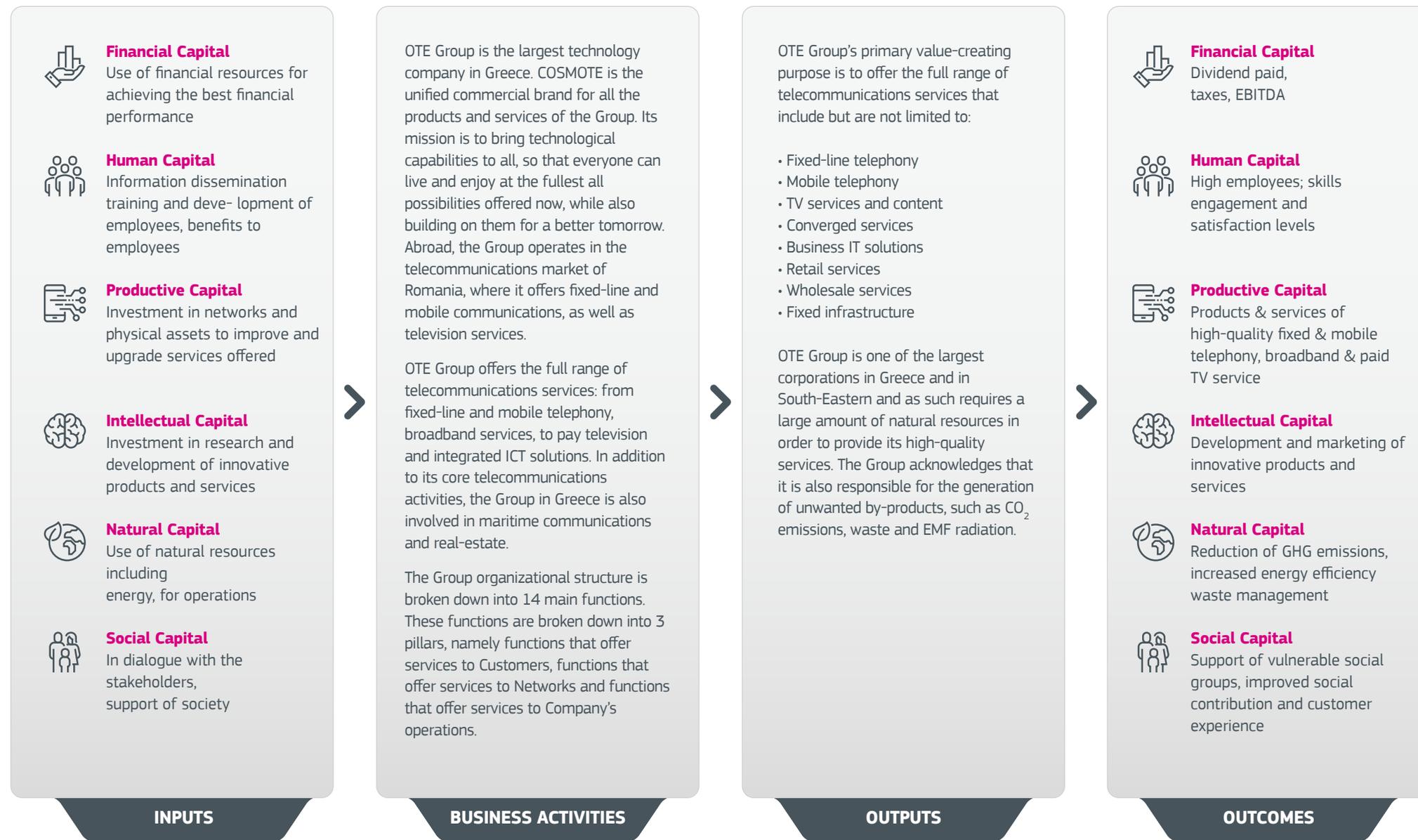


TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2019 Value Highlights

In 2019, OTE Group achieved great success, recording remarkable results. Presented below are the Group's key figures, which showcase its performance.



1. Before IFRS 16
2. Brand name and franchise agreements

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

Contribution to the United Nations' Sustainable Development Goals



Good Health and Well-being

Relevant key targets: 3.8, 3.c

OTE Group's commitment

To develop solutions for the more effective operation of hospitals and e-Health, to participate in research projects relevant with health issues and support initiatives aiming at the improvement of the Greeks health system. To support information and awareness-raising actions for responsible use of mobile phones while driving, and ensure a safe and healthy working environment.

Key impact in 2019

9,096 hours

of occupational health inspections were carried out in line with the Occupational Health and Safety Management System (OHSAS 18001).

1,522 hours

of psychological support consulting services (Greece) were offered to the companies' employees and their family members who were experiencing mental problems inside or outside the workplace.

>770 employees

had the opportunity to be supported or receive helpful counseling from psychologists.

4.76 hours

of training on health and safety per OTE Group employee as part of its efforts to safeguard its employees' well-being and prevent any form of mental and physical harm.

>4,000 employees

in Greece participated in companies' " Health and Wellness programs ", as part of OTE Group's "Live better..." program, where personal nutritional counselling sessions with experienced nutritionists and health advisors was provided and low-impact exercise sessions were organized within the companies' premises.



Quality Education

Relevant key targets: 4.1, 4.4, 4.b

OTE Group's commitment

To supports education and digital skills' development programs for people of all ages, and continue to enhance internal employee training programs.

Key impact in 2019

32,344 participations

of employees were recorded as part of OTE Group's training programs, that focus on the Upskilling and Reskilling of the Group's workforce.

11.36 hours

of training per employee were recorded.

€545,000

was awarded to first-year undergraduate university students as part of OTE's scholarships program, which has been running for 18 years, providing financial support to students who are undergoing financial and social difficulties.

5,271 children

participated in the Pan-Hellenic Educational Robotics Competition, that was organized by OTE Group, as part of its efforts to promote the development of technological skills.

341,755 beneficiaries

received aid and support from OTE Group's social programs that focus on education, which aim to assist young people into developing strong computer skills and acquiring the necessary knowledge for an upcoming Digital Society.



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

Contribution to the United Nations' Sustainable Development Goals



Affordable and Clean Energy

Relevant key targets: 7.2, 7.3

OTE Group's commitment

To improve energy efficiency across its activities and especially in the provision of ICT services. To increase to use of renewable energy sources, aiming at 100% coverage of electricity consumption with electricity generated from renewable energy sources.

Key impact in 2019

4.9% increase

in the energy performance of OTE-COSMOTE's vehicle fleet

€4.6m.

saved through energy conservation measures

37.7 GWh

of energy conserved

25% improvement

of energy consumption per volume of data transferred

77.8 kt CO₂ eq

of GHG emissions avoided through energy conservation measures implemented since 2008 (Greece)



Decent Work and Economic Growth

Relevant key targets: 8.2, 8.3, 8.5

OTE Group's commitment

To support its employees' professional development, provide equal remuneration to all employees without discriminating against race, gender or religion and support the development of new SMEs in Greece and Romania

Key impact in 2019

2,979 integrity checks

on suppliers, consultants and partners were carried by OTE Group

90% and 86%

of OTE Group procurement from domestic suppliers in Greece and Romania respectively

33% women

were present at the top 10% of employees by total compensations

> 1,200 professionals

participated in the "Grow your Business" program and had the opportunity to come in contact with experts from various sectors of the Greek market and share new ideas and practical tips for their business

100% of employees

working within the 4 largest OTE Group telecom companies, are covered by collective labor agreements

Contribution to the United Nations' Sustainable Development Goals



Industry, Innovation and Infrastructure

Relevant key targets: 9.4, 9.5, 9.C

OTE Group's commitment

To leverage on the Group's technological superiority, in order to create infrastructure that will provide internet and telecommunication services to the residents of the countries where it operates and foster growth in the local economies. To promote research and innovation, thus offering multiple benefits for its customers, employees and society.

Key impact in 2019

€2 billion

have been investment, as part of the Group's initiative to offer even higher speeds and wider coverage in fixed and mobile telephony (Greece) until 2022

>50% of Greek population

has access to internet speeds of 100 Mbps and higher

99%/4G and 96%/4G+

population coverage in Greece was achieved

>75 participations

in research programs



Responsible Consumption and Production

Relevant key targets: 12.2, 12.5, 12.6

OTE Group's commitment

To integrate the principles of circular economy in its operations across its value chain. To develop products and services that contribute to the rational and efficient use of natural resources and the reduction of waste generated.

Key impact in 2019

4.5% reduction

in paper consumption per employee

8,494t

of waste were generated from OTE Group activities

78% of total waste generated

was recycled, reused or incinerated

>350,000 end devices

were refurbished at OTE Group refurbishment plant in Greece



Climate Action

Relevant key targets: 13.2, 13.3

OTE Group's commitment

To contribute to the global efforts for climate change mitigation and adaptation. To reduce own carbon footprint and to develop products and services that can tackle climate change

Key impact in 2019

17% decrease

in Scope 1 and Scope 2 CO₂ emissions from energy consumption of OTE and COSMOTE, compared to 2008

968 kt CO₂eq

of Scope 3 GHG emissions were recorded

24% improvement

of data traffic emissions intensity (44 kg CO₂ eq/TB)

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

1.4 Key Achievements and Targets

OTE Group aims at remaining the market leader and pioneer, a modern, high-performance, company offering best customer experience based on its technological superiority.

The aspiration for OTE Group is to:

Remain the undisputable market leader in Fixed, Mobile and Convergent markets

Safeguard its leading position in Broadband (both Fixed and Mobile), ICT and Pay-TV services in the Greek market

Create new revenue streams by entering emerging digital markets (COSMOTE Insurance, COSMOTE Payments)

Deliver best services to customers, leveraging on the technological superiority of its Next Generation Networks (Vectoring/ FTTH, 4G/ 4G+)

Offer superior customer experience, utilizing modern digital channels

Advance with the Digital Transformation of its own operating model, capitalizing on the potential of emerging digital technologies

Be the best place to work in the Greek market, develop its personnel and attract talents

Increase the value of the shareholders

Maximize synergies as a member of Deutsche Telekom Group

Key objectives of 2020

For 2020, the Group besides achieving the annual business targets will also seek to enable its long term evolution. Special focus will be put in Digital Transformation regarding Customers, intra Company processes and synergies within the Deutsche Telekom Group.

Key actions for 2020

CONVERGENCE

Technology Superiority

- Continue Optical Fiber Networks deployment
- 4G/4G+ coverage everywhere
- IP Transformation
- Improvements in IT systems

Best Customer Experience

- Digital Transformation @Customer:
 - Omni-channel
 - Extended functionalities in apps
 - Service enhancements in O2B and F2R, etc.
- Push Online Sales
- Digital predictive maintenance @Network

Revenue Transformation

- Data services monetization
- Innovative services launch
- IoT & Cloud Solutions
- Verticals
- Smart Cities
- Further expansion in adjacent markets

Lead in Core Business

- COSMOTE brand superiority
- Enhancements on FMC and FMCC propositions
- COSMOTE TV Growth
- Defend Wholesale Revenues

DIGITALISATION & SIMPLIFICATION

Digitalisation, Simplification and Cost Optimization

- Digital Transformation @Company and @Network
- Lean and agile operating model
- Cost efficiency programs
- Procurement synergies with Deutsche Telekom Group

GROWTH MINDSET

Growth Mindset and Culture

- Digital tools to support HR systems and processes, improving employees' experience and productivity
- Design of digital skills development programs
- Establish a culture of growth and innovation

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

2019 Sustainability Goals

OTE Group companies set goals to improve their operations, develop programs and actions in order to achieve them, monitor their progress, and communicate their performance.

The strategic objectives are approved by the top management and are then distributed throughout the Group, in the form of individual objectives for each organizational unit and activity.

In the 2018 Sustainability Report, **28 annual targets were presented for OTE Group companies**. The objectives were qualitative and quantitative, covering different functions, and were subsequently implemented by the competent units. Of these objectives, 89% have been fully or partially achieved or are in progress of doing so, reflecting the ongoing effort to improve the Group's Sustainability performance.

The companies' performance per target is presented in the **Appendix**.



2020 Sustainability Targets



OTE Group

OTE Group: Further integrate sustainability principles in OTE Group's strategy and business activities

OTE Group: Assess climate change impact on OTE Group in line with the TCFD recommendations

OTE Group: Assess OTE Group's performance against the requirements of the Dow Jones Sustainability Index (DJSI)

OTE Group: Revise and conduct materiality analysis by engaging with external stakeholders and senior management

OTE-COSMOTE: Achieve e-Bill penetration to 70% of customer base

OTE-COSMOTE: Achieve mobile app penetration of 78% of the smartphone customers

OTE-COSMOTE: Achieve 35% penetration of e-top up services



Responsible Business

OTE Group: Further deploy Risk Appetite and Key Risk Indicators (KRIs) / establishment of tolerance levels.

OTE-COSMOTE: Align the risk assessment methodology, which is conducted by the Business Units, with the unified risk assessment methodology, Collection of the assessments' results and incorporation of them into the OTE Group Corporate Risk Register.

OTE Group: Establish new e-learning topics for mandatory modules (e.g. "Ethical leadership", "Antitrust").

OTE Group Companies in Greece: Launch Human Rights' e-learning program, focusing on enhancing involvement and understanding of Human Rights issues.

OTE-COSMOTE: Conduct readiness assessment for ISO 27701:2019 Certification (Extension to ISO 27001 for privacy information management)

OTE-COSMOTE: Carry out compliance monitoring on data protection activities internally and in third parties

OTE-COSMOTE: Publish data protection guidelines



Employees

OTE Group: Become a digital company where people have impact and grow

OTE Group: Create a growth mindset culture that embraces lifelong learning

OTE Group: Enhance the capabilities of our employees through upskilling and re-skilling and build on the right attitude

OTE Group: Design the future of work: organizational redesign and agile business set up (agile teams, mobile work)



2020 Sustainability Targets



Customers

OTE-COSMOTE:

Offer the capability to sell our services remotely through our digital channels, without physical human interaction

OTE-COSMOTE:

Minimize the time to activate services (Voice, Internet and TV) for our customers

OTE-COSMOTE:

“Liberate internet” by increasing significantly mobile data in all tariffs, upgrading home connectivity and expanding the Fiber Optic network to provide high speeds to even more customers



Society

OTE-COSMOTE:

> 1,600 elderly people to participate in face to face training programme to obtain primary digital skills

OTE-COSMOTE:

>1,600 students will develop Engineering skills in Greek Junior High Schools

OTE-COSMOTE:

> 3,000 technological solutions created by students (16-18 years old) based on community needs within the context of Panhellenic Robotics Competitions and STEM initiatives
>16,000 people (students, teachers, trainers) will benefit from Educational Robotics Competitions, STEM initiatives and webinars within the next two years.

OTE-COSMOTE:

Enhance the participation of professionals and entrepreneurs in programs for the development of their small – medium enterprises and entrepreneurial skills



Climate and Environment

OTE Group:

OTE Group member of the DT Group, plans and implements measures for energy conservation and CO₂ emissions reduction to contribute toward achieving the CO₂ emissions reduction target set for 2020 at DT Group level (20% reduction compared to 2008) and is committed to achieving the revised Science Based DT Group-wide targets for the post-2020 period.

- 100% coverage of its electricity consumption with electricity generated from renewable energy sources by 2021
- 90% reduction of scope 1 and scope 2 GHG emissions by 2030, compared with 2017 (base year)
- 25% reduction of the most important scope 3 emissions (purchased goods and services, capital goods, and sold and leased products) per customer by 2030, compared with 2017 (base year)

OTE Group:

Zero waste to landfill deriving from ICT services

OTE-COSMOTE:

- Zero use of plastic bottles in buildings with restaurants and canteens
- Zero use of plastic cutleries and plastic food packaging
- Reduction of glass bottles use

COSMOTE:

Installation of 2 additional EMF measurement stations

1.5 Risks and Uncertainties for the next years



OTE Group continually assesses the possible impact of any changes

in the macroeconomic and financial environment in Greece so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's operations in Greece. This section outlines the key risks and uncertainties for the next year. A full list of OTE Group's identified risks and their respective detailed mitigation practices are presented in the [2019 Financial Report](#)

Financial risk

OTE Group has recognized a number of financial risks that it is prone to. Some indicative financial risks are presented below.

Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a counterparty fails to meet its contractual obligations.

The carrying value of financial assets at each reporting date is the maximum credit risk to which the Group and the Company are exposed in respect of the relevant assets.

Financial instruments classified as fair value through profit or loss include mutual funds and other securities. These financial assets are not considered to expose the Group and the Company to a significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations as they fall due. Liquidity risk is kept at low levels by ensuring that there is sufficient cash on demand and/or credit facilities to meet the financial obligations falling due in the next 12 months. The Group's and the Company's cash and cash equivalents and other financial assets as at December 31, 2019 amount to €1,064.0m.

and €566.4m. respectively and their short-term borrowings and their short-term portion of long-term borrowings amount to €716.4m. and €743.8m., respectively.

 The full list of financial risks together with their mitigation practices are outlined in the [2019 Financial Report](#)

Critical infrastructure failure

For all telecom operators, the Information and Communication Technologies (ICT) infrastructure is considered as the backbone of their operations. Given the variety and diversity of contemporary services provided by all telecom operators, the complexity of the ICT infrastructure and the interdependencies between various network nodes and service platforms, are unprecedented. Thus, technical infrastructure outages, due to either external factors (e.g. earthquake, flooding, etc.) or internal factors (e.g. power and air-conditioning outages, human error, etc.) cannot be ruled out. Consequently, service disruptions might appear that could result in potential revenue losses, increased rehabilitation and/or potential customer compensation costs, and consequential effects on customer base and Company's reputation.

For more details on the Group's actions, see [Business Continuity section](#)

Information security

Digital transformation, increasing security requirements and high regulatory standards for information and communication systems are a major priority for telecommunications industry. As OTE Group provides more systematically integrated ICT solutions, including services for large customers and public institutions, more security challenges related to the prevention and management of cyberattacks arise. The increasing volume of data, the need to manage the cyber security risks derived from the Internet of Things (IoT), the 5G networks and from artificial intelligence (AI) are additional challenges in the risk landscape that the telecom companies must deal with.

For more details on the Group's actions, see [Security and Data Privacy section](#)

Data protection

The Company collects, stores and uses personal data, in the ordinary course of its operations, and protects them according to the data protection legislation and the Binding Corporate Rules Privacy (BCRP) for the protection of personal rights in the handling of personal data within the Group, which have been adopted by the BoD of the Company. Although technical and organizational measures are implemented to protect personal data, measures may fail and certain personal data may be lost as a result of

human error or technological failure or otherwise be used inappropriately. Data breach by the Company or one of its partners or suppliers may result in fines, reputational harm and subscriber churn and could have a material adverse effect on the business and its financial condition.

Data protection is one of OTE Group's top priorities; it's more than just an obligation to meet legal and regulatory requirements, it's also part of the Company's culture. In this context, OTE Group has established a Data Privacy unit, headed by the Data Protection Officer, who is operationally supervised by the Audit Committee.

For more details on the Group's actions, see [Security and Data Privacy section](#)

Climate protection

Climate change is a global environmental issue, the impacts of which affect the whole range of economic activities as well as life on the planet. Aiming at climate change mitigation, EU has set as its target the reduction of Greenhouse Gas (GHG) emissions by 20% in 2020, and by more than 40% by 2030, compared to 1990 levels, while reductions ranging from 80% to zero net carbon emissions are currently examined for 2050.



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

It's important to mention that energy consumption is a major source of GHG emissions in OTE Group contributing to climate change (and air pollution), and affects the operational cost of OTE Group, which is also directly related to the regulated charges of the national electricity grid, and may also be influenced by:

- Increases due to the fees / levies / burdens imposed on the electricity generation sector in the context of the EU emissions trading scheme (indirect regulatory risk).
- Stricter environmental regulations with mandatory provisions (e.g. energy audits of activities, heating / cooling systems, etc.).

Low environmental performance could affect the Group's reputation and market share, as surveys indicated that consumers and investors tend to engage with companies that have an effective environmental policy in place.

For more details on the Group's actions, see [Energy and Climate Change section](#)

Supply chain

OTE Group considers its supply chain management as the base for its effective operation, its economic growth as well as its reputation maintenance and improvement. This supply chain management takes into consideration the sustainable development principles. Therefore, the Group aims to cooperate with suppliers that are environmentally and socially responsible. However, there are risks that may potentially cause business operational failures, revenue losses, reputational damage as a result of third party/vendor actions (environmental damages, inadequate working conditions, child labor, fraud, etc.).

For more details on the Group's actions, see [Responsible Purchasing and Supply Chain Management](#) and [Stakeholder Dialogue](#) section

Health risks related to Electromagnetic fields (EMF)

The potential health effects of man-made sources of electromagnetic radiation fields (EMF) have attracted particular attention in recent years. For this reason, international scientific organizations have established safe limits of exposure to non-ionizing (EMF) radiation and a relevant legislative framework has been developed.

Research carried out and evaluated by the World Health Organization does not show any correlation between health and impact of electromagnetic emissions from telecommunication stations operating below the established EMF exposure safety limits. Furthermore, according to measurements by independent organizations, the values of EMF attributed to telecommunications base stations, contribute less than 30% of the total electromagnetic background in the residential areas. The electromagnetic field levels in all OTE Group base stations comply with the limits recommended by the World Health Organization and the International Commission for the Protection of the Non Ionizing Radiation (ICNIRP), as well as with the limits set by law 4635/2019, which are at 60-70% of the ICNIRP limits [establishing the limits, the scientific community has set a safety factor of fifty (50), considering that some population groups may be more vulnerable] at free public access points. In general, OTE Group's policy is based on the default application of the Prevention Principle, which incorporates also the principles of Transparency, Information, Participation and Promotion of Science, for all its products & services.

For more details on the Group's actions, see [Communication with Customers](#) and [Electromagnetic Fields](#) sections

Health & Safety in the workplace

A number of work-related factors is considered to be responsible for jeopardizing the Health and Safety of employees, especially the technical staff, (which includes, inter alia, field technicians, electricians, and warehouse personnel). An unsafe working environment may burden the Company with compensation liabilities and other legal costs, while hurting the Company's reputation.

According to the inspections of the risk assessments conducted by the Health and Safety business unit, the most significant hazards in the workplace are the ones that the technical staff is exposed to, and caused by the following situations:

- Improper use of Personal Protective Equipment (P.P.E.), which aims to reduce the severity of an injury.
- Underground work, which is performed for the purposes of repair or maintenance. An underground construction site, being a confined space with stagnant (dirty) water, which can be a source of infections, puts health and safety at stake, especially when combined with improper use of P.P.E.
- Work on poles, which can also lead to accidents while working, especially when combined with improper use of P.P.E.
- Improper use of ladders, which is performed for repair or maintenance purposes.

For more details on the Group's actions, see [Health and Safety section](#)

Compliance, Corruption, Bribery and Human Rights

Compliance stands for a solid commitment to the principles of integrity, transparency, justice,

professionalism, team spirit, and of respect to the rules, principles which are essential to govern the functions of the Company. Compliance violations (e.g. fraud, corruption, bribery, embezzlement, theft, money laundering, falsification of financial statements (company/separate and consolidated), unfair competition, workplace discrimination, human rights violations and any misconduct which could harm the Company's reputation, or any attempts to conceal the above) which are committed either within the Company or outside the Company involving business partners (e.g. customers, suppliers or distributors) who are doing business with the Company, could have an adverse impact on the Company's financial position and reputation and might lead to fines, sanctions and limitations in business operations. We note that the OTE Group companies take all the required measures in order to ensure that the whistle-blowers who report incidents of misconduct by providing accurate information that is plausible, will be protected from any retaliation resulting in personal, professional or financial damage.

For more details on the Group's actions, see [Compliance Management section](#)

Critical Enterprise Contracts and Business Resilience

Associated advances and continuous changes in technology make telecommunications services even more critical for small, medium and large businesses (e.g. cloud, mobile, fixed technologies and solutions). This market segment requests from telecom providers a higher level of customer service in order to support these advanced and personalized solutions. Competition is focused mostly on innovative services and it depends heavily on the ability to deliver products and services in a reliable and timely manner.

For more details on the Group's actions, see [Business Continuity section](#)

1.6 Responding to Covid-19 crisis



The Group's offer to Customers and Society in the context of COVID-19 pandemic

The COVID-19 pandemic has changed the daily lives of all of us. In these difficult conditions, the OTE Group was next to customers and society, taking care to meet the needs of all, "investing" more than €12m., in actions and initiatives in 8 pillars, which are analyzed below.

The company's response and its impact to society, was highly evaluated by the public, in special consumer surveys.



Communication

The Group provided all of its customers with a series of products and services to facilitate their uninterrupted communication with others.

From the first moment of the crisis it offered:

- **Free unlimited calls to all landlines and mobiles** within Greece, throughout Easter. The aim was to bring loved ones closer together, contributing to the efforts to keep everyone at home during the holidays
- **Free Permanent Roaming:** Customers who were in another EU countries during the outbreak of the pandemic, were able to continue using their plan's minutes, internet data, and text messages from the 26th March onwards with no additional charges, due to permanent roaming
- **Free Roaming packages for Italy/Spain:** COSMOTE subscribers who were in Italy from the 9th to the 12th of March and in Spain from the 14th to the 16th of March had access to a free package that was valid for 7 days and could be renewed after for another 7 days
- **Creation of the special #COSMOTEApoToSpiti page** in order to quickly and easily answer all customers' questions.



Entertainment

The Group supported the increased needs of Greek families for quality entertainment while "staying at home":

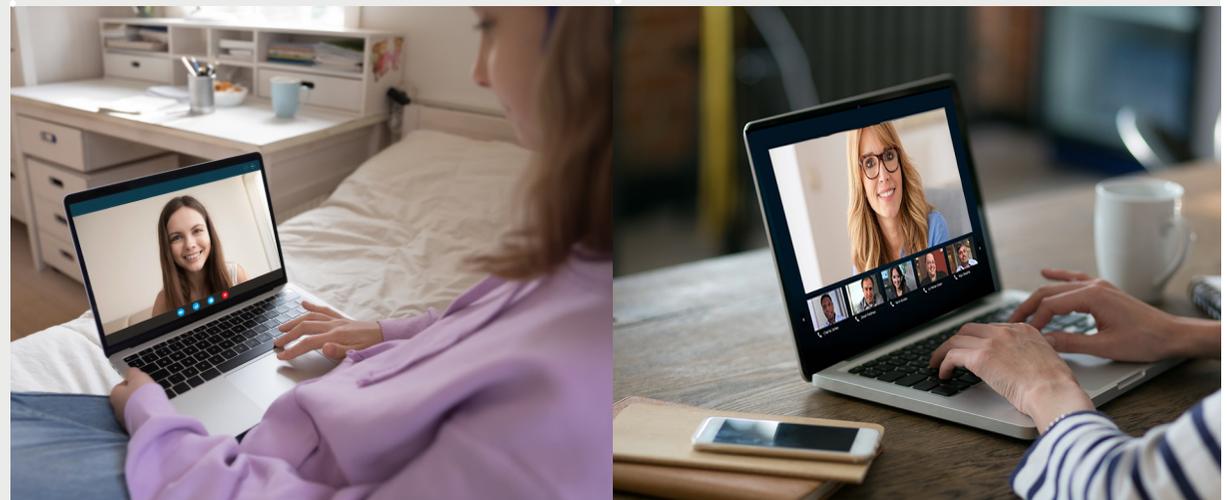
- **Free curated documentary show programme** by COSMOTE History for everyone, via the official COSMOTE TV YOUTUBE channel
- **Further additions** to the blockbuster programme, kids programme, and major director production premières for all subscribers



Employment

A targeted line of products that facilitate communication and telecommuting was provided to all businesses.

- **15GB of mobile data to all professionals free of charge**, on mobile telephony subscriptions for 1 month
- **3 months of Microsoft Office 365 Business Premium free of charge**
- **Free unlimited calls to all landlines and mobiles** within Greece



- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX



Health

Partaking in the national effort to suppress the outbreak of the pandemic, OTE Group, purchased **€2m.** worth of medical equipment (24 ventilators, 110 Intensive Care Unit beds, 110 monitors and other medical equipment) and donated it to the Greek hospitals' Intensive Care Units.

A number of additional **actions supporting** the needs of the Ministry of Health, have been implemented. More specifically COSMOTE:

- **Contributed to the provision of the text messages** required for the operation of paperless prescriptions for April
- **Offered text messages for 3 months free of charge** to the Health Operations Centre (KEPY) of the Emergency Aid Centre, for the collection, recording, and assessment of the daily data from the pandemic cases being handled by all the hospitals and health centres in Greece
- **Facilitated the development of a dedicated 5-digit Psychological Support line (10306)** free of charge, providing counselling and psychological support to citizens



Education

Having recognized the challenges of remote teaching for Greek families, COSMOTE offered:

- **Free access from mobile networks, with no data charge, to the digital platforms** used by the Ministry of Education and Religious Affairs for the schools' remote teaching practices
- **Access to the educational programmes and recreational activities of the OTE Group Museum of Telecommunications** for children and families who can easily access them and participate from home



The State

OTE Group implemented technology projects that facilitated the Government's work in dealing with the COVID-19. Indicatively, it offered:

- **Telecommuting** to 10,000 Civil Servants for a 3-month period
- **CosmoONE's** e-procurement service, sourceONE, for three months, free of charge, to Public and Private Hospitals, Municipalities, and Regions of Greece. With this initiative, **Hospitals and Local Governments** were able to digitally handle and cover their increased logistic requirements, while dealing with the pandemic



Supporting vulnerable social groups

OTE Group's Headquarters recently became a 'Protected Site' for 'Shedia' magazine salespeople. Due to COVID-19, the action for April was suspended and it immediately:

- **Purchased 250 electronic issues** for April
- **Offered mobile minutes and data** for 'Shedia' salespeople for the next 3 months

Also, **free COSMOTE TV packages** to 4 'Smile of the Child' homes.



- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

Our people

OTE Group, fully aware and with a sense of responsibility, took specific actions:

- **80% of OTE Group's employees worked remotely**, with VPNs and access to the necessary equipment (laptops, headphones), which was provided by the company when necessary
- **All employees followed special instructions** for personal protective measures: maintaining a safe distance, strict compliance with hygiene rules, use of antiseptic liquids, gloves and masks whenever necessary
- **Necessary measures to disinfect offices and public spaces** – including additional cleaning and disinfection – whenever needed, had taken place, with emphasis on front line employees
- **The Company's specialized Health & Safety team and medical personnel** are in direct contact with the National Public Health Organization and are implementing all measures necessary for the protection and safety of our employees
- With emphasis on ensuring the well-being and mental health of our people, all employees had access to **virtual wellness classes and 24/7 psychological support line**
- **Bonus totaling €1.6m. for technicians and shop employees** who came in direct contact with customer every day in the middle of a pandemic
- During the gradual process of returning to normalcy, and for as long as was required, the company adopted a **mixed working model** where 25%-20% of employees worked at the office and 75%-80% of employees worked from home, after taking into account the personal circumstances of each employee, as well as the business needs
- **The back to the office plan was designed in compliance with the basic rules and guidelines** (use of elevators, operation of restaurants/canteens, operation of a/c etc.) announced by the Government





TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

1.7 Stakeholder Dialogue

OTE Group recognizes that its stakeholders have a direct impact and influence on its sustainable development and is engaged with their representatives without exclusions and discrimination.

OTE Group has identified 9 primary stakeholder groups as presented as follows:

- Shareholders, Bondholders, Investors and Analysts
- Customers and prospective customers
- Business
- Science, Research and Education
- Media
- Employees, prospective employees and their representatives
- Suppliers
- NGOs and interest groups
- State/Government agencies

AA1000 AccountAbility Principles Standard

OTE Group companies comply with the principles of the "AA1000 AccountAbility Principles" Standard, namely **Inclusivity, Materiality, Responsiveness and Impact.**

As part of its sustainability management approach, OTE Group has established strong communication channels with all stakeholders to actively engage with them, understand their expectations and help shape the Group's Sustainability Policy.

OTE Group has established a three-tier engagement framework as part of its stakeholder dialogue, whereby three different methods of communication, i.e. **Participation, Dialogue and Information**, are employed depending on the type of stakeholder and the specificities of the issues that are most relevant to them.

In 2019, the group participated in a number of sustainability-related events, some of which include:

- Integrity and Sustainability Round Table of the 2019 Sustainability_BusinessIntegrityForum2019
- Presentation of the OTE Group **"#ZEROPLASTIC Initiative"** in the 2019 BRAVO Sustainability Dialogue & Awards
- Participation in the **CSR Hellas Working Group** for the reduction of **"Zero single-use plastics"**
- **9th Annual Capital Link CSR Forum, Key speech on Zero Plastic**
- Global Sustain Sustainability Forum, Key speech on Sustainability Integration into Business
- **Women in Business (WIB) Committee**, of the American Hellenic Chamber of Commerce

Stakeholders' feedback is also utilized as an input in the Group's materiality analysis process, which subsequently assists the validation and improvement of the Group's sustainability strategy.

More information is presented in the **Appendix**.



Materiality Analysis

OTE Group companies identify the most important issues of their sustainable development through a materiality analysis process carried out in accordance with the Group's Corporate Risk Management approach.

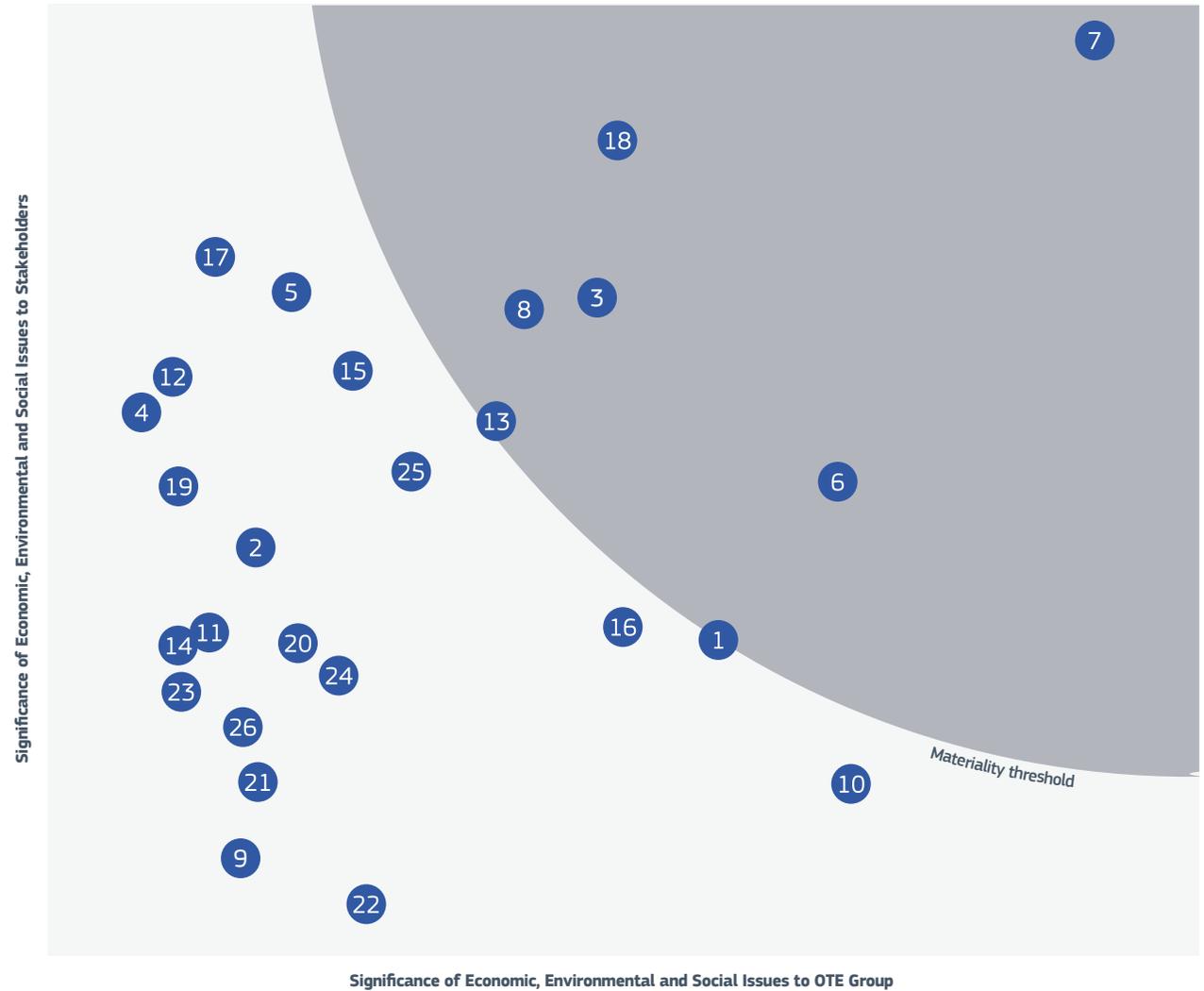
In 2017, the materiality of sustainability issues was determined through the participation of OTE Group's Senior Management and stakeholders. For the first time, this analysis was conducted for the entire Group rather than on a company level.

In addition, the compliance risk assessment process was integrated in the materiality analysis process. OTE Group has merged its sustainability, compliance and risk management procedures, developing a holistic approach, according to best practices.

To consolidate the data at a Group level, weighing financial, social and environmental factors were used. The results were validated by the OTE Group Management and all available data were evaluated, to be used in the planning of the Group's actions and strategy, while the most important issues were included in the Group's risk map.

The 2019 Integrated Report refers to all 26 issues, with special focus on the 7 issues identified by Management and stakeholders as the most material.

More information is presented in the [Appendix](#)



1. Economic performance
2. Governance and management
3. Corporate compliance policies
4. Employees' compliance and grievance mechanisms
5. Human rights
6. Business resilience
7. Data security and privacy
8. Safe and responsible use of technology
9. Responsible procurement and supply chain management

10. Employment
11. Fair employment and equal opportunities
12. Employee health, safety and wellness
13. Employee training and skills development
14. Products and services for sustainability
15. Research and innovation
16. Responsible competition
17. Responsible communication with customers
18. Customer service and satisfaction

19. Digital inclusion
20. Support education on ICT
21. Managing impacts to society and the local community
22. Stakeholder engagement
23. Energy and climate change
24. Circular economy
25. Electromagnetic fields (EMF)
26. Other environmental aspects

1.8 SRI Indices and Ratings

The OTE Group responds to sustainability / ESG / socially responsible investment (SRI) analysts' questions and assessments.



OTE, since 2008, fulfills all requirements and is a member of the FTSE4Good Index Series. OTE is one of the nine companies in Greece, included in the FTSE4Good Emerging Index. In 2019, OTE achieved a 4.8 (out of five) ESG rating.



OTE, as of December 2019, has been ranked as one of the top performers in the Vigeo Eiris Best Emerging Markets Performers ranking (the 100 most advanced companies in its Emerging Markets universe), for the second consecutive year.



In 2019, OTE maintained its B- rating and kept its status as a "Prime" company, a title awarded to companies-leaders of each sector by ISS-oekom research, in recognition of OTE's negotiable bonds and shares qualify for responsible investment.



In 2018, following MSCI ESG Research's assessment, OTE achieved an ESG rating of BBB.



Since 2010, OTE has been participating in the CDP on Climate Change by communicating the required information to its platform. In the 2019 evaluation, OTE maintained its 'B' (Management) rating, putting it above the average of all companies in the sector



As of January 2020, OTE Group has been included in the 2020 Bloomberg LP Gender-Equality Index (GEI), one of the most profound business indexes, in terms of equality and initiatives promoting the position of women in the work environment.



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

1.9 Awards and Memberships

Awards

In 2019, OTE Group companies received 11 awards and distinctions for their sustainability performance, some of which are presented in this section.

In Greece:

• **Bravo Sustainability Dialogue and Awards** organized by Quality Net: OTE Group received an award in the “Governance” category with the initiative “Zero Tolerance to Corruption” for creating anti- corruption awareness amongst employees and business partners

• **Hellenic Responsible Business Awards** organized by Bousias Communications. OTE Group received two Gold Awards for its initiatives:

a. “Sustainable Development – Recycling” in the category for “Circular Economy: the OTE Group Approach: Natural Resources and Waste Management Program”

b. «Access to the Digital World” in the “Sustainable Development – Technology for the Common Good, Digital Education and Skills” category

• **CR Excellence Awards**, organized by the Hellenic Advertisers’ Association: Award in the “Employee Volunteering” category, for the “Volunteering and Social Contribution” project

• **Hrima awards 2019**, organized by Hrima magazine: OTE Group received 1st Prize in n the Corporate Social Responsibility category

• **Energy Mastering Awards** organized by Bousias Communications:
a. Gold Award in the “Energy Conservation” category, for the “Integrated Energy Management Program”
b. Two Gold Awards in the “Energy Efficiency Innovations and Technologies” and “Energy Efficiency Improvement” categories, for the “Energy Management Software” program, created by COSMOTE, in cooperation with CISCO and HAITOGLOU BROS

In Romania:

• **Telekom Romania** was declared winner in the **CSR Index 2019** in the Gold Category, demonstrating its commitment in the field of sustainability with a position at the top of sustainability in Romania for the third consecutive year

• **Golden Drum International Festival of Creativity**. Telekom Romania received two gold and five silver trophies for its StoryTime campaign

• **Effie Awards Europe 2019**. Telekom Romania received two trophies (gold and silver) for its campaigns #NETLIBERARE and Vloggers’ Swap

Memberships

OTE Group companies actively participate in associations and are informed about the trends and developments on Corporate Responsibility and Sustainability issues. In 2019, OTE Group companies maintained their voluntary participation, through their membership in a number of strategically important national and international bodies.

More information is presented in the [Appendix](#)



United Nations
Global Compact



CSR
HELLAS



SUSTAINABLE
GREECE 2020



etno
EUROPEAN TELECOMMUNICATIONS
NETWORK OPERATORS’ ASSOCIATION



2

Performance & Digital Responsibility



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2.1 Financials



2.9%

INCREASE IN CONSOLIDATED REVENUES



€976.2 m.

TAXES AND INSURANCE CONTRIBUTION



3.6%

EBITDA INCREASE

2.1.1 Financial and Operational Highlights



Transparent performance information enables OTE Group to communicate successes and future expectations to investors and foster strategic decisions regarding expansion and efficient operation management.

Why it matters

The financial performance is a key priority for management and its shareholders. The Group provides information on the economic value generated by its operation, and the value distributed so that the direct value added to the community and stakeholders is better understood.

The total number of OTE Group employees as of 31st December 2019 is 17,697. In 2019, OTE Group's consolidated revenues totaled to €3,907.6m., 2.9% up compared to 2018.

On a country basis, Greece total revenues increased by 1.9% to €2,943.4m., driven by robust performance in both fixed and mobile operations. Fixed Retail Services revenues posted an increase of 2.2%, a solid performance, driven mainly from broadband due to higher customer base paired with a remarkable take up of fiber services. Mobile Service revenues in Greece were up 3.0% in 2019 fueled by strong performance in data services, and prepaid segment. Revenues from wholesale business in Greece were also up by 2.4% reflecting higher international transit and market acceleration in fiber adoption.

In Romania, total revenues reached €980.2m. in 2019, increased by 5.0% compared to 2018, reflecting the strong performance of Information Communication Technology (ICT) projects.

Total Operating Expenses for the Group, excluding depreciation, amortization, impairment and charges related to voluntary leave schemes, other restructuring costs and non-recurring litigations amounted to €2,495.7m. in 2019, posting a decrease of 2.7%, compared to 2018, mainly reflecting the adoption of IFRS 16. Disciplined cost management across the Group and the beneficial impact of recent voluntary leave schemes, was offset mainly by increased interconnection costs resulting from increased international transit traffic and increased merchandised costs, in line however with higher revenues from ICT projects.

In 2019, the Group's Adjusted EBITDA before IFRS 16 increased by 3.6% to €1,364.1m. In Greece, Adjusted EBITDA before IFRS 16 increased by 3.4% reaching €1,220.4m. and the respective margin stood at 41.5% up 60 basis points compared to 2018. In Romania, Adjusted EBITDA before IFRS 16 totaled to €143.7m. increased by 5.4%.

Group expenses for depreciation, amortization and impairment stood at €1,207.6m., a 59.8% up or €451.9m. increase, reflecting significant impairments in 2019 in the Group's international operations on top of IFRS 16 implementation.

The Group reported Operating profit before financial and investing activities stood at €180.1m., compared to €495.2m. in 2018. The decrease in

Operating Profit mainly reflects the sharp increase in depreciation and amortization resulting from impairments described above.

Interest and related expenses stood at €96.6m., up 12.2%, reflecting an impact of €22.1m. from the adoption of IFRS 16. Excluding this factor, interest and related expenses would be lower by 13.5% reaching €74.5m. driven by the favorable evolution in average cost of debt.

The Group's income tax expense stood at €92.3m. in 2019, decreased compared to 2018 by 44.3%, mainly reflecting the impact of the decreased income tax rate Greece as well as the increased corporate tax deductions implemented in Greece.

Profit for the year from continuing operations (attributable to owners of the parent) stood at €199.8m. in 2019, compared to €256.5m. recorded in 2018.

In 2019, Adjusted Free Cash Flow before IFRS 16 stood at €488.1m. increased by 41.6% compared to 2018, reflecting improved profitability, lower Capex spent in 2019 as well as lower interests (excluding leases) and income taxes paid.

The Group's adjusted Net Debt before IFRS 16 was €648.8m. at December 31, 2019, down 12.2% compared to December 31, 2018. The Group's ratio of adjusted Net Debt to 12-month adjusted EBITDA before IFRS 16 stood at 0.5x. Including the IFRS 16 impact, adjusted Net Debt stood at €1,046.2m. and Net Debt to adjusted EBITDA was 0.7x.

Revenue Contribution 2019

25% ROMANIA | 75% GREECE

The implementation of the Remuneration Policy which started in 2018, takes into account the free cash flow projections for the respective year, as the basis for calculating the aggregate shareholder payout. In this respect the basis for calculating total shareholders' remuneration in 2020 will take into account the projections of free cash flow of this year.

Based on the current projection for 2020, the free cash flow, after incorporating the considerations for spectrum acquisitions and one-off items will reach approximately the amount of €350.0m. The estimated aggregate shareholder remuneration amount for the implementation of the Remuneration Policy, taking also into consideration the actual free cash flow of 2019, will reach approximately the amount of €400.0m. For the part of the Shareholder remuneration that relates to dividend distribution, the Board of Directors of OTE will propose to the Company's Annual General Assembly of the Shareholders the distribution of a dividend of €0.55 (in absolute amount) per share or a total amount of €258.6m.

The breakdown of OTE Group's financial performance is presented in the following chapters.

 OTE Group's complete financial activity for 2019 is presented in its **2019 Annual Financial Report**

	OTE	COSMOTE	Other activities in Greece	Telekom Romania Communications	Telekom Romania Mobile Communications
Revenue	€1,613.2m.	€1136.2m.	€882.2m.	€621.7m.	€463.6m.
EBITDA	€707.6m.	€488.1 m.	€92.7m.	€81.7m.	€82.4m.
CAPEX investments (incl. Spectrum charges)	€343.5m.	€ 124.8 m.	€19.5m.	€115.1m.	€58.9m.
Subscribers	2,646,139 fixed telephony	7,395,378 mobile telephony		2,069,391 voice ²	4,040,100 mobile telephony
	2,005,613 broadband connections, of which 742,007, fiber service ¹			1,067,652 broadband subscribers ²	
	554,986 COSMOTE TV subscribers			1,319,996 TV subscribers	

OTE Group financial performance (in m. €)



*Excluding the impact of costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations

2.1.2 Financial Position Statements

STATEMENTS OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	GROUP		COMPANY	
	2019	2018 ¹	2019	2018 ¹
ASSETS				
Non-current assets				
Property, plant and equipment	2,341.3	2,741.1	1,278.9	1,296.4
Right-of-use assets	418.6	-	270.4	-
Goodwill	376.6	446.9	-	-
Telecommunication licenses	383.6	448.5	2.8	3.6
Other intangible assets	367.9	432.2	208.9	224.5
Investments	0.1	0.1	3,319.4	3,245.2
Loans to pension funds	75.9	79.2	75.9	79.2
Deferred tax assets	280.3	254.8	97.4	88.3
Contract costs	42.9	50.2	4.5	4.0
Other non-current assets	91.7	115.8	74.0	77.0
Total non-current assets	4,378.9	4,568.8	5,332.2	5,018.2
Current assets				
Inventories	51.3	82.0	8.6	11.5
Trade receivables	592.5	606.0	282.3	294.5
Other financial assets	5.7	5.1	5.8	2.3
Contract assets	37.8	36.4	1.4	1.9
Other current assets	229.2	245.5	180.6	214.9
Restricted cash	2.3	2.9	-	-
Cash and cash equivalents	1,058.3	1,084.7	560.6	292.9
Total current assets	1,977.1	2,062.6	1,039.3	818.0
Assets of disposal group classified as held for sale	-	68.5	-	-
TOTAL ASSETS	6,356.0	6,699.9	6,371.5	5,836.2
EQUITY AND LIABILITIES				
Equity attributable to owners of the Parent				
Share capital	1,358.2	1,387.1	1,358.2	1,387.1
Share premium	486.6	496.7	486.6	496.7
Treasury shares	(110.3)	(108.5)	(110.3)	(108.5)
Statutory reserve	415.1	383.3	415.1	383.3
Foreign exchange and other reserves	(187.5)	(122.8)	(22.4)	(13.0)
Changes in non-controlling interests	(3,314.1)	(3,314.1)	-	-
Retained earnings	3,404.0	3,611.5	1,027.4	743.3
Total equity attributable to owners of the Parent	2,052.0	2,333.2	3,154.6	2,888.9

1. The Group has applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated

STATEMENTS OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	GROUP		COMPANY	
	2019	2018 ¹	2019	2018 ¹
Non-controlling interests	131.1	241.5	-	-
Total equity	2,183.1	2,574.7	3,154.6	2,888.9
Non-current liabilities				
Long-term borrowings	996.4	1,280.6	892.5	1,270.4
Provision for staff retirement indemnities	186.7	186.9	152.3	154.5
Provision for youth account	121.4	120.9	121.4	120.9
Contract liabilities	38.4	50.8	51.1	110.9
Lease liabilities	334.5	-	227.9	-
Deferred tax liabilities	16.6	23.7	-	-
Other non-current liabilities	60.5	87.8	92.0	66.3
Total non-current liabilities	1,754.5	1,750.7	1,537.2	1,723.0
Current liabilities				
Trade accounts payable	936.0	1,034.0	425.0	425.3
Short-term borrowings	8.9	-	-	-
Short-term portion of long-term borrowings	707.5	548.0	743.8	278.6
Income tax payable	16.2	25.5	2.9	13.1
Contract liabilities	134.6	122.0	72.1	73.4
Lease liabilities	62.9	-	42.3	-
Provision for voluntary leave schemes	139.3	141.1	139.3	141.1
Dividends payable	1.5	0.9	1.4	0.8
Other current liabilities	411.5	464.3	252.9	292.0
Total current liabilities	2,418.4	2,335.8	1,679.7	1,224.3
Liabilities of disposal group classified as held for sale	-	38.7	-	-
TOTAL EQUITY AND LIABILITIES	6,356.0	6,699.9	6,371.5	5,836.2

1. The Group has applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated

-  TABLE OF CONTENTS
-  ABOUT THIS REPORT
-  OTE GROUP
-  FINANCIALS
-  RESPONSIBLE BUSINESS
-  EMPLOYEES
-  CUSTOMERS
-  SOCIETY
-  CLIMATE & ENVIRONMENT
-  GOVERNANCE
-  APPENDIX

2.1.3 Income Statements

INCOME STATEMENTS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro except per share data)	GROUP		COMPANY	
	2019	2018 ¹	2019	2018 ¹
Revenue				
Fixed business:				
Retail services revenues	1,164.4	1,162.6	936.1	916.8
Wholesale services revenues	701.6	662.9	333.0	327.1
Other revenues	359.4	308.1	236.7	228.7
Total revenues from fixed business	2,225.4	2,133.6	1,505.8	1,472.6
Mobile business:				
Service revenues	1,263.6	1,247.3	-	-
Handset revenues	254.9	268.3	34.0	34.0
Other revenues	23.6	23.4	-	-
Total revenues from mobile business	1,542.1	1,539.0	34.0	34.0
Miscellaneous other revenues	140.1	126.1	73.4	76.0
Total revenues	3,907.6	3,798.7	1,613.2	1,582.6
Other operating income	48.6	83.0	10.3	14.0
Operating expenses				
Interconnection and roaming costs	(570.4)	(550.8)	(94.8)	(101.2)
Provision for doubtful accounts	(105.7)	(150.1)	(30.1)	(34.2)
Personnel costs	(571.7)	(563.7)	(249.4)	(247.5)
Costs related to voluntary leave schemes	(65.6)	(51.0)	(49.9)	(39.1)
Commission costs	(94.9)	(95.9)	(23.9)	(20.6)
Merchandise costs	(397.8)	(367.3)	(69.1)	(67.7)
Maintenance and repairs	(88.3)	(94.1)	(36.1)	(34.8)
Marketing	(73.7)	(83.7)	(20.7)	(24.1)
Other operating expenses, out of which:	(600.4)	(674.2)	(341.9)	(376.1)
<i>Rental, leasing and facility costs</i>	<i>(138.4)</i>	<i>(222.0)</i>	<i>(56.3)</i>	<i>(107.9)</i>
<i>Third party fees and services</i>	<i>(198.9)</i>	<i>(177.6)</i>	<i>(174.1)</i>	<i>(157.7)</i>
<i>Other taxes and regulatory charges</i>	<i>(65.6)</i>	<i>(65.7)</i>	<i>(23.2)</i>	<i>(22.7)</i>
<i>Construction cost network</i>	<i>(1.2)</i>	<i>(0.4)</i>	-	-
<i>Other sundry operating expenses</i>	<i>(196.3)</i>	<i>(208.5)</i>	<i>(88.3)</i>	<i>(87.8)</i>
Total operating expenses before depreciation, amortization and impairment	(2,568.5)	(2,630.8)	(915.9)	(945.3)
Operating profit before financial & investing activities, depreciation, amortization & impairment	1,387.7	1,250.9	707.6	651.3
Depreciation, amortization and impairment	(1,207.6)	(755.7)	(365.5)	(312.5)
Operating profit before financial and investing activities	180.1	495.2	342.1	338.8
Income and expense from financial and investing activities				
Interest and related expenses	(96.6)	(86.1)	(75.8)	(66.5)
Interest income	4.5	2.4	5.3	3.0
Foreign exchange differences, net	14.3	(0.3)	1.1	0.5
Dividend income	-	-	1,159.2	30.0
Gains / (losses) from investments and other financial assets - Impairment	27.6	2.2	(725.4)	2.4
Total profit / (loss) from financial and investing activities	(50.2)	(81.8)	364.4	(30.6)
Profit before tax	129.9	413.4	706.5	308.2

1. The Group has applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated

INCOME STATEMENTS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro except per share data)	GROUP		COMPANY	
	2019	2018 ¹	2019	2018 ¹
Income tax	(92.3)	(165.8)	(71.5)	(111.9)
Profit for the year from continuing operations	37.6	247.6	635.0	196.3
Profit / (loss) from discontinued operations	5.3	(81.7)	-	-
Profit for the year	42.9	165.9	635.0	196.3
Attributable to:				
Owners of the parent	205.1	175.0	635.0	196.3
Non-controlling interests	(162.2)	(9.1)	-	-
Profit for the year	42.9	165.9	635.0	196.3
Earnings per share attributable to owners of the parent from continuing operations				
Basic earnings per share	0.4200	0.5285	-	-
Diluted earnings per share	0.4200	0.5285	-	-
Total basic earnings per share attributable to owners of the parent	0.4312	0.3606	-	-

1. The Group has applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated

2.1.4 Changes in Equity Statements

STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

(Amounts in millions of Euro)	Attributed to equity holders of the parent								Non-controlling interests	Total equity
	Share capital	Share premium	Treasury shares	Statutory reserve	Foreign exchange and other reserves	Changes in non-controlling interests	Retained earnings	Total		
Balance as at January 1, 2018¹	1,387.1	496.4	(14.5)	373.5	(157.1)	(3,314.1)	3,573.1	2,344.4	245.0	2,589.4
Impact of implementation of IFRS 15 and IFRS 9	-	-	-	-	(1.2)	-	44.7	43.5	7.5	51.0
Profit / (loss) for the year	-	-	-	-	-	-	175.0	175.0	(9.1)	165.9
Other comprehensive income / (loss)	-	-	-	-	36.4	-	-	36.4	(1.8)	34.6
Total comprehensive income / (loss)	-	-	-	-	36.4	-	175.0	211.4	(10.9)	200.5
Costs for share capital increase	-	-	-	-	(0.9)	-	-	(0.9)	-	(0.9)
Dividend distribution	-	-	-	-	-	-	(171.5)	(171.5)	(0.1)	(171.6)
Transfer to statutory reserve	-	-	-	9.8	-	-	(9.8)	-	-	-
Acquisition of treasury shares	-	-	(94.2)	-	-	-	-	(94.2)	-	(94.2)
Share option plans	-	0.3	0.2	-	-	-	-	0.5	-	0.5
Balance as at December 31, 2018¹	1,387.1	496.7	(108.5)	383.3	(122.8)	(3,314.1)	3,611.5	2,333.2	241.5	2,574.7
Balance as at January 1, 2019¹	1,387.1	496.7	(108.5)	383.3	(122.8)	(3,314.1)	3,611.5	2,333.2	241.5	2,574.7
Impact of implementation of IFRS 16	-	-	-	-	-	-	(3.3)	(3.3)	-	(3.3)
Profit / (loss) for the year	-	-	-	-	-	-	205.1	205.1	(162.2)	42.9
Other comprehensive income / (loss)	-	-	-	-	(64.7)	-	-	(64.7)	(5.8)	(70.5)
Total comprehensive income / (loss)	-	-	-	-	(64.7)	-	205.1	140.4	(168.0)	(27.6)
Cancellation of treasury shares	(28.9)	(10.4)	108.5	-	-	-	(69.2)	-	-	-
Subsidiary's share capital increase	-	-	-	-	-	-	(58.6)	(58.6)	58.6	-
Net change of participation in subsidiaries	-	-	-	-	-	-	(0.1)	(0.1)	(0.6)	(0.7)
Dividend distribution	-	-	-	-	-	-	(249.6)	(249.6)	(0.4)	(250.0)
Transfer to statutory reserve	-	-	-	31.8	-	-	(31.8)	-	-	-
Acquisition of treasury shares	-	-	(110.3)	-	-	-	-	(110.3)	-	(110.3)
Share option plans	-	0.3	-	-	-	-	-	0.3	-	0.3
Balance as at December 31, 2019	1,358.2	486.6	(110.3)	415.1	(187.5)	(3,314.1)	3,404.0	2,052.0	131.1	2,183.1

1. The Group has applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated

STATEMENT OF CHANGES IN EQUITY (SEPARATE)

(Amounts in millions of Euro)	Share capital	Share premium	Treasury shares	Statutory reserve	Foreign exchange and other reserves	Retained earnings	Total equity
Balance as at January 1, 2018¹	1,387.1	496.4	(14.5)	373.5	(11.4)	727.1	2,958.2
Impact of implementation of IFRS 15 and IFRS 9	-	-	-	-	(0.4)	1.2	0.8
Profit for the year	-	-	-	-	-	196.3	196.3
Other comprehensive income / (loss)	-	-	-	-	(1.2)	-	(1.2)
Total comprehensive income / (loss)	-	-	-	-	(1.2)	196.3	195.1
Dividend distribution	-	-	-	-	-	(171.5)	(171.5)
Transfer to statutory reserve	-	-	-	9.8	-	(9.8)	-
Acquisition of treasury shares	-	-	(94.2)	-	-	-	(94.2)
Share option plans	-	0.3	0.2	-	-	-	0.5
Balance as at December 31, 2018¹	1,387.1	496.7	(108.5)	383.3	(13.0)	743.3	2,888.9
Balance as at January 1, 2019¹	1,387.1	496.7	(108.5)	383.3	(13.0)	743.3	2,888.9
Impact of implementation of IFRS 16	-	-	-	-	-	(0.3)	(0.3)
Profit for the year	-	-	-	-	-	635.0	635.0
Other comprehensive income / (loss)	-	-	-	-	(9.4)	-	(9.4)
Total comprehensive income / (loss)	-	-	-	-	(9.4)	635.0	625.6
Cancellation of treasury shares	(28.9)	(10.4)	108.5	-	-	(69.2)	-
Transfer to statutory reserve	-	-	-	31.8	-	(31.8)	-
Dividend distribution	-	-	-	-	-	(249.6)	(249.6)
Acquisition of treasury shares	-	-	(110.3)	-	-	-	(110.3)
Share option plans	-	0.3	-	-	-	-	0.3
Balance as at December 31, 2019	-1,358.2	486.6	(110.3)	415.1	(22.4)	1,027.4	3,154.6

1. The Group has applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated

2.1.5 Cash Flow Statements

STATEMENTS OF CASH FLOWS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	GROUP		COMPANY	
	2019	2018 ¹	2019	2018 ¹
Cash flows from operating activities				
Profit before tax	129.9	413.4	706.5	308.2
Adjustments for:				
Depreciation, amortization and impairment	1,207.6	755.7	365.5	312.5
Costs related to voluntary leave schemes	65.6	51.0	49.9	39.1
Provision for staff retirement indemnities	3.8	(30.2)	3.8	(28.1)
Provision for youth account	5.1	2.3	5.1	2.3
Foreign exchange differences, net	(14.3)	0.3	(1.1)	(0.5)
Interest income	(4.5)	(2.4)	(5.3)	(3.0)
Dividend income	-	-	(1,159.2)	(30.0)
(Gains) / losses from investments and other financial assets – Impairment	(27.6)	(2.2)	725.4	(2.4)
Interest and related expenses	96.6	86.1	75.8	66.5
Working capital adjustments:				
Decrease / (increase) in inventories	29.7	6.6	2.9	0.9
Decrease / (increase) in receivables	22.6	85.9	(4.9)	36.9
(Decrease) / increase in liabilities (except borrowings)	(36.3)	(42.4)	(8.1)	38.6
Plus / (Minus):				
Payment for voluntary leave schemes	(65.8)	(60.9)	(54.2)	(50.5)
Payment of staff retirement indemnities and youth account, net of employees' contributions	(12.7)	(12.3)	(12.3)	(11.9)
Interest and related expenses paid (except leases)	(73.9)	(88.0)	(61.1)	(64.6)
Interest paid for leases	(22.1)	-	(15.6)	-
Income tax paid	(145.6)	(178.4)	(100.9)	(85.1)
Net cash flows from operating activities of discontinued operations	(5.3)	11.0	-	-
Net cash flows from operating activities	1,152.8	995.5	512.2	528.9
Cash flows from investing activities				
Return of capital invested in subsidiary	-	-	120.6	61.5
Acquisition of subsidiaries	(0.7)	-	(800.0)	(0.4)
Sale or maturity of financial assets	0.1	0.4	-	-
Repayment of loans receivable	7.2	7.1	7.2	7.1
Loans granted to subsidiary	-	-	(270.0)	-
Repayment of loans granted to subsidiary	-	-	270.0	14.3
Purchase of property, plant and equipment and intangible assets	(661.8)	(719.9)	(343.5)	(345.8)
Proceeds from disposal of subsidiaries / investments	28.2	-	-	-
Movement in restricted cash	0.5	1.2	-	-
Interest received	2.5	2.5	4.6	3.0
Dividends received	-	-	1,078.6	101.6
Net cash flows from investing activities of discontinued operations	(6.6)	(12.6)	-	-
Net cash flows from/ (used in) investing activities	(630.6)	(721.3)	67.5	(158.7)
Cash flows from financing activities				
Acquisition of treasury shares	(110.3)	(94.2)	(110.3)	(94.2)
Other payments for subsidiary's share capital increase	-	(0.9)	-	-

1. The Group has applied IFRS 16 using the cumulative effect method. Under this method, the comparative information is not restated

STATEMENTS OF CASH FLOWS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	GROUP		COMPANY	
	2019	2018 ¹	2019	2018 ¹
Proceeds from loans granted and issued	712.2	570.3	700.0	925.0
Repayment of loans	(826.9)	(784.1)	(610.7)	(922.6)
Lease repayments	(78.8)	-	(42.0)	-
Dividends paid to Company's owners	(249.0)	(171.1)	(249.0)	(171.1)
Net cash from financing activities from discontinued operations	(1.3)	-	-	-
Net cash flows used in financing activities	(554.1)	(480.0)	(312.0)	(262.9)
Net increase / (decrease) in cash and cash equivalents	(31.9)	(205.8)	267.7	107.3
Cash and cash equivalents, at the beginning of the year	1,084.7	1,297.7	292.9	185.6
Net foreign exchange differences	(2.0)	0.3	-	-
Cash and cash equivalents of disposal group classified as held for sale	7.5	(7.5)	-	-
Cash and cash equivalents, at the end of the year	1,058.3	1,084.7	560.6	292.9

2.1.6 Economic Value Distribution

OTE Group strives to create value through its operations for its shareholders, investors, employees, government authorities and local communities and subsequently allocate its created wealth to them accordingly.

Direct economic value in 2019 (in millions €) where...		OTE Group	OTE
GENERATED	Total revenues	3,907.6	1,613.2
	Operating costs*	1,996.8	666.5
	Employee wages and benefits	571.7	249.4
DISTRIBUTED	Dividends paid to company's owners	258.6	258.6
	Income tax paid	145.6	100.9
	Social contribution	3.6	1.5
RETAINED		931.3	336.3

€976.2m.

OTE GROUP 2019 TAXES AND INSURANCE CONTRIBUTION IN GREECE

* Excluding employee wages and benefits, Depreciation, Amortization and Impairments



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2.2 Responsible Business



90%
DOMESTIC SUPPLIERS



IMPLEMENTATION OF THE
CODE OF HUMAN RIGHTS AND SOCIAL PRINCIPLES

2.2.1 Enterprise Risk Management

Business activities are subject to uncertainty, due to internal and external factors that affect corporate objectives. To investors and foster strategic decisions regarding expansion and efficient operation management. By systematically tracking uncertainty, it is possible to undertake appropriate measures early on and reduce risks. For this reason, a functioning risk management system, which supports efforts to secure corporate success in a sustainable way, is a core element of value-based corporate governance. The risk landscape includes, among others, compliance and legal risks.

OTE Group has developed and implements a Risk Management System (RMS), aiming to safeguard a linear business model and the Group's future business success. The RMS supports Management in strategic decision-making by identifying, evaluating, communicating and addressing corporate risks. It is based on the COSO ERM Framework and the ISO 31000:2018 Standard on Risk Management. OTE, COSMOTE, Telekom Romania Communications and Telekom Romania Mobile Communications have been attested according to the above standard.

Through the RMS, risk governance practices are implemented and monitored. All corporate risk descriptions managed centrally in the OTE Group Corporate Risk Register.

Major achievements in 2019, include:

- Revision of the "Enterprise Risk and Insurance Management Policy", in order to comply with the ISO 31000:2018 requirements. The amended version introduces key risk concepts, such as risk culture, risk bearing ability, risk appetite, and risk portfolio.
- Further deployment of the Risk Appetite and Key Risk Indicators, in order to define tolerance levels.
- International Risk Management Application tool development, co-led with DT's Risk Management.
- Collection (electronically) of individual risk assessments from business units and subsidiaries.

- Incorporation of aforementioned individual risk assessments' results into the OTE Group Corporate Risk Register, aiming at a systematic analysis and structured monitoring of corporate risks.
- Four (4) Enterprise Risk Management Reports to the OTE Group Compliance, Enterprise Risks and Corporate Governance Committee (GRC Committee). The reports were reviewed, evaluated and subsequently submitted to the OTE Audit Committee and the OTE Board of Directors.
- Approval of self-assessment by the OTE Audit Committee, regarding the implemented Risk and Insurance Management System at OTE, COSMOTE, Telekom Romania Communications and Telekom Romania Mobile Communications.

Policies / Procedures for Enterprise Risk Management

- Enterprise Risk and Insurance Management Policy OTE Group
- Risk Appetite Statement
- Policy on Indemnification from Risk Insurance and Pension Programs OTE Group
- Enterprise Risk Assessment Process
- Indemnification from All-risks Insurance Program



2.2.2 Compliance Management

Why it matters

Compliance of an organization with the applicable regulations is an essential obligation for responsible operation. OTE Group Management and its stakeholders effectively require the Group to comply with laws and regulations and to bear zero tolerance for corruption, blackmailing and bribery.

The assurance of compliance is one of the company's' top priorities. Compliance reflects solid commitment to the principles of integrity, transparency, justice, as well as respecting the rules and principles, actions which are essential to govern the operation of the Group. In this respect, Compliance Management System (CMS), which mainly focuses on prevention measures, addresses the compliance of all - employees and Management - with current legislation and internal Policies.

Any employee and/or third parties (customers, vendors, partners, etc.) may report (eponymously or anonymously) inappropriate conduct or any concern or complaint about potential violations of Company Policies or legislation, to Compliance channels.

All regulations and Policies, which are available on the company's [WEBSITE](#) are regularly updated to ensure continued compliance with applicable legislation and best international practices.

The CMS System has been certified according to ISO 37001:2016 on Anti-Bribery Management

Systems and attested according to ISO 19600:2014 on Compliance Management System, for OTE, COSMOTE, Telekom Romania Communications and Telekom Romania Mobile Communications. Moreover, in 2017 a Compliance Management System (CMS) Certification on Anti-Corruption (Assurance Standard 980) was obtained by OTE, COSMOTE and Telekom Romania Communications.

Major achievements in 2019 include:

- A **Compliance Risk Assessment** for all OTE Group companies was conducted. Business units' representatives who participated in the Assessment represented 100% of the operations. Risks assessed included, amongst others: active and passive corruption, violation of the Procurement Policy, third-party risks, embezzlement, theft, fraud, conflicts of interest, violation of anti-money laundering legislation, breaches of anti-trust, misuse of personal data, etc.
- **More than 6,000 Group employees participated in the Compliance Training program** (training seminars for anti-corruption, introductory training for new entrants, on-site awareness trainings and e-learning programs).
 - Specifically, **1,500 new employees** were trained in 2019, as part of the "Welcome on Board" program and "Customer Care induction" program, which include a specific module on Compliance issues. An e-learning training program on anti- corruption issues for the OTE Group companies in Greece was launched, achieving a participation rate of 60.2%. Similarly, in Telekom Romania Communications and Telekom Romania Mobile Communications, an e-learning program on anti-corruption and anti-fraud issues was completed. The participation rate was approximately 70%. Also, three new e-learning courses on ethical leadership, anti-trust and human rights have been prepared for OTE Group companies in Greece and are expected to be launched during 2020.

- **Group-wide digital communication campaigns**, in collaboration with Corporate Communications Department, were addressed to all OTE Group companies, including articles published on the companies' intranets, OTE Group Newsletter and/or LinkedIn.

- **Digitalization of Compliance practices:**

- The OTE Group Compliance Policies regarding "Conflicts of Interest" and "Benefits" were presented as videos with scenarios, in cooperation with the Process Improvement Department, and were posted on the OTE-COSMOTE -GERMANOS intranet.
- OTE Group Compliance Annual Statements procedure was also digitized

- Participation in the **ACFE-Greece Annual Conference** entitled "Integrity: The Ultimate Brand" and the **Transparency International-Greece / Business Integrity Forum (BIF) 6th Round Table** entitled "Integrity & Sustainability". In the context of the above events, OTE Group Compliance Team members ran workshops regarding third party integrity in procurement.

- Awareness raised regarding the OTE Group Principles, the OTE Group Compliance Management System and the related to suppliers' Codes, as well as their contractual obligation to adhere to these principles throughout business cooperation, targeted to all major local suppliers (by purchase value).

- **Annual Statements were signed by the Senior Financial Officers** regarding their compliance with the applicable Code of Ethics for Senior Financial Officers, aiming at honest and ethical professional conduct.

- **Approval of a new OTE Group Compliance Policy and revision/amendment of implemented Policies.**

In 2019, the "OTE Group Policy on Concluding Transactions with Related Parties" was approved.

The Policy applies to all Group companies operating in Greece and describes the method with which the companies handle issues regarding transactions with related parties.

Moreover, the following OTE Group Compliance Policies were amended:

- Policy on Avoiding Corruption and other Conflicts of Interest
 - Code of Ethics for Senior Financial Officers
 - Policy on Avoiding Sexual Harassment within OTE Group
- The effectiveness and efficiency of the above systems (RMS and CMS) are monitored by the OTE Group GRC Committee, the Audit Committee and the Board of Directors.

 Additional information regarding Compliance and Risk Management can be found in the **2019 Annual Financial Report**

Significant Data 2019

• Fraud incidents and serious violations of OTE Group Code of Conduct by employees:

- 5 cases occurred, which resulted in the termination of contract of employees,
- 2 cases occurred, for which final disciplinary sanctions were imposed by the competent 1st and 2nd degree disciplinary bodies.

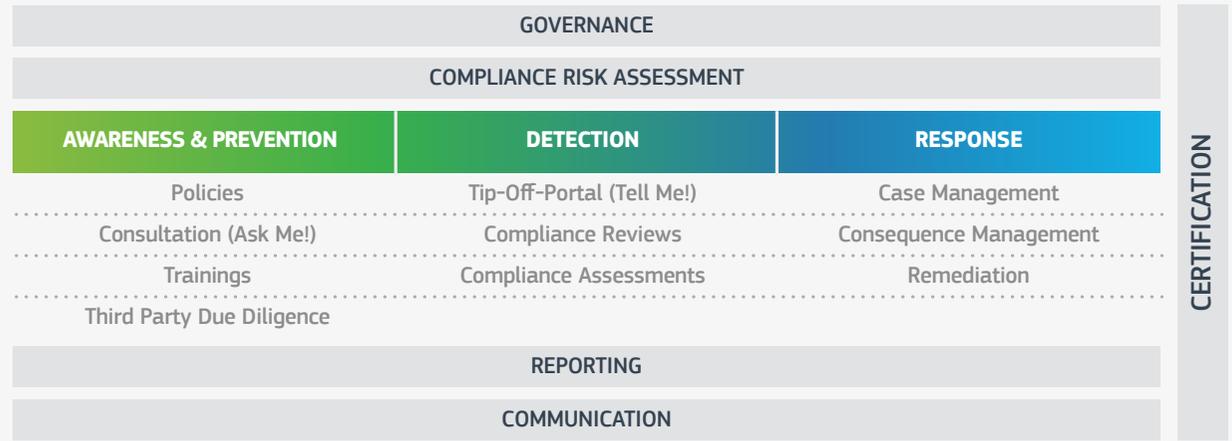
• No incidents of corruption regarding contracts with business partners, which resulted in the termination of the contract or its non-renewal.

• No cases occurred concerning suppliers leading to their exclusion from the 2019 tender procedures.

• No court convictions for corruption issues against OTE Group or its employees in relation to their professional activities.

• No fine or non-pecuniary penalty (e.g. a recommendation) for corruption or fraud violations (including tax fraud and manipulation of financial reporting) was imposed on OTE Group companies.

Elements of Compliance Management System (CMS)



2.597

TIP OFFS/COMPLAINTS

received at the relevant compliance communication channels in 2019

127

RELATED TO **RULES AND COMPLIANCE POLICIES**

22

GENERAL INFORMATION FROM **THIRD PARTIES**

2,448

CUSTOMER COMPLAINTS ON **TECHNICAL/COMMERCIAL MATTERS**

57

NOT PLAUSIBLE

53

PLAUSIBLE

17

UNDER INVESTIGATION

Appropriate per case measures were adopted (strict warning, removal from positions of responsibility, employment contract termination, submission of a Statement of Conflicts of Interest, establishment/ implementation of new controls or revisions of existing ones)

Responsible Competition

OTE Group promotes a truly responsible competition approach, with respect to consumer protection, complying with the laws of free competition and applying transparent business practices.

The Group complies firmly **with all national and European telecoms, audiovisual media services and content regulations** in Greece, as well as in all countries where it has commercial activities. Also it's the Groups priority to cooperate with governments, national agencies, authorities and other stakeholders, in order to formulate a regulatory framework that fosters competition which contributes to the overall social welfare.

The Group has developed internal policies to inform employees about the importance of compliance with the competition rules and systematically promoting the appropriate Codes of Conduct. OTE Group Policy on Anti-Trust Law, established in 2013, sets out the framework of operation for all companies and employees within the Group, regarding their compliance with the relevant legislation on the regulation of anti-competitive conduct.

Regulatory Framework

The provision of electronic communication networks and services, is subject to national laws and regulations, in all countries of its operation. Accordingly, the provision of OTE's pay TV services under the name COSMOTE TV is regulated by the National Council for Radio and Television and is subject to national and EU laws and legislation.

Moreover, OTE, following a 2016 auction, has been assigned as the universal service provider related to the provision of directory enquiry services, directories and public payphones in Greece until 31st of January 2021.

OTE, according to relevant Hellenic Telecommunications and Post Commission's (HTPC) decisions, issued at the end of December 2016, continues to have Significant Market Power and is subject to regulatory obligations in the wholesale local access market at a fixed location (market 3a/2014) and the wholesale central access market at a fixed location for mass-market products (market 3b/2014). Although the retail market for access to the fixed telephone network on a fixed location via PSTN, ISDN BRA, managed VoIP and ISDN PRA (market 1/2007) has been deregulated and OTE does not have Significant Market Power, OTE's control of retail prices by the HTPC is maintained, as a remedy in the context of the wholesale markets' regulation. OTE views that any ex-ante price control of its retail services should be withdrawn in order to refrain from distorting market dynamics and competition in the retail markets.

In December 2019, the HTPC announced a public consultation for call origination on fixed network market (M2/2007) and for wholesale call termination on individual public telephone networks provided at a fixed location market (M1/2014). The HTPC proposes deregulation of market for call origination while remedies for wholesale call termination will continue to apply. Additionally, earlier in 2019 the HTPC, published the Draft Measures concerning the markets for wholesale and retail leased lines. Moreover, in May 2020, the HTPC issued a Decision on definition and analysis of leased lines' markets. According to this Decision, OTE continues to have Significant Market Power and is subject to regulatory obligations in wholesale high-quality access market (M4/2014) and in market of wholesale trunk segments of leased lines (M14/2003) while retail leased lines market (M7/2003) is deregulated.

In 2020 it is expected that the HTPC will start the next round of market analysis, as regards the wholesale local access market at a fixed location

(market 3a/2014) and the wholesale central access market at a fixed location for mass-market products (market 3b/2014). Detailed information on the regulatory frameworks in Romania is presented in Telekom Romania's [Corporate Responsibility Report](#).

Contribution, Formulation and Operation of a Responsible Market

The new telecommunication technologies are critical for future economic growth, social welfare and sustainability. In this framework, the Group plays an important role in sector-specific and multi-stakeholder forums, associations and initiatives, at national and EU level, in order to enhance responsible competition, self-regulation and cooperation on social welfare.

The Group's objective is the promotion of a fair regulatory environment which ensures a

level-playing field and regulatory predictability for investments, as well as the creation of a positive environment and the establishment of trusting relationships. The Group's positions on electronic communications at national and EU level, as well as its commercial, financial and regulatory strategy, are communicated to stakeholders.

The Chief Legal and Regulatory Affairs Officer of OTE Group is responsible for shaping the strategy for ensuring a fair regulatory environment.

OTE is registered in the EU Transparency Register and thus has committed to comply with the Transparency Register Code of Conduct

The most important relevant participations of OTE Group companies in 2019 are presented in the [Appendix](#)

Regulatory Litigations 2019

Appeals in 2019

	OTE	COSMOTE	TELEKOM ROMANIA COMM.	TELEKOM ROMANIA MOBILE COMM.
Number of fines	2	1	5	0
Number of appeals	2	1	0	2
Number of non-pecuniary penalties	0	0	5	5
Cost of fines (€)	1,505,000	25,000	71,622	0

Information about the evolution of previous important cases is included in the [Annual Financial Report](#).

2.2.3 Human Rights Management



In 2018, the Group adopted the Code of Human Rights and Social Principles, in which it recognizes its responsibility to respect internationally recognized human and social rights.

The integrated approach to managing human rights is based on the United Nations Principles and Guidelines for Business and Human Rights and is aligned with the approach of the Deutsche Telekom Group.

Also, the **OTE Group Code of Conduct** includes basic rules of conduct, principles and values, such as equality, respect for diversity, trust, credibility, integrity, morality, transparency, personal responsibility. These rules establish a model of operation and lead to the adoption of a common "Corporate Culture".

Amongst others, the Group:

- Respects the right to freedom of expression
- Protects the confidentiality of data
- Operates in accordance with the legal framework currently in force (see section **Business Security and Data Privacy**).

Particular attention is paid to the rights of its employees, freedom of association and collective bargaining, diversity and equal opportunities (see section **Fair Employment Policy Framework and Equal Opportunities**). The Group declares that it is in favor of banning all forms of forced labor and strives to abolish child labor.

In order to protect human rights, even beyond the limits of its own operation, all suppliers are asked to respect and safeguard human rights by

integrating relevant requirements into contracts with suppliers. Additionally, Deutsche Telekom participates in the **CFSI initiative** (Conflict-Free Sourcing Initiative), to prevent the use of conflict minerals.

In 2018, the Group strengthened its efforts, by developing and implementing a Human Rights' Action Plan. Human rights risk and impact analysis, which incorporated the respective risk areas and scenarios, was initiated in the fourth quarter of 2018 and was successfully completed in 2019.

Statements on compliance with the provisions of the Code of Human Rights and Social Principles were requested and collected from all OTE Group companies.

The Executive Director Compliance, Enterprise Risk Management and Insurance OTE Group is designated as the Officer responsible for managing human rights issues. Any human rights inquiries or complaints/ tip-offs are addressed to the existing **Compliance communication channels**. For any other issues related to the Code, the humanrights@ote.gr channel is also available. In the same direction, the OTE Group Sustainability Policy makes reference to the human rights issues, according to the provisions of the Code of Human Rights and Social Principles.

In May 2019, the **Greek Diversity Charter** was

launched. It is a European Commission initiative to promote Diversity and Equal Opportunities in the workplace, in which OTE Group was a founding member.

In 2019, 898 OTE Group employees' queries were received through the "Ask Me" process. They included, although not limited to: sponsorship/ donation approvals, conflicts of interest, secondary employment, accepting/offering benefits, and **OTE Group Supplier Code of Conduct**. None of the questions were related to discrimination issues.

It is worth mentioning that- three (3) significant investment agreements/contracts, that included a human rights clause, were concluded during 2019.

- 93 complaints were filed via "Tell Me" channels by employees. Indicatively, three (3) tip-offs concerned allegations on improper behavior. Following relevant investigations by the OTE Group Compliance office, the appropriate procedures were applied.
- 1 Tip-off on gender discrimination concerning a company employee benefit, was submitted to the Compliance "Tell-me!" channel. The company's decision regarding the issue is expected.

Human Rights are included in all Compliance Training material (see section **Policies and Management of Regulatory Compliance**).

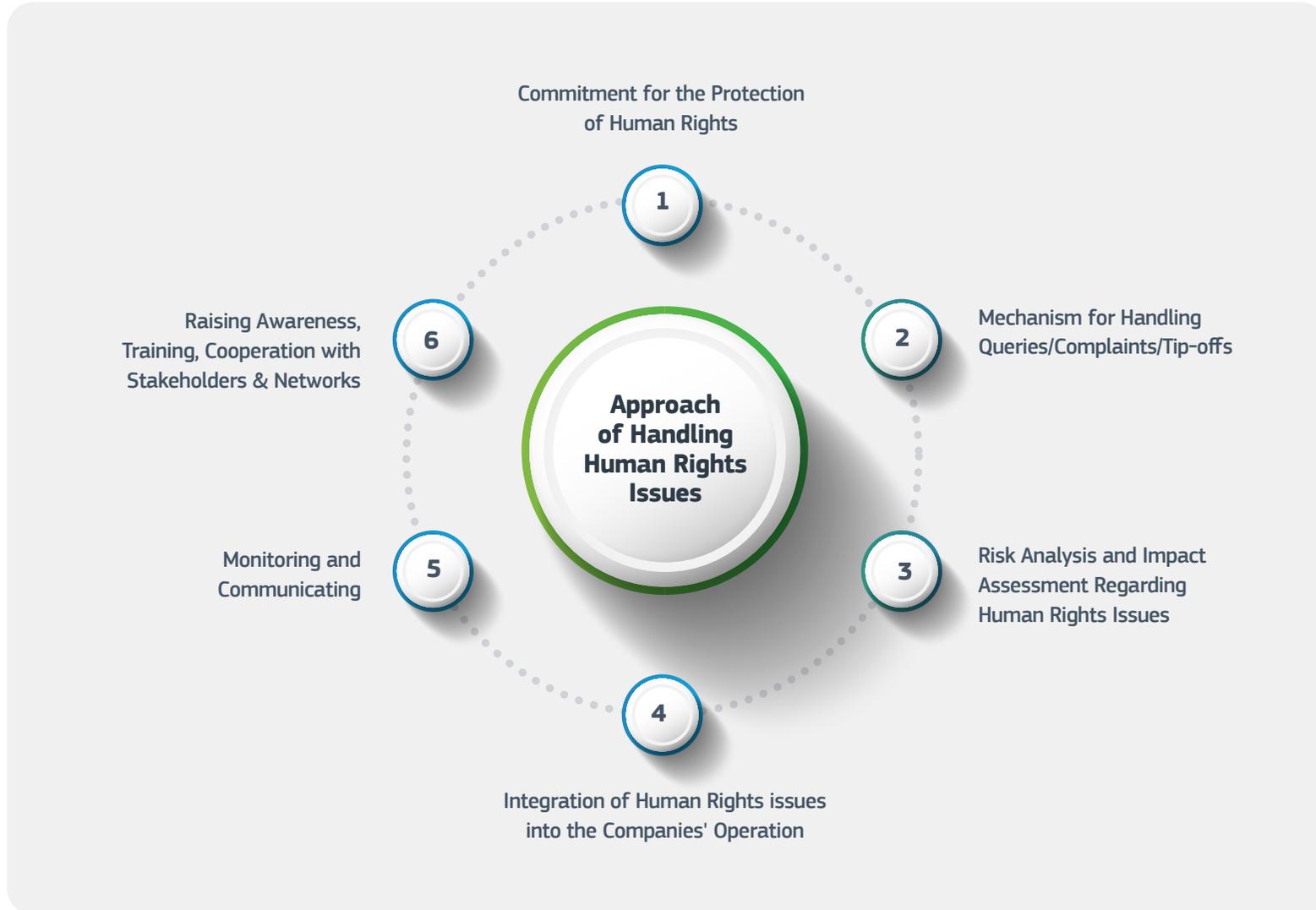
In Romania, an e-learning program took place in 2019, recording a participation rate of 94.5%.

On the International Human Rights Day, we launched an internal campaign focused on the Code of Human Rights and Social Principles, the OTE Group Code of Conduct and the Compliance Management Policies.

In 2019, there were no convictions against OTE Group by the judiciary authorities concerning any discrimination in the workplace. In addition, there was no financial or non-pecuniary penalty imposed with regards to the violation of human rights issues.

 **Relevant Web Page**

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX



2.2.4 Responsible Purchasing and Supply Chain Management

OTE Group believes that the diffusion of key values and standards in the supply chain is an important feature of responsible business conduct.

Procurement Policy

All procurement practices are carried out according to the OTE Group Procurement Policy, which sets out all the terms and regulations under which purchases are made. The main objectives of the Procurement Policy are:

- Optimization of value added in terms of cost, quality and time
- Ensuring transparency
- Compliance with Deutsche Telekom's International Procurement Policy

The Procurement Policy does not distinguish between local and non-local suppliers. However, it is common practice for the Group Companies to support domestic suppliers.

OTE Group Companies aim to reimburse their suppliers, as defined in their procurement contracts, in due time. For 2019, the payment time ranged from 30 to 120 days, depending on the type and value of the procurement.

Supply Chain

The development and maintenance of a value-added supply chain for the Group, with economic, environmental and socially responsible methods and practices, in line with the Group's vision, is a continuous challenge.

All lists of suppliers (Vendor Register), are renewed. For instance, in 2019, the list consisted of 1,233 suppliers for OTE, 662 for COSMOTE, 167 for GERMANOS, 709 suppliers for Telekom Romania Communications and 274 for Telekom Romania Mobile Communications*. The lists include both multinational and local companies for the purchase of materials and equipment or for the provision/lease of services.

Supplier Selection

Specific criteria related to corporate responsibility and sustainability can be added to each procurement notice, in accordance with the specifications required and defined by the business unit that initiates the procurement process. All potential suppliers are required to declare that they explicitly agree with the **OTE Group Supplier Code of Conduct**, which reflects the intention of the OTE Group companies to collaborate with socially and environmentally responsible suppliers. This intention of the Group is reinforced by the **OTE Group Code of Human Rights and Social Principles**.

The contract, which contractors sign, includes special clauses on health and safety issues, environmental compliance, anti-corruption, security and confidentiality. In addition, by signing the contract the contractors undertake to comply with the **OTE Group Supplier Code of Conduct**, **OTE Group Code of Conduct** and **OTE Group Code on Human Rights and Social Principles**.

All the above are mandatory for the business cooperation with the Group.

Percentage of procurement from domestic suppliers



* Note: Vendors that are common for more than one company and have been counted separately for each company.

2,979

INTEGRITY CHECKS AND COMPLIANCE BUSINESS ASSESSMENT OF SUPPLIERS, CONSULTANTS AND PARTNERS



OF POTENTIAL SUPPLIERS FOR ALL PURCHASES EXCEEDING €50,000 WERE REVIEWED AND CHECKED, UNLESS THEY HAD BEEN CHECKED WITHIN THE LAST 2 YEARS



100%

OF POTENTIAL CONSULTANTS WERE CHECKED, REGARDLESS OF THE FEE VALUE

Suppliers' Management Lifecycle

- Procurement conducted according to OTE Group Procurement Policy
- Suppliers comply with the Supplier Codes of Conduct (clause in contract)
- Evaluation of new vendors/proposals (supplier's selection criteria including Integrity Check)
- Incorporation into the suppliers' contracts of clauses on health and safety, anti-corruption, security policy and confidentiality
- Classification of suppliers based on quantitative assessment results
- Presentation of assessment results to OTE Group Management



SELECTION

EVALUATION

CLASSIFICATION

DEVELOPMENT



DT SUPPLIERS' ASSESSMENT RESULTS



DT SUPPLIERS' ASSESSMENT RESULTS

- Assessment of overall major vendor performance based on cross functional criteria set / KPIs by OTE Group Management
- Self-assessment of the major vendors' Corporate Responsibility performance by completing a suitable questionnaire

- Specify plans to work on the improvement of "weak" vendors, if deemed necessary
- Monitoring of actions and results
- Communication to Group of excluded vendors

Supplier Evaluation

OTE Group active suppliers are evaluated on a yearly basis. Suppliers are selected based on the purchase orders issued within a 12-month period. More specifically, in 2019, the selection of suppliers for evaluation was based on all orders issued between 1/10/2017 - 30/9/2018, on behalf of OTE, COSMOTE, GERMANOS, Rural North, Rural South, COSMOTE e-Value SA, e-Value Ltd, e-Value International, Telekom Romania Communications and, Telekom Romania Mobile Communications.

Supplier evaluation included:

- All suppliers with orders of more than €2m. (for all the companies mentioned above)
- All suppliers providing important types of supply

(i.e. products and services that have a significant effect on the products and services provided to customers) worth over €500,000

- All suppliers of products/services related to the Group Consolidated Management System
- Certain suppliers who did not meet the above criteria but were proposed for evaluation

Suppliers evaluated are asked to complete a self-assessment questionnaire on their performance regarding sustainability issues. This questionnaire aims to promote awareness of social and corporate responsibility. It includes questions related to corporate responsibility, sustainable development, employment, human rights, environment, health and safety, quality and business continuity. Questions refer to the suppliers' performance, as well as to their suppliers' and sub-contractors' performance.

Classification and Development of Suppliers

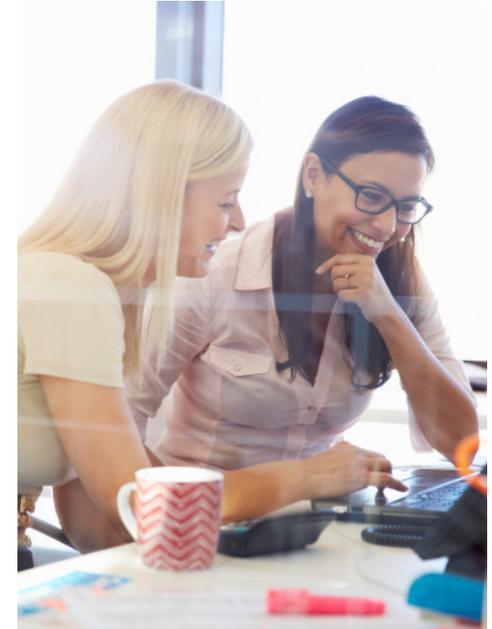
The ratings of suppliers by the company's operational units involved in the process, as well as the self-assessment questionnaires completed by the suppliers, feed the Supplier's Vendor Evaluation System to produce a quantitative performance score for each supplier. The performance of each vendor on corporate responsibility and sustainability issues corresponds to 10% of the total score. The results of the ranking are presented to the Group's Management.

For low-rated suppliers, Management decides whether they should remain on the Group's list of eligible suppliers, whether they need to show improvement in their performance (in which case some remedial action plans need to be agreed with the suppliers), or for the collaboration with the Group to cease (where upon the relevant Directorates of the Group are informed).

In addition, the Group takes into account the results of Deutsche Telekom's assessments and audits for each joint vendor in the framework of the /Eco Vadis/self-assessments and JAC (Joint Audit Cooperation).

It should be noted that OTE Group has established different communication channels (e.g. Tell me! whistleblower portal, regular post, telephone, e-mail) to enable everyone to submit information concerning possible violations of legal obligations or internal policies and regulations. It is also possible to file a report anonymously via the Electronic Compliance Form. Any information provided is treated as strictly confidential and is checked for plausibility by specifically trained employees who are obligated to confidentiality.

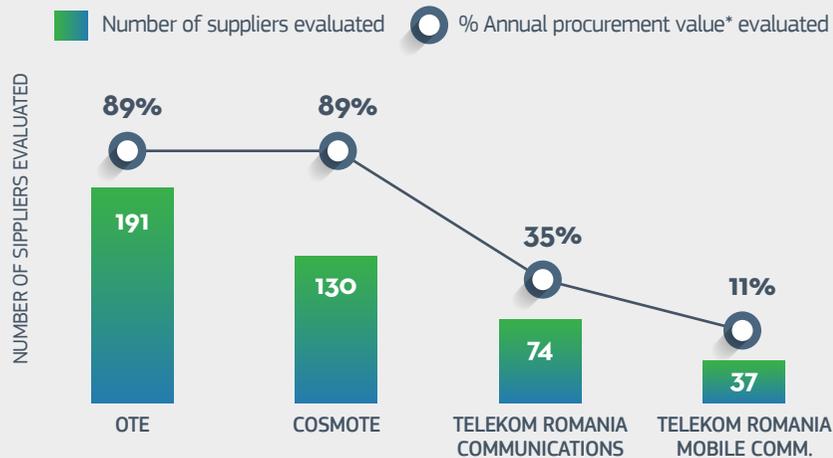
Finally, the **OTE Group Supplier Code of Conduct**, sets the framework for social, environmental and compliance audits. Monitoring activities on the supplier and its subcontractors



are conducted to effectively evaluate the supplier's and subcontractors' actual conformity with the Code's Principles. This includes the right for OTE Group and/or its authorized representative to perform audits, including on-site inspections and carry out questionnaires and/or interviews with selected employees at supplier's premises, construction sites and/or other locations where work is performed on behalf of the supplier. The supplier acknowledges that OTE Group has the right to request and receive further information (e.g. through the OTE Group evaluation systems), if deemed necessary. Any non-conformity with the Principles shall be notified to OTE Group and a dedicated improvement plan has to be filed to be implemented in due course.

 [Relevant Web Page](#)

Supplier evaluation for 2019 for the largest 4 OTE Group Companies



* Includes high value supplies, product and service supplies that affect the end products / services provided to customers, as well as high risk products as defined internally. Supplies from affiliates, dealers' commissions, interconnection, roaming supplies, and sponsorships-donations are excluded).

2.2.5 Business Security and Data Privacy

Why it matters

Maintaining and enhancing customers' trust is hugely important for the success of OTE Group. Business Security and Data Privacy are fundamental for this purpose.

Information Security and Data Privacy

Information Security and Data Privacy are more than just an obligation to comply with legal and regulatory requirements and are heavily reflected on the quality of the Group services.

Information Security and Data Privacy are subject to the Binding Corporate Rules Privacy (BCRP) of Deutsche Telekom Group and the Group Security Policy. The latest version of BCRP was updated with the terminology of GDPR and was adopted by all Group companies in 2019. BCRP contains the basic principles regarding the protection of customers', employees' and associates' personal data, according to the data protection legislation. The Group's Security Policy has been also revised to meet compliance and security requirements of Deutsche Telekom Group and applicable regulatory frameworks.

As of October 2018, all data privacy matters are managed by a dedicated team, led by the Group Data Privacy Officer (DPO), who is supervised by the Audit Committee.

The Group Security Officer reports to the CEO and is responsible for driving the strategic security

program that defines, establishes and maintains information security policies and processes, enables effective security practices and fosters a culture of cyber security. The security program includes, but is not limited to, corporate governance and oversight of cybersecurity risk management, evaluation of emerging threat trends. Operating effectiveness of internal control environment, investigation and proper acting on potential security violations in alignment with security laws and regulations, as well as proactive monitoring activities, are included in the program as well.

Staying ahead of the curve in responding to unconventional cyber threats, the Security Operations Center operates on a 24/7 basis. The networks and telecommunication infrastructure are constantly being monitored, by analyzing and searching for unusual activity or vulnerabilities that could be indicative of a compromise. In such case, the expert personnel overseeing the security operations, ensure that the potential incident will be promptly identified, analyzed, responded to and reported, within the Group risk tolerance level.

In 2019, the data protection program received an internal Award in the OTE Group 2019 Management team meeting.

The adopted Privacy and Security Assessment framework is the cornerstone for performing Data Privacy Impact Assessments and ensuring the implementation of security & privacy requirements on a risk-based approach. During 2019, more than 200 internal and ICT projects were consulted on data protection matters.

In addition, the Data Privacy Policy was updated, and 24 data protection notices were developed for new services. Since the GDPR came into effect in May 2018, OTE & COSMOTE have signed more than 780 data protection agreements with third parties and ICT customers. In 2019, 25 third

parties were requested to participate in a self-assessment process in order to monitor their compliance with the data processing agreements.

Customers can communicate their data subject rights' requests to a dedicated channel established for every Company. In 2019, OTE and COSMOTE handled 757 data subject requests, while all other OTE Group companies in Greece had less than 5 requests in total.

OTE and COSMOTE investigated **8** customer requests, regarding confidentiality of communications / security customer data, and **24** requests from the Hellenic Authority for Communications Security and Privacy (ADAE). In none of these cases any suspected finding was detected.

OTE and COSMOTE handled 18 complaints that were submitted to the Hellenic Data Protection Authority (DPA).

Telekom Romania companies received more than 1,300 requests, regarding data privacy issues.

Articles related to data protection issues are published through OTE Group websites www.cosmotesmartliving.gr and www.e-parenting.gr, aiming to educate customers on this topic.

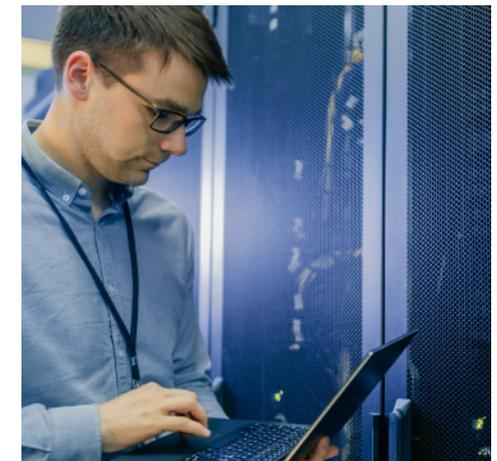
Every two years, all employees are re-trained on data privacy and security, attending a relevant e-learning program. Data privacy presentations were also provided on specialized topics, such as data privacy in call centers, to highlight the risks incurred by the misuse of customer or employee information. This helps ensure that they have an in-depth understanding of the relevant data privacy provisions.

Compliance-monitoring activities are critical to ensure compliance within the data privacy and

security framework. User access rights are regularly reviewed and certified, and access to communications data is systematically audited. During 2019, 40 internal audits and assessments were performed by internal audit, data privacy and security functions, covering data privacy and security topics.

Timely response to security incidents is paramount for OTE Group. A security and privacy hotline has been put in place, to support employees in reporting any business security, continuity and privacy related incidents to the Security Operations Center. In 2019, OTE and COSMOTE reported 23 incidents to the DPA and the ADAE, by adhering to GDPR and L.3471/2011 for the protection of personal data and privacy in the electronic telecommunications sector. Majority of those incidents were classified as low risk incidents. Nevertheless, according to L.3471/2011, all data protection incidents related to electronic communications must be reported.

Under the terms and conditions set forth in the existing legislation, all Group companies process privacy waiving requests, to the judicial and police authorities, provided that they present the required legal orders.



Romania and Telekom Romania Mobile have been publishing data regarding the type and amount of information disclosed to security agencies in the [transparency report](#).

In Greece, the legal basis for processing requests of lawful interception and data provisioning is Article 19 of the Greek Constitution (Law 3115/2003 on the Establishment of ADAE, Presidential Decree 47/2005 on the Procedures, Technical and Organizational Guarantees for the confidentiality of communications, Law 2225/1994 and Law 3917/2011). Specifically, in 2019, OTE and COSMOTE processed requests for:

- **Lawful interception on 5,172 telephone lines**
- **Provisioning of:**
 - External communication data on 14,242 telephone numbers
 - Subscribers' personal data from 10,139 telephone numbers
 - Subscriber personal information from 1,359 IP addresses

These requests are forwarded to ADAE, who includes them in its Annual Activity Report.

Aiming at continuous improvement on the level of data security, OTE and COSMOTE carried out the following actions:

- Audited 185,331 (~100%) authorized user

- accesses in data processing systems
- Implemented a database file and network encryption in 5 and 14 databases respectively.
- Replaced the DAM (Database Activity Monitoring) system with a more flexible architecture, to cover more than 20 databases. On the other hand, application logging was implemented in 5 systems
- Conducted a security assessment of core MS Windows Domains and initiated a project for the redesign and replacement of the entire infrastructure
- Expanded the Mobile Device Management Platforms, by covering S/MIME certificate delivery as well as remote access for core applications
- Finalized the deployment of a Privileged Account Management (PAM) tool covering the entire OTE-COSMOTE IT infrastructure
- Deployed MS LAPS solution across user domain.
- Participated in national and international cyber-attack defense exercises
- Expanded the Identity Management System in Greece
- The revised Security Policy was adopted by all OTE Group companies in 2019.

In addition, OTE, COSMOTE, Telekom Romania Communications and Telekom Romania Mobile Communications successfully had their Information Security Management Systems recertified according to ISO 27001 requirements.

OTE-COSMOTE: SIGNIFICANT DATA 2019

ZERO

CASES OF CUSTOMER DATA PROCESSING FOR SECONDARY PURPOSES WITHOUT CONSENT.

20,773

REQUESTS FOR USER INFORMATION INCLUDING USER CONTENT AND NON-CONTENT DATA, FROM GOVERNMENT OR LAW ENFORCEMENT AGENCIES.

10,139

UNIQUE USERS WHOSE INFORMATION WAS REQUESTED BY GOVERNMENT OR LAW ENFORCEMENT AGENCIES.

100%

OF GOVERNMENT AND LAW ENFORCEMENT REQUESTS WERE DISCLOSED TO THE REQUESTING PARTY.

€1,610,000

FINES WERE IMPOSED TO OTE & COSMOTE FROM THE DATA PROTECTION AUTHORITY AND THE HELLENIC AUTHORITY FOR COMMUNICATIONS SECURITY & PRIVACY.

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

Physical Security

Physical security is the protection of personnel, hardware, software, networks and data from physical actions and events that could cause serious loss, or damage to an enterprise. In that respect, the following actions were implemented in 2019:

• Security Hardening

- Installation of new security system for KVs/outdoor Cabinets (3PS) at 10,000 locations (74% KVs, 26% cabinets)
- Full hardening of critical premises in progress at new Cosmote TV premises, and security enhancements for several critical premises including Headquarters in Marousi and Paiania, Rentis and Kerameikos buildings
- Security hardening (structural/electronic) at 20 Buildings (including hardening of areas hosting data related to GDPR like doctor's offices) and 10 Shops
- Deployment of video verification at 10 Base Stations, resulting in a total of 38 Base Stations at the end of January 2020

• Guarding services and Cash safe/CIT

- Smooth transition to new guarding services (outsourcing)
- New cash safe tender finalized (at financial evaluation)

• Systems, Integration and Process Improvement

- Implemented further integration between Siebel/ WFM (Work Force Management) / CSDT (Common SAP Contractors Dispatching Tool) to better comply with ADAE regulations for 3rd party access
- Implemented automated provision of physical access rights, based on relevant approved workflows at IDM (Identity Management)
- Completed iDB integration with OTE ESTATE systems (SAP RE, DMS/Meridian) in order to improve OTE Group's asset management

system (iDB) and automatically create premises CAD files with special physical security layers depicting existing security systems

- Improved existing Surveillance System of Cabins (various functionalities)
- Enabled physical access to OTE Headquarters in Marousi using smartphones (Bluetooth or NFC)

Business Security, Data Privacy Awareness and Training

In 2019, awareness and training programs were carried out on Information Security, Data Privacy and Physical Security topics, and included:

- Briefing regarding Physical Security, Information Security and Data Protection during the introductory training of all newly recruited employees
- E-learning program to Group companies on Data Privacy and Security in 2019
- GDPR awareness trainings to targeted groups
- Privacy and Security Assessment training to targeted groups
- Privacy incident reporting training to Customer Service Team Leaders
- Data Privacy and Information Security training to 3rd party employees
- Data Privacy and Information Security e-learning programs to shops
- Issuing articles in OTE Group newsletters and Intranet (Mynet and YaM)
- Relevant articles and useful guidelines are posted or updated to strengthen security awareness
- Special Data Privacy and Information security awareness campaign titled "Common sense, No common data" addressed to all OTE Group employees regarding issues, such as Data classification, Encryption, Data protection in mobile devices

GREECE: SIGNIFICANT DATA 2019

321 physical security incidents were recorded and managed, 144 of which referred to Base Stations

1,300 keys and **8,320** access rights for the new access control system at kv/cabs

6,580 access control cards were issued

48,855 alarms in outdoor connection cabinets and cabins, and 32 events-personal protection were managed

5,446 entrance permits to OTE Group Premises were issued

500 checks of guarding stations and buildings, **150** preventive checks for the detection of explosives and **30** checks on subcontractors' technical works were conducted

3,740 requests for access rights were processed and 360 access control failures were resolved

935 access cards to technical subcontractors were administered

48 inspections in Group stores nationwide, **315** checks of premises for privacy assurance, **107** retrievals of stores' Closed-Circuit TV of video surveillance recordings (CCTV) and **studies** of physical safety in **30** stores were completed

320 requests for access rights and keys for outdoor cabins were issued

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

ROMANIA: SIGNIFICANT DATA 2019



5

physical security incidents were recorded and managed



31

new security systems were carried out - video surveillance, anti-burglary, access control



2,277

access control cards and **206 corporate badges** were issued



20

on-site physical security inspection **visits** were performed



74

physical security risk assessments were carried out



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2.2.6 Business Continuity

Why it matters

Customers require uninterrupted high-quality products and services provision. OTE Group strives for high caliber Customer Experience and invests in the development of mechanisms for the timely recognition and treatment of situations that affect or are likely to affect the business continuity of critical processes

OTE Group aims to achieve maximum degree of resilience and ability to cope with adverse and extraordinary circumstances, in order to ensure the uninterrupted provision of quality products and services.

In 2019, Group Companies successfully had their Business Continuity Management Systems recertified according to ISO 22301:2012 requirements.

Major achievements in 2019 include:

- Update of all Business Continuity Plans to cover the critical processes.
- Update of all Disaster Recovery Plans to reflect existing and new technologies.

- Collaboration with Greek State Authorities to offer a civilian alarming system – Cell Broadcast utilizing COSMOTE Cellular network.
- Implementation of all Business Continuity and Disaster Recovery Plans.
- Provision of new emergency mobile phones to business continuity management (BCM) members.
- Participation in business continuity exercises at Deutsche Telekom Group level.
- Administration of multiple types of targeted training to teams with a business continuity management role.
- Execution of Digital Desktop Exercises in the most crowded buildings, new evacuation plans developed for OTE Headquarters, Paiania, etc)
- Implementation of risk assessment studies in critical services and buildings.
- Successful event management and business continuity reporting for early prevention.
- Collaboration with the General Secretariat for Civil Protection.

Awareness and Training

In 2019, awareness and training programs included:

- Briefing regarding Business Continuity during the introductory training of all newly recruited employees.
- Issuing articles in OTE Group newsletters and Intranet (myNet & YaM). Relevant articles and useful guidelines are posted or updated in order to strengthen the Group's business continuity awareness.

OTE Group Situation Center

IN 2019, THROUGH THE GROUP REPORTING BUSINESS CONTINUITY INCIDENTS PROCESS:

46
EVENTS
OF BUSINESS CONTINUITY
WERE EVALUATED

15
POTENTIAL & MINOR EVENTS
WHICH COULD AFFECT THE BUSINESS
CONTINUITY, WERE INVESTIGATED

14
OUTBOUND NOTIFICATIONS
WERE SENT TO THE DEUTSCHE
TELEKOM'S SITUATION CENTER

206
SMS NOTIFICATIONS
WERE SENT INTERNALLY TO TARGETED
GROUPS (PROVIDING INFO ABOUT INCIDENTS)



2.2.7 Integrated Management System

The Integrated Management System (IMS) is comprised of certified management systems implemented within OTE Group, based on more than 15 international and national standards.

An overview of the ISO certified Management Systems, (IMS) is depicted in the graph.

The Group's executives are systematically informed by the Management Systems' representatives about the IMS' actions, objectives and programs.

For OTE and COSMOTE, the IMS, apart from ISO Certifications, also includes:

- ISAE 3402 Type 2 Report ('Assurance reports on controls at a service organization') and ISAE 3000 Type 2 Report ('Assurance Engagements other than Audits or Reviews of Historical Financial Information') that are issued by international auditing company in accordance with International Standard on Assurance Engagements issued by the International Auditing and Assurance Standards Board. These reports relate to the design and operational effectiveness of controls and the respective control environment delivered to ICT customers, in the context of Data Hosting, IT Service Desk and Managed Security Services
- Authorized approval from the Greek Defense Ministry according to Regulation of Industrial Safety, "Government Gazette B 336 - 16.03.2005" and
- Attestation according to the Principles and Guidelines for Good Distribution Practice of Medical Devices (Decision No. 1348/04 of the Greek Ministry of Health)

For the largest companies of OTE Group, overview of the available certifications per country is depicted in [Appendix](#).

Existing certifications and their respective expansion confirm Group's continuous efforts to implement international standards and practices.

 [Relevant Web Page](#)

OTE Group Management Systems

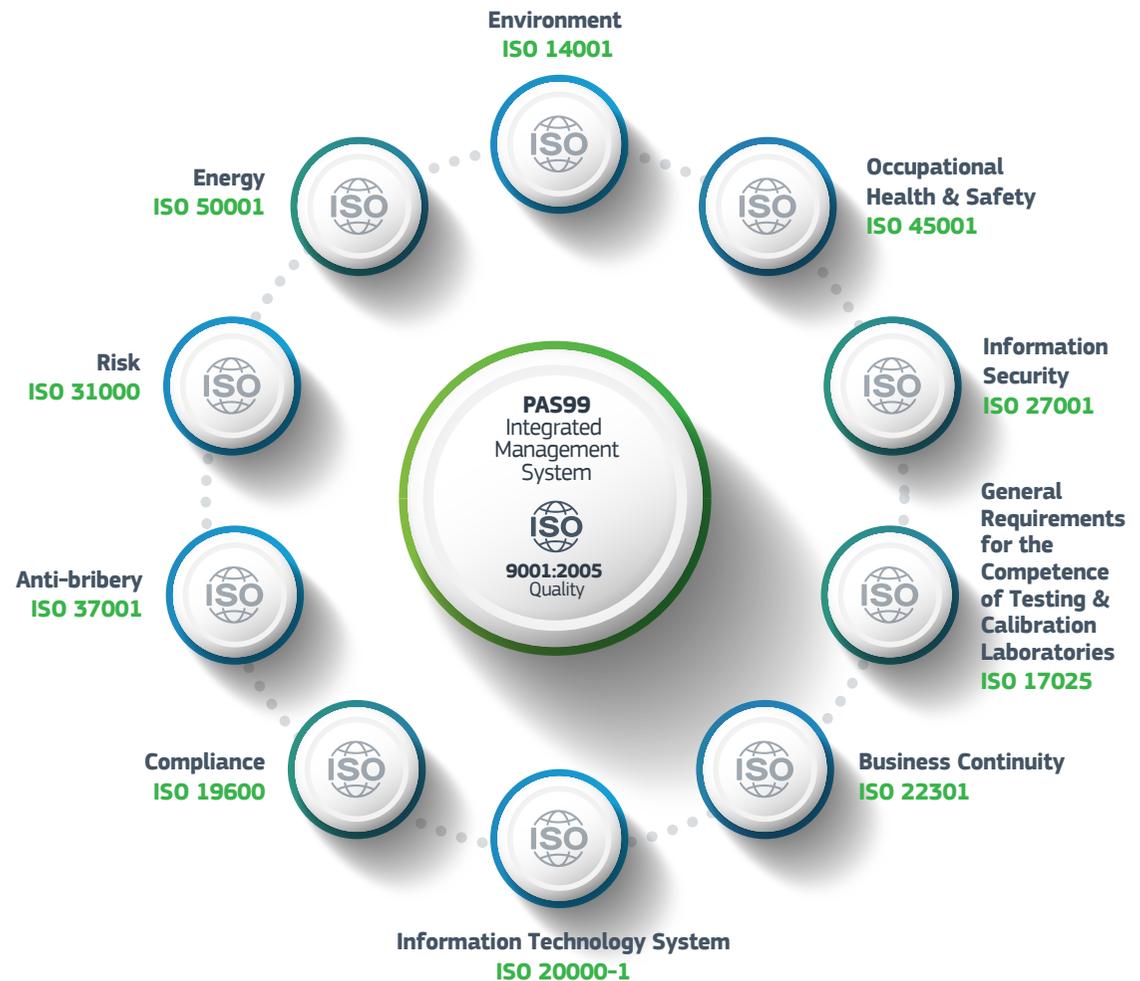




TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2.3 Employees



16,890

EMPLOYEES AT OTE GROUP



377

RECRUITMENTS



30%

OF THE EMPLOYEES WITH POSITION OF RESPONSIBILITY ARE WOMEN



2.3.1 Human Resources Management



OTE Group fosters a sustainable and efficient work environment

that values teamwork and communication, promotes innovation and a growth mindset for its people, recognizes high performance and gives them equal opportunities to grow.

In an era of constant changes, where digitization is becoming an industry standard in the workplace, the role of Human Resources (HR) in OTE Group is fully aligned with the company's strategic objectives. The Group takes great pride in fostering creative thinking and collaboration while keeping up with the latest technology trends and developments. These are among the Group's core values, where the foundations for the employee's professional and personal development are set.

In 2019, HR digital tools and systems were further developed by introducing new functionalities, while at the same time gradually incorporating HR processes and subsidiaries' personnel data. The completion of this project required the coordination with numerous departments and functions, in order to create a common HR system. Moreover, the majority of HR-related tasks and approval flows were made accessible through a mobile application. This initiative laid out the foundations for new, flexible working models, such as mobile office, while at the same time improving employee experience and work life balance.

Furthermore, the basis for virtual collaboration and communication between cross functional teams were set. Skills development and talent management programs aim at cultivating a culture of lifelong learning and establishing a growth mindset among its people. Virtual collaboration tools, digital learning platforms

and other custom-made programs for digital skills development, were introduced, to enhance employees' digital literacy.

In 2019, a series of Job Rotation programs were implemented, encouraging employees with existing work experience with OTE Group and who have showcased great growth potential, to engage in new roles or participate in new projects as well as help them gain valuable experience for the new digital era. Through job rotation programs, employees are able to carve their own professional paths, come in contact with different groups of people, become exposed to different work environments, practices, tools and tasks, and develop new skills.

Aiming to create a nurturing and intuitive working environment, OTE Group, in 2019, initiated the renovation of the central headquarters in Athens. Open and collaboration spaces will be created to enable teams to work more efficiently. The project is expected to be completed by the end of 2022.

The overarching goal is to become the employer of choice in the new digital era, both for its existing employees, as well as for young talents, fostering a work environment of great opportunities and unique experiences, where everyone is able to perform at their full potential, grow and create their own unique career path.

Operational Framework

Within the Group's Policy on Employee Relations, principles, such as respect for human rights, fair labor, abatement of discrimination, equal treatment for men and women, and combating child or forced labor are of great importance. The scope of responsibilities and duties framework of the Group's Chief Human Resources Officer Business Unit comprises:

- **HR Competency Centers** (Development Centers, policies, systems and procedures),
- **HR Business Partners** (contact point between human resources and all other business units)
- **HR Business Partner Operations** (unit safeguarding compliance, labor law and legal regulations)
- **HR Shared Services** (unit dealing with HR's operations such as employees' and employment data updates).

The Chief Human Resources Officer is a member of the Management Team of OTE Group.

Organizational Transformation and Effectiveness

In the beginning of 2019, the final part of the new Job Family Model (JFM) project was completed, by assigning roles to all employees. At the same time, all Directors and Middle Management (Senior and Section Managers) were informed and

engaged in the concepts and functionalities of the JFM, through a series of workshops. In addition, company-wide one-to-one communication sessions between line managers and employees were launched on 25th February and lasted 3 months. During these 3 months, more than 10,000 employees were informed on their job's title, level and respective Job Family, in which their role was allocated. In order to provide all the necessary information and subsequently train employees in the new JFM, an internal dedicated microsite has been developed available to all employees. Moreover, Managers had the opportunity to explain to employees the contribution and impact of their role to the Company's value chain and results. JFM roll-out was completed with the upload of job titles in HR Systems and "mynet" (company's intranet). The next phase includes the development of other HR tools based on JFM mapping, such as skillset, career paths, rotation schemes etc.

With focus to a leaner and more agile structure, telecom market benchmark data and guiding principles for future organizational structure development were communicated to all Business Units' Heads. Furthermore, the dual career ladder concept (expert vs. manager) introduced by the new JFM, also provides an alternative approach for re-designing the current organizational structure to become more flexible and less hierarchical. Emphasis was given to the optimization of the number of employees per manager and the reduction of employment hierarchical levels.

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

2.3.2 Employment

On December 31st 2019, OTE Group employees numbered 16,890*.

98% of OTE Group employees were employed on indeterminate term contracts.

Women constitute 40% of the Group's employees. OTE and Telekom Romania Communications employ a large number of technical personnel (6,741 employees), the vast majority of whom are men.

Having always as a priority to improve its employee experience, OTE Group remodels and enhances the operation of the OTE Group Employees Service Center, "MyHR", which was launched in 2015. MyHR manages queries on issues and processes regarding human resources, while its services are regularly updated and enhanced to provide prompt and quality service to all employees.

In 2019, MyHR received more than 110,000 requests from approximately 9,600 employees. The most recurrent requests that MyHR dealt with, were leaves of absences and updates of employees' family status. "MyHR" Center was evaluated by employees, receiving a high satisfaction rate of 8.7/10, being acknowledged as the single point of contact for HR inquiries.

In 2019, voluntary exit programs with financial incentives were enacted in Group companies in Greece and Romania, aiming at further rationalization of human resources and the respective labor cost, as well as at the creation of a flexible and efficient organization. 321 employees in Greece and 571 employees in Romania, accepted the incentives offered by the socially responsible program and left the Group.

Aside from financial incentives, the Group provided to employees with personalized support throughout the process, private health insurance and preferential offers on products and services.

Relevant Performance Data

Employees

16,890

OTE GROUP



WITH DEPENDENT EMPLOYMENT ON **indeterminate term contracts**



BETWEEN **31-50 years old**



2%

WITH **disabilities**



71%

IN **Greece**



34%

Fieldwork Staff
(MAINLY TECHNICAL)



12%

IN POSITIONS OF **responsibility**

10%

VOLUNTARY **TURNOVER RATE**

2%

INVOLUNTARY **TURNOVER RATE**

Recruitments

377

EMPLOYEES



43%

WOMEN



BELOW **30 years old**



EMPLOYED INTERNALLY **within OTE Group**

Departures

2,123

EMPLOYEES

42%

THROUGH VOLUNTARY **EXIT SCHEMES**

25%

ABOVE **50 YEARS OLD**

Greece:

SIGNIFICANT DATA 2019

12,016
employees

99.5%
with dependent
employment on
indeterminate term
contracts

39%
women

76%
between 31 and
50 years old

166
recruitments

580
departures

Romania:

SIGNIFICANT DATA 2019

4,874
employees

98%
with dependent
employment on
indeterminate term
contracts

42%
women

63%
between 31 and
50 years old

211
recruitments

1,543
departures

* OTE Group HR activities presented in this Chapter refer to OTE, COSMOTE, GERMANOS, OTEGLOBE, OTE Academy, COSMOTE e-value, Telekom Romania Communications and Telekom Romania Mobile Communications employees.

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

2.3.3 Fair Employment Policy Framework and Equal Opportunities

The OTE Group Fair Employment Policy is based on the respect of human rights, in accordance with the following:

- the national regulatory frameworks in countries of operation and the EU
- the United Nations Global Compact
- the **OTE Group Code of Conduct**
- the **OTE Group Policy on Employee Relations**
- the **OTE Group Code of Human Rights and Social Principles**

Companies' induction programs for new employees include a separate section on Compliance issues, on the Code of Ethics, Sustainable Development, as well as on internal policies.

Freedom of Association and Collective Labor Agreements

In March 2018, two new two-year collective labor agreements of OTE and COSMOTE employees, were signed with similar terms, valid from 1 January 2018 until 31 December 2019. For any significant change in their operation (e.g. reorganization, outsourcing operation, business interruption, expansions, acquisitions, sale of all or part of the company, or mergers), OTE Group companies inform or consult the most representative trade unions as appropriate, applying each time the current legislative framework.

Similarly, a two-year collective labor agreement of Telekom Romania Communications was signed in February 2018, valid until 1 March 2020, and a two-year collective labor agreement of Telekom.

Romania Mobile Communications employees was signed in April 2018, valid until 1 March 2020. In January 2020, Telekom Romania started negotiations for the new collective labor agreement, according to the legal procedures.

All signed Agreements safeguard the employees' job positions in the event of financial or technical reasons and regulate payroll issues, leaves, benefits, compensation, employees working hours and health and safety issues.

In 2019, four strikes took place, regarding general claims of Greek employees due to the financial situation of the country, lasting 13 days in total.



Combating Discrimination, Equal Opportunities and Diversity

The culture of inclusion and the absence of discrimination are the fundamental principles for the operation of the company, as defined by the Group's Code of Conduct and Code of Human Rights and Social Principles. Reinforcing its position as an inclusive and equal employer, the Group, in 2019, became a founding member of the Diversity Charter in Greece; an initiative of the European Commission, which aims to act as a means of commitment towards equal opportunities and diversity in every working environment in Europe. It has been supported by Heads of State, Institutions, State Bodies, Ministries and Business Associations

More information can be found on the **COMPANY'S WEBSITE**

Non-discriminatory Compensation

There is no gender discrimination in compensation policies. The remuneration ratio between male and female gains, at different management levels, taking into consideration their base salaries:

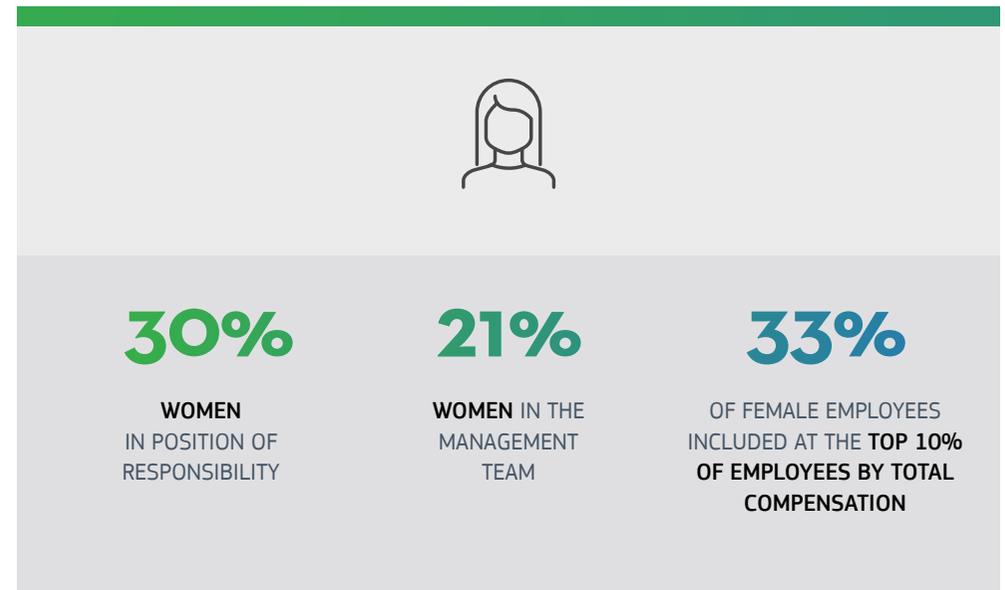
- Executive level: 96%
- Management level: 99%
- Non-management level: 96%

The employees salary is determined by the level of the position they hold, their level of education and years of employment. The minimum (basic)

salary is adjusted according to the salary category the employee belongs to.

Indicatively, the minimum (basic) salary for secondary education graduates is set by the applicable collective labor agreements, at €793.2 (31/12/2019), 22% higher than the national minimum wage in Greece (€ 650).

The additional severance payment, after the conclusion of the latest Collective Labor Agreement (CLA), is granted to OTE employees under the same terms and conditions (based on the years of service and the hiring date) without discrimination based on gender.



Parental Leave for Childcare and Family Protection

The Group provides pregnancy, maternity and parental leave to care for children, which is above the minimum leave set by law. More specifically, OTE and COSMOTE offer an additional 5 and 3 months of paid leave respectively.

Parental leave, which is considered and paid as working time, is provided to working mothers or fathers, immediately after the end of maternity leave.

In Greece, after the enactment of a relevant law, use of child-care leave has been extended to male employees, under the same conditions, regardless of the type of activity performed by their spouse (e.g. self-employed, unemployed).

Moreover, OTE and COSMOTE employees who have children with a disability of 67% or more receive additional days from those provided for in the law (a total of 12 days), for the monitoring of the performance of children. The days are granted to mothers and fathers without discrimination based on gender.

Additional Days of Sick Leave in Case of Serious Diseases

In the latest Collective Labor Agreement of OTE and COSMOTE, it is stated that in case of serious diseases, the employees are entitled to 60 working days (instead of 30 days) of paid sick leave.



354 WOMEN

336 MEN

MADE USE OF PARENTAL LEAVE FOR CHILDCARE

158 WOMEN

2 MEN

MADE USE OF NON PAID PARENTAL LEAVE

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

2.3.4 Health and Safety



For OTE Group, Health and Safety issues are considered vital

and have a direct impact on employees' satisfaction, well-being, quality of work and corporate culture. In that direction, acting proactively to ensure a safe and healthy work environment and adopting best practices for mental and physical health prevention according to legislation, and the respective global best practices are of significant importance.

In 2019, the annual health and safety program was designed and implemented, on the basis of three main pillars: **Safety, Health** and **Wellbeing** and with an inspirational motto "Live Better". The program's aim is to prevent, educate and raise awareness of employees, while promoting a nurturing and safe culture and lifestyle, both within and outside the workplace.

The implementation of the program was positively reflected in the results of the Group's employee satisfaction surveys, and of additional internal surveys (via targeted e-questionnaires), which focus on the following critical parameters, connected to the company's strategic goals:

- Creation of a pleasant work environment where employees can excel and grow
- Work-life balance
- Enhanced employee-company commitment,
- Reduced absentee rate and
- Alignment with the corporate mission "Create a better world for all"

The main focus remains on uninterruptedly ensuring a safer workplace. As such, the company's Health and Safety Unit developed an innovative educational program through Virtual Reality (VR training). Moreover, in 2019, the 24/7 "NEXT TO YOU" helpline, assisted by psychologists, continued to operate, for all employees and their families in need of daily supporting of personal, family and other issues

within or outside the workplace. The Group's Health and Safety Unit also participated in the "Cease Project", which is a new program for the battle against intimate and gender-based violence between three countries (Belgium, France and Greece). Aim of the program is to highlight the role of employers in supporting employees in need, through sharing knowledge about best practices between European companies.

11,224 HOURS OF TECHNICAL INSPECTIONS

9,096 HOURS OF OCCUPATION HEALTH INSPECTIONS

125 EMPLOYEE INJURIES

Health & Safety Awards 2019

OTE received the:

- **GOLD AWARD** in «*Innovation in Occupational Health and Safety*»
- **SILVER AWARD** in «*H&S System Update and Performance Improvement*»

Health and Safety Policy

The Group's Health and Safety Policy aims at assuring all operational units with the following actions:

- Compliance with legal and regulatory requirements
- Prevention and assessment of occupational risk and workplace accidents
- Inspections for compliance with safety measures at first line workplace
- Implementation of medical supervision, health and mental support services and first aid training of all employees
- Management and investigation of workplace accidents and incidents
- Recertification from OHSAS 18001 to ISO 45001
- Systematic training and awareness of employees on Health and Safety issues with personal involvement and responsibility
- Supervision of Emergency Incident Response groups with regular evacuation drills
- Implementation of hygiene standards model (HACCP) on all employees' dining areas
- Management of Blood Donation Bank of OTE Group and public health organization
- Consultation between Management and employees, through 62 regional Health and Safety Committees

Health and Safety Committees consist of elected representatives of employees.

According to the legislation in place and taking into account issues and procedures related to the promotion of Health and Safety at the workplace, several meetings were held in 2019.

Health and Safety Performance

In 2019, health supervision and safety inspections of employees remained at high levels, as in previous years. In 2019, there were non-fatal work accidents, due to the nature of the work.

In order to strengthen the prevention of workplace accidents at field, the Health and Safety Unit designed and implemented an innovative Virtual Reality training program so as to increase field technicians' awareness against work related accidents, such as falling from a portable ladder. All field technicians participated in the VR training and it has thus been incorporated in the core training of field technicians, which focuses on the use of their personal accident prevention equipment.

In 2019, two fatal accidents took place during the working hours of two OTE Group employees (one involving an OTE employee and one involving a Telekom Romania employee). The OTE employee was involved in a fatal road accident during his commuting. Following the investigation of the circumstances of the accident, it was found that the fatal road accident was caused solely by fault of the working driver, in breach of the Traffic Code and the regulatory framework of the company.

One Telekom Romania Communications employee was involved in a fatal electrocution accident, while he was carrying out repairs on a telecommunication pole. Following the investigation of the circumstances of the accident, it was found that the fatal accident was caused by the fact that the customer for whom the Telekom employee was carrying out repairs on disturbance, had made an improvisation at the electrical installation. As a result, the electric current that arrived at the pole from the subscriber's house, produced the electrocution of the Telekom employee.

In order to prevent accidents from occurring, OTE Group ensures that the technical staff is always equipped with personal protective equipment (PPE), which is, certified and audited for its integrity and its date of expiry, and renewed according to the standards defined by legislation. Moreover, the Group conducts trainings and continuous awareness actions for the technical staff. Technicians regularly participate in seminars, the content of which is continuously enriched (e.g., interactive Virtual Reality training).

Apart from the customized actions related to the demanding workload of technicians, all OTE Group employees are covered by private health insurance programs.

Awareness and Prevention

The annual awareness action plan was based on the review of Health and Safety KPIs, performance results and targeted promotional wellness actions for all employees. The selection of the developmental pillars was mostly based on the:

- development of a new Health and Safety culture, focusing on wellness for all employees and their families
- feedback from the monitoring and inspection activities performed by the occupational health physicians and safety technicians
- analysis of workplace accidents factors and the evaluation of the incidents

The information provided, allows all employees to adopt best practices on Health and Safety issues that can be applied in their daily life.

Furthermore, it ensures that all employees are aware of Health and Safety standards at work, according to legislation and best international practices.

Briefings on Safety issues

In 2019, over **3,800 employees** attended Safety training programs:

- VR Safety Training Program
- Height Fall Protection training program for the approach of telecommunication towers under adverse weather conditions
- Safety at work- workplace accident prevention
- “Using Personal Protective Equipment, work safely” training program
- On-site safe driving training for field technicians in a specially designed driving area
- Training on fire safety and earthquake preparedness and response for safe evacuation. (Incident response teams)

Briefings on Health issues

“**Live better**” is a long-term health and safety program that includes a series of actions, updated on a yearly basis. The aim of the program is to promote mental, physical health and wellness of employees at all levels of business, regardless of the field of their activity. In addition to health, wellness and safety actions, the program is aligned with the corporate mission, “create a better world for all”.

In 2019, over **7,000 participations were recorded and almost an equal number of employees** benefited from actions outlined below:

- Over **4,000** employee participations in “Health and Wellness programs” were recorded, which consisted of:
 - Personal sessions with dieticians and health advisors in 3 premises
 - Group Skype sessions with dieticians for all owned shops
 - Personal sessions with expert physiotherapists
 - Group events for the improvement of skeletal health in 9 premises
 - Training on how to sustain the correct work body posture in call centers
 - “Wellness day” events
 - Physical exercise groups in central premises
 - Indoor and outdoor activities (gym, volleyball, basketball, tennis, running team)
- Over **1,100** employees participated in First Aid training programs nationwide
- Over **900** employees participated in anti-flu vaccination program in 18 premises
- Prevention and protection against melanoma in 5 premises nationwide
- Daily Health Event for Breast Cancer Prevention (Diagnosis and Treatment by presenting early diagnosis methods and holistic psychological approach)
- Medical checkups in 27 field technicians’ groups

In 2019, all employee participations in Health and Safety actions were registered through an e-booking tool. The tool serves employees in real-time, autonomously, instantly and flexibly.

Briefings on Psychological Support Consulting Services

- “NEXT TO YOU” helpline has been created to support all employees and their families, in their everyday life. Calls to this helpline are free of charge and can be made 24/7, all year round. The anonymity of the user and the confidentiality of information are assured. Moreover, through the helpline, employees and their families have quick, easy and reliable access to an extensive database of specialized social organizations and experts nationwide
- Over **770** employees had the opportunity to be supported or receive helpful advices and counseling from psychologists

84,300 HOURS OF TRAINING IN HEALTH AND SAFETY

4.76 HOURS OF TRAINING IN HEALTH & SAFETY PROVIDED PER OTE GROUP EMPLOYEE

1,522 HOURS OF PSYCHOLOGICAL SUPPORT CONSULTING SERVICES (GREECE)

2.3.5 Employee Selection, Attracting and Retaining Talented Employees

OTE Group invests in its strongest asset, its Human Capital, in order to fulfill its higher purpose: to create “a better world for all” through technology and innovation. Its’ people stand out for their excellent know-how, professional experience, sense of responsibility and growth mindset. Human resource development approach is based on the Guiding Principle “Best place to perform and grow”.

The profile of a modern and attractive employer lies in successful practices concerning performance management, recruitment, selection of suitable candidates for the right positions, retention and talent management.

Performance Management

Performance management is a fundamental tool, not only for identifying the work output and contribution of employees and executives, but also for initiating and supporting the creation of solid individual development plans.

All companies of the Group conduct an annual performance evaluation of employees on all hierarchical levels. The performance management system reflects the high-performance culture that the companies cultivate. The system reinforces the need for excellence in customer experience, by adopting the Group’s Guiding and Leadership Principles.

Moreover, adhering to sustainability principles, such as the treatment of employees with respect and integrity, is also part of the annual performance elements that are evaluated.

To ensure a common understanding and enable evaluators and employees being evaluated, a dedicated digital platform where employees can reach for relevant information and training material, is available.

New employees with positions of responsibility undergo dedicated training on how to evaluate their teams and create individual development plans. In 2019, 68 newly appointed managers attended the relevant Performance Management training.

In Romania, the Performance Management System continues to power-up collaboration by using a 360° Feedback process and a set of common objectives for all employees. In 2019, 66,684 feedback forms were completed, enabling employees to share their feedback. Moreover, in 2019, the principle of cascading the company objectives was reinforced with the development of a system, which enables employees to identify their individual objectives’ contribution to the company’s targets.

Top Management Performance Evaluation

In 2019, the multidimensional, holistic and transparent evaluation system for the executives of Group’s companies, “Performance Dialogue”, was applied for the fifth consecutive year. The system includes evaluation by superiors, self-assessment and feedback from peers and team members. The evaluation results are considered for actions on management succession and individual career development.

Employee Performance Evaluation in 2019



Internships

Greece

606

UNIVERSITY AND TECHNICAL SCHOOL STUDENTS completed an Internship at OTE and COSMOTE in 2019

>2.900

YOUNG MEN AND WOMEN selected OTE Group Internship programs in the period 2015-2019

Romania

79

STUDENTS completed an Internship at Telekom Romania in 2019



Employee Selection

OTE Group seeks to enhance its potential with candidates suitable for joining agile structures and working in demanding projects, both inside and outside the countries of operation.

The aim is to attract specialized professionals, who will be able to cater for the Group's transforming operations and demanding customer needs. At the same time, the Group seeks to attract people who wish to work in an international, modern and ever-evolving working environment.

The recruitment process for internal positions involves the internal announcement of job openings, a subsequent interview and the final selection. It is supplemented by an assessment exam, which, if required, takes place in collaboration with an external consultant. In 2019, 185 positions were internally filled with OTE Group employees.

As of 2017, employees have access to the corporate digital job search platform "HR-Suite", where they can apply for positions within the Group and explore international career opportunities at DT Group. "HR-Suite" is based on a cloud system which combines and interconnects different HR products in one HR IT System.

The new recruitment process for non-executive positions involves interviews and corresponding assessment activities, with input from external consultants, where necessary. In 2019, 782 employees were hired by the Group's companies.

It is worth mentioning that more than 10,000 candidates sent their CV at OTE Group's database, expressing their interest to join the Group.

In 2019, the Group actively participated in more than 36 career events and job fairs, organized by

public and private educational institutions, thus enhancing its employer of choice profile and attracting new candidates. The Group focuses on building strong relationships with the University community, in Greece and abroad, aiming at attracting top talent with specialized knowhow.

In a comprehensive and modern working environment, opportunities are offered to students, such as to internship, in order to apply in practice, the knowledge that they have gained from their academic course. Cooperation with educational institutions, strengthens the Group's relationship with young people, facilitating their transition to the requirements of the labor market.

A new opportunity for the creation of job openings for specialized profiles was initiated through the new collaboration between COSMOTE and Microsoft. In 2019, both companies joined forces to provide large businesses, SMEs as well as the public sector with high quality cloud solutions and services on Microsoft Azure. COSMOTE's goal is to boost the adoption of cloud technologies and thus, become the accelerator for businesses' transition to the digital era. As part of the project, Deutsche Telekom and COSMOTE created a new Business Unit consisting of 74 highly skilled employees.

In 2019, a new Employer Value Proposition (EVP) was developed, seeking to stand out in the employer market and attract unique IT and tech talent. The new EVP ensures a uniform candidate experience in the markets where the company operates, but also in each individual touchpoint.

Talent Management

OTE Group systematically invests in identifying and developing young talents. In this context, contemporary internal and external talent management programs have been developed, each addressed to a different audience.

The Group's internal talent program for young employees is entitled "you.grow". The program's 1st cycle was completed in 2017, during which, the 9 employees selected took a 16-month job rotational, developmental "journey". Afterwards, all the participants took on job roles consistent with their qualifications, their personal preferences and the company's needs. The program's 2nd application and selection cycle began in June 2019. The program's developmental journey is expected to start in 2020.

The Group's external talent program is entitled "COSMOTE Graduate Trainee Program". The program targets talented young university graduates, who have ambition, passion and are willing to develop their career within OTE. The program's 1st cycle was completed in 2017. Since then, the 10 Graduate Trainees have been placed in job roles within key business functions.

Another talent program, addressed to employees within the GERMANOS Franchise Retail Stores Network, is "G-Talent Review". The program aims at identifying a "pool" of high potential talents within the retail network, who have the drive and ambition to join OTE Group in a job role, which matches their profile and preferences. The program's 3rd cycle started in June 2018 and a total of 20 employees became part of a "talent pool" for future job vacancies within OTE Group. Since then, three talents have taken on new jobs within OTE Group.

Moreover, in 2019, as part of the Deutsche Telekom Group talent management initiatives, a total of 91 employees from OTE Group in Greece successfully joined the "Global Talent Pool" program's 3rd cycle. The program aims at identifying high performance and high potential employees throughout DT Group, who are internationally mobile and would potentially be willing to re-locate (either to undertake a short

project or job exchange, or take on a new role). During the 12 months of each cycle's duration, talents get the opportunity to create a wide international network of professional contacts, participate in contemporary learning / training initiatives and get one-to-one career consulting.



Award

OTE Group received an award during the **21st Greek ICT Forum** for the **COSMOTE Graduate Trainee Program**.



2.3.6 Employee Training and Skills Development

Why it matters

Employee training and skills development is a prerequisite for the sustainable development of the Group. The aim is to excel as a working environment where everybody is able to perform at their full capacity and develop professionally.

In accordance with the needs of the Group and the technology's prospects, Upskilling and Reskilling programs were developed and implemented periodically through the year. Leadership skill-development tools are provided to executives with team management responsibilities.

All required actions for the design, implementation and evaluation of employee training programs are described in the "Managing Human Resource Training" process, which is available to all employees through the companies' intranet.

Besides from in-classroom training courses, access to digital learning platforms, offering a wide range of e-learning programs, are provided to the employees.

Digital Learning

In 2019, access to a new artificial intelligent learning platform that offers benefits such as personalized learning paths, to over 4,700 Microlearning Courses and 19,400 e-books, was

granted to all employees for the first time. By investing in digital learning platforms, employees have the opportunity not only to improve their existing skills, but also to develop new skills that are needed in the new digital era, so as to maintain their competitive advantage and be able to face any professional challenge.

In 2019, nine (9) additional OTE subsidiaries offered its employees the opportunity to access OTE Group's digital platforms. As a result, an additional 2,140 employees have now access to on-line courses in different subject areas such as Business, Office and IT. At the same time, English and German language learning courses are supported via online, interactive, self-study programs (Global English Program and Global German Program).

Agile Learning

In a continuously changing business environment, OTE offers new training courses on Agile topics. These agile programs empower employees to become agile leaders, enabling them to become adaptable to rapid changes and transfer agile methodology of project work (i.e. **Scrum**) to the Group's business environment. In 2019, 125 employees participated in such courses.

6,880
EMPLOYEES ATTENDED
ONLINE COURSES

201,182*
HOURS OF TRAINING

70%
OF EMPLOYEES WERE TRAINED
(68% OF TOTAL MALE EMPLOYEES AND
72% OF FEMALE EMPLOYEES)

32,344
PARTICIPATIONS IN
TRAINING PROGRAMS

€4,341,210
INVESTED IN EMPLOYEE TRAINING

11.36
TRAINING HOURS PER
OTE GROUP EMPLOYEE

17.71
TRAINING HOURS PER
OTE GROUP EMPLOYEE IN THE
TOP 10% OF EMPLOYEES
BY TOTAL COMPENSATION

11.09
TRAINING HOURS PER
OTE GROUP EMPLOYEE IN THE
BOTTOM 90% OF EMPLOYEES
BY TOTAL COMPENSATION

2019 Representative Training Programs in Greece

ACT2 – Advanced Certification in Telecommunications Technologies

Full range modular Telecommunication program aiming at reskilling and upskilling field technicians and telecommunication engineers, in order to obtain cutting-edge skills in new technologies. In 2019, 39 employees attended the program.

ACT2 for Non Techs

Introduction to telecommunication technology for employees with no technical background. The program has been enriched with next generation access technology and aims to familiarize employees with fixed and mobile network specificities, through simulations. In 2019, 80 employees enrolled in the program.

Growth Mindset

This new soft skills e-learning program, designed to encapsulate the principles of “GROWTH MINDSET”, seeks to expand employees’ professional and personal horizons. In 2019, 59 employees were trained.

SMILE: The most important piece of the puzzle

This innovative new training course enables participants to embrace their feelings, have a better self-awareness and be able to deal with stressful moments in a health manner, both in the workplace and also in their private life. It’s an experiential workshop full of practical tips and methods offered, so that participants may use them as soon as they leave the classroom. In 2019, 349 employees were trained.

CX U Customer Experience Training Program

OTE Group’s strategy training program for **Customer Experience** was redesigned, giving participants the opportunity to understand how the new digital era affects customer experience, and learn ways to offer amazing experiences to customers. The training is interactive based on real cases. In 2019, 1,681 employees participated.

METEXELIXIS

In 2019, this new Leadership Program was designed and implemented in order to make Senior and Section Managers aware of the corporate culture and change mindset. The program focuses on providing leaders with the important digital skills to succeed in this era. In total, 700 employees participated.

Corporate Communication in the Digital Era training programs

In 2019, two new training programs (**Content Creation and Social Storytelling and Media training**) were designed in order to offer employees new and exciting ways of working through existing digital and emerging technologies.

Training in social media provides participants the opportunity to become accustomed with the specificities of Social Media, their own personal brand and also promote the company’s brand products and services.

In total, 40 employees participated in the first pilot programs.

ICE Employee Development Program

OTE Group Commitment: OTE Group aims at creating a culture of participation and development among its employees and especially its employees in Group's stores. The Group seeks to provide comprehensive training opportunities, promote lifelong learning in all phases of employment and support employees in their personal and business learning path.



ICE is an internal customer experience program, which was designed to meet most of employees' needs regarding relations, training and development. It was launched in 2018 and stemmed from the Group's need to reconfigure its branch network, by adopting a more anthropocentric approach. Recognizing the important value of its employees at the front line of its stores, it developed an intricate two-way communication channel to help improve their customer communication and contact.

In order to conduct the project, OTE Group invested approximately **€32,000** and assembled a team of **20 training experts**. The training experts, since 2018, have carried out **6,807 physical and 2,730 digital contacts**. It was estimated that each employee has come in contact with at least one expert **5.7 times on average**. The program yielded remarkable results in relation to the employees' engagement. It was found that the employees exhibited an increase in understanding of the company's strategy (16%) as well as in communication skills (15%).

+12.7

POINT INCREASE

in customer satisfaction survey (NG ICCA), with regards to customers' satisfaction with the Group's mobile telephony products and services

+3

POINT INCREASE

in customer satisfaction survey (NG ICCA), with regards to customers' satisfaction with the Group's fixed telephony products and services

12,068*

ADDITIONAL VDSL RELATED PRODUCT UNITS AND SERVICES

were sold at OTE Group's retail network stores compared to last year

1,259*

ADDITIONAL BUSINESS RELATED PRODUCT UNITS AND SERVICES

were sold at OTE Group's retail network stores compared to last year

** OTE Group recognizes that these increases in product units and services could have resulted from other exogenous factors, such as GDP increase, improvement of telecommunication infrastructure and change in consumer behavior.*

Key Targets

4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.

2.3.7 Employee Communication, Engagement and Satisfaction

Growth Mindset culture, cross functional collaboration and open communication shape employees' work culture.

Employee Engagement

Guided by the Principle "Best place to perform and grow", the Group designs strategic engagement programs for its people. The "360° People Engagement" is an "umbrella" of programs and actions, aimed at creating a working climate that promotes and enhances a culture of development, innovation and experimentation, while enhancing employees' engagement with the company.

Major challenges for the design and implementation of the programs aimed at enhancing employees' engagement, are the employees' geographical dispersion and the coverage of all different needs. Therefore, the programs have been designed in such a way, so as to encourage alignment within subsidiaries and to enhance interaction, communication and virtual collaboration supported by technology.

For this purpose:

- Employees are systematically informed on strategic, technological, and commercial issues, through internal communication's channels and via regular meetings within the units
- Programs and workshops are organized in an experiential and interactive way
- All members of the Management Team meet annually, at the Management Team Meeting (MTM) to disseminate the corporate strategy and corporate objectives of the Group
- Specific actions were taken, focused around the enforcement of corporate behavior and leadership principles in daily operation

Regular employee surveys, assessing the degree of job satisfaction, are used as diagnostic tools for maintaining employee strengths and identifying areas for improvement.

Programs for Employee Commitment, Engagement and Change Management

#Let's Go Beyond

A program, covering a wide range of trainings and initiatives, in order to instill the "Growth Mindset" to all Group employees. Its' mission is to cultivate the growth mindset culture, which embraces actions and synergies, designed and implemented in global or local character, in the European region of DT Group. The program includes:

- **Digital Training:** E-learning program for all OTE Group employees, developed internally. The content of the program unfolds in the form of episodes, based on the 4 pillars of growth: Effort, Challenges, Mistakes and Feedback.
- **Face to face trainings:** Content tailored to all face to face trainings on Growth Mindset was developed, to ensure that all OTE Group employees will become accustomed and embrace the growth culture. To this end, all internal trainers of the company are trained through a train the trainer program to support the specific content in training

TOMORROW LAB

Launched in 2019, its goal is to help participants delve into features beyond the mindset of "the incumbent provider", in order to evolve into markets, and discovering new ways to become valued by society. The "TOMORROW LAB" had the features of a MOOC (massive online open course) platform, and the aim was to help participants to develop original ideas and enhance teamwork among DT Group employees. It started in 2018 as "GROWTH LAB". In 2019 more than 400 employees from OTE Group participated.

"Syntonizomaste" - "To be tuned"

This team building program is an experiential workshop for the diffusion of strategy and corporate objectives within the business functions. It is 100% tailor made, with different scope and content each time, adjusted to the needs of each business unit, through which employees acquire valuable knowledge and experiences, as they are exposed to interesting stimuli. Since 2015, a total of

16 projects have been conducted, for 13 organizational units, with over 3,000 participants.

In 2019, 570 employees of OTE, COSMOTE and GERMANOS participated.

COSMOTE Awards

This initiative was designed and implemented for the first time in 2018, with the aim of highlighting employees' contribution to important company's projects, that fully aligned with the Group's strategy. In 2019, participations were included in the following thematic categories, namely **Agile Culture, Innovation and Digitalization, Simplicity and Brand Enhancement**. In total, 57 projects were submitted. Twelve of these projects stood out and were awarded at the annual Management Team Meeting Ceremony, with a €5,000 prize each.

Awards



OTE Group received two awards at the 2019 HR Awards, organized by Boussias Communications. It received:

- **GOLD AWARD** in the "Best Employee Engagement Strategy" category, for its "360° People Engagement" project
- **SILVER AWARD** in the "Best CSR Initiative (with employees' involvement)" category, for its 2018 Corporate Social Responsibility program.

Internal Communications

OTE Group aims to maintain transparent and interactive communication with its employees, utilizing a range of communication platforms. The aim is to promote knowledge, teamwork, participation, and a two-way communication channel.

Employee Satisfaction

Employee satisfaction surveys have been established as part of the Group's workplace culture. The **"Pulse" Survey** is conducted two times per year and the **Employee Satisfaction Survey** once every two years. Participation numbers remain high throughout the Group. In 2019, in Greece, 79% of the employees participated in May's Employee Satisfaction Survey and 76% in November's Pulse Survey. In Romania, 72% of the employees participated in the 2019 Employee Survey. The high participation rate displays the strong interest of employees to engage and express their views on important issues which affect their working environment.

Digitization, Innovation, Engagement and People Development are some of the key survey topics, which reflect the Group's vision and give direction for changes that will be launched in the future working environment. The latest surveys

showed that the Group invests in digital human resources tools, as well as empowers and supports employees to participate in DT's Growth Mindset initiatives.

Employee survey is a dynamic reliable diagnostic tool, which identifies possible improvement actions and changes and helps the units design their future plans. It evolves to reflect elements of the strategy and the objectives of OTE Group, as well as trends that dominate the external environment. It is utilized to determine and analyze trends regarding cultural and strategic topics.

The survey results are announced on corporate intranets and discussed extensively in meetings held at the level of organizational units across the company, encouraging dialogue and feedback.

The high level of participation in the survey produces reliable results and generates an open dialogue for all employee levels.



Indicative Internal Communications Campaigns and Program for the Employees' Engagement

- Motivational campaigns to participate in the corporate volunteering actions and the companies' social initiatives, such as the Athens Classical Marathon, the "Technology for all" as well as the "Blood donation" program
- Customer Care Engagement Program **"The Grand Cosmotel 2019"** addressed to the Group's call center employees.
- Engagement Programs **"Cosmoplay"** and **"ICE"** addressed to employees in the Greek Retail Network (COSMOTE shops)
- Awareness/call to action campaign **"#ZEROPLASTIC"** for a drastic reduction of plastic
- Culture building Campaigns, aimed at increasing growth mindset among employees
- **BCM and Information Security Campaigns**, aimed at increasing awareness for Telekom Romania's employees regarding security of their work
- **"Cool Telekom"**, an internal campaign in Telekom Romania meant to increase employees' engagement through internal contests and challenges

ROMANIA: Significant Data 2019

- **48** issues of weekly newsletters were sent to around **55,000** employees
- **174** news articles and over **80** internal announcements were communicated to employees
- **37** internal campaigns and other support activities for the employees were developed



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2.4 Customers



>43,000km

FIBER OPTIC NETWORK



69%

OF COMPLAINTS FOR FIXED AND MOBILE WERE SOLVED WITHIN 2 DAYS



26

SOLUTIONS OF PRODUCTS AND SERVICES FOR SUSTAINABILITY



€2bn

4-YEAR INVESTMENT PLAN

2.4.1 Connectivity for All



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX



The Group contributes to achieving the 2020 Digital Agenda targets

by investing in the upgrade and expansion of its telecommunications infrastructure.

OTE Group has the ability, expertise and financial basis to continue to support Greece's transition to the new digital era.

With heavy investments in New Generation Networks which will boost the Greek economy and foster higher growth potential, the Group is the largest investor in new technologies and infrastructure in Greece. **With more than €2bn invested over the past six years, OTE has deployed a 4 year €2bn investment plan**, which is set towards offering higher data speeds and larger coverage in fixed-line and mobile telephony.

Even though there is wide availability of broadband services for fixed and mobile telephony covering almost **100% of households in Greece and 90% in Romania**, only 74% and 66% of households use the services respectively. The use of broadband services in Greece through mobile telephony is at low levels, with only 74% of citizens subscribing to these services. In comparison with Romania where 85% of citizens using mobile broadband (source: European Commission, DESI 2019 data for **Greece and Romania**).

Greece

As a result of its extensive investments, the Group currently holds the largest fiber optic network in Greece. **COSMOTE Fiber expands over 43,000 km in route length**, providing with access to speeds of 100Mbps and higher

more than 50% of the country's population. In 2019, OTE initiated the roll out of its Fiber-to-the-Home (FTTH) network, offering guaranteed internet speeds of 100Mbps and 200Mbps, with the potential of future upgrade to 1Gbps. In 2019, OTE Group remained first in FTTH population coverage, having installed over 75% of the country's total FTTH lines. OTE Group aims to make FTTH available to more than 300,000 households and businesses in 2020, aiming to reach 1m. users by 2022. The network will be extended to connect universities, transportation centers, industrial parks and public buildings with fiber optics.

As part of the mobile telephony services portfolio, the networks are constantly developed in order to cover the whole country, including the most remote areas. Its 3G network covers approximately 99% of Greece's population, while **COSMOTE 4G and 4G+** LTE Advanced technology networks are by far the No1 in Greece in terms of population coverage, **reaching a 99% and 96% coverage respectively**.

In 2019, COSMOTE mobile network was declared by Ookla, as the fastest Mobile Internet network in Greece for the 3rd consecutive year, and received the "Best in Test" certification for data and voice services for the 5th consecutive year, from the internationally recognized testing networks company Umlaut (former P3 Communications).

The 5G pilot network launched in Zografou, a suburb of Athens, is essential for the forthcoming commercial launch of 5G services by COSMOTE.

Romania

At the end of 2019, Telekom Romania's network coverage reached 96.54% of the population. The company constantly optimizes its network to ensure that quality services are delivered to customers.

The FTTH deployment continued in 2019. Telekom Romania continued to replace copper wires with fiber optics and expand its FTTH network, resulting in 2.9m. households being connected with fiber optic connection at the end of the year.



Certification

The COSMOTE network has been awarded by Ookla as the fastest Mobile Internet* network in Greece.

* Population coverage refers to Outdoor Coverage.

Greece

OTE HAS DEPLOYED A 4-YEAR

€2bn investment plan



OF GREEK POPULATION
with access to Internet speeds
of 100 Mbps and higher



>43,000 km

fiber optic network
ROUTE LENGTH

~99%

POPULATION COVERAGE BY
4G network

>96%

POPULATION COVERAGE BY
4G+ network



Affordable Prices for All

A variety of products and services at different prices, aim at making them affordable for everyone and tailored to their needs.

Through its brands, the Group offers packages covering a wide range of different residential and business needs concerning the use of internet, mobile internet data, voice calls and additional ICT services, at competitive prices with the best customers' experience.

Greece

Residential customers can acquire FTTH at a basic rate plan by using the Government's subsidy (**SFBB Coupon**).

New fixed programs with unlimited voice calls to landlines and enriched voice minutes to national mobiles as well as fixed and mobile international destinations, have been commercially launched, at more competitive prices, offering high Internet speeds.

Furthermore, a new portfolio of fixed programs combined with a new TV content service was launched, offering high Internet speeds and personalized TV content at competitive prices.

Households with COSMOTE Double Play or Fixed Mobile Convergence services are able to get free WiFi access to **COSMOTE WiFi**, which is the largest WiFi network in Greece. **COSMOTE WiFi is offered in more than 1,000,000 spots in Greece and in more than 23,000,000 spots worldwide, via the COSMOTE Best Connect app.**

In 2019, COSMOTE introduced **GIGA Max**, a series of new mobile internet plans focusing on offering packages with large amounts of mobile data (>20GB) for customers. Furthermore,

subscribers can choose whether they like to have a COSMOTE program, with a discount in mobile phones purchase or a reduction in their contract's fixed cost of up to 30%. Moreover, special mobile data packs were offered in a low price or free of charge on national bank holidays or special occasions throughout the year.

Additionally, new affordable DIY packages were offered exclusively through the **What's Up** application to prepaid What's Up customers that combined voice minutes and dedicated mobile data packages with abundant mobile data for social and instant message apps as well for streaming purposes, minutes and SMS at an attractive price. These DIY packages allow customers to create the package that fully covers their own needs.

Following a data liberation strategy, in affordable price, COSMOTE offered:

- double the amount of mobile data, available at the monthly data bundles, for the same price, and
- mobile data bundles to What's Up prepaid customers (for free or at a small price), which led to a 40% annual increase in the annual average data use per month

At the same time **COSMOTE One** - the COSMOTE loyalty scheme for subscribers who combine at least one fixed line and one mobile line - further extended its eligibility criteria to reach out to more Greek households. Additionally, COSMOTE One benefits were enhanced, by focusing to a data liberation strategy for all Households members, in order to satisfy the need for more mobile data.

For **business customers**, the **COSMOTE Business One** program has been relaunched with new features, enabling businesses to



operate more efficiently and cost-effectively. The program includes communication solutions for each one of the businesses' employees, including extremely fast Internet speeds via the largest fiber optic network in Greece (**COSMOTE Fiber**), as well as advanced Private Branch Exchange (PBX) services, security services for both fixed and mobile devices, Internet Backup and File Back up and cloud services.

The **Business Cloud and Applications** platform provides businesses with direct and easy access to cloud applications that meet their operational needs (such as Cloud Servers, Office 365, ERP etc.), reducing their operating costs.

Business subscribers can choose between six different rate plans within the COSMOTE Business Mobile portfolio, to determine which one best suits their business needs. In 2019, COSMOTE introduced new innovative and

affordable mobile data add-ons, which provide customers with a faster and more affordable mobile internet service. Similar to residential customers, business customers can renew their COSMOTE program with either a discount in mobile phones purchase or with a reduction in their contract's fixed cost of up to 30%, as well as receive free minutes and mobile data on national bank holidays throughout the year.

COSMOTE also extended its cooperation with foreign networks to offer reliable roaming services to both business and residential travelers. In addition to that, the roaming service **COSMOTE Travel Pass**, enabled subscribers to use their national tariff plan abroad in more than 100 countries all over the world at a low daily cost.

Responding to the needs of small and medium businesses for solutions which will help them



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2.4 customers | 2.4.1 Connectivity for All

evolve and grow in an efficient and cost-effective manner, COSMOTE offers a multitude of new services, namely:

- **Hoteliga**, offers hotel owners a useful tool to manage their procedures (e.g. bookings, facilities, services etc.) remotely.
- **COSMOTE Digital Marketing4U** helps businesses promote their website or social media accounts on Google and social media platforms.
- **COSMOTE Fleet Tracker** through which fleet managers can manage all of their vehicles and monitor easily and effectively their business fleet at a low cost.

Romania

In 2019, Telekom Romania continued to simplify its products and services portfolio for residential and business customers through its **#Netliberare** (B2C) and **#BusinessLiber** (B2B) campaigns. The minimum contractual period, valid for business customers, was also eliminated for residential customers.

In July 2019, Telekom Romania launched **Mobil Nelimitat**, a product that is addressed to residential customers, having reached out to 217,000 customers in December 2019. Telekom Romania carried out customer satisfaction surveys, which in turned showed

that the majority of customers would recommend Mobil Nelimitat to other individuals, due to its benefits, attractive price-quality ratio and its ease of access.

Smart WiFi is a service launched by Telekom Romania in September 2019, through which customers can benefit from broadband services at home, by instant connection to the socket. The product has been very successful, with over 40,000 customers having purchased the service by the end of 2019.

2.4.2 Products and Services for Sustainability

OTE Group offers integrated and innovative technology solutions to enhance business and sustainable development.

Through products and services, customers make the most out of the benefits of using broadband services to improve their operation, environmental performance and prosperity. Specifically, in 2019, **COSMOTE's business IT solutions** were enriched to meet business IT needs and to increase their competitiveness in a sustainable way. Indicatively, 26 of these solutions facilitating sustainable development are described in this section.

Business Cloud and Applications



Cloud services for businesses, in order to improve their operations and flexibility, and to reduce their operating costs.

- **COSMOTE Business Cloud Servers**
- **Office 365 Specialized Cloud Business Applications**

+19.3%¹
ANNUAL REVENUES

Fleet Management



Fleet tracking and management, to ensure "green" and safe driving, as well as reduce operating costs, through the use of machine-to-machine communication.

- **COSMOTE Fleet Tracker**
- **Driving Performance**
- **COSMOTE e-Track**
- **e-Fuel Management**

+10%² **+17%**³
ANNUAL REVENUES CUSTOMERS

Smart Cities



The "smart cities" portfolio was enriched in 2019, including solutions such as Smart Parking, Smart Traffic Management, Smart Street Lighting, Smart Waste Management, Air Quality Monitoring, Smart Water Management and Electric Vehicle Charges.

In the **City of Athens**, a smart parking project was implemented for 1,000 parking spots in the city center. As part of the project, a mobile app was launched, that navigated users to the available parking spaces, featuring a mobile payment option for even better user experience. This solution also provides a Smart City Platform for Athens in order to integrate any other smart city solution in a unified way.

With the **Municipality of Rafina**, a new 12-year public-private partnership (PPP) project was signed, which will include the installation of 7,500 smart lighting devices/bulbs and a Lighting Management Platform. With this project, the Municipality of Rafina will be able to provide a better lighting system for its residents, increasing the municipality's urban safety. The project is expected to induce some long-lasting environmental and financial benefits for the municipality.

In the **City of Larissa**, a traffic control project is being implemented. A traffic control system for the pedestrian zone of Larissa was installed, granting access only to the vehicles that have the authority to enter. This project is set to improve the city's overall quality of life and environment.

1. Refers to Total COSMOTE Public Cloud (SaaS, IaaS and PaaS) revenues in Greece compared to 2018 figures.

2. Refers to fleet management revenues in Greece compared to 2018 figures.

3. Refers to customers using the fleet management service in Greece compared to 2018.



Digital transformation projects for the private sector



DEDA S.A. ordered 500 “Smart Consumption meters”, in order to interconnect households and businesses in a low pressure (4bar) network in the cities of Lamia, Chalkida, Serres, Katerini, Xanthi and Komotini. The goal was to create a Smart Gas network by using smart meters, in order to collect consumption data as well as detect leaks and unusual consumption patterns, through an IoT platform. This will allow DEDA to analyze the collected data in real-time, and therefore offer value added services to its customers.

Egnantia Odos, needed to monitor traffic conditions and provide real-time traffic information services to its users. Therefore, it deployed Closed Circuit Television Cameras, which enable real-time smart video content analysis. This content was made accessible to stakeholders in accordance with commonly agreed agreements and European standards.

The Mitsis Hotels Group decided to digitally transform its operations through COSMOTE Business IT Solutions, enabling the digital management of its operations. A central cloud platform facilitates the collection and management of data, improving the efficiency and safety of the Group’s 17 hotels. The new platform is expected to contribute significantly towards the improvement of the Group’s customer service and suppliers’ satisfaction, while, at the same time, reduce operational costs.

e-Energy



Solutions for better energy management consumption by businesses, to reduce their operating costs and build an "environmentally responsible" profile.

- **Energy Management**

Information Security



Services for the increasing needs of businesses’ security while they are using the Internet.

- **COSMOTE Business e-Secure**
- **Mobile Device Management**
- **COSMOTE Mobile Security**
- **Anti DDos**

Smart grids



Grids which utilize machine to machine (M2M) communications to collect and process information (e.g. energy behavior of suppliers-consumers) in an automated way. Their aim is to improve energy and economic efficiency, reliability and sustainable production and distribution of electricity. OTE Group has installed and activated 132,000 IoT connections for the Hellenic Electricity Distribution Network Operator (HEDNO).

Development of applications



Development and improvement of applications, digital self-care functionalities and on-line services, which contribute to efficient resource management and the reduction of paper consumption.

Examples of digital functionalities and applications are **My COSMOTE App** and **My COSMOTE Web**, e-invoice, e-payment, online submission of telecommunication providers’ requests “**Your business.gr**” and “**Check for technical issue**”.

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

e-Tourism



Services aimed to upgrade the operation of tourist enterprises. They are used in hotel energy management, infrastructure management and maintenance of information systems and digital signage, as value added services to guests, teleconferencing services, etc.

In 2019, a new service “hoteliga” was launched, targeted towards small hotels as an integrated solution of a Property Management System (PMS) with extended channel capabilities for all worldwide booking platforms (Booking, Airbnb, Expedia, TripAdvisor etc.) and standalone booking engine for directly booking arrangements.

Services that empower businesses digital presence and help them grow their business

The digital era is offering numerous growth opportunities for Greek SMEs. OTE Group's vision is to support their growth and help companies transition to the new digital era. As a result, OTE Group develops services that increase productivity and cooperation as well as tools which will help their digital transformation.

COSMOTE Digital Marketing4U

New consulting service, provided by certified digital campaign managers for the design, creation, execution and monitoring of digital campaigns on Google and Facebook platforms targeted towards Small Business Customers.

COSMOTE New Site 4U

New consulting service provided by experienced web designers for the design and creation of custom-made new web sites targeted towards Small Business Customers.

COSMOTE Click & Site

New service targeted towards small business offering a Do It Yourself application with which, in one-click, they can upgrade their digital presence from a simple Facebook page to a standalone professional web site with e-shop capabilities.

-  TABLE OF CONTENTS
-  ABOUT THIS REPORT
-  OTE GROUP
-  FINANCIALS
-  RESPONSIBLE BUSINESS
-  EMPLOYEES
-  CUSTOMERS
-  SOCIETY
-  CLIMATE & ENVIRONMENT
-  GOVERNANCE
-  APPENDIX

Research and Innovation

To consolidate its technological superiority, OTE Group systematically promotes research and innovation, with multiple benefits for society, customers and employees.

The Group actively participates in research projects, finances internal activities (such as developing tools / applications / products and test infrastructures), evaluates new technologies and equipment, collaborates with educational institutions, etc.

For its participation in research and innovation projects, the Group received a total of approximately €3.6m. in external funding (by the EC) during 2019, while it has secured funding of about €2.8m. for the next 3 years (without considering new projects to come).

PARTICIPATION IN (2009-2019)

>75

research programmes

COOPERATION WITH (2009-2019)

>800

partners / organizations such as enterprises, university and research centers in Greece and other European countries

PARTICIPATION IN

37

research projects in total co-funded by the European Commission, regarding programs/initiatives, like the Horizon 2020 Research Program and 5G-PPP (5G Infrastructure Public Private Partnership).

22

research projects out of the 63 total approved EU funded 5G-PPP, 4 in Phase I, 7 in Phase II, 11 in Phase III (having co-ordination roles in 3 in total); thus contributing actively in shaping and evaluation of future 5G technologies, infrastructures and services and novel business models in various vertical markets.

33

research projects which aim at Sustainable Development with benefits to society and the environment.



RESEARCH PROJECTS

5G-ESSENCE, 5G-PICTURE, MATILDA, 5G-PHOS, 5G-MEDIA, SLICENET, BLUESPACE, 5G-EVE, 5GENESIS, 5G-MOBIX, 5G-DRIVE, 5G-VICTORI, TESTBED 2, InterConnect

All 5G-PPP PROJECTS, BigO, i-PROGNOSIS, RESISTO, VICINITY, YAKSHA, UNIQORN, CyberTrust, LIFE - SAFE CROSSING, C-ROADS Greece

SUBJECT MATTER – PROJECTS TARGETS

Protection of the environment with continuous reduction of energy consumption.

Innovative applications with benefits to society (transportation – public transport, public safety, privacy protection, health – health care, nutrition, technology etc.)

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

Indicative projects with notable results or innovative targets

InterConnect gathers 50 European entities from 11 countries to develop and demonstrate advanced solutions for connecting and converging digital homes and buildings with the electricity sector. To bring efficient energy management within reach of the end-users, seven connected large-scale test-sites in Portugal, Belgium, Germany, the Netherlands, Italy, Greece and France will be conducted.

5G-HEART focuses on innovative use cases involving healthcare, transport and aquaculture industries, stimulating huge business opportunities within and beyond the project. The project will involve validation of Pillcams for automated detection screening of colon cancer and vital-sign patches with advanced geo-localization, 5G AR/VR paramedic services, autonomous/assisted driving, farm management for food safety, etc.

5G-TOURS will demonstrate innovative 5G close-to-commercial services through large-scale trials on e-health (Rennes), media and broadcasting (Turin), transport and mobility (Athens). These services will improve the quality of life for citizens, patients and tourists, and offer important business opportunities.

5G-VICTORI will conduct large-scale trials for advanced vertical use case verification, focusing on transportation, energy, media, Factories of the Future and cross-vertical use cases. It leverages 5G network technologies developed in 5G-PPP Phase 1 and Phase 2 projects, aiming at transforming current closed, dedicated infrastructures into open environments where resources and functions are shared on demand by ICT and vertical industries to offer a wide range of services.

5G!DRONES will conduct several UAV use cases (covering eMBB, URLLC and mMTC 5G services) such as UAV traffic management, public safety, situation awareness, connectivity during crowded events. The project will feature network slicing as the key component with the aim of simultaneously running the three types of UAV services on the same 5G infrastructure. This demonstrates that each UAV application runs independently and does not affect the performance of other UAV applications while covering different 5G services.

C-ROADS Greece aims at conducting a national pilot for a specific set of services recommended by the EC (Day 1 and Day 1.5 C-ITS), by using a balanced mixture of communication technologies (ETSI ITS G5 and cellular ones). The C-Roads Platform is a joint initiative of European Member States and road operators installing C-ITS for pilots and later operation, that will ensure joint development of technical specifications, harmonization of installations and services' interoperability.

CyberTrust aims at developing an innovative platform for gathering, detecting and mitigating cyber-threat intelligence to tackle the significant challenges to securing the ecosystem of IoT devices that arise from the flawed design of legacy hardware and embedded devices. These design flaws allow cyber-criminals to compromise the devices and launch large-scale attacks against critical cyber infrastructures.

LIFE-SAFE CROSSING aims to reduce the impact of road infrastructures on priority species: Marsican brown bear and wolf (Italy), Iberian lynx (Spain), brown bear (Greece and Romania). COSMOTE has developed and deployed an end-to-end monitoring system consisting of: 4G cameras -currently installed at 45 underpasses- and cloud infrastructure for automated storage, snapshots' visualization, statistics, alerting and wildlife detection using AI/Deep Learning techniques.

 More detailed information for the EU projects the OTE Group has participated in can be found on the Group's [Research and Innovation webpage](#)



2.4.3 Safe and Responsible Use of Technology



Why it matters

Safe use of technology has been identified as a “material” issue therefore delivering top quality products and services, is not the only priority. Creating awareness and informing customers and the public about the responsible use of technology is of equal importance.

Safe Use of the Internet

The Group has developed programs and actions to provide information and raise awareness about the safe use of the Internet by children.

Products and services for safe use

A wide range of products and services specifically designed for a more controlled and safe use by minors.

- **COSMOTE Family solutions:** a series of products and services for parents to facilitate the safe navigation of their children in the digital world.
 - **COSMOTE Mobile rate plans:** Prepaid and postpaid rate plans with data limits which allow parents to adapt the volume of data that their children can consume during a month.
 - **COSMOTE Family Safety application:** An advanced parental control application that enables the safe navigation of children on the Internet and on social media. COSMOTE Family Safety application allows parents to monitor the time children spend online and on which activities, control which mobile

applications their children can use and the time they spend on each, apply Web Filtering restricting children to only visit certain website categories, activate anti-cyberbullying alert if their child has been verbally abused or spoken bad on social media, set time limits, activate Geo Location. Parents can manage their children's activity in all type of devices (mobile, tablet, laptop, PC) through their computer.

- **COSMOTE Total Security:** This service focuses on the protection of the user's computer, smartphone and tablet. It includes Anti-Virus, Anti-Spam, Firewall, Banking Protection, Browsing Protection, and Parental Controls, which provide safety while surfing the Internet. It can be accessed regardless of whether the user is connected to the Internet or not. Also, it offers browsing protection to smartphones when surfing online via Wi-Fi or on COSMOTE's network and secures phones against malware, viruses, and phishing attempts. Personal data cannot be hacked and online purchases and transactions can be carried out safely.
- **Parental Control Services from COSMOTE TV,** for broadband and Over The Top service subscribers. With these services, subscribers can set their preferred parental control level and restrict access to specific programs based on the degree of suitability. Additionally, subscribers can restrict access to the Television channels of their choice.

Informing the public

- **e-parenting.gr:** A consulting microsite, created to support parents' efforts to offer their children the possibilities of the digital world with safety. The microsite contains webinars, articles, events and tools about children's online safety, as well as the first virtual internet school for parents

“School of Cool” with short e-learning courses to educate parents on children's digital attitudes. The site's content is developed in collaboration with specialized partners and institutions, such as the Greek Safer Internet Center and the Hellenic Association for the Study of Internet Addiction Disorder.

e-parenting.gr



60,000
VISITORS



70
ARTICLES

- **Informative Meetings for Safe Internet Navigation at the OTE Group Telecommunications Museum:** Since 2010, educational programs have been carried out for the safe use of the Internet at the OTE Group Telecommunications Museum. In the period September 2018 - August 2019, 400 middle school students participated in the Museum's monthly meetings on the safe use of the Internet.
- **Cyber Security Workshops:** In 2019, COSMOTE, in collaboration with the Cyber Security International Institute (CSII), supported and organized educational workshops for students and their parents, in 6 areas in Greece (Aigio, Pyrgos, Daphni, Xanthi, Chania, Drama). A total of 3,000 people attended the workshops, who were informed about the safe and responsible use of the Internet and new technologies.
- **Telekom Romania safe use instructive material for all age groups.** The company provides content related to the safe use of its

services. The classification of content offered by 3rd parties is based on the Romanian law. Content that is specifically addressed to adults is available upon request and is formulated based on parental control tools.

- **Additional information on the safe use of Internet** is presented on [Telekom Romania's website](#).

Collaboration with recognized bodies:

- **The Smile of the Child:** COSMOTE and GERMANOS supported, the 1st Information Education and Technology Mobile Laboratory in Greece, “ODYSSEAS”, which is an initiative introduced by the organization “The Smile of the Child” and operates under the auspices of the Ministry of Education, Research and Religious Affairs. Through this initiative, students, parents and teachers are informed about major issues, such as the safe use of the internet. In 2019, interactive interventions were implemented, through “The Smile of the Child”, providing prevention services to 1,750 students.
- **Notice and Take Down (NTD) process:** NTD is a process that is operated by the National hotline Organization (ORAdE.NET), Law Enforcement agencies, Network Operators and Service Providers. Telekom Romania's NTD process is linked with ORAdE.NET. More specifically, the process involves the collection and assessment of reports that refer to illegal or harmful internet material for children. For all relevant complaints received through the different company channels, the respective Telekom Romania divisions follow the NTD procedure. The issuer of the complaint is then redirected to the OradeNet.



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX



Participation in self-regulatory initiatives

OTE Group participated in the **“ICT Coalition for the Safer Use of Connected Devices and Online Services by Children and Young People in the EU”** through Deutsche Telekom.

At the same time, OTE Group companies have undertaken self-regulatory initiatives at European and national level, as mentioned in the **Appendix**.

Mobile Phone and Road Safety

COSMOTE, in the context of its commitment to contribute to people’s safety, supports actions to inform the public and raise awareness about the responsible use of mobile phones while driving.

Specifically, in 2019, COSMOTE was a member of the **Road Safety Institute “Panos Mylonas”** and its alliance on Safety and Culture on the Road “Roads in the Future”. Also, for yet another year, COSMOTE supported the “Iaveris” School of Road Behavior, enhancing its awareness actions on road behavior.

2.4.4 Communication with Customers



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX



OTE Group communicates with customers in a responsible and sincere way

Responsible Marketing

OTE Group conforms to the applicable laws and regulations regarding communication and advertising.

All promotional material prior to its release are reviewed in order to ensure that they abide with applicable laws and are suitable, impartial, genuine and respect diversity.

In Greece, companies follow the Code of Responsible Marketing by the Committee of Communication Control (CCC). They implement the Greek Code of Conduct for advertising and communication, in line with the CCC guidelines. In 2019, regarding non-compliance with the Code, the CCC issued, at first and appellate level, **0 decisions involving OTE and 0 involving COSMOTE**, and no amendments to the advertising messages were required.

It should be noted that in 2019, the Hellenic Data Protection Authority (HDPA) issued Decision 31/2019 imposing an administrative fine of €200,000 to OTE regarding the implementation of inadequate security measures of article 11 Law 3471/2006 Registry. The HDPA also issued Decision 34/2019 imposing an administrative fine of €200,000 regarding the inadequate

implementation of opt-out mechanism pertaining to marketing SMS. In 2019, the Greek General Secretariat for Consumers did not impose any fines on OTE and COSMOTE regarding communication, marketing and advertising issues.

In Romania, the companies follow the Romanian Advertising Council (RAC) Code of Conduct for advertising and communication. In 2019, RAC issued 3 complaints for advertising campaigns, where the Code's instructions were not adhered. RAC suggested Telekom Romania to review the campaigns' communication content and modify it in line with the Code.

Customers' Rights

Customer Service is accessible via phone, application platforms, e-mail or social media as well as through the retail network. Information is available on the service contract and general terms are provided in printed form or they are sent to customers via e-mail. Additionally, through the companies' official websites, existing and prospect customers can be informed about the Terms of Use of all services and about their rights, at any point in time. Each page, for each service, contains, among others, the application forms, as well as the terms and conditions.

Transparency in Pricing

OTE Group, in accordance with the current regulatory framework, is committed to address its pricing issues in a concise, simple and transparent manner, as well as to provide a high level of service to its customers.

In Greece, OTE's product pricing and / or services are regulated by the Hellenic Telecommunications and Post Commission. In Romania, Telekom Romania's product pricing and / or services are regulated by the National Authority for Management and Regulation in Communications (ANCOM).

The transparency of pricing policies includes the disclosure of billing information within the set timeframes defined by the regulatory framework. Pricing information is available on the webpages of the companies, through their customer service centers and brochures.

Customers are also informed about billing details and any abrupt changes through their accounts. Moreover, the various solutions, in view of the current economic conditions, provide cost control, as a response to the increased customer needs for spending regulation. In order to meet its customers' needs, OTE Group has:

- Developed apps to enable better account handling. The apps inform customers through messages and provide detailed description of their bills
- Provided cost control services (e.g. COSMOTE My Internet, "Balance Check" service, Real time check for prepaid subscribers' balance, Cost Control Service 1515, USSD 1, USSD 2, IVR etc.) to enable customers to manage their funds and expenditures
- Developed numerous services (e.g. Multimedia Information Service (MIS) Billing Update, COSMOTE Mobile Split Bill etc.) to prevent its customers from being overcharged
- Introduced an innovative e-bill that is simple, comprehensive and easy to use. The e-bill platform makes use of new technologies, offering customers greater transparency and better understanding of bill charges



Safe, Branded Customer Products

Particular importance is placed upon the supply of safety products that comply with the applicable Directives and Regulations. It does not distribute products or services to the market that are subject to prohibitions actions.

The equipment that is sold in the Group's retail stores, carries the statutory CE labeling (mandatory in the EU) and complies with national and the applicable EU regulations (in Greece and Romania), such as the Presidential Decree 98/2017 (harmonization of Greek legislation to the Radio Equipment Directive 2014/53/ EU (RED) – in Greece, the Waste Electrical and Electronic Equipment (WEEE) Directive 2012/19/EU, the Restriction of Hazardous Substances (RoHS) Directive 2011/ 65/EU, the EU packaging and packaging waste legislation. In addition, COSMOTE equipment for ADSL / VDSL and TV services complies with the eco-design requirements of the Directive 2009/ 125/ EC (Ecodesign).

Mobile phones comply with the International Commission on Non-Ionizing Radiation Protection (ICNIRP) regulations and EU Recommendation 1999/519/EC on the restraint of public exposure to electromagnetic fields (0 Hz to 300 GHz).

For mobile telephony devices, OTE Group requests from its suppliers Specific Absorption Rate (SAR) data. The data are available to its customers inside product packages and upon request at the Group's retail network.

The equipment is also checked for the efficient use of the spectrum allocated to terrestrial radio communications and for the avoidance of

	COMPLIANCE WITH INTERNATIONAL AND EUROPEAN REGULATIONS	LABELING
Mobile telephony devices (Greece and Romania)	RED, RoHS, ICNIRP	CE, WEEE, packaging material recycling
COSMOTE equipment for ADSL/VDSL services and TV	RED, EMC, LVD, RoHS, Ecodesign	CE, WEEE, packaging material recycling

harmful interferences, in accordance with the RED and Directives 2014/30/EU (EMC) (or its predecessor 2004/108/EC) and 2014/35/EU (LVD) for fixed telephony terminal equipment.

The products include a detailed installation manual in their packaging or provide a web link to easily download the user guide and the manual of the device. Manuals, for the safe use and installation of COSMOTE and Telekom Romania's equipment, are also made available on COSMOTE's and Telekom Romania's websites.

Suppliers are obligated to attach the required certification of their products and pay compensation for any damages, due to non-compliance with European and national legislation.

In 2019, no financial penalties were imposed on OTE Group companies (i.e. OTE, COSMOTE, Telekom Romania Communications, Telekom Romania Mobile Communications) for a non-compliance case for any of the above issues.



- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

2.4.5 Customer Service and Satisfaction

OTE Group continued to focus on providing excellent customer experience

and thus maintained and further developed the practices that promote good experiences, while at the same time improved processes which were associated with customer effort or frustration, aiming at achieving simple and smooth customer interactions in digital and physical channels and establishing trustworthiness throughout customer journey, from service activation to usage and maintenance.

Why it matters

In today's digital, technology-driven landscape, customers have unlimited choices and high expectations. Adhering their needs, is critical to maintain customer satisfaction and loyalty.

In 2019, a set of actions were deployed aiming to effectively manage the Customer Contact across channels, provide seamless best-in-class experiences in traditional and new services, cultivate Customer Loyalty, manage Customer Experience and recover when needed.

Examples of different actions taken are:

- In **Physical Channels** the 360-view screen of the total Customer Relationship facilitates competent and personalized customer service, reducing customer effort. Daily score of customers' recent experience allows representatives to have a better understanding of customers' feelings and act correspondingly.
- The **"Digital Transformation"** program that enhances customers' digital experience (see section **Sustainable Business Model**).
- The **"Customer Experience Program"**

continued to engage employees to help them grow their customer-centric culture and actively take part in the design process of products and services. The **Customer Experience Ambassadors** team grew significantly in 2019, reaching 400 members, who are passionate and experts in customer experience. This year the Ambassadors participated more than 1,540 times in Friendly User Tests, contributing towards the creation of a superior product experience, while alleviating any customer discontent.

- The **"Voice of The Customer"** program continuously collects customer feedback, in order to closely and timely satisfy customer requests and provide significant insights on prioritizing and resolve customer issues.
- The **"COSMOTE DEALS for YOU"** program, which includes a platform that lists exclusive privileges and offers for COSMOTE customers at third party leading brands, contributes significantly to the increase of customers' loyalty and satisfaction. In 2019, as part of the program's development, more partnerships were added, resulting in the incremental claim of benefits by COSMOTE customers
- **Gestures and recovery communication gifts** were offered to customers with an increase of 32% versus last year, via front-line representatives or campaigns. Through this initiative, OTE Group sought to enhance customers' loyalty and ensure they are receiving the best possible service.
- The **"Fault To Repair"** and **"Order To Bill"**

programs improve the experience of customers by resolving technical issues or any issues stemming from ordering requests for products and services

- The design of the ideal **billing experience** with the Billing Customer Experience Team. 20 employees from 12 business units participate in this cross-functional agile team whose aim is to engage with customers at every stage of their customer journey, discovering areas for improvement.

Handling of Complaints and Requests

In 2019 COSMOTE Customer Service efficiently handled customer inquiries related to fixed, mobile and TV services. Over **1m** customers were benefited by the company's digital services. Indicatively:

- **ASR (Automated Speech Recognition):** Merge of the OTE-COSMOTE Customer Care IVR application into a unified voice application using a conversational AI Self-Service solution. The new application includes everything that is required to address the companies' omni-channel Customer Experience (CX) strategy, demonstrating significant cost-savings and improved CX across voice and digital channels. This solution provides a seamless human-like conversational experience for self-service across all channels.

GREECE: HIGHLIGHTS 2019

- Addition of new functionalities to COSMOTE's applications, making customer's everyday tasks simpler. Users have recognized the apps' ease of use, demonstrated by the high rating scores in app stores.
- Deployment of **One Payment** and **e-payment**, supports easier customer payment process for OTE and COSMOTE bills.
- Improved **Customer informing** via automated SMS and emails in sales and request processing.
- Additional functionalities with the use of sign language in the corporate website.
- **ONE Ticket** is the brand new, unified, simple and improved Ticketing System via which our people submit and handle all customer technical support requests. ONE Ticket is installed in all Customer service channels: Call Centers, MyCOSMOTE App and Shops. As a result, a uniform customer view is achieved across all customer touch points, thus providing a unified and omni-channel customer experience.
- **Selfie Care** allows customers to submit a wide range of requests as well as orders, via

an instant and paperless process, that requires only the use of a smartphone and its camera. All necessary actions for a sales transaction (customer identification, sign of supporting documents and contracts) take place online through the smartphone, providing an integrated and full-digital experience.

- **New Mob App functionalities:** More than **200,000** interactions were completed by customers in order to check their line for possible technical issues, get informed about the status of their technical request and activate call diversion that enables them to communicate free of charge for the period their line is at fault. Customers were also able to remotely and safely monitor and manage their network equipment (router).
- **Video call via portal:** Customer Service personalizes its contacts through a video call functionality. The service is also available for sign language speakers.
- **COSMOTE UFixit:** Customer service experts, resolve issues by obtaining access to the customers' camera and guide end users step-by-step through problem resolution and do-it-yourself installations.
- **Chat via portal and Mobile App** for instant and interactive communication.
- **COSMOTE@YourService:** Customer service experts provide solutions to all household and business needs, covering a wider range of services (i.e. Smarthome) and reaching nationwide coverage. In 2019, more than **900** customers per month received onsite support at their premises by COSMOTE@Your Service experts.
- **Live E-Store:** A new digital channel that combines live video streaming, chat and voice which helps increase digital sales & the quality of online leads.
- **Right first-time processes** that allow the immediate resolution of a request as the

customer service representatives are empowered to respond to customers' various needs, avoiding the redirection of customers to different specialized experts.

- **Real-time complaint management** where the customer service representatives can provide recovery options directly.
- **Implementation of advanced segmented strategies and effective communication methods** aiming at long-term commitment and collaboration.
- **Team of Experts**, who work to cover every need that customers have by providing instant, complete and unified customer service. Their mission is to serve with enthusiasm all demanding issues in one contact, providing flexibility and exceptional experience to the customers (both internal and external).
- **Personalized service** for Platinum/High Value customers providing a seamless and unified experience through a dedicated team.
- **On-going training workshops** for all customer service employees.
- **Digital e-care** growth (+80% chat, messenger etc.).

OTE Group strives to handle and resolve its customers' complaints in an ever more effective manner, aiming at handling at least 70% of complaints within 2 days. In 2019 70% of complaints for fixed and mobile were solved within 2 days. In 2018, around 68% of complaints were solved within 2 days, compared to 62% in 2017.

In 2019, more than 225,000 customers were contacted proactively in order to be informed on the benefits of IP transformation and get help on connecting their new equipment. The same stands for customer onsite support, since there were more than 900 visits per month performed by the COSMOTE@YourService team.



OTE Group continuously works to simplify processes and reduce the effort needed by its customers in every customer contact. **Customer satisfaction and loyalty are regularly monitored** through outbound calls, where customer feedback is retrieved, to improve the Group's processes and services. Selected customer satisfaction survey results are associated with managers' variable salary components, as they are taken into consideration during their performance assessments.

ROMANIA: HIGHLIGHTS 2019

- Gradual simplification of fixed and mobile offers, leading to improved customer experience.
- Improved customer satisfaction at the end of 2019, which increased by 3 percentage points versus the 3rd quarter of the year.
- P3 certified Telekom Romania mobile network as a 1st League One.
- Improved B2C and B2B customer experience through deployment of optimization and digitalization of segments in customer journey.

Customer Surveys

In 2019, several customer surveys were conducted aiming at measuring customer satisfaction and loyalty and thus capturing customers' opinions on their relationship with the Group's companies, the companies' products and services, as well as their overall experience via touchpoints (i.e. call center, stores and the website).

Indicatively, in 2019, high scores were maintained on the **TRI*M Loyalty Index**¹, showcasing strong customer loyalty. Additionally high scores achieved on the question "How would you evaluate the company as to: whether the company makes me feel like I am in good hands?", since the majority of customers responded "Excellent, Very Good or Good".

Real-time feedback on customer experience is collected by using the **NG ICCA Program**². Following the customers contact with the Group's touch points (i.e. call center, stores and technical service), questions on the employees' quality attributes (e.g. employee knowledge) and the touch points' overall service (e.g. waiting time), are put forward. In 2019, OTE Group in Greece scored higher in the NG ICCA Customer Satisfaction Index for overall customer touch point (+10 points), compared to last year, showcasing its consistent and ever-growing strong customer satisfaction. Overall customers are satisfied with their experience in call centers, stores and the website.

2019 Customer Survey Results³

How would you rate the company's performance overall?

CUSTOMERS WHO RESPONDED EXCELLENT, VERY GOOD OR GOOD



How would you evaluate the company as to: whether the company makes me feel like I am in good hands?

CUSTOMERS WHO RESPONDED EXCELLENT, VERY GOOD OR GOOD



1. TRI*M Loyalty Survey, designed at an international level, measures and monitors customer loyalty across countries with DT's presence.
2. NG ICCA Program, designed at an international level, monitors and improves the Group's business processes by monitoring and measuring customers' perceptions. The program's questionnaire consists of maximum 4 questions that are assessed at a scale of 1-5. Questions are answered on the phone via Dual-Tone Multi-Frequency Interactive Voice Response (DTMF IVR) replies.
3. Results from TRI*M Loyalty Survey 2019, Evaluation of overall performance & evaluation of driver feeling in good hands

Awards



- **COSMOTE** received the **SILVER AWARD** at the **Social Media Awards**, for its project **"Connecting with our customers"** (Best of Facebook Family of Apps_Innovation category)
- **COSMOTE** received **TWO GOLD AWARDS** at the **Mobile Excellence Awards**, for its projects **"Video Call in Sign Language"** (Innovative Services to Enterprises or Consumers category) and **"Follow the heart it knows the way"** (Digital Innovation through Mobile category)

2.5 Society

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX



€3.6m.

SOCIAL CONTRIBUTION
IN 2019



~1.5m.

BENEFICIARIES



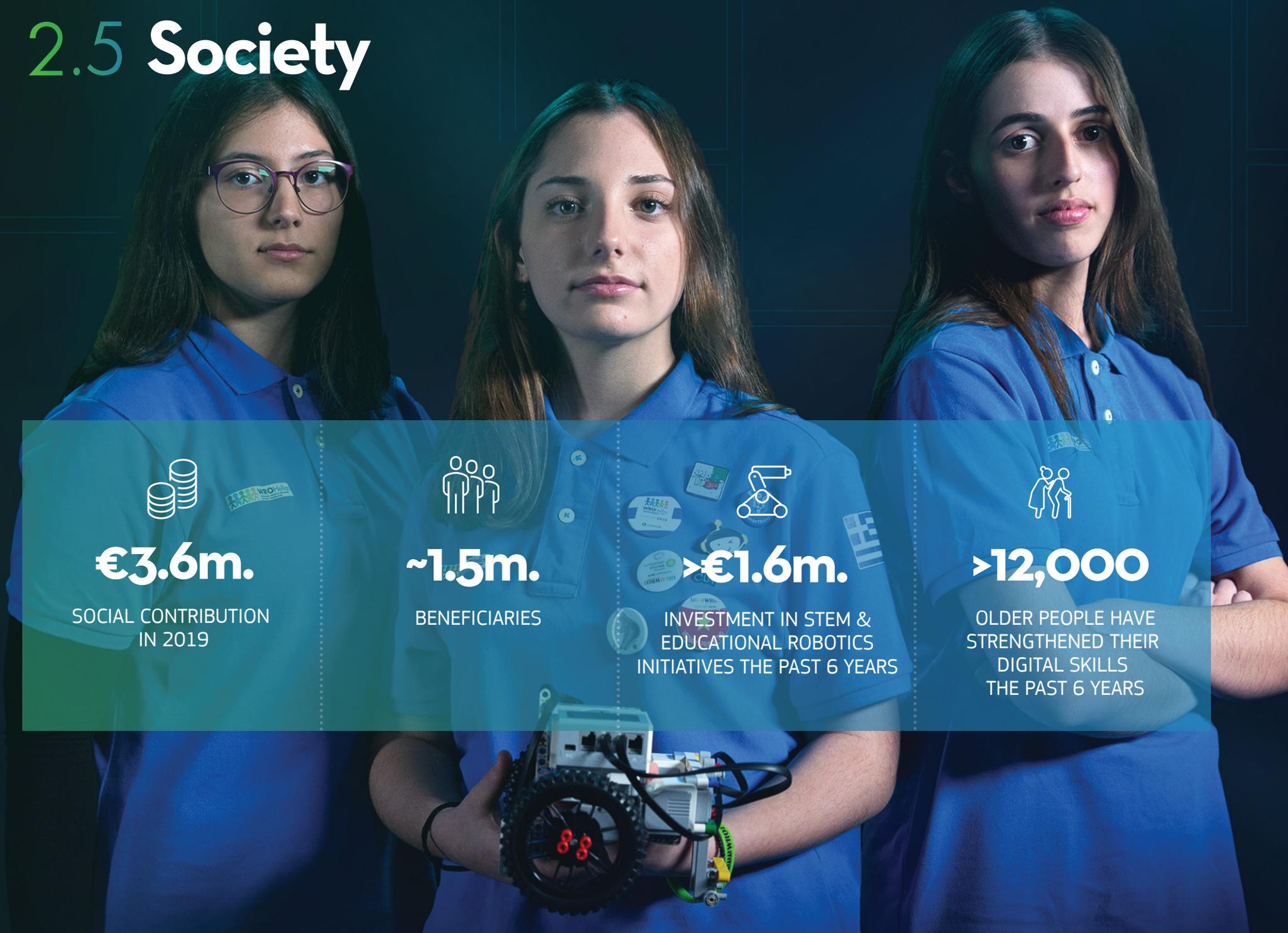
>€1.6m.

INVESTMENT IN STEM &
EDUCATIONAL ROBOTICS
INITIATIVES THE PAST 6 YEARS



>12,000

OLDER PEOPLE HAVE
STRENGTHENED THEIR
DIGITAL SKILLS
THE PAST 6 YEARS



2.5.1 Social Contribution

OTE Group and COSMOTE contribute to a better world for all, through technology, with the vision to make it accessible to all and improve the digital skills of all age groups. At the same time, the aim to support and improve the living conditions of vulnerable social groups.

Social Contribution consists of 4 areas



Management and Oversight of Social Contribution programs

To achieve optimal management for all of its social programs and initiatives, OTE Group systematically develops internal mechanisms and processes. Indicatively:

- The Chairman and CEO, as well as the Senior Management, oversee the goals and strategy of the major social activities and are systematically informed about the social programs implemented.
- The Chairman and CEO approves all social sponsorships and donations, following their review and approval by the Executive Director of Compliance, Enterprise Risk Management and Insurance OTE Group (in Greece) or the Compliance Manager (in Romania)
- There is systematic dialogue with stakeholders. New social initiatives are proposed after taking into consideration the needs of interested parties, while data are collected to measure the programs' impact on society.

The evaluation of OTE Group's social contribution is based on the measurement model for inputs, outputs and impacts of the London Benchmarking Group. This model is in line and compatible with international indicators and initiatives for sustainable development, such as the Dow Jones Sustainability Index (DJSI), the guidelines of the Global Reporting Initiative guidelines (GRI) and the Social Return on Investment methodology (SROI) for measuring social return on investment.

It is a continuous goal of OTE Group to quantify, where possible, the results of these programs in order to evaluate and review its social contribution for the future.



€3.6m

TOTAL SOCIAL CONTRIBUTION

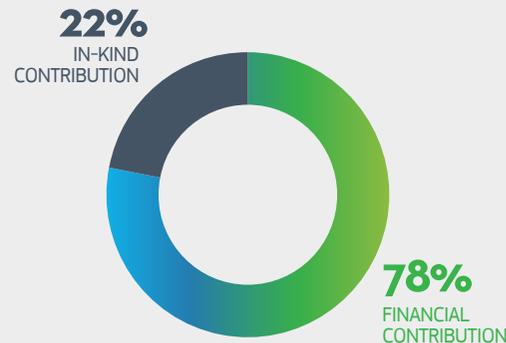
€4.5m

TOTAL SOCIAL INVESTMENT
(including the cost for the implementation of actions and voluntary participation of employees during working hours)

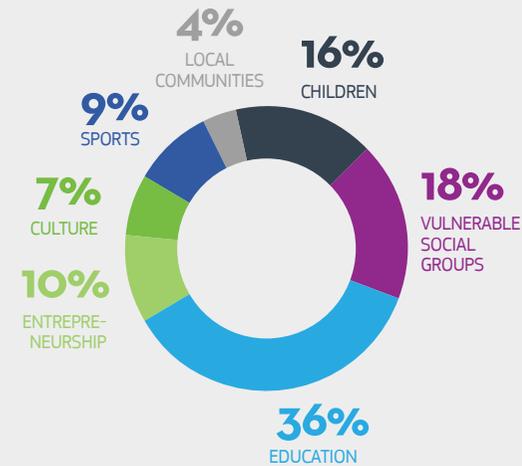
~1.5m

BENEFICIARIES

Revenue Contribution



OTE Group Social Contribution



2.5.2 Digital Skills for All



The Group embraces the shift towards a Digital Society

a society that adopts and integrates information and communication technologies, offering more opportunities and easing people's everyday life. The Group strives to help people of all ages to welcome and embrace this transformation and facilitate the cultivation of their digital skills, as well as entrepreneurship and innovation.

Educational Programmes and Digital Experience in the OTE Group Telecommunications Museum

For yet another year, the museum offered more than 150 educational programs to schools and families including topics regarding **telecommunications, robotics, safer internet, technology and science**. Through new augmented (AR) and virtual reality (VR) tools, integrated in the museum's renovated permanent exhibition, visitors interacted with its collections and gained a unique experience. 38,772 pieces and archaeological material, of which 70% is fully documented and digital, constitute the museum's collection. Overall, in 2019 the museum had more than 13,000 visitors that visited its premises for educational programs and tours.

#GrowYourBusiness

#GrowYourBusiness is the umbrella name under which COSMOTE supports the growth of small and medium – sized businesses in the digital era. In 2019, COSMOTE went a step further by organizing **#GrowYourBusiness – Meet The Experts** one-day conferences.

>1,200 professionals attended the free conferences in **4 Greek cities**. The objective of the conferences was to bring professionals in contact with experts from various sectors of the Greek market, provide a platform for them to share new ideas and practical tips and inspire them to take the next step for their business.

In addition, free training seminars were held at selected COSMOTE Stores in **5 Greek Cities**. The seminars provided the opportunity to small and medium-sized businesses to learn about the use of new digital tools and technologies in order to boost their productivity and grow their business.

Telekom Scholarships for STEM

5 scholarships, each worth almost **€4,000** were granted to young people with outstanding academic results.

The 2019-2020 edition of the Telekom Scholarships program was directed toward students in their first university year, interested in the field of science, and specifically the areas of information and communication technology, automation and computers, informatics, cybernetics, math, electrical engineering, electronics, and telecommunications.

Since the launch of the program in 2010, **more than 2,300 students** with outstanding academic achievement have enrolled in the competition, and **115** of them have received scholarships from Telekom Romania. The total financial support offered to the winners of the program, since its launch, amounts to over **€400,000**.

Junior Engineer Academy

The Junior Engineer Academy (JEA) is a **two-year educational program organized by the Deutsche Telekom Foundation**.

The aim of the program is the implementation of the STEM educational method in Junior High Schools with an emphasis on Engineering. 2019 was the first year that the JEA was established in the Greek Educational System in **collaboration** with COSMOTE's strategic partner **STEM Education**.

16 Junior High Schools were selected in Greece. Specific equipment was installed in the selected schools and the teachers were trained accordingly in order to deliver the engineering lessons to students. The JEA is expected to run in Greece until 2021.

COSMOTE supported **STEM Education** for the implementation of the JEA project in one of the Junior High Schools.



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

Coder Dojo in Romania

450 children, during the 2018-2019 school year, ages 6 to 17 learned how to code in the CoderDojo North Bucharest workshops for free, supported by the Telekom Romania Foundation and the CoderDojo Association.

600 students, during the 2019-2020 school year, enrolled to attend courses at two locations:

- **Telekom – Baneasa**, where the program has been taking place for seven years, with the support of Telekom Romania and ASE – FABIZ
- **The Academy of Economic Studies** located on Grivitei Road, where activities are carried out with the support of **OMV Petrom and Telekom Romania**.

 Additional information can be found at www.coderdojo.ro

CodeAthon 2019

It is an initiative to enhance coding for students. It was organized in October for the **second consecutive year** in the context of Europe Code Week 2019, in **6 Greek cities**. The aim is to encourage students in taking up programming, help them develop programming skills, and empower team working.

> 300 students aged 8 to 16 years old, participated in this initiative and completed an unfinished electronic game within four hours. The projects of the participating teams were uploaded on an open platform to help other children learn about coding.

Smart Education initiative in Buzau

Telekom Romania, in partnership with **Adservio**, has digitalized all the high-school and middle schools in Buzau city, through a Smart Education initiative.

- **15 high-schools and colleges, 12 middle schools and a kindergarten** from Buzau city benefit from the educational management platform, Adservio
- Telekom has equipped the educational institutions with **1,500 Samsung Galaxy TAB E tablets**, with data SIM cards.





TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

STEM and Educational Robotics initiatives

COSMOTE Commitment: promote the dreams of youth through supporting the development of their digital skills and providing a platform for engagement in robotics and STEM subjects. The Group hopes to strengthen the new generations by providing the proper tools for them to build new skills while developing their teamwork, imagination and creativity. More than €1,600,000 has been given for Educational Robotics the past 6 years.



COSMOTE promotes educational robotics in Greece by investing in the development of digital skills of children and young people across the country. For the past six years, it has partnered with WRO Hellas, Educational Robotics and Science Organization, to support the widespread implementation of educational robotics and STEM (Science - Technology - Engineering - Mathematics) teaching method. COSMOTE together with WRO, organize the annual Pan-Hellenic Educational Robotics Competition, where children from all over Greece participate. Also, every year, it supports the Greek teams participating in the World Robot Olympiad, consisting of more than 50 students contribution.

In 2019, **5,271 children, 891 schools, and 1,238 teams** participated in the Pan-Hellenic Educational Robotics Competition. Participants of the program vary from Kindergarten, Primary, Middle and High School students. At the end of the program, an ex-post evaluation questionnaire is distributed to the participants, their parents, and teachers allowing them to disseminate their experience. Moreover, COSMOTE developed the first documentary in Greece for Educational Robotics, **“The Real Robokids”**. The documentary depicts the real heroes of Educational Robotics and STEM through their representation of Greece in the World Robot Olympiad. The documentary aired on the COSMOTE YouTube channel in January 2020 and it has more than 2m. views.

>85%

OF THE PARTICIPANTS

stated that their programming capabilities have improved because of this experience

>83%

OF THE PARTICIPANTS

stated that they are more enthusiastic and interested in learning new skills because of this experience

>75%

OF THE PARTICIPANTS

stated that they are more confident and feel that they are now able to successfully complete their goals

>70%

OF THE PARTICIPANTS

stated that they are more likely to choose a career relevant to Science - Technology - Engineering - Mathematics fields after this experience

The majority of the participants' parents

stated that the key takeaway from the program was the development of teamwork and cooperation skills

Key Targets

4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.





TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

Development of Digital Skills of the Elderly

COSMOTE Commitment: help elders improve their digital skills and enable their transition to the digital era. In addition, it seeks to enhance their quality life as well as eliminate social isolation among them.

COSMOTE has been carrying out “Development of Digital Skills of the Elderly” program since 2012, to promote lifelong learning, improve quality of life, and contribute to the development of technological skills of the elderly. Since its launch, more than 12,000 participants have strengthened their digital skills, by learning how to use a tablet, navigate the Internet, enter the “world” of social media, and use applications to make their everyday lives easier (notes, calendar, notifications, webcam, maps, etc).

In 2019, **1,273 people** participated in the program. The average age of the participants was **69 years** of age and with **64%** of them being women. At the end of the program, an ex-post evaluation questionnaire is distributed to the participants, allowing them to disseminate their experience. The company utilizes the results of the questionnaires to measure the program’s societal impact and identify future improvement opportunities for the program’s teaching material and practices.

>80%
OF THE PARTICIPANTS

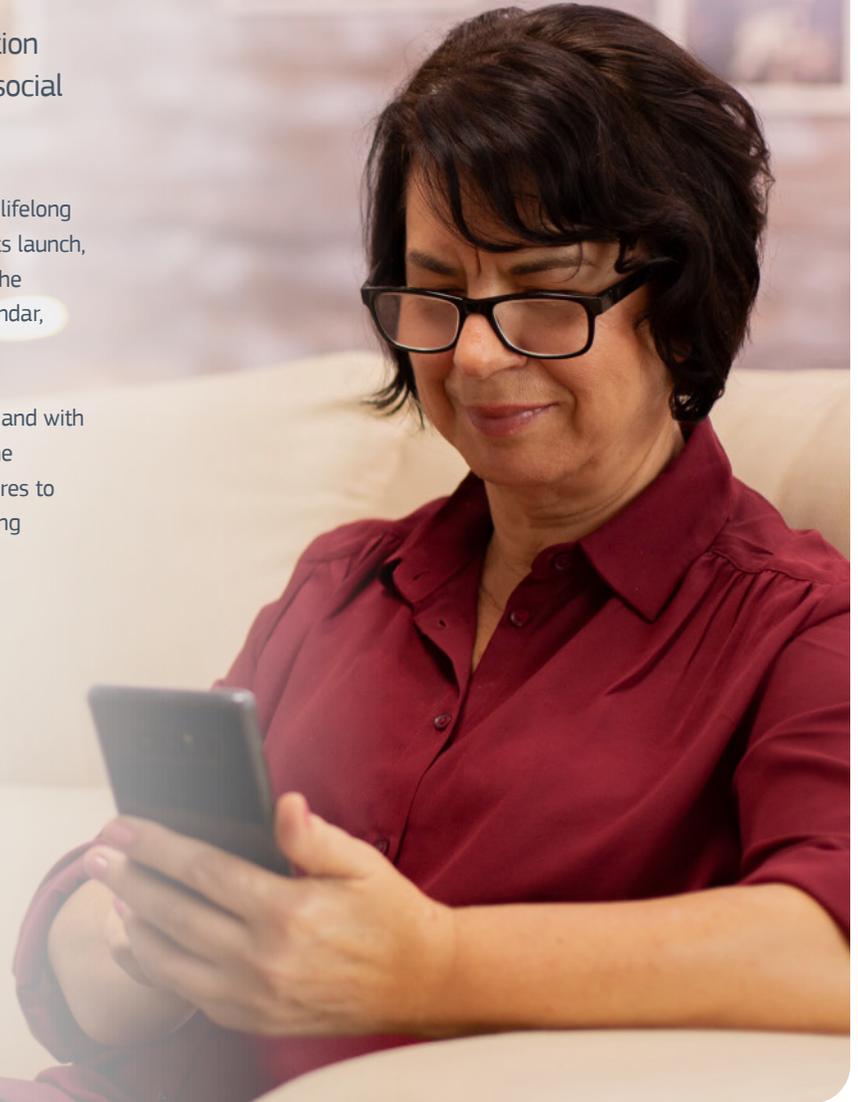
agreed that the skills they received will contribute to the improvement of their mental health

>75%
OF THE PARTICIPANTS

believe that they will be able in the near future to use the skills that they acquired to help the people in their social circle with technology issues

~85%
OF THE PARTICIPANTS

agreed that the skills they received will contribute to the improvement of their social life



Key Targets

4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture’s contribution to sustainable development.



2.5.3 Access to Digital Society

OTE Group provides ICT products, services and discounts, in order to facilitate and improve people's everyday life.

SPECIALIZED TELECOMMUNICATIONS PRODUCTS, SERVICES & OFFERS

€ 1,810,925

DISCOUNTS TO THE ELDERLY AND TO PEOPLE WITH DISABILITIES, IN FIXED TELEPHONY SERVICES, IN GREECE

PEOPLE WITH DISABILITIES

11,518

PEOPLE RECEIVED DISCOUNTS ON FIXED TELEPHONY AND INTERNET SERVICES, IN GREECE

Mobile telephony offer

IS SPECIALLY ADJUSTED TO THE INCREASED COMMUNICATION NEEDS OF PEOPLE WITH HEARING LOSS IN ROMANIA. THE OFFER COMBINES PLENTY OF USAGE (GB, SMS, VIDEO CALL MINS) AND PERSONALIZED CUSTOMER SERVICE

UNEMPLOYED AND PENSIONERS

COSMOTE, SINCE 2010, HAS BEEN SUPPORTING UNEMPLOYED PEOPLE AND PENSIONERS, BY PROVIDING A DISCOUNT ON THEIR MONTHLY FEE ON THEIR MOBILE TELEPHONY SERVICE

STUDENTS

What's Up Student offers

(MOBILE OFFERS, DOUBLE PLAY, MOBILE INTERNET), FULLY COVER THE NEEDS OF STUDENTS, WITH INNOVATIVE AND EXCEPTIONALLY COMPETITIVE SERVICES

Teimplici.ro

In 2019, Telekom Romania developed a new edition of the Teimplici.ro project contest, which aimed to identify and fund initiatives by non-governmental organizations directed toward reducing school dropout rates in urban areas. Following the jury's assessment and in accordance with relevant Regulations, three projects were selected and benefited from Telekom's total funding of €60,000 in 2019.

PC Donation Program

100 refurbished computers were offered to schools and NGOs in Greece.

The program was implemented for the **14th** year.

Overall, more than 700 PCs have been donated to more than 650 NGOs and schools.

EUROPEAN EMERGENCY NUMBER 112 OPERATED BY OTE IN GREECE

Received 1,583,953 calls, of which **100,990** were re-directed to the emergency numbers 100, 199, 166, 108, 197 and 1056.

Help Lines

OTE continued to provide telecommunications infrastructure and financial support for the operation of hotlines that provide support to vulnerable groups, and especially children in need. Indicatively, the Group supports the operation of the following help lines:

- **SOS 1056, 'The Smile of the Child'** (22 years of support), 272,453 calls
- **European Hotline 116000** for missing children, 'The Smile of the Child' (12 years of support), 9,352 calls
- **European Helpline for Children 116111**, 'The Smile of the Child', 7,991 calls
- **11525 Advice Helpline** 'Together for Children' (10 years of support), 4,942 calls

Facilitation of Communication in Emergency Situations

It is a priority for COSMOTE to support its subscribers in emergency situations. This includes a variety of temporary initiatives implemented such as offering free calls and internet to affected customers' mobile phones, postponing the barring processes of all services -mobile, fixed and TV- due to unpaid bills, replacing damaged internet and TV equipment, covering the cost of telephony, internet and TV equipment as well as covering the cost of services such as roaming and international calls, SMS and MB for a certain period. In 2019, emergency support was provided to subscribers due to extreme weather or fires in Greece (Chania, Rethymno, Chalkidiki and Evia) while OTE Group's technical teams worked intensively to restore the damage caused as soon as possible. In 2019, OTE Group provided the subscribers outside of Greece, who were affected by the large earthquake in Albania and the Sri Lanka terrorist attacks, with roaming refunds and free calls and SMS.



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

Free Wi Fi in Archaeological Sites

In collaboration with the Ministry of Culture, COSMOTE provided free Wi-Fi to the archaeological sites of:

- Knossos
- Heraklion Archaeological Museum
- Spinaloga

Expansion and improvement of internet coverage, planned for 2020, in the archaeological sites of:

- Byzantine Museum in Thessaloniki
- Archeological site of Sounio
- Archeological site and Museum of Epidayros
- Archeological site and Museum of Olympia

Correctional Facilities

30,000 prepaid telephone cards with total value of **>€ 120,000** were donated.

Keros island: Telecommunication Support for Archaeological Excavations

The excavation in Keros island is a research project conducted by the British School in Athens and carried out under the permission of the Ministry of Culture and Sports. For the purposes of the project, pioneering methods for recording and analyzing excavation data were applied. All data is recorded digitally, through a new iOS application called iDig. The new excavations unearthed a multitude of imposing and heavily dense structures. The scale of these structures proved that Keros was one of the most important locations in the Aegean during the Early Bronze Age (3rd millennium BC).

COSMOTE supports the excavations by covering the telecommunication needs of the archaeologists. Since 2016, the excavators of Keros have been using a fully digitized workflow system, in the excavation field and in the workshops.

In 2019, COSMOTE was the premier sponsor of the exhibition presenting a selection of fascinating finds from excavations carried out by the British School in Athens and the University of Cambridge for more than a decade on the nearby islet of Daskalio, at the Archaeological Collection of Koufonissi.

COSMOTE History Channel

The **most popular documentary channel** on the COSMOTE TV platform, promoting Greek culture and civilization. **The Group's vision for the COSMOTE HISTORY Channel is to be the place for entertainment and education for all 4 years** of operation.

>100 original documentaries or documentary series (own productions and co-productions)

>800 documentaries of prominent Greek and foreign artists

The content consists mainly of:

- Documentaries from foreign media companies and channels, like BBC, National Geographic, Arte, A&E, Deutsche Welle, TVF, etc., dedicated to Greece
- Documentaries from cultural institutions and other Greek foundations, independent Greek producers, etc.

The channel continues to collaborate with various organizations and institutions, such as the War Museum, and the American School of Classical Studies, for the preservation, digitization and airing of rare film archives and videos of historical value.

In 2019, COSMOTE TV and NATIONAL GEOGRAPHIC announced the co-production of their first documentary in Greece.

The one-hour documentary special, will seek to unveil how the island of Keros, the world's first known maritime sanctuary, was the birthplace of a new way of life, a step in the creation of the modern world, as we know it today.

The First Green Space in Romania with Solar Benches and Free WiFi

Starting on the 15th of June 2019, the inhabitants of Bucharest have a new space where they can relax. Magnolia Alley is an area of the Botanical Garden in Bucharest where nature and technology come together. The space offers botanical exhibits to visitors and two solar benches that allow them to charge their mobile phones in USB ports and wireless chargers. The benches also give them free WiFi Internet access and are the first of their kind to be installed in a green space in Romania.

The project started in 2015 through the partnership of Team Work Association and Telekom Romania Foundation, targeting the Taxonomic Sector of the "Dimitrie Brândză" Botanical Garden at the University of Bucharest.

Storytime app

Telekom Romania launched the interactive Storytime app for parents who are far from their children but who understand that the benefits of reading stories can lead to children's emotional, academic and creative evolution.

2.5.4 Social Initiatives

OTE Group implements and supports a spectrum of programs and actions, in order to meet society's core needs.

Support of Organizations for Children

~**€500,000** was donated to **19 charitable organizations** that provide care for children in Greece

~**1,000** OTE Group employees participated in the internal voting process, where employees voted for **3 organizations**, they wanted the Group to support

~**€8.5m.** have been offered to **59 NGOs**, in the last **20 years**

Trauma Centers for Children

In 2019, OTE Group along with the non-profit organization "Pediatric Trauma Care", contributed to the renovation and purchase of equipment for the Trauma Centers of the following **2 hospitals**:

- General Hospital of Grevena
- Prinou Health Center of Thassos island

>**€500,000** have been allocated for the purchase of medical equipment, supporting **15 hospital units** for children nationwide over the last **8 years**, helping more than 67,000 children every year.

City of Athens Reception and Solidarity Centre (COARSC)

For the **7th consecutive year**, COSMOTE donated **€25,000** to cover the everyday needs of **100 families** facing financial issues.

The COARSC is a public organization, which supports vulnerable social groups, by contributing to the resolution of issues that lead to poverty and social isolation.

Building a Social House for Abandoned Children

Telekom Romania helped the Alex Tache Foundation to build a family-type house in Galicea commune, Vâlcea county, which will enhance the quality of life of 16 abandoned children and provide them greater opportunities for personal development. The purpose of the project is to support the upbringing of the children, while fostering family values and preparing them for their future as individuals.

In the long-term, the project aims to ensure that more and more children have a family upbringing and spur the creation of more social houses for abandoned children.

COSMOTE 2019 Scholarship Program

€545,000 was awarded to 36 first year university students with financial and social difficulties. Additionally, telecommunications products and services and COSMOTE TV were provided for free

>**€ 5.5m.** has been awarded to **658 university students**, in the 17 years of the program

Collaboration with Red Cross Romania

People from vulnerable social groups are the most affected by heavy snowfalls during the cold winter months. At the beginning of the year, the Telekom Romania Foundation joined forces with the Romanian Red Cross to help vulnerable populations from Buzău, Tulcea and Calarasi si Ialomita County.

1.3 tons of non-perishable food and **100 tons** of wood were distributed to **100 families** made up of several children, single elderly people, or disabled people.

Beneficiaries were selected on the basis of social need identified by the local town hall. Each beneficiary received **24 kg of non-perishable food** and **2 hot meal packages** delivered to their homes.

The aid was delivered by volunteers from the Telekom Romania Foundation with the help of the Red Cross.

Supporting Humanitarian Causes

Over the past 10 years, the Telekom Romania Foundation has joined forces with the P.A.V.E.L Association, an association of parents whose children have been diagnosed with cancer, leukemia, and severe anemia, in an initiative aiming to bring joyful moments to children suffering from these serious illnesses. As part of this collaboration, in December, volunteers of the Telekom Romania Foundation visited children in the pediatric oncology and hematology departments of the Oncology Institute Prof. Dr. Alexandru Trestioreanu, Fundeni Clinical Institute, the M.S.Curie Emergency Children's Hospital, and the Emergency Hospital for Children "Grigore Alexandrescu".

220 children were visited and received gifts from Santa Claus and spent joyful moments with the volunteers from the Telekom Foundation.

Telekom Romania supported the Lions Clubs Romania to endow the hospitals in Romania with EEG monitoring equipment for treating epilepsy. The equipment is intended to link up the institutions and connect them to university centers in the country and abroad. By the end of 2019, the Clubs had equipped all the hospitals in Bucharest.



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

Local Communities' Actions

OTE Group supported **approximately 78 programs**, for local communities in Greece, with the aim to improve the living conditions of inhabitants that live in the countryside and sustain the viability of the local cultural identity.

Sport Teams

12 teams, clubs and events of a variety of sports were supported in Greece. Financial support was provided to football, basketball and volleyball teams as well as water sports and gymnastics clubs, swimming academies, field races, etc.

9th "Sport is Good" Campaign

In August 2019, the traditional sports and health festival "Biggest Sports Hour" powered by Telekom Sport took place in Piața Sfatului Square, Brașov.

During the event, participants could join friends and family to test their skills in team sports such as volleyball, basketball, football, badminton, ping-pong, and at the shooting gate. Additionally, fitness and aerobic sessions, Les Mills Program, and the functional training classes, Barre Fitness, Fight Klub Khai Bo, Kangoo Jumps, and marathon training conducted by the best national and international instructors were offered as part of the event.

5th Brașov International Marathon

> 4,000 runners from **32 countries** took part in the Brașov International Marathon powered by Telekom Sport, a competition ranking among the Top 20 marathons of its type. Some of the funds collected from the participation fees were donated to the Liberty Bear Sanctuary in Zărnești.





TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2.5.5 Employee Volunteering

OTE Group motivates its employees to act as volunteers, by providing the appropriate resources, to achieve the best possible outcome for the society.

One of the highlights of this year's volunteer activities was the collection of essentials for the relief of people affected by the Wildfires in Attica. Moreover, the Group holds an annual Blood Donation Program, an Easter and a Christmas Charity Bazaar and it encourages its employees to participate in Marathons for good causes.

The support, development and promotion of corporate volunteering programs and social contribution activities, give the employees the opportunity to actively express their solidarity towards society.



>6,200

employee participations
in social contribution initiatives

58

NGOs for children
and vulnerable social groups
were supported through employees'
participations in social initiatives

Organizing and Participating in Charity Bazaars



In 2019, OTE Group organized charitable Easter and Christmas bazaars in Greece, with the participation of **14 NGOs** supporting children, aiming at raising funds for their cause.

>3,000 employees contributed.

For yet another year, employees responded to the call **"Be a volunteer"** and participated in charitable events and bazaars organized by NGOs. The aim of the events and the bazaars was to raise money to support children in need. Specifically, employees helped in the organization of the charity bazaars of 'MDA Hellas' and 'Friends of the Child'.

Volunteers for the "Technology for All" Program



The "Technology for All" program organized by COSMOTE offers the opportunity to elderly people to familiarize themselves with new technologies and the digital media. **More than 60 employees** made a commitment and volunteered, in order to assist the main **classroom instructor**, by solving queries, and generally facilitating the training session.

Employees' Participation in Marathons in Greece



OTE Group invited employees to take part and run for 'a good cause' in the Authentic Athens Marathon.

>1,100 employees competed in the **2 marathons**, resulting in the donation of **€15,000** to the NGO "Eliza" Society for the Prevention of Cruelty to Children. Specifically, the donation contributed towards ELIZA's initiative to support the 1st Hospital Unit in Greece for Abused Children, located in the Children's hospital "P&A Kyriakou".



Blood Donation Program



The Blood Donation Program of OTE Group in Greece has been running for more than 41 years and has since become a part of the Group's culture. In 2019, a total of **2,765 units of blood** were collected from OTE Group employees. 862 units were made available to meet the needs of employees and their families, while the remaining 1,093 were given to cover social needs throughout Greece.

Since 1976, OTE Group has collected more than 30,700 units of blood.

In addition, **47 units of bloods** were collected from Telekom Romania.

2.6 Climate and Environment

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX



100%
ELECTRICITY FROM
RES SECURED
BY GOs* (PPC)

*Guarantees of Origin



37.7 GWh

ENERGY **SAVED**, CORRESPONDING
TO THE CONSUMPTION OF A TOWN
WITH 22,000 INHABITANTS.



TARGET 2020:
0 Waste
FROM ICT SERVICES,
IN LANDFILL



“HALF SIM INITIATIVE”
>7.5t
OF PLASTIC SAVED

2.6.1 Environmental Strategy



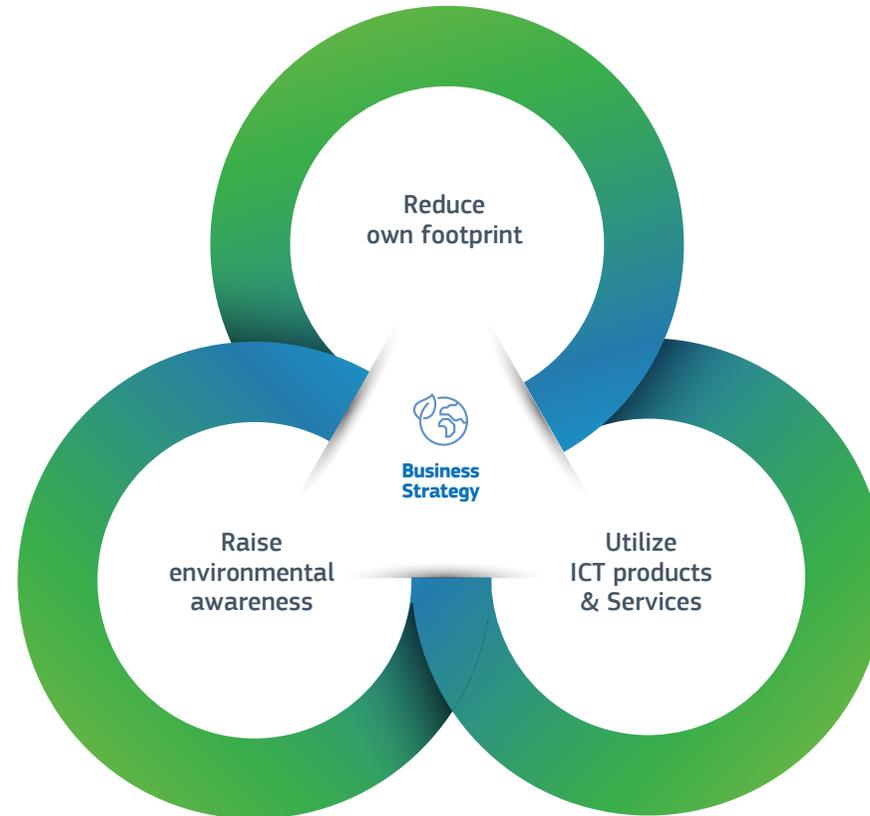
OTE Group fully understands that, though low, there are environmental impacts associated with ICT activities.

At the same time, it is commonly acknowledged that digitalization is a key tool to achieve UN Sustainability Goals and address environmental challenges at local, regional and global level.

The OTE Group Environmental Strategy, aligned with the business strategy, aims at:

- The minimization of the environmental impacts from its activities
- The development and provision of products and services that enable environmental protection and increase productivity in other sectors of economic activity
- Raising its stakeholders' awareness on acting more responsibly on the issue of environmental protection

Environmental Strategy



The Group acts at different levels to achieve these objectives:

- Analyze environmental risks and opportunities
- Implement energy conservation measures
- Increase the utilization of Renewable Energy Sources
- Integrate the principles of circular economy into its activities
- Develop specialized ICT products and services that meet customers' needs while contributing to environmental protection
- Ensure that the levels of electromagnetic fields of base stations comply with the public exposure safety limits
- Conform with the eco-design requirements applicable to the equipment provided
- Develop awareness initiatives, implement environmental sponsorship programs and support NGOs promoting relevant agenda
- Securing high ratings by international sustainability and SRI analysts

Aiming at effective environmental management along the entire value chain, telecom companies of OTE Group implement, in the context of the **Integrated Management System**, Environmental Management Systems (EMS) certified according to ISO 14001 standard and Energy Management Systems certified according to ISO 50001 standard. The systems share similar structure, approach and **policy**, in which the commitment of OTE Group companies to environmental protection is stated.

Utilizing the framework of the Environmental Management System, the companies:

- Analyze all activities, products and services with reference to applicable legislative requirements and their impact on the environment (energy consumption, emissions, waste, electromagnetic radiation, etc.)
- Strive to improve environmental performance
- Set goals and specify appropriate key quantitative performance indicators (KPIs)
- Take cost-effective actions

Governance of Management Systems

The Chairman of the Board of Directors and CEO oversees the company's sustainability strategy and performance, including environment. The Board of Directors approves Group-wide corporate responsibility policies, position papers and significant strategic projects, as needed. More information is available in the section **Sustainability Governance**.

Environmental Management Representatives / Coordinators are appointed by Decisions of the CEO in each country. The Executive Director Corporate Communications OTE Group is responsible for the EMS in Greece.

The Group's executives are systematically informed by the Management Systems' representatives about the EMS' actions, objectives and programs.

Environmental Risk Assessment

The Group activities have an impact on the environment and are affected by environmental challenges (e.g. climate change). Environmental risk assessment (following a life-cycle perspective) is a major management tool for the early identification of risks and opportunities associated with the activities of the companies and their effective management. To ensure consistency among all types of enterprise risks and opportunities evaluated, the **OTE Group Enterprise Risk Management** methodology was applied.

The assessment covers issues related to regulation (current and emerging), technology, litigation claims, market, reputation as well as physical impacts (acute and chronic).

Electricity consumption, GHG emissions and waste management (especially hazardous) along the value chain, as well as EMF have been recognized as significant environmental issues. In addition, climate change impacts were highly ranked as risk and opportunity factors.

To manage risks and opportunities a number of policies – measures – actions are in place that

include, among others, the Business continuity management system, revenues transformation towards ICT solutions, the suppliers' code of conduct, energy conservation measures targeting all activities, waste management practices following circular economy principles and participation in the Code of Conduct for Broadband Equipment.



Raising Environmental Awareness

COSMOTE along with the Environmental Organization for Wildlife and Nature **CALLISTO** implemented the educational program entitled **“Environmental Awareness by CALLISTO”**.

The aim of the program is to raise awareness of primary and secondary school students about the threat of extinction of bear and wolf species in Greece and the measures that can be taken to protect biodiversity.

During the academic year 2018-2019, more than **820** students from Athens schools participated in the program.

 More information on OTE Group environmental awareness initiatives is available at the **COMPANY'S WEBSITE**

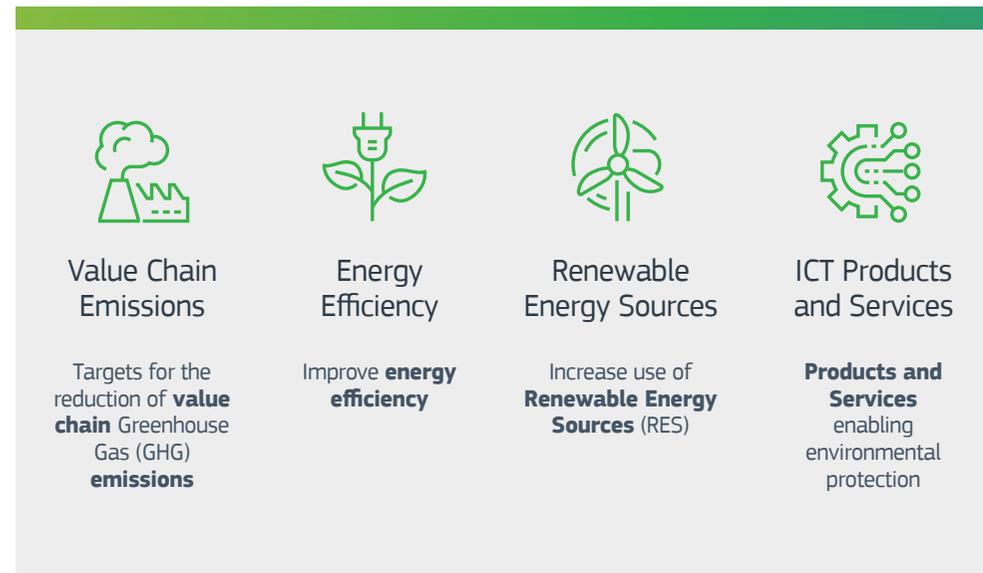
- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

2.6.2 Energy and Climate Change

OTE Group recognizes that climate change is a global environmental problem, the impacts of which affect its operation and stakeholders, and the whole range of economic activities as well as life on the planet.

Climate change risks and opportunities can be found in **Annual Financial Report 2019**, while detailed information following **TCFD** (Task force on Climate related Financial Disclosures) recommendations, is available in the latest response of OTE to **CDP**.

OTE Group has developed an integrated climate change strategy that is aligned with its business strategy. In line with the DT Group, the climate change strategy is structured upon 4 main pillars:



Climate Change Strategy Targets

100%

COVERAGE OF ELECTRICITY CONSUMPTION WITH ELECTRICITY GENERATED FROM **RENEWABLE ENERGY SOURCES BY 2021**

90%

REDUCTION OF SCOPE 1 AND SCOPE 2 EMISSIONS **BY 2030**, COMPARED WITH 2017

25%

REDUCTION OF THE MOST IMPORTANT SCOPE 3 EMISSIONS (PURCHASED GOODS AND SERVICES, CAPITAL GOODS, AND SOLD AND LEASED PRODUCTS) PER CUSTOMER BY 2030, COMPARED WITH 2017

The targets are linked to DT Group's strategy. OTE group contributes to the achievement of the reduction target for 2020 (20% reduction of DT Group's CO₂ emissions by 2020, compared to 2008).

OTE Group, member of the DT Group, is committed to the achievement of the revised, Science Based **DT Group-wide targets** for the post-2020 period, adopted in 2019.

These targets, validated as **science-based targets** in 2019, are consistent with the reductions required to keep warming to 1.5°C.

Value Chain Emissions

Monitoring energy consumption

Total energy consumption of OTE Group in 2019 amounted to 833.8 GWh, with electricity consumption accounting for 86% of total consumption. In line with the distribution of revenues per country of operation, Greece accounts for 67% of total energy consumption and Romania accounts for the rest 33%. Energy consumption increased by 1.8% compared to 2018, mainly due to the increase of energy consumption in the telecom network in Romania. More specifically, telecom network electricity consumption in Greece decreased by 0.3% compared to 2018 (-1.9% for OTE and 1.4% for COSMOTE) and increased by 12% in Romania.

The increased activity, as depicted in the volume of data transferred which increased by 36%, has contributed to the increase at Group level. The expansion / modernization of the telecom network together with changes in the implementation rates of energy conservation measures have also affected energy consumption.

Greenhouse gas emissions

Direct (scope 1) and indirect (scope 2, market-based i.e. by taking into account the Guarantees of Origin secured) GHG emissions from energy consumption in 2019, amounted to 121,844 t CO₂ eq, that is **1.2% lower compared to 2018 emissions**.

Total GHG emissions (i.e. including f-gases fugitive emissions and considering market-based scope 2 emissions) were estimated at 134,543 t CO₂ eq, that is a **3.5% decrease compared to 2018**.

Following the location-based approach for Scope 2 emissions (i.e. using an average grid

emission factor), energy consumption emissions are estimated at 367,799 t CO₂ eq. For OTE and COSMOTE, GHG emissions from energy consumption in 2019 decreased by 17% compared to 2008.

OTE Group has extended the scope of its emissions inventory and as of 2019, scope 3 emissions are addressed under the DT Group-wide targets for GHG emissions reduction. In addition, this information has been used in the context of the ISO 14001 EMS for prioritizing environmental aspects across the value chain of the Group and is utilized in identifying measures to reduce the footprint of its activities across its value chain.

For 2019, indirect (scope 3) GHG emissions were estimated at 968,193 t CO₂ eq. The use of products and services sold by customers represent the main source of scope 3 GHG emissions (about 69% of total scope 3 emissions).

Scope 3 GHG emissions avoided are estimated at 12,400 t CO₂ eq (Greece). This estimation takes into account paper recycling, reduction of paper, use teleconferences for internal operational needs and the impact of the refurbishment of end devices.

Renewable Energy Sources

OTE Group (Greece) has secured, for the 9th consecutive year, from PPC S.A., one of its electricity providers for 2019, Guarantees of Origin (GOs), assuring that for the total electricity consumption from PPC S.A., an equivalent amount of energy has been produced from Renewable Energy Sources. **The GOs secured cover more than 99% of the 2019 electricity consumption of the Group in Greece.**

RES electricity generation (autonomous photovoltaic and small wind turbines systems in

16 base stations and 2 roof-top photovoltaic systems of 222 kWp installed capacity) in 2019 amounted to about 585 MWh (Greece).

Energy Efficiency

Priorities for improving energy efficiency concern:

- **Telecom networks**, aiming at the transition to a more energy efficient network
- **Buildings, data centers and stores**, with emphasis on the proper use and the efficient operation of the equipment installed
- **Road transportation**, focusing on the renewal of the vehicle fleet but also on the monitoring and control of transportation activity

ISO 50001 Energy Management System (Greece), in combination with the existing ISO 14001 EMS, is a major tool for the implementation of energy efficiency measures. The scope of the System is gradually expanded and in 2019, was implemented in 15 building complexes (including technology and office buildings, data centers, call centers, and the head office of the OTE Group), 6 technology buildings and 36 mobile base stations. Results are encouraging since energy savings exceed 4% for the buildings and 15% for mobile base stations. The strategic aim of OTE Group, is to further enrich its portfolio with facilities certified according to ISO 50001 (Greece).

In 2019, the energy efficiency projects implemented resulted in an energy conservation of 37.7 GWh (4.5% of energy consumption in 2019). The increase in the energy conservation achieved is attributed to the extended removal of unused equipment in the fixed telecom network. 97% of total savings are achieved in telecom networks (23% in mobile and 74% in fixed telecom network), while the rest 3%

concerns buildings (electricity, district heating and fuels) and electricity generators. Savings in operational costs are estimated at € 4.6m.

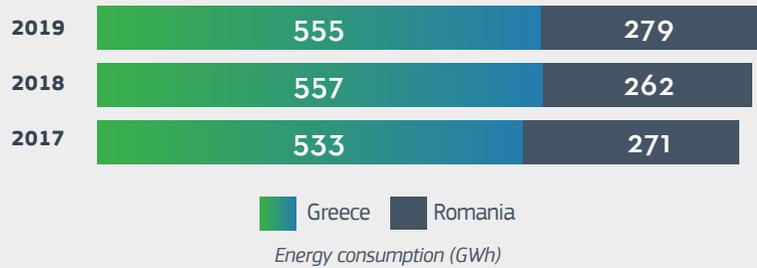
The total effect of energy conservation measures implemented in Greece since 2008 (base year for the DT Group for the 2020 climate change strategy but also for the annual GHG emissions reduction target for OTE and COSMOTE), is estimated at 151.5 GWh (electricity 140.3 GWh, diesel 11.2 GWh). The avoided GHG emissions associated with the energy conservation achieved is about 77,800 t CO₂ eq (about 28% of scope 1 and 2 GHG emissions from Energy of OTE Group in Greece, in 2019). The overall economic effect (benefit) of the measures implemented on the operational cost is estimated at €18.7m.

A detailed list of the measures implemented in 2019 is presented in the file **“Environmental Performance Data – Energy”**.

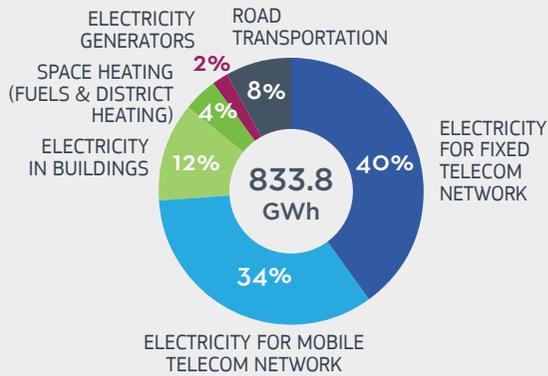
As a result of the measures implemented, the efficiency of energy use in the telecom companies of the Group (i.e. total energy consumption per volume of data transferred) improved by 25% compared to 2018, reaching a value of 100 kWh/TB in 2019. The data traffic emissions intensity (location-based) reached a value of 44 kg CO₂ eq/TB (58 kg CO₂ eq/TB in 2018).

Energy Consumption

PER COUNTRY, 2017-2019



PER ACTIVITY, 2019



ENERGY CONSUMPTION AND DATA TRAFFIC

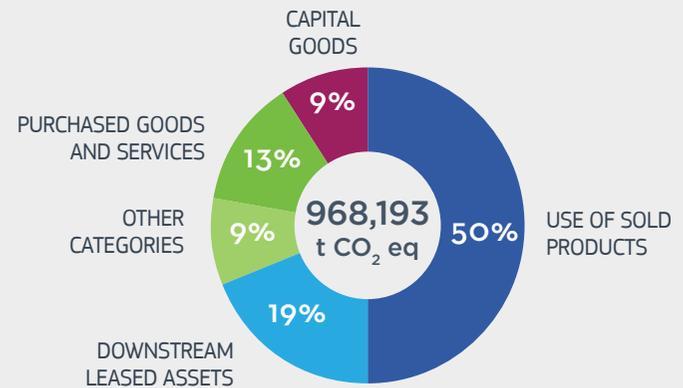


GHG emissions from Energy, OTE Group 2017-2019



1. Scope 2, market-based emissions include the effect of the Guarantees of Origin secured
 2. Global Warming Potential (GWP) values used, are those included in the 5th Assessment Report (AR) of IPCC

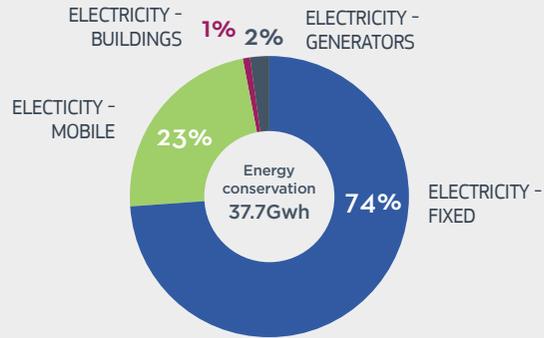
Indirect (Scope 3) GHG emissions of OTE Group, 2019



1. Downstream leased assets concerns new and existing contracts for routers and receivers
 2. "Other categories" include Fuel- and energy-related activities, business travel, waste generated in operations, employee commuting, upstream / downstream transportation & distribution and the End of life treatment of sold products

Energy conservation and GHG emissions avoided

ENERGY EFFICIENCY PROJECTS - OTE GROUP 2019

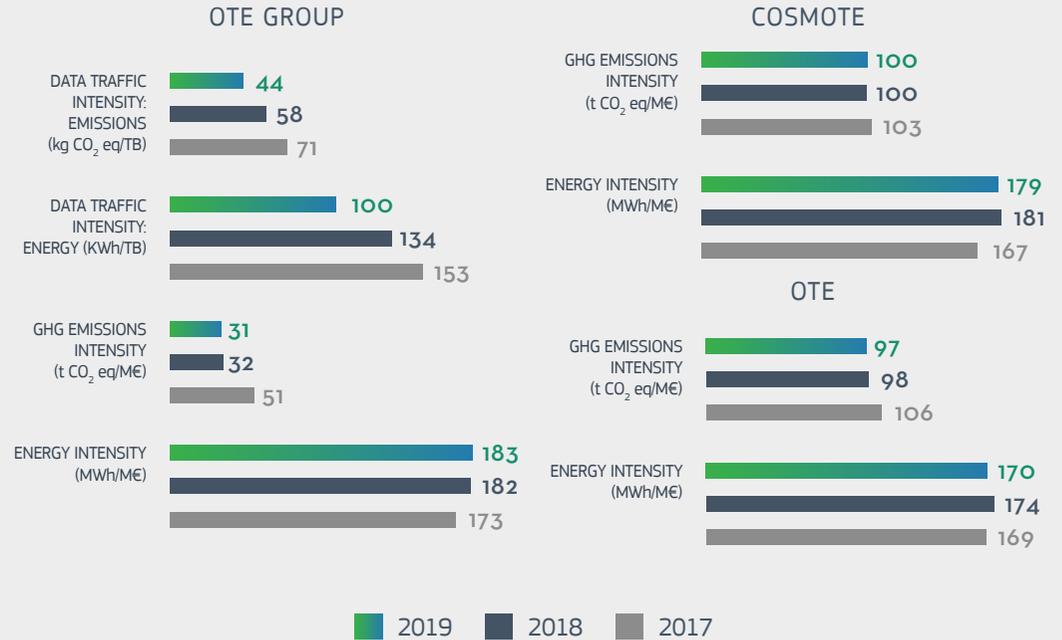


DETAILS ON THE EFFECTS OF ENERGY CONSERVATION MEASURES (GREECE)



Global Warming Potential (GWP) values used, are those included in the 5th Assessment Report (AR) of IPCC

Energy and GHG emissions intensities



Energy intensity: Total electricity consumption per revenues
GHG emissions intensity: GHG emissions from Energy per revenues
Data traffic intensity - Energy: Total energy per data transferred
Data traffic intensity - Emissions: Scope 1 & 2 GHG emissions from Energy per data transferred

Global Warming Potential (GWP) values used, are those included in the 5th Assessment Report (AR) of IPCC



Green Building with LEED Gold Certification

In 2019, **OTE Estate** achieved the first **LEED (Leadership in Energy and Environmental Design) certification (gold level)** of a building with TV Studios in Greece. It is one of just a few buildings with Gold level LEED certification in Greece, and it is the second building (following a renovated Call Center Building certified in 2017) in the portfolio of OTE Estate to achieve this certification. The project concerned the renovation of the building where the main COSMOTE TV Services (Studios, Technology Rooms and Offices of a total floor space of 4,600 m²) are accommodated. The building's GOLD level LEED certification constitutes a significant distinction that was achieved after a very demanding process. The objective was to improve performance for a series of indicators such as energy consumption, water use, CO₂ emissions, the quality of the internal environment, and management of resources.

OTE Estate is the subsidiary company responsible for the management and commercialization of the Group's real-estate portfolio. Efficient buildings' renovations that would be eligible for certification are included in plans drawn up by OTE Estate for the upcoming years.

ICT Products and Services

Holding the increase in the global average temperature to well below 2°C (Paris Agreement, December 2015), requires substantial emission reductions at global level, that will reach 40%-70% by 2050 compared to the 2010 emissions. A global warming of 1.5°C would require not only greater but also faster emission reductions. In this framework, exploiting the available ICT potential, estimated at 12 Gt CO₂ eq in 2030, according to the SMARTer 2030 study of GeSI, becomes imperative.

OTE Group is fully aware of the ICT enabling role in tackling climate change and the opportunities this role offers for its further development, and is developing products and services that address this potential (for more information see sections **Products and Services for Sustainability and Research and Innovation**). In this:

- a. Broadband services (broadband & mobile broadband) contribute to the reduction of transportation needs, to substitution of emissions-intensive products, processes, etc. (dematerialization), and to the development of e-commerce and e-governance.
- b. ICT services developed in collaboration with specialized companies, provide solutions to businesses, cover social needs, contribute to the sustainable management of resources and enable climate change mitigation and adaptation.

More information on the energy consumption and the associated GHG emissions of OTE Group are provided in the file **“Environmental Performance Data – Energy”**.

Aiming at reducing energy consumption and emissions during use of products sold, OTE voluntarily participates (since September 2010) in an initiative established by the European Commission for maximizing energy efficiency of broadband equipment (“Code of Conduct on Energy Consumption of Broadband Equipment”, BB CoC) both on the customer and the network side. Signatories of the BB CoC agree to make all reasonable efforts to achieve the power consumption targets for at least 90% of the new-model items introduced to the market. Signatories cooperate with the European Commission and Member State authorities in an annual review of the scope of the BB CoC and the power consumption targets for future years.



Supporting climate change adaptation activities in Greece

OTE Group supports the **ELLINIKI ETAIRIA-Society for the Environment and Cultural Heritage (ELLETT)**, a partner in the project, **«LIFE-IP AdaptInGR - Boosting the implementation of adaptation policy across Greece»**.

The duration of the project is eight years (2019-2026) and is coordinated by the Ministry of Environment and Energy of Greece. The overall goal of the project is to support the implementation of the national adaptation strategy in Greece. To this end it will build national and regional capacity for coordinating, prioritizing and monitoring adaptation policy actions.

In the context of the project, ELLETT leads the assessment of climate change impacts on cultural heritage, landscape and land uses in nine pilot transects, on three archaeological sites (Delphi, Delos, Mystras) and on two historical sites (the traditional settlements of Central Zagori and the Old Town of Corfu). It also leads the development of guidelines for their adaptation to climate change, as well as the project actions for the primary and secondary education. In addition, ELLETT contributes to raising public awareness of climate change adaptation and to disseminating the project results.

ICT for protecting biodiversity

COSMOTE, the Environmental Organization for Wildlife and Nature **Callisto**, the road operator **Egnatia Odos S.A.** and the **Region of Western Macedonia** are collaborating in the context of the European project **LIFE SAFE-CROSSING**, aiming at implementing actions to reduce the impact of roads on some priority species: Marsican brown bear (*Ursus arctos marsicanus*) and wolf (*Canis lupus*) in Italy, Iberian lynx (*Lynx pardinus*) in Spain, and Brown bear (*Ursus arctos*) in Greece and Romania.

COSMOTE has developed and deployed an end-to-end monitoring system consisting of: 4G low-power cameras powered by photovoltaic panels (currently installed at 45 underpasses along a 55 km highway of the Egnatia Odos) and cloud infrastructure for automated storage, snapshots' visualization, statistics, alerting and tools for wildlife detection using AI/Deep Learning techniques. By the end of December 2019 more than 40,000 snapshots and **small length videos** have been captured and processed accordingly, thus providing valuable information on the passages most commonly selected by the bears.

In the next phases of the project, interventions will be implemented to facilitate and increase their use by bears and other wildlife to ensure a safe crossing of the highway for wildlife that, under other conditions, would attempt to cross the road, endangering both their own and the drivers' safety.

2.6.3 Circular Economy

OTE Group recognizes the scarcity of natural resources and considers a more efficient use of these resources a priority for sustainable development.

To achieve this, principles of circular economy are integrated in its operations across its value chain by:

- Setting eco-design technical specifications for the products provided (see section **Responsible Marketing**) and contractual terms covering sustainability issues (see section **Responsible Purchasing and Supply Chain Management**)
- Applying the principle "Reduce – Reuse – Repair – Recycle" for its activities
- Expanding the lifetime and overall utilization of the equipment provided to customers, and facilitating the recycling of their discarded equipment
- Developing products and services that contribute to the rational and efficient use of natural resources and the reduction of waste generated (see section **Products and Services for Sustainability**)
- Informing and encouraging citizens to adopt recycling practices

Approach to Circular Economy



Materials and Natural Resources Management

Aiming at the efficient use of materials and natural resources that are necessary for the provision of ICT), procurement processes incorporate sustainability criteria to the suppliers of the Group (see section **Responsible Purchasing and Supply Chain Management**). Internally, natural resources conservation is addressed through the efficient operation and maintenance of the telecom network, the digitization of internal processes and the development of waste management practices that contribute to the increase of materials recovery and the decrease of waste disposed.

With respect to materials use in offices, in 2019:

- Paper consumption amounted to 321 t (about 19 kg per employee) showing a 7% decrease compared to 2018
- All bills sent to customers in Greece are printed on **FSC** certified paper
- The utilization of IT applications in the context of the broader digital transformation program of OTE Group, resulted in 400 t of paper savings (Greece)
- Paper, cardboard and plastic are the main packaging materials used. The consumption of packaging materials decreased by more than 50% during the last 4 years
- The use of refilled cartridges accounted for about 58% of total consumption

Since telecommunications operations have no specific need for water use, water consumption concerns employees' hygiene, plant irrigation, HVAC needs and office / stores cleaning. Thus, water sources are not significantly affected by OTE Group activities.

Water consumption, in 2019, amounted to 227,643 m³ (about 13.5 m³ per employee), showing a decrease of 1% compared to 2018.

Wastewater generated from OTE Group operations refers to domestic wastewater, which is directed to the available wastewater networks and is then treated according to area-specific processes in the municipal wastewater facilities. In Greece, there are three cases in main buildings and warehouses where the companies operate wastewater treatment plants that handle about 12,500 m³ of wastewater, of which 90% is reused for irrigation purposes. No planned or unplanned water discharges to the environment as well as no significant spills occurred during 2019.

Refurbishment of End Devices

OTE was the first to employ refurbishment processes for end devices. These include ADSL, VDSL, VoIP modems, etc., and TV decoders (Satellite & IP).

The scope is to expand, through repair and reuse, the lifetime and overall utilization of the equipment provided to customers (a key target under the circular economy) but also to ensure the proper end-of-life management of end devices.

In 2019, about 350,000 end devices (ADSL & VDSL modems, TV decoders) were refurbished, while 43,000 devices were finally recycled. Avoided GHG emissions for 2019 are estimated at 10.7 kt CO₂ eq.





The Half Sim Initiative

OTE Group contributes to the global efforts to reduce plastic use and waste by reducing the size of the holders for the SIM cards.

The initiative started in 2017 and since 2018 all SIM cards put in the market use the half-size holder.

By the end of 2019 the use of more than 7.5 t of plastic was avoided.

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

#ZEROPLASTIC

The initiative, launched in 2019, goes beyond current EU legislation requirements as described in **Directive (EU) 2019/904**.

In addition, plastic straws, disposable utensils and plastic dishes were replaced with paper or biodegradable ones.

In 2019, the initiative was implemented in 4 main buildings as well as in the OTE Group retail network in Greece and was addressed to about 6,500 employees (53% of total employees).

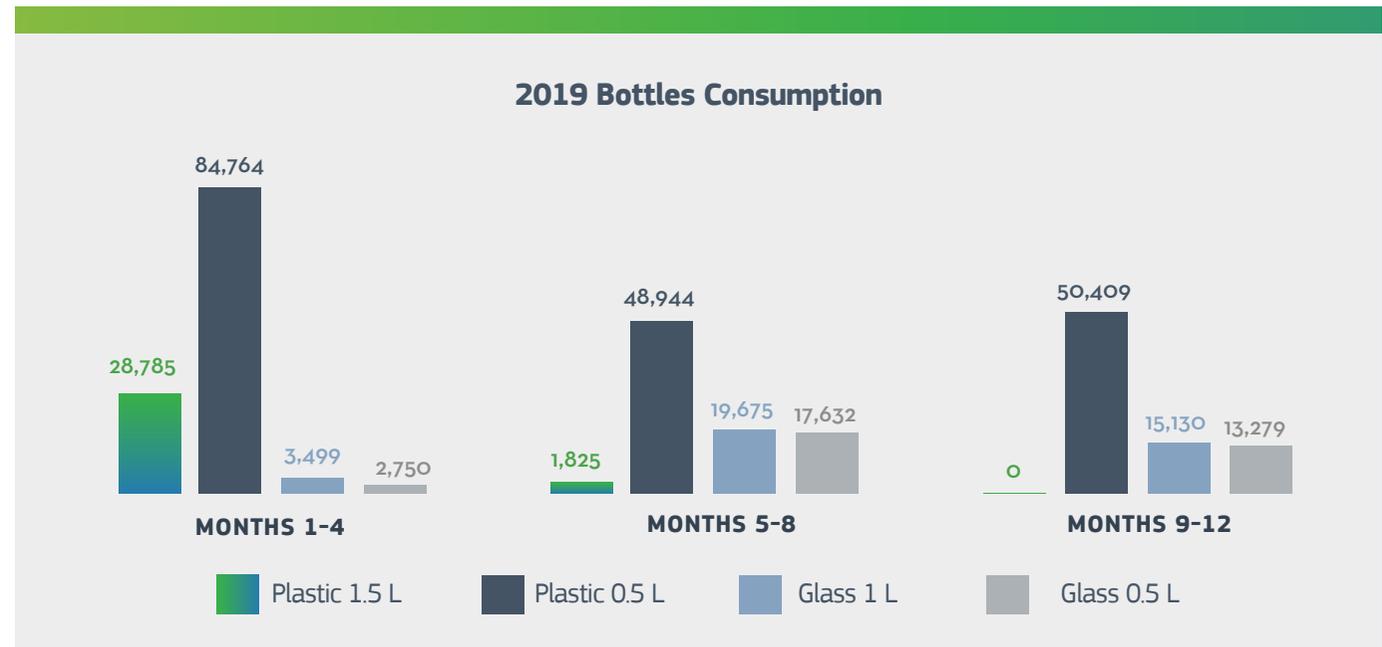
The implementation of the project was supported by an integrated communication and awareness campaign. More than 8,000 employees have received information on the impact of overconsumption of single-use plastics and the activities implemented to reduce them. Moreover, an **Environmental Ambassadors team** was established to support the project and raise awareness through face-to-face informative sessions. It gave the opportunity to employees to both understand the initiative better and ask questions but also to share their views and ideas. Starting with OTE headquarters, about 1,750 employees have been informed through this channel.

By the end of 2019, OTE Group **achieved a 58% reduction of plastic bottles use and zero use of plastic cups and bags.**

Currently, the expansion of the scope of the project is planned so as to include more canteens and employees (3,800 additional employees).

The updated **targets for 2020** are:

- **Zero use** of plastic bottles in the OTE Group buildings with restaurants and canteens
- **Zero use** of plastic cutleries and plastic food packaging
- Reduction of glass bottles use



Waste Management

Solid waste generated by the OTE Group activities derive from the development, maintenance and operation of the telecom networks and equipment, from offices and stores operation as well as from the management of the corporate vehicle fleet. In addition, products sold / leased at the end of their lifetime represent another, indirect, source of solid waste (downstream).

Aiming at the effective management of waste generated, an extensive network of collection, monitoring, storage and management/recycling, which covers all activities nationwide, has been developed. In this context, the Group companies work with certified / authorized companies to ensure (a) the proper management of waste generated (including cross-border transportation) and (b) the recovery of the materials contained (e.g. copper, iron and steel, etc.) and the conservation of natural resources.

A take-back scheme is implemented in the Group retail network (for phones and accessories, tablets, home batteries and ink cartridges) to facilitate the recycling of products sold / leased at the end of their useful lifetime. **In 2019, about 20 t of customers' phones were collected and forwarded for recycling.**

More information on the quantities of waste generated/recycled is provided in the file "[Environmental Performance Data-Waste](#)".



Waste Management Target
Zero waste to landfill deriving from ICT services.

Waste Management 2019

8,495t OF WASTE WERE GENERATED FROM THE OTE GROUP ACTIVITIES

78% WERE RECYCLED, REUSED OR INCINERATED



HAZARDOUS

Waste that according to legislation require specific treatment (e.g. stationary engine batteries, lubricants, telephone poles impregnated with creosote oil).

TECHNICAL

Materials and equipment used for the provision of telecom services (e.g. cables, metals, etc.) and products that make use of the telecom services provided (e.g. phones and related accessories, portable batteries, etc.).

RESIDUAL

Typical municipal solid waste from buildings, packaging materials and waste related to office operation (e.g. ink cartridges).

OTHER

Waste streams not included in the above-mentioned categories (e.g. end of life vehicles).

DISPOSAL

Concerns Municipal Solid Waste from offices as well as waste from Warehouses that cannot be managed otherwise.

Recycling at OTE Group Retail Network

Commitment: OTE Group integrates the principles of circular economy in its operations across its value chain and seeks to eliminate the landfill of the waste generated from the provision of its ICT products and services. This would result in the minimization of the impacts on the environment, health and ecosystems from uncontrolled solid waste disposal.



Raising public awareness on environmental protection is one of the objectives of the OTE Group's environmental strategy. Since 2013, the company has been encouraging recycling at its retail network, where customers can bring phone devices with their accessories, tablets, household batteries and ink cartridges for recycling. Collected equipment is then processed for recycling through the authorized entities with which the Group cooperates.

In 2019, more than **400 collection points** were in operation in the retail network in Greece as well as in 23 buildings. **€100,000** was invested in more than 1,200 recycling bins (including maintenance and replacement when necessary), which were subsequently placed in all collection points. **450 employees** were involved in the operation of the recycling scheme. To support its operation a detailed management plan has been established for personnel training, raising public awareness, monitoring and record keeping as well as for the oversight of all necessary steps from collection to recycling.



~20t
OF PHONE DEVICES



>29t
OF HOME APPLIANCE BATTERIES



~3,500
INK CARTRIDGES UNITS

..... collected and recycled in 2019

- The operation of the scheme has had a positive impact on *energy and natural resources conservation*, as mobile phones contain metals and plastics that when recycled save energy and resources that would otherwise be required to be mined and/or manufactured. The above mentioned recycled quantities of mobile phones contain, indicatively, 70 kg silver, 6.8 kg gold, 2,600 kg copper and 2.8 kg palladium, making them an “urban mine” for metal recovery.
- OTE Group strives to refrain from landfilling, as the landfill of these devices can *contaminate soil and drinking water* due to the metals and chemicals these appliances contain. The recycling of home appliances batteries prevented the pollution of about 900 million m³ of water resources, while an energy conservation of 26,000 lt diesel is attributed to the recycling of ink cartridges.

Key Targets

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

2.6.4 Electromagnetic Fields

OTE Group has adopted and implements an **EMF policy** in which it is committed to:

- Apply the precautionary principle for the whole range of the products and services provided
- Contribute to public protection through actions aiming to increase transparency, awareness, participation and scientific knowledge

Activities in Greece

COSMOTE supports the “**Pedion24**” program of continuous electromagnetic fields measurements, the results of which are readily accessible to the public at the program’s website, and operates the COSMOTE Environmental Electromagnetic Fields Measurement Laboratory (accredited according to EN ISO / IEC 17025). Since 2018, the scope of the laboratory accreditation expanded to cover measurements regarding 5G services.

In 2019, in addition to the measurements made in the context of the “Pedion24” program and by the COSMOTE laboratory (22 measurements), 20 more measurements were conducted by independent institutions (Universities, Greek Atomic Energy Commission) at COSMOTE’s request. Public exposure safety limits were not found to be exceeded in points of free public access, while the measurements made by the Greek Atomic Energy Commission (to a sample of at least 20% of the base stations operating in urban areas each year) led to the same result.

To improve outreach, an e-mail address for questions regarding electromagnetic fields information is available (emfinfo@cosmote.gr).

Activities in Romania

In 2019, there were 27 EMF measurements performed by ANCOM (National Authority for Management and Regulation in Communications) on Telekom Romania sites at the request of external stakeholders. Public exposure safety limits, as set by the Order of the Minister of Public Health no. 1193/2006, were not found to be exceeded in points of free public access.

Through fixed monitoring sensors installed in urban centers, ANCOM makes measurement results available to the public in real time. In addition, ANCOM performs measurements with mobile equipment which are also publicly available.

More about EMF Continuous monitoring in Romania can be found [here](#).

Information Activities in 2019



The leaflets “**Pedion 24 – Continuous Measurements of Electromagnetic Radiation Program**” and “**How mobile telephony works**” are available through the Group retail network and are utilized in the context of the information dissemination activities carried out.

110 + 320

STUDENTS EMPLOYEES

WERE INFORMED

Applying the Precautionary Principle

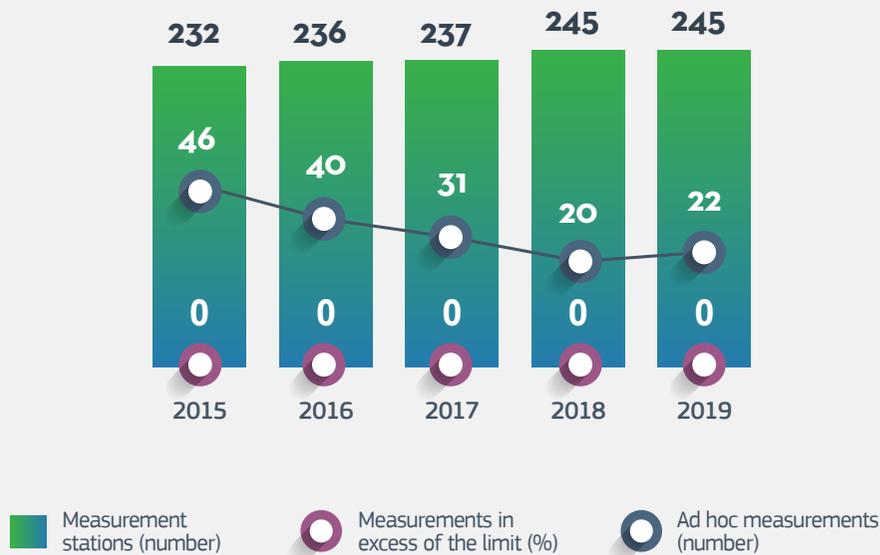
The levels of electromagnetic fields, in all Base Stations, comply with the suggested limits of the **World Health Organisation** and the **International Commission on Non-Ionizing Radiation Protection (ICNIRP)**, as well as with the latest national limits which are only 60–70% of the ICNIRP limits, in all points with free public access.

For every wireless telecommunication station and mobile Base Station, a radio emission study and an electromagnetic background study (in some cases) is conducted, for an area of up to a radius of 50 meters and 300 meters respectively to ensure that all stations operate within legal limits. The amount spent on programs and studies concerning EMF in 2019 was €456,000.

All products placed in the retail network bear all necessary labels foreseen by national and EU legislation while all mobile phones sold operate within appropriate electromagnetic field safety limits (see section **Communication with Customers**).

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

EMF measurements in Greece



- In 2019, the “Pedion24” program was **upgraded to include** in its scope measurements on **5G frequencies**
- **68m. EMF measurements** since the beginning of the “Pedion24” program
- **22 measurements** conducted by the COSMOTE EMF measurement laboratory in 2019
- Public exposure safety limits **were not found to be exceeded** in points of free public access

• Ad hoc measurements: Measurements by ISO 17025 certified laboratories, in which the partial contributions of base stations, broadcasting transmitters or other sources to the EMF background are shown
 • Data for 2017 (number of measurement stations and number of measurements) have been revised downwards due to counter problems in “Pedion24” website

2.6.5 Other Environmental Aspects

Ozone

OTE Group companies implement all appropriate procedures for the management for ozone-depleting substances used as refrigerants and in line with regulations and national legislation in force. These procedures include replacement of legacy equipment or replacement of the refrigerant in legacy equipment. Fire suppression systems already use suppressants with zero ozone depleting potential (ODP).

The quantity of hydrofluorocarbons (HFC) replenished for 2019 is equivalent to GHG emissions of about 12.7 kt CO₂ eq (decreased by about 20% compared to 2018). These emissions account for about 32% of scope 1 GHG emissions. With a view to repair any potential leakages, monitoring and maintenance programs are in place.

Quantities of Refrigerants Replenished (kg)

	2017	2018	2019
R407C	4,367.94	4,629.63	4,315.85
R410A	1,340.95	1,095.90	1,063.00
R134a	60.00	408.00	400.00
R417A	2,436.75	2,080.20	1,310.00
R422	121.00	91.35	71.00
R427a	605.00	649.00	80.00

1. To maintain consistency with GHG emissions estimates from energy use, Global Warming Potential (GWP) values applied are those included in the 5th Assessment Report of IPCC
2. During the period 2015 - 2019 about 2,300 kg of R22 (from replacement of refrigerant or change of equipment) have been replaced

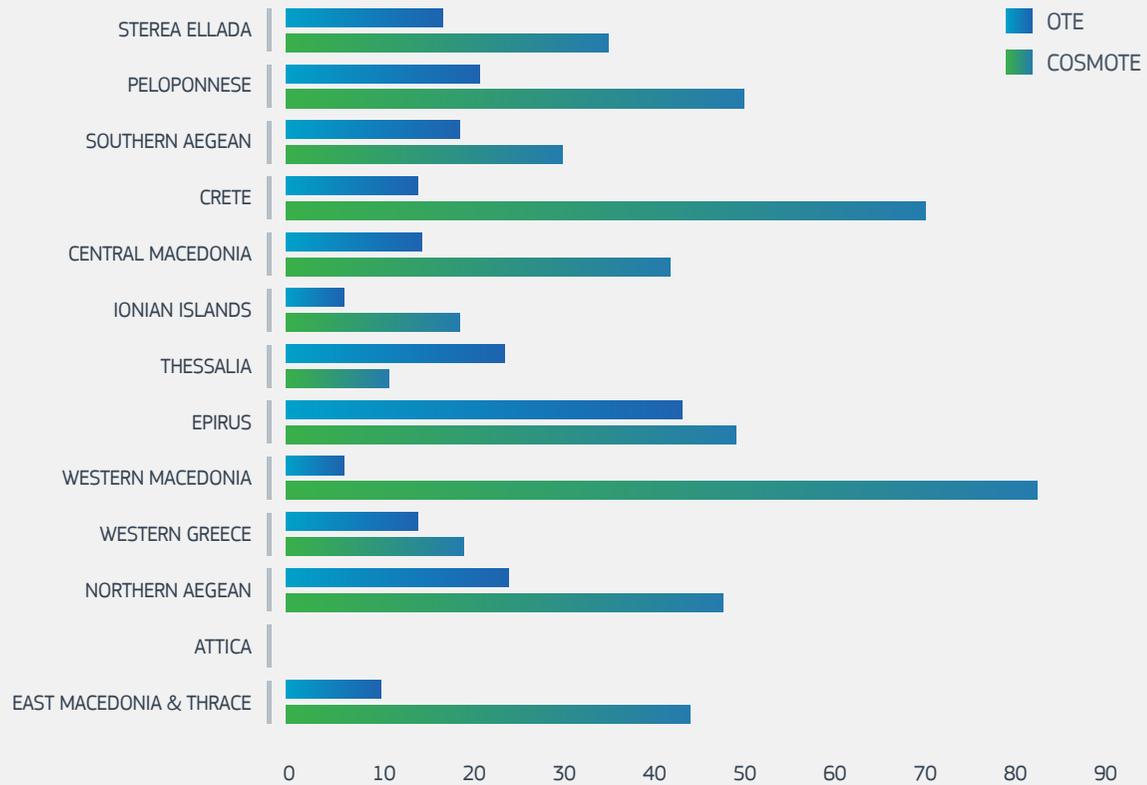
Biodiversity

OTE Group is aware of the high value of biodiversity in the countries it operates and recognizes the close relationship between biodiversity, sustainable development and human well-being. At the same time, the provision of high-quality services everywhere and at any time necessitates the operation of a geographically extensive network of telecommunication installations (base stations and wireless communication stations) including, inevitably, in NATURA 2000 sites, RAMSAR and other protected areas.

Aiming to protect natural environment and preserve biodiversity, initiatives and solutions targeting biodiversity are supported. COSMOTE participates in the implementation of the **LIFE SAFE-CROSSING project**. The objective of the project is the protection of wildlife species (brown bear in Greece) that are severely threatened by road infrastructures, both by direct mortality as well as by the barrier effect. In Greece, there were, in 2019, 499 COSMOTE base stations and 213 OTE base stations installed in 191 and 117 Natura sites respectively, covering areas of 26.2 and 19.5 hectares, respectively. In Romania there were 32 installations (31 base stations and 1 building) in Natura sites, covering an area of 1.7 hectares (2019). More information on the protected areas (e.g. location, maps, area, protected species,

etc.) is available on the relevant website of the **European Commission** (NATURA 2000 sites) and the **RAMSAR convention**. All installations operating in NATURA sites are fully licensed by regulatory authorities in Greece (**Hellenic Telecommunications and Posts Committee**) and Romania (**National Authority for Management and Regulation in Communications**). All buildings / installations / telecom lines that are currently in use and / or installed by OTE Group are also registered and relevant information is available.

Number of OTE and COSMOTE installations in Natura Sites per Administrative Region in Greece



- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

3 Governance



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX



30%

WOMEN OF MEDIUM AND UPPER LEVEL MANAGERS



47

AVERAGE AGE OF MEDIUM AND UPPER LEVEL MANAGERS



68%

OF MEDIUM AND UPPER LEVEL MANAGERS ARE UNIVERSITY GRADUATES OR ABOVE

3.1 Corporate Governance Structure and Members

OTE Group of Companies complies with the provisions of the legislation in force on Corporate Governance and adopts relevant applicable international practices and standards.

OTE S.A. (hereinafter "OTE" or the "Company") is a large capitalization company, listed on the Athens and London Stock Exchanges, and as such complies with current legislation on corporate governance, incorporating regulations and compliance practices into its operations. At the same time, aiming at transparency, efficient administration and optimum operating performance, OTE complies with the **Hellenic Corporate Governance Code** (HCG Code) for Listed Companies and according to applicable legislation publishes its Corporate Governance Statement, as a special section of the Annual Report of the Board of Directors to the General Meeting of Shareholders and justifies any deviations in its operation from the principles of HCG Code (principle of "comply or explain"). Beyond legal requirements, OTE has also adopted a Compliance Management System (CMS).

Relevant obligations and practices are, in their majority, incorporated in the **Articles of Incorporation**, the Internal Regulation of Operations, the **OTE Group Code of Conduct** and other internal Regulations and Policies or best practices adopted by the competent corporate bodies and apply to OTE's operations.

Moreover, OTE has established the necessary mechanisms to periodically update the aforementioned Regulations and Policies in order to ensure OTE's compliance with existing legislation and international best practices.

The fundamental principles of OTE's Corporate Governance system relate mainly to:

- Two-way communication between stakeholders and the Company's Management
- Transparency and control of Management
- Assurance of operational effectiveness.

More information is given in OTE "**Corporate Governance**" website and in the Annual Report of the Board of Directors for 2019 (which is included in the **Annual Financial Report for 2019**).

Committees

The activity of the Board of Directors of OTE is supported by:

- The Audit Committee
- The Compensation and Human Resources Committee and
- The Board of Directors Nomination Committee

The Audit Committee is required to be formed by three (3) non-executive members from the Board of Directors. The majority of the members (including the Chairman) should be independent.

The Compensation and Human Resources Committee is required to consist of at least three (3) non-executive Board members, two (2) of which independent. On 31 December 2019, the Committee consisted of three (3) non-executive members of the Board of Directors, the Committee's Chairman was also independent.

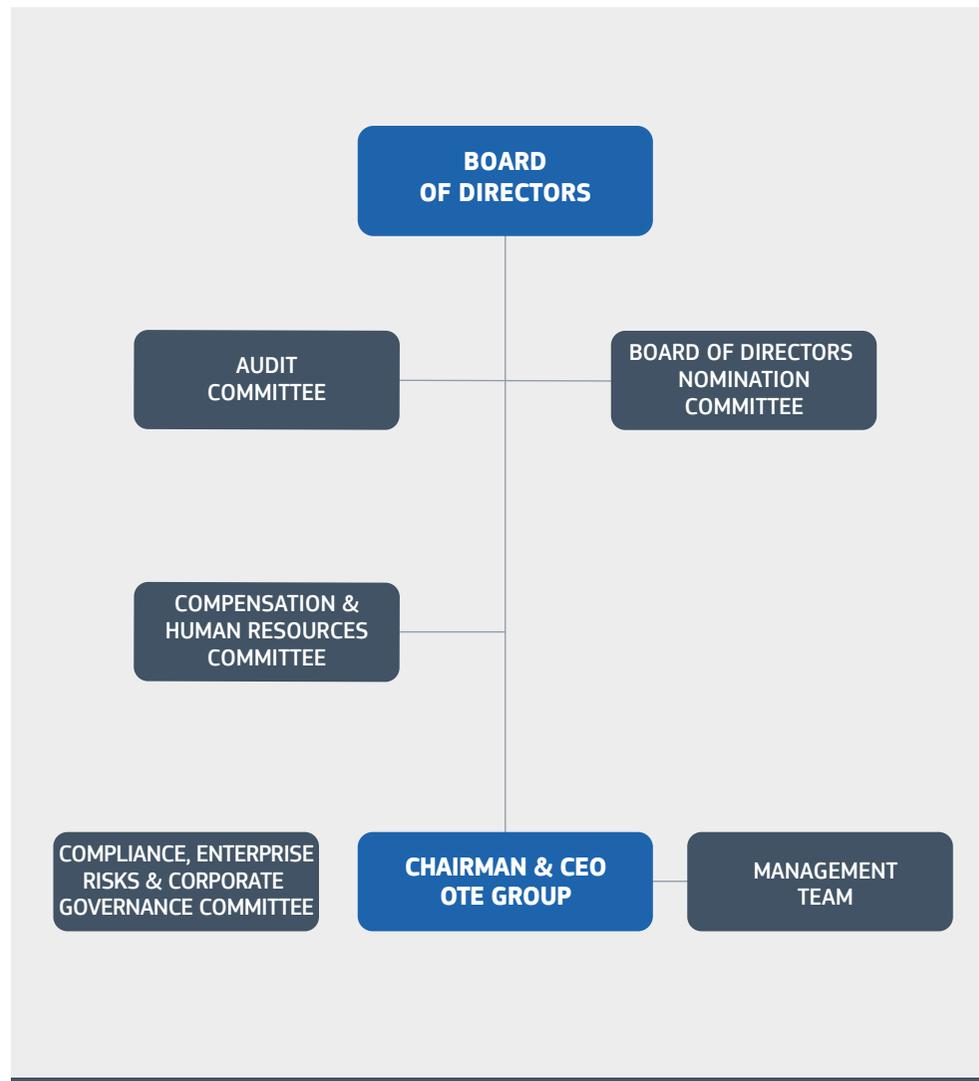
On 31 December 2019, the Committee consisted of three (3) non-executive members of the Board of Directors, out of which two (2) members were independent members of the BoD, in accordance with Law 3016/2002, (including the Committee's Chairman).

The Board of Directors Nomination Committee was established on 12.06.2019 for the purpose of an effective and transparent procedure for the nomination of candidates as Independent non-executive members of the Board of Directors.

On 31 December 2019, the Committee consisted of three (3) non-executive members of the Board of Directors; the Committee's Chairman was also independent.

In addition to the foregoing, the activity of OTE's Board of Directors is supported by the

OTE Group Compliance, Enterprise Risks and Corporate Governance Committee, whose primary mission is to support, review and monitor the implementation of the Compliance and Risk Management Systems (CMS and RMS) and the issues of Corporate Governance at OTE Group level.



- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX

Meet the Board of Directors (31 December 2019)



Michael Tsamaz
Chairman and CEO

Executive member

TENURE: 2010 -2021 NATIONALITY: Greek



Eelco Blok
Vice Chairman

**Independent
Non-executive member**

TENURE: 2019 -2021 NATIONALITY: Dutch

BOARD COMMITTEES:
• Audit Committee
• Compensation and Human Resources Committee
• Board of Directors Nomination Committee



Srinivasan (Srin) Gopalan
Member

Non-executive member

TENURE: 2017-2021 NATIONALITY: British

BOARD COMMITTEES:
• Compensation and Human Resources Committee
• Board of Directors Nomination Committee



Robert Hauber
Member

Non-executive member

TENURE: 2017-2021 NATIONALITY: German



Kyra Orth
Member

Non-executive member

TENURE: 2018-2021 NATIONALITY: German

BOARD COMMITTEES:
• Compensation and Human Resources Committee
• Board of Directors Nomination Committee



Michael Wilkens
Member

Non-executive member

TENURE: 2018-2021 NATIONALITY: German



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX



Charalampos Mazarakis
Member

Executive member

TENURE: 2012-2021
NATIONALITY: Greek



Vasilios Vassalos
Member

Non-executive member

TENURE: 2019 -2021
NATIONALITY: Greek

BOARD COMMITTEES:
• Audit Committee

Andreas Psathas
Member

Independent Non-executive member

TENURE: 2016-2021
NATIONALITY: Greek

BOARD COMMITTEES:
• Audit Committee

Dimitrios Georgoutsos
Member

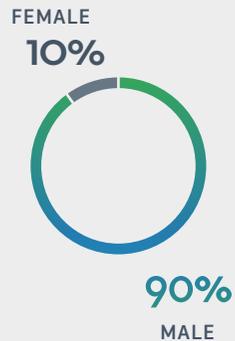
Non-executive member

TENURE: 2019-2021
NATIONALITY: Greek

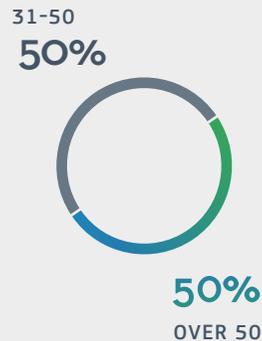
The full CV's of the current members of the Board of Directors can be found in its [2019 Annual Financial Report](#) and on the Company's [WEBSITE](#)

Board of Directors in Numbers

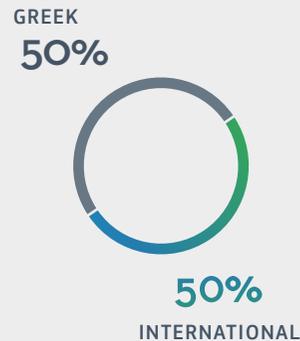
Gender



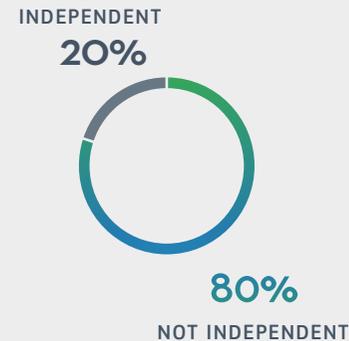
Age



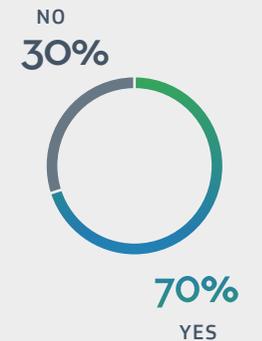
Nationality



Member Dependence



Experience in Telecom Industry



Meet the Management Team (31 December 2019)



Michael Tsamaz
Chairman and CEO
OTE Group



George Athanasopoulos
Chief Information Technology Officer
OTE Group



Panayiotis Gabrielides
Chief Marketing Officer
Consumer Segment
OTE Group



Stefanos Theocharopoulos
Chief Technology
& Operations Officer
OTE Group



Ioannis Konstantinidis
Chief Strategy, Transformation
& Wholesale Officer
OTE Group



Charalampos Mazarakis
Chief Financial Officer
OTE Group



Irini Nikolaidi
General Counsel - Chief Legal
& Regulatory Affairs Officer
OTE Group



Elena Papadopoulou
Chief Human Resources Officer
OTE Group



Athanasios Stratos
Chief Customer
Operations Officer
OTE Group



Grigoris Christopoulos
Chief Commercial Officer
Business Segment
OTE Group



Dimitris Michalakis
Executive Director
B.U. COSMOTE TV



Deppie Tzimea
Executive Director
Corporate Communications
OTE Group

- TABLE OF CONTENTS
- ABOUT THIS REPORT
- OTE GROUP
- FINANCIALS
- RESPONSIBLE BUSINESS
- EMPLOYEES
- CUSTOMERS
- SOCIETY
- CLIMATE & ENVIRONMENT
- GOVERNANCE
- APPENDIX



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX



Konstantinos Vasilopoulos

Executive Director
Internal Audit
OTE Group



Aristodimos Dimitriadis

Executive Director Compliance,
ERM and Insurance
OTE Group

 The full CV's of the current members of the Management Team can be found on the Company's **WEBSITE**

Management Team in Numbers

Gender

FEMALE

21%



79%

MALE

Age

31-50

43%



57%

OVER 50



TABLE OF CONTENTS



ABOUT THIS REPORT



OTE GROUP



FINANCIALS



RESPONSIBLE BUSINESS



EMPLOYEES



CUSTOMERS



SOCIETY



CLIMATE & ENVIRONMENT



GOVERNANCE



APPENDIX

3.2 Board of Directors

The Board of Directors (BoD) of OTE constitutes the top administrative body of the Company, without prejudice to the General Assembly's exclusive powers under applicable legislation. Its duty is to safeguard the general interests of the Company and ensure its operational efficiency.

The General Assembly of OTE's Shareholders is the highest corporate body in terms of hierarchy and elects the Board members, including the Independent - Non Executive members, in accordance with the requirements of legislation.

The General Assemblies of other OTE Group Companies, also elect their Board of Directors members. However, the necessity to designate the BoD members' competencies as executive, non-executive and independent non-executive, is applicable only to OTE, due to the fact that it is a Company with shares listed on a regulated market.

With respect to OTE Corporate Responsibility, the Chairman and CEO requests confirmation from the Board of Directors and their opinions on Corporate Responsibility issues during the annual revision of the strategic objectives.

The **OTE Board of Directors**, on 31 December 2019, was comprised of ten (10) members, 2 executive and 8 non-executive, of whom 2 were independent. Furthermore, out of the ten OTE Board of Directors members, nine were male and one female.

The current evaluation and remuneration policy for the executive members of the Board, as well as the decisions of the General

Assembly regarding the remuneration of non-executive members, and its Committees, are stated in the Corporate Governance Statement for year 2019.

Main Responsibilities

The Board of Directors, according to the **Company's Articles of Incorporation** and as part of its responsibilities:

- Convenes ordinary or extraordinary General Assemblies of shareholders and proposes on their agenda
- Prepares and approves the Company's annual financial reports and submits them to the General Assembly of shareholders
- Approves the Company's strategy and decides upon the establishment of subsidiaries or upon the Company's participation in the share capital of other companies (domestic or foreign) as well as the establishment of branches or offices (domestic or foreign)
- Is informed systematically on the course of the Company's business and the implementation of its plan with a view to protecting the Company's broader interests
- Decides upon share capital increases through the issuance of new shares and convertible bonds, following the authorization granted by the General Assembly of shareholders
- Decides upon the issue of convertible or exchangeable bonds

Managing Director

The Company's Managing Director, is appointed by the Board of Directors, following his election by the General Assembly as a member of the Board. He is the chief executive officer of the Company, heads all the departments of the Company, directs their work, adopts the necessary decisions within the context of the provisions governing the operation of the Company, of the programs, the budgets and

strategic plans approved by the Board. The Board of Directors at its discretion may delegate to the Managing Director, the authority and power, at his discretion to decide and represent the Company, either in person or by proxy on any matter pertaining to administration of the Company affairs other than: (i) the matters reserved to the General Assembly of the Shareholders or the Board of Directors as provided by the L. 4548/2018, any other applicable legislation and the Company's Articles of Incorporation and (ii) the Special Matters pursuant article 8 paragraph 4 of the Company's Articles of Incorporation.

The Managing Director represents the Company in courts, extrajudicial proceedings and before every Authority for every act, be it under his own authority or the authority of the Board of Directors, acting in person or by granting proxy rights to third persons to represent the Company.

Board's Main Actions for 2019

- Approval of OTE's Budget for year 2020 and of the main Company Strategic points for year 2020
- Approval of the OTE Procurement Plan for year 2020 and Information every quarter on its realization
- Approval of implementation of Own Share Buyback Program for 2019
- Review every quarter of the Internal Audit, Compliance and ERM Reports

Board of Directors | Members and meeting attendance

NAME	CAPACITY	ACTIVE ON 31/12/19	No OF MEETINGS DURING THE TERM	No OF ATTENDANCES	No OF REPRESENTATIONS
Michael Tsamaz	Chairman and CEO, Executive member	•	24	24	-
Eelco Blok	Vice-Chairman, Independent Non-Executive member	•	13	11	2
Panagiotis Tabourlos	Vice-Chairman, Independent Non-Executive member	•	11	11	-
Srinivasan Gopalan	Non-Executive member	•	24	22	2
Robert Hauber	Non-Executive member	•	24	21	3
Kyra Orth	Non-Executive member	•	24	21	3
Michael Wilkens	Non-Executive member	•	24	18	6
Vasiliki Kouforizou	Non-Executive member	•	17	16	1
Charalampos Mazarakis	Executive member	•	24	23	1
Panagiotis Skevofylax	Non-Executive member	•	17	16	1
Andreas Psathas	Independent Non-Executive member	•	24	24	-
Vasilios Vassalos	Non-Executive member	•	6	6	-
Dimitrios Georgoutsos	Non-Executive member	•	6	6	-

-  TABLE OF CONTENTS
-  ABOUT THIS REPORT
-  OTE GROUP
-  FINANCIALS
-  RESPONSIBLE BUSINESS
-  EMPLOYEES
-  CUSTOMERS
-  SOCIETY
-  CLIMATE & ENVIRONMENT
-  GOVERNANCE
-  APPENDIX

3.3 Audit Committee

Overview

In brief, the objective of the Audit Committee is to support the Company's Board of Directors in the exercise of the latter's supervisory authorities and the fulfillment of the latter's obligations towards shareholders, the investment community and third parties, especially with regard to the financial reporting process.

Main Responsibilities

The main purpose of the Audit Committee is to support the Board of Directors in the latter's exercise of its supervisory powers and execution of its duties vis-a-vis the Company's shareholders, investors and third parties, during the financial reporting process in particular, and more specifically in relation to:

- The integrity of the financial reports of the Company

- The adequacy of the procedures and the internal control system
- The adherence to and the adequacy of the accounting and financial reporting process
- The function of the internal audit procedures
- The appraisal of the statutory auditors of the Company, with particular regard to their independence, integrity, proficiency and performance
- The adherence by the Company to the applicable legal and the regulatory framework

Information regarding the responsibilities of the Audit Committee is available in the **Audit Committee Regulations**.

The members of the Audit Committee evaluate the effectiveness of the Committee at least every two years. Moreover, the effectiveness of the Committee must be evaluated at least every two years from an independent body, to which this project is assigned following a decision by the Board of Directors.

Actions

In 2019, the Audit Committee dealt with issues within the framework of its responsibilities, summarized as follows:

- Monitoring and appraisal of the adequacy, effectiveness and efficiency of the policies, procedures and safety nets in relation to both the Internal Audit System and the assessment of the risk management in relation to financial reporting
- Approval and monitoring of the Company's Internal Audit business unit activities
- Approval and monitoring of the activities of the Compliance, Enterprise Risk Management & Insurance business unit
- Monitoring and evaluation of the process of compiling financial information, as well as of the statutory auditors' services
- Assessment of the accuracy and consistency of the Financial Statements
- Assurance of the statutory auditors'

- independence, in relation to the services provided by the latter to the companies of the OTE Group and approval of the budget for the statutory auditors' fees for the fiscal year 2019
- The submission of a justified recommendation to the Board of Directors regarding the preferred and alternative choice for the appointment of an audit firm for the statutory audit of the year 2021, following a tender process, in accordance with the Regulation (EU) No. 537/2014 and article 44 of Law 4449/2017
- Approval and oversight of activity of the Data Protection Officer of OTE Group
- Provision of information to the Board of Directors and submission of proposals on issues falling within the context of the Committee's responsibilities
- Confirmation of the assessed transactions with related parties as "ordinary", in accordance with the Policy on Concluding Transactions with Related Parties

Audit Committee | Members and meeting attendance

NAME	CAPACITY	ACTIVE ON 31/12/19	No OF MEETINGS DURING THE TERM	No OF ATTENDANCES
Eelco Blok*	Chairman, Independent Non-Executive member	•	6	6
Panagiotis Tabourlos	Chairman, Independent Non-Executive member	•	9	9
Vasilios Vassalos	Member, Non-Executive member	•	2	2
Andreas Psathas	Member, Independent Non-Executive Member	•	15	15
Panagiotis Skevofylax	Member, Non-Executive Member	•	13	13

3.4 Compensation and Human Resources Committee

Overview

The Compensation and Human Resources Committee is a Board Committee; whose objective is to support the Board of Directors with the company's remuneration topics and especially with respect to the remuneration of the Board's executive members.

Main Responsibilities

The Committee's responsibilities/duties are as follows:

- Submits to the Board of Directors proposed performance targets regarding the variable remuneration of BoD members or targets connected to stock option or share plans.
- Submits to the Board of Directors proposals regarding the remuneration of each executive

BoD member, including also the bonus and the remuneration based on incentives related to share plans

- Examines and submits proposals to the Board of Directors (and through the BoD to the General Meeting of the Shareholders, when necessary) regarding stock option or share plans
- Submits to the Board of Directors proposals regarding the overall remuneration policy of the Company and the total of the annual variable payments (i.e. additional to the salary) in the Company
- Submits to the Board of Directors the Remuneration Policy of Article 110 of Law 4548/2018
- Examines the annual Remuneration Report that the Board of Directors submits for discussion to the Ordinary General Meeting of the Shareholders according to article 112 of

Law 4548/2018

- Submits to the Board of Directors for approval its Regulation of Operations, which it re-evaluates every 2 years

The effectiveness of the Committee is evaluated at least every two years from an independent body, to which this project is assigned following a decision by the Board of Directors.

Actions

Concisely, in 2019, the Committee, within the framework of its responsibilities, dealt, among others, with the issues below:

- Defining the Company's compensation and remuneration policy
- Approval of the schemes and plans concerning compensation, benefits and bonuses

- Proposal to the Board of Directors regarding the compensation and benefits of the Managing Director
- Furthermore, in this context, in 2019 the Compensation and Human Resources Committee has examined and submitted to the Board of Directors proposals, among others, for compensation issues of the executive members of the Board and business policies on remuneration

Compensation and Human Resources Committee | Members and meeting attendance

NAME	CAPACITY	ACTIVE ON 31/12/19	No OF MEETINGS DURING THE TERM	No OF ATTENDANCES	No OF REPRESENTATIONS
Eelco Blok	Chairman, Independent Non-Executive member	●	1	1	-
Panagiotis Tabourlos	Chairman, Independent Non-Executive member		4	4	-
Srinivasan Gopalan	Member, Non-Executive member	●	5	5	1
Kyra Orth	Member, Non-Executive member	●	5	5	1

3.5 Board of Directors Nomination Committee

Overview

The Board of Directors Nomination Committee (BoD Nomination Committee) was established on 12.06.2019 by virtue of a decision of the Board of Directors for the purpose of an effective and transparent procedure for the nomination of candidates as Independent non-executive members of the Board of Directors.

Main Responsibilities

The main responsibilities of the BoD Nomination Committee, regarding the nomination of Independent non-executive members, include, among others, the following:

- The determination of the selection criteria for the members of the Board of Directors, taking into account the need for diversity, including gender balance

- The periodic assessment of the size and composition of the Board of Directors
- The evaluation of the existing balance of qualifications, knowledge, skills, and experience and, in light of this evaluation, the clear description of the role and capabilities required for filling in the vacancies
- The process handling for nominee identification
- The submission of proposals to the Board of Directors for the nomination of candidates on the basis of the corporate procedures

The effectiveness of the Committee must be evaluated at least every two years from an independent body, to which this project is assigned following a decision by the Board of Directors.

Actions

The BoD Nomination Committee, with regards to the selection of Independent non-executive members, following its establishment on June 12, 2019, has not held a meeting within 2019.

Board of Directors Nomination Committee | Members and meeting attendance

NAME	CAPACITY	ACTIVE ON 31/12/19	No OF MEETINGS DURING THE TERM	No OF ATTENDANCES	No OF REPRESENTATIONS
Eelco Blok	Chairman, Independent Non-Executive member	●	-	-	-
Srinivasan Gopalan	Member, Non-Executive member	●	-	-	-
Kyra Orth	Member, Non-Executive member	●	-	-	-

3.6 Compliance, Enterprise Risks and Corporate Governance Committee

Overview

OTE Group Compliance, Enterprise Risks and Corporate Governance Committee's primary mission is to support, review and monitor the implementation of the Compliance and Risk Management Systems (CMS and RMS) and the issues of Corporate Governance at OTE Group level.

Main Responsibilities

The Committee supports the Executive Director Compliance, Enterprise Risk Management & Insurance OTE Group on Compliance, Enterprise Risk Management, Corporate Governance and Human Rights issues.

The Committee, inter alia:

- Designates the strategic issues regarding Corporate Governance, Compliance, Enterprise Risks and Human Rights, keeping abreast of international best practices
- Monitors and reviews the implementation of programs for the effective operation of the Compliance Management (CMS), Enterprise Risk Management (RMS) and Corporate Governance Systems, as well as for the development of the Action Plan on Human Rights issues
- Supports business units in their risk analysis, ensuring efficient communication between employees and Management about the implementation of the RMS and CMS Programs

In addition, the Committee proposes the appropriate measures/procedures and policies to the competent corporate bodies to be approved on the issues of its competences and supports the design of the implementation of these measures.

The Committee reviews the reports and the results of Compliance and Enterprise Risks procedures, assesses the completeness, accuracy and precision of the reports that are being submitted to the competent corporate bodies and submits, in its discretion, briefings/reports to the competent corporate bodies regarding Compliance, Enterprise Risks, Corporate Governance & Human Rights issues.

Actions

In 2019, the Committee, within the framework of its responsibilities, dealt, among others, with the following:

- Reviewed the Quarterly OTE Group Compliance and Risk Reports and positively assessed the completeness, accuracy and precision of both the OTE Group Compliance Report and the OTE Group Risk Report's "OTE Group Top Risks Heat Map", in order for the Reports to be submitted, afterwards, to the Audit Committee and the Board of Directors
- Was informed by the Committee's Chairman of:
 - Cases which met the materiality criteria as

- well as of the relevant case management reports. The Committee's Chairman designated the case managers, where appropriate
- New legal and regulatory requirements and of (the need for) the adoption/amendment of relevant internal procedures
- The results of the Compliance-based Corporate Culture Survey (which was conducted at DT and OTE Group level) and reviewed the analysis of such results and the identified opportunities as well
- Approved of the amendment of Compliance Policies and the implementation of e-learning programs

Compliance, Enterprise Risks and Corporate Governance Committee members (31 December 2019)

NAME	ROLE	POSITION
Aristodimos Dimitriadis	Executive Director Compliance, Enterprise Risk Management and Insurance OTE Group	Chairman
Irini Nikolaidi	General Counsel - Chief Legal & Regulatory Affairs Officer OTE Group	Member
Charalampos Mazarakis	Chief Financial Officer OTE Group	Member
Elena Papadopoulou	Chief Human Resources Officer OTE Group	Member
Konstantinos Vasilopoulos	Executive Director Internal Audit OTE Group	Member
Konstantinos Megas	Executive Director Business Security and Continuity OTE Group	Member
Deppie Tzimea	Executive Director Corporate Communications OTE Group	Member
Foteini Papathanasiou	Data Privacy Officer (DPO) OTE Group	Member

3.7 Sustainability Governance

The governance structure, which incorporates sustainability issues into core business processes, is reflected in the [OTE Group Sustainability Policy](#). The OTE Board of Directors is responsible for the Group's corporate responsibility performance and represents its interests in matters of sustainability and corporate responsibility.

Supervision is entrusted to the Chairman and CEO of the OTE Group. The Group's subsidiaries are responsible for implementing the Group's standards, requirements and corporate responsibility objectives at a local level. They collaborate with the business unit of the Executive Director Corporate Communications OTE Group and in particular with the Corporate Responsibility Department. The collaboration is a part of the OTE Group CR Managers Network of DT Group.

The Corporate Responsibility Department coordinates the implementation of social and environmental actions of the companies, through the operation of the Corporate Responsibility and Environmental Management Sections. In order to keep them informed about trends and developments in corporate responsibility matters, members of the Corporate Responsibility Department participated, in 2019, 71 training sessions and seminars that pertained current and running corporate responsibility and sustainability issues (e.g. training on the special needs of people with disabilities, regarding the upcoming legislation of 2020).

OTE Board of Directors

Board of Directors

Approves Group-wide sustainability policies, position papers and significant strategic projects, as needed

Chairman and CEO

Oversees OTE Group sustainability strategy and performance

OTE Subsidiaries' Boards of Directors

- Following OTE Board of Directors approval, approve the adoption of Group-wide sustainability policies, positions, strategic-projects
- Are responsible for measures to implement sustainability policies / strategy

Executive Director Corporate Communications OTE Group

Executive Director

- Recommends Group-wide sustainability policies, assigns work and strategic actions etc.
- Cooperates with the Chairman and CEO on sustainability issues and informs the BoD seeking guidance or approval, if applicable
- Formulates Group-wide sustainability strategy, policies guidelines and sustainability programs
- Acts as the central interface between sustainability bodies and as the official representative of the OTE Group in all aspects of sustainability

OTE Group Corporate Responsibility Managers' Network*

- Disseminates Group-wide expertise on sustainability issues
- Facilitates communication between international subsidiaries / business areas

Corporate Responsibility Department Fixed and Mobile (CRD)

- Develop ssustainability strategy, policy and programs (in the form of strategic policies)
- Prepares the decisions to be made by the Executive Director Corporate Communications OTE Group or Board of Directors
- Coordinates and monitors implementation of sustainability policies, develops indicators and monitors progress towards target achievement
- Runs the OTE Group Corporate Responsibility Managers Network and supports the DT Group Corporate Responsibility Managers Network

* OTE Group Corporate Responsibility Managers' Network participates in DT Group Responsibility Managers Network

Sustainability Team

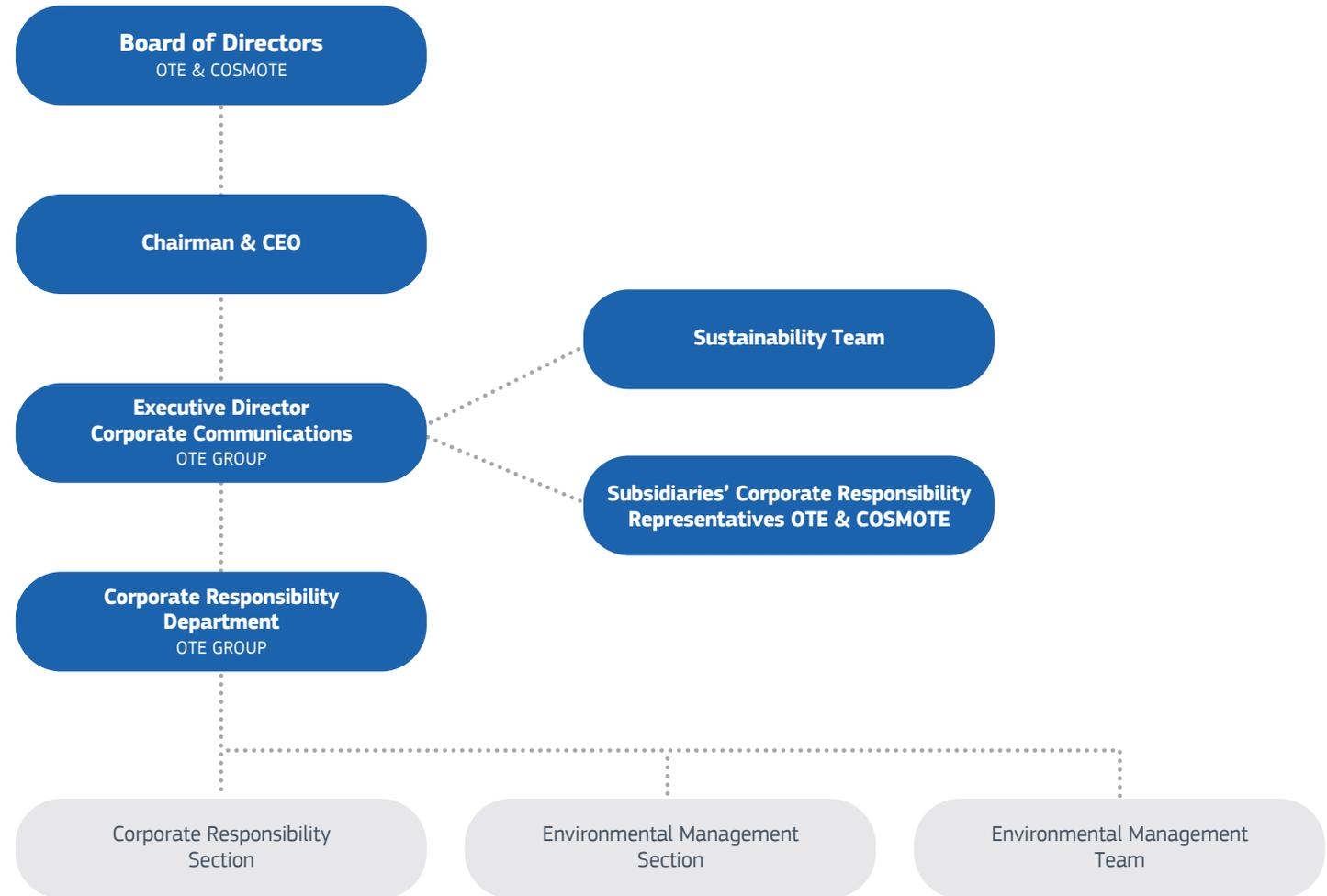
OTE Group's Sustainability Team, consisting of more than 50 representatives from all business units, is responsible for the management of sustainability and corporate responsibility issues. The Head of the team is the Executive Director Corporate Communications OTE Group.

Team Goals:

- Further disseminate the principles and sustainability actions to the different business units of the companies
- Raise awareness and motivate employees
- Collect information on corporate responsibility and sustainability performance
- Create a common corporate culture and achieve the corporate goals for sustainable development

Sustainability indices have been integrated in the self- assessment goals and the individual operational objectives of the members of the Business Unit of the Executive Director Corporate Communications OTE Group and the Sustainability Team. All members of the Sustainability Team have a "badge" assigned to their profile, which is displayed on the companies' intranet. The "badge" outlines their membership in the Sustainability Team, giving them recognition throughout the Group.

Organizational Structure





GROUP OF COMPANIES

Hellenic Telecommunications Organisation S.A.
99, Kifissias Ave., 15124 Maroussi, Athens, Greece
www.cosmote.gr