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A. Message from the Chairman and CEO



Our responsible operation is not restricted to simply applying laws and regulations of countries we operate in, or international guidelines and standards.

Furthermore, is the responsible behavior of our employees and executives within the company, but also as citizens.

Dear friends,

Within 2011, the signs of the crisis were ever present in all aspects of the Greek economy and all parts of society. We all experience the consequences of recession, the dramatic rise of unemployment and insecurity, while, in business, strong competition, taxation, legislative changes and regulation continue to challenge us.

We did not use this unfavorable environment, nor our own cost reduction efforts, as an excuse to cease helping those in need. In 2011, our investment in Corporate Responsibility programs, increased and exceeded 6 million Euros.

Our support for Non Governmental Organizations continued even more intensively. Putting our corporate motto "our world is you" into action, through a call-to-action campaign, we activated thousands of fellow citizens to submit ideas on how they can make the world better, sending out messages of optimism and the value of common effort.

More important is the fact that our responsible operation is not restricted to simply applying laws and regulations of countries we operate in, or international guidelines and standards, such as the GRI guidelines and the United Nation's Global Compact. It is the responsible behavior of our employees and executives within the company, but also as citizens that makes the difference.

Given the circumstances we cannot afford to be complacent. In the period to come, we will rely on our achievements, we will carry on working intensively to become even better, in order to always be in a position to reinvest in the community and continue supporting those in need.



Michael Tsamaz

BoD Chairman and Chief Executive Officer of OTE – COSMOTE Group

B. About this Report



COSMOTE's present Corporate Responsibility Report, is the 7th annual report our company issues. Its content reflects the overall perception our company has, about the essence of Corporate Responsibility (CR) and the programmes we implement, in order to support the world's sustainable development and our company's responsible operation.

Report Scope

This CR Report:

- refers to the period 1/1/2011-31/12/2011 (unless otherwise indicated in certain points),
- refers to all mobile telephony activities of COSMOTE Greece (COSMOTE MOBILE TELEPHONY S.A.) and partially to operations of our subsidiaries in Greece and abroad,
- contains, as a norm, quantitative results for all indicators presented, for at least the last three years,
- covers elements from all our company's operations (network, offices, sales, after sales),
- summarises in a table (see section VII-1) absolute figures of consumption, whereas in the main body of the Report, also efficiency figures are presented,
- all measurements are direct, while in case estimations are made this is explicitly stated,
- in those few cases restatement of past data is made, this is explicitly stated.

Report Principles

To facilitate the evaluation of its content, our Report follows the basic principles, guidelines and directives "Sustainability Reporting Guidelines" (publication G3.1, 2011) of the Global Reporting Initiative (GRI), while the following have also been used:

- for the principles of the Report, the UN's Global Compact,
- for the content of the Report, the AA1000-Assurance Standard of AccountAbility,
- for the presentation of Report data, the EFQM's RADAR Card.

Report Development

In our continuous effort to improve our Report, we particularly emphasized this year on:

- presenting more quantitative results within the Report (see section II-4C),
- using internationally recognized guidelines on Corporate Responsibility,
- responding to issues raised by our Stakeholders in 2011 (see section II-5),
- balanced presentation of all Corporate Responsibility areas,
- external assurance of our Report content (see section VII-4A).

Report Restrictions

Our company recognizes limitations in the Report it publishes (limitations, it intends to handle in future publications), such as:

- setting targets for all Report sections,
- alignment of quantitative indicators, throughout its subsidiaries.

GRI Application Level

The level of application for our company's CR Report according to the «Sustainability Reporting Guidelines» of the Global Reporting Initiative (GRI), is indicated in the following table. The "B+" application level has also been checked by the GRI itself.

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures OUTPUT	Report on 1.1 2.1-2.10 3.1-3.8,3.10-3.12 4.1-4.4,4.14-4.15		Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5-4.13,4.16-4.17	✓	Same as requirement for Level B	
	G3 Managements Approach Disclosures OUTPUT	Not Required	Report externally assured	Management Approach Disclosures for each Indicator Category	✓	Management Approach Disclosures for each Indicator Category	Report externally assured
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on minimum of 10 Performance indicators, including at least one from each of: Economic, Social and Environmental		Report on a minimum of 20 Performance Indicators, at least one from each of: Economic, Environmental, Human Rights, Labor, Society, Product Responsibility.	✓	Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either a) reporting on the Indicator of b) explaining the reason for its omission	

Feedback

The CR Report is one of the main tools to discuss and collaborate with our Stakeholders, but also a means to communicate with them. For this reason, we welcome potential comments, thoughts and remarks (for which you can also use the respective questionnaire in our website).



Kindly forward your comments to:
Mrs Anna Malti
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44, Kifisias Ave. Marousi 151 25, Athens, Greece
Fax: +30-210 6177239, E-mail: csr@cosmote.gr

Reading of the Report

For convenient reading of this Report, please pay attention to the following terms and symbols, which are widely used:

Terms

- the terms "company", "we", "COSMOTE" and "COSMOTE Group", refer to COSMOTE and its subsidiaries' activities in Greece and abroad (which this Report addresses),
- the term "COSMOTE Greece", refers to COSMOTE's mobile telephony activities in Greece,
- the term "OTE Group" refers to OTE Group, to which COSMOTE constitutes a subsidiary,
- the terms "Report" and "CR Report" refer to the present 2011 Corporate Responsibility Report,
- terms indicated as "II-3, V-2" etc. refer to the area and section of this Report (e.g. used in the GRI, Global Compact and Stakeholder Tables). For example, the term "VI-5A" makes reference to area VI (Environment), section 5 (Water) and paragraph A.

Symbols



For further information, please visit COSMOTE's website www.cosmote.gr



Case Studies of our company are indicated



Practices from our Subsidiaries are indicated

I. Introduction



1. Mobile Telephony

Without doubt, mobile telephony is one of the most dynamic sectors of telecommunications and broader technology. Today, mobile phones are an important everyday tool and the main communication means for human beings all over the world, almost substituting traditional means of communication. In the era of smartphones and tablets, the mobile phone is a window into an online world, a way to be "networked" wherever and whenever desired. In fact, according to a forecast by Cisco Systems Inc., the number of mobile phones with access to the Internet will exceed the human population in 2012, while by 2016 is expected to reach 10 billion, when the world's population is estimated to be about 7.5 billion.

(Source: http://www.cisco.com/en/US/solutions/collateral/ns341/ns525/ns537/ns705/ns827/white_paper_c11-520862.html)

In Greece, as well as in the other 3 countries where COSMOTE operates (Albania, Bulgaria, Romania), mobile telephony has rapidly developed, unavoidably leading the market to become saturated. In these 4 countries, where some of the largest European telecommunication providers are active, mobile penetration has already largely surpassed the 100% milestone.

Beyond offering the right of communication, mobile telephony can significantly support competitiveness of economies, productivity of companies, fighting of Climate Change and improving citizens' quality of life. More specifically, according to a study assessing incorporation of 14 Mobile Communication applications in various business sectors, positive impacts till 2020 can be the reduction of operational costs by €23.7 billion for corporations, as well as the reduction of greenhouse gas emissions by 4.9 millions tns CO₂eq. On quality of life, the average time saved for a person can reach 234 hours per year, simply by adopting a number of mobile applications.

(Source: Study "Mobile Communications: a catalyst in the new developmental model of Greek economy", IOVE, October 2010)

Furthermore, mobile telephony reduces significantly the Digital Divide, while also facilitates business operations and contributes to economic growth, through significant investments, know-how transfer and creation of new job positions.

(Source: Smart 2020)

In parallel, contribution of the mobile telephony sector to the Greek economy in 2010 was significant, as it contributed:

- by 1.6% to the national GDP,
- to the increase of public income by € 1.86 billion,
- to the creation of 63 thousand direct and indirect new job positions,
- to the enhancement of the Greek economy by 6.4%, due to the creation of incomes for services and the improvement of users' productivity.

(Source: "Mobile telephony in the new environment", ICAP & OPA, on behalf of the Association of Mobile Telephony Companies, August 2011)

On the other hand, the rapid increase of mobile penetration also resulted negative impacts, for example on resource consumption and mainly on waste creation, from disposed devices and their packaging, while the use of internet bears safety issues for children. Handling these issues constitutes an important challenge for all mobile telephony companies around the world, among which also for COSMOTE.

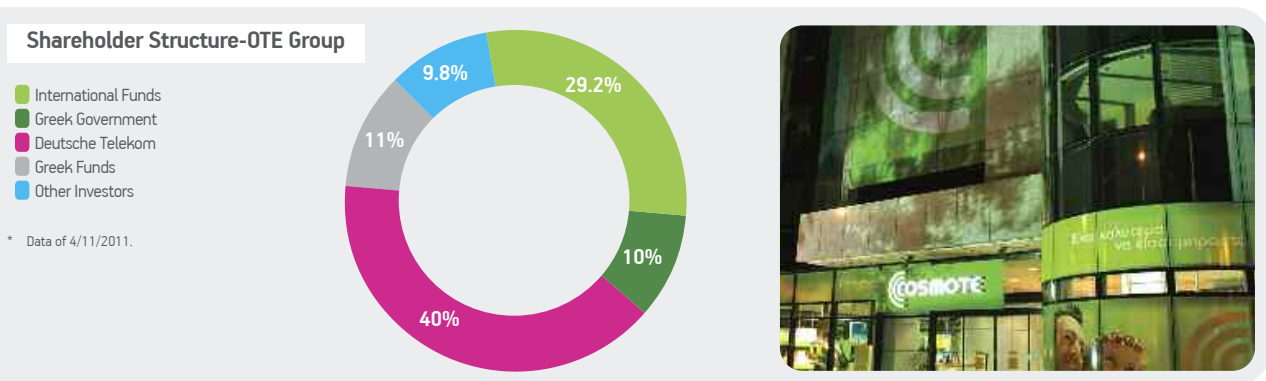
2. Company Profile

A. Shareholder structure

COSMOTE is a member of OTE Group and started its commercial operation in April 1998, with headquarters in Athens. Today, the company has a dynamic presence in the SE Europe region, as besides Greece it also operates in Albania, Bulgaria and Romania through its subsidiaries AMC, GLOBUL and COSMOTE Romania respectively, with the customer base being approximately 20.5 million people. A significant leverage factor for new customers is GERMANOS, the most successful ICT retail chain in SE Europe.

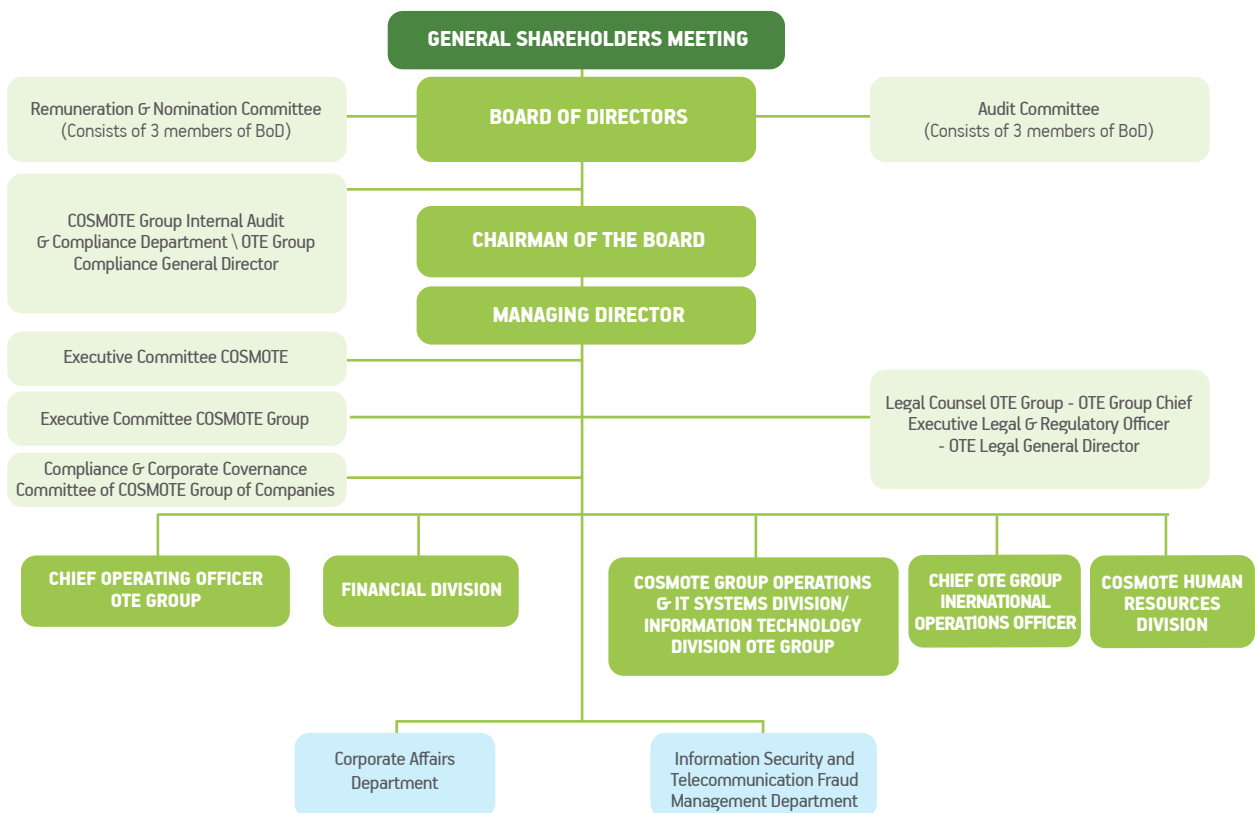
OTE Group (Hellenic Telecommunications Organization) holds 100% of our company's shares. OTE Group constitutes the largest telecommunication service provider in the South-East Europe region, employing over 30,000 individuals, in 4 countries (Greece, Albania, Bulgaria and Romania). COSMOTE owns 100% of the Cypriot Holding company COSMOHOLDING CYPRUS LTD, which is the holding company of GERMANOS ABEE. Deutsche Telekom A.G. owns 40% of OTE S.A stocks.

The Participations in the shareholder structure of OTE Group and the corresponding voting rights, are as follows:



B. Organizational structure

COSMOTE's organizational structure in 2011 is depicted below:



C. Significant changes

Main changes within 2011, related to organisational, shareholder and management aspects of our company, were the following:

- COSMOTE announced a program to improve operational efficiency, enhance competitiveness, maintain flexibility and ensure sustainable development of the company. The program included cessation of activities and reorganization of operations to improve their efficiency, resulting the elimination of a limited number of job positions (February).
- COSMOTE acquired an additional 900 & 1800 MHz spectrum, within the tender conducted by the Hellenic Telecommunications and Post Commission (EETT), investing over € 118 million. The company also renewed its 900MHz license (November).
- Mrs Deppie Tzimea, Director of Corporate Communications OTE, was also appointed as Director of Corporate Affairs for COSMOTE (July).
- The Corporate Communications Department of OTE and Corporate Affairs Department of COSMOTE were integrated to form the new OTE Group Corporate Communications Department. This includes the new Fixed and Mobile Telephony Corporate Responsibility unit, that will be accountable for Responsibility, Environment and the OTE Telecommunications Museum (March 2012).

3. Products and Services

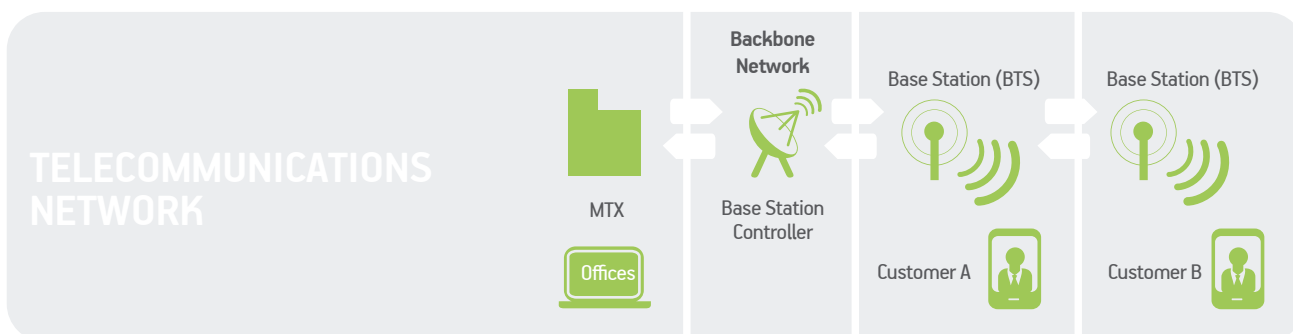
A. Main products and services

COSMOTE offers mobile telecommunication services in all countries it operates. More specifically, COSMOTE covers all spectrum of mobile telephony products and services, from planning and developing a network, developing a network, selling services and offering after-sales services. Our main products and services are described below:

- **Post Paid Services**, for retail and corporate customers.
- **Pre Paid Services**.
- **Value Added Services**, such as SMS, video calls etc.
- **Roaming Services**.
- **Mobile Internet Services** from computer and mobile phones.
- **Mobile devices and Accessories** such as headphones, Bluetooth products, chargers, data transfer products etc.

B. Telecommunications network and facilities of our company

Our company has developed privately-owned, mobile telephony networks in countries we operate in. These networks are mainly divided in a Backbone Network (MTX controllers etc.) and thousands of Base Stations (BTS), which ensure the unhindered provision of our services. Besides these Networks, our company also owns buildings, where administrative operations are allocated. This way, COSMOTE offers extensive population and geographical coverage, in all countries it operates in, exceeding regulatory requirements.



C. Commercial Network

COSMOTE owns an extensive, modern commercial network in all countries it operates, with over 2,500 points of contact with its customers. Our commercial network consist of GERMANOS shops, exclusive shops of our Group, as well as a network of commercial representatives and distributors, ensuring the ability to address its customer base in a flexible and effective way. Only in Greece, our products are sold in nearly 1,000 points all over the country.



II. Our world, our **Strategy** and **Management**



Briefly

- 11 } stakeholder groups identified
- 5 } pillars of Corporate Responsibility
- 4 } members within the Corporate Responsibility section
- 9 } BoD members
- 73 } fully covered GRI indicators

Integrating responsibility in our everyday operations.

Introduction and Priorities

Our Objective:

Our objective is to operate in an responsible way, to be accountable for the potential impact of our operations and at the same time improve our competitiveness and ensure our growth.

Our Achievements in 2011:

- We renewed our certifications according to ISO9001, ISO14001, OHSAS18001 of COSMOTE Greece.
- All our employees follow the Compliance Management System of COSMOTE Group.
- We increased by 8% the number of quantitative indicators we make reference to, in our Report.
- We further deployed our Corporate Responsibility Framework in our subsidiaries.
- COSMOTE is evaluated by the public as the mobile operator with the highest social sensitivity, within the last 5 years.
- Out of 9 BoD members, 4 are independent and 7 are non-executive.



1. Definition

A. We define Corporate Responsibility

Corporate Responsibility constitutes a fundamental corporate principle, which embraces all of our operations and influences our attitude towards social, economic and environmental issues. Within COSMOTE, we have clearly defined what Corporate Responsibility means for us, in order to streamline our actions, facilitate a homogeneous understanding by our employees, but also add value to all of our Stakeholders.

Corporate Responsibility for COSMOTE

“Corporate Responsibility is the commitment of our company to contribute to a global sustainable development, by taking economic, ecological and social objectives into consideration in our decision-making processes, to take responsibility for the impact of our organisation’s activities, by working and communicating with internal and external Stakeholders, while at the same time improving the competitiveness of our company.”

2. Pillars and Framework

A. We precisely define the areas of Corporate Responsibility

The five Pillars of Corporate Responsibility were determined through a process which combined internal analysis and dialogue with our Stakeholders and are described below:

Strategy and Management

Our objective is to operate in an responsible way, to be accountable for the potential impact of our operations and at the same time improve our competitiveness and ensure our growth.

Environment

Our objective is not to have a negative impact on the environment (where this is not feasible, we aim to minimize the negative impact, which inevitably originates from all human activities) and in parallel to raise awareness of our fellow citizens and employees, on acting more responsibly on the issue of environmental protection.

Society

To combine our business success with the prosperity and the quality of life, for citizens in local communities in Greece and other countries, where we conduct our business in.

Human Resources

To create a workplace, which is safe, fair and facilitates the professional and personal development of our employees.

Marketplace

To follow a management approach based on the principles of transparency and ethics, while at the same time contribute to the responsible operation of the Marketplaces, where we conduct our business in.



3. Methodology

A. Methodological Approach

The present Report describes our Philosophy, Strategy, Programmes and Practices implemented, in these five Pillars and the related Sections. For this reason, every 3 years, we conduct a Risk Analysis and Assessment.

Through this analysis we recognize those Areas our company can negatively influence its Stakeholders or can have a negative effect on our reputation and image. In 2009, through a systematic process and participation of over 30 employees, we recognized 23 issues, which were quantitatively prioritised and were handled in 2010 and 2011, according to a specific action plan and prioritisation.

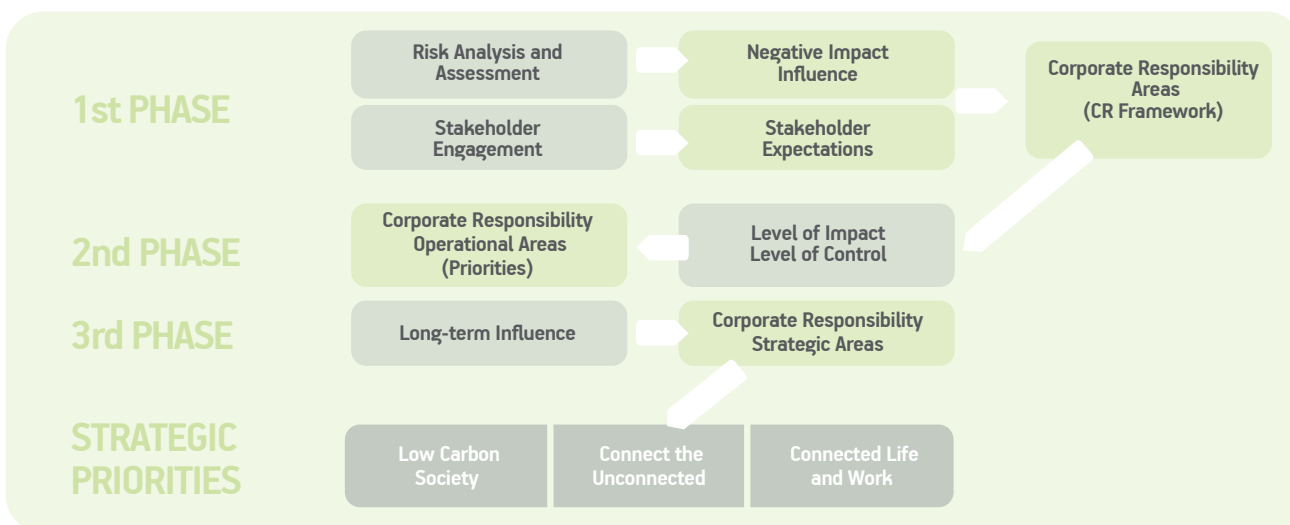
The outcome of this 1st phase analysis is summarised in the following Framework. This Framework is used by our company to manage systematically Corporate Responsibility areas, in an effort to avoid focusing on topics, not related to the nature of our business.



B. We define our Strategic and Operational priorities

At a 2nd phase, COSMOTE recognizes its Operational priorities from the areas identified in the above Framework, by taking into consideration (a) the effect each area has on our Stakeholders and (b) the degree of control our company has on each area. At the same time, the analysis is used to determine the extent each area has within this Report. For example, in the sector Environment, the area of Energy constitutes a priority, while the area of Noise constitutes a secondary area and is therefore not extensively presented.

At a 3rd phase, COSMOTE recognizes the critical long term positive contribution it can have on selected areas of Corporate Responsibility. These Strategic priority areas are briefly described below and are further analyzed in respective sections of this Report.



- **Low Carbon Society:** The Information and Communication Technology sector (ICT) can contribute to the reduction of energy consumption (and respective carbon dioxide emissions), up to 15% till 2020 (corresponding to 7.8 GtncO₂), according to the SMART 2020 study (see section VI-2).
- **Connect the Unconnected:** A mobile telephony company provides consumers with access to information-communication, reducing the digital divide, supporting disabled people in having a normal life etc. (see section V-1, 2, III-3, III-6).
- **Connected Life and Work:** Mobile telephony services can contribute to work effectiveness, independent of locations and travelling, social networking and work/life balance (see section V-2).

4. Management Approach

A. We incorporate Corporate Responsibility in our structure

Since 2004, we have established a Corporate Responsibility Section, which ensures that our company handles Corporate Responsibility issues systematically, at a strategic, organisational and operational level.

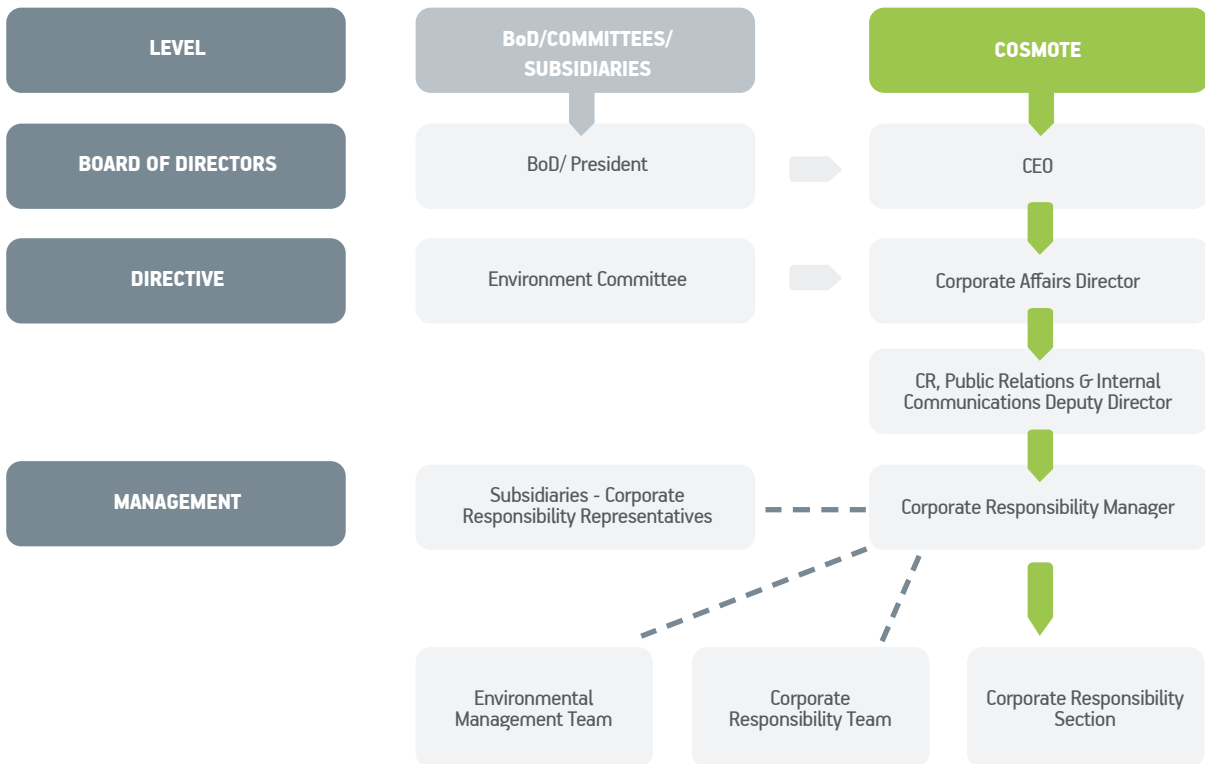
We have also established a Corporate Responsibility Team, from the beginning of 2006, with representatives from all company's functions, aiming to:

- a) integrate the principle of Corporate Responsibility, within the functions of our company,
- b) systematically raise awareness of our employees on responsibility issues.

Our company has also established a number of inter-departmental Committees, Teams and specialised units, which ensure that specific issues are managed, in a responsible and systematic way:

- a) An Environmental Management Committee and Team, responsible to ensure the application of environmental policies.
- b) A Crisis Management Team of COSMOTE Group, responsible to coordinate activities in case significant incidents occur.
- c) A Business Continuity Management Committee, responsible for planning and implementing Operational Continuity plans, in order to protect our company from unexpected events.
- d) An EMF Team for Base Stations and Electromagnetic Field issues, responsible to monitor, coordinate and manage issues related to the operation of Base Stations and EMF.
- e) A Health and Safety Committee and Team. The Health & Safety Team is responsible for applying health and safety policies and processes. The Health and Safety Committee comprises of 6 members from Athens and 3 from Thessaloniki, which are elected by our company's employees, every 2 years.
- f) A Compliance and Corporate Governance Committee, responsible for monitoring the application of the Compliance Management System (CMS), for supporting the General Compliance Director, as well as examining Corporate Governance issues and recommending appropriate actions.

Overall, the management structure of Corporate Responsibility in 2011 (which includes responsibility for internal societal, external societal, economic and environmental issues), at a directive and management level, is indicated below.



It must be noted that the Corporate Communications Departments of OTE and COSMOTE were integrated to form the new OTE Group Corporate Communications Department, which includes the new Fixed and Mobile Telephony Corporate Responsibility unit.

B. We integrate Corporate Responsibility in our way of Management

For our company, Corporate Responsibility does not constitute an isolated activity. On the contrary, we strive to integrate the parameter of responsible operation in our everyday activities and in our management practices.

Code of Conduct: We recognize that both ensuring our corporate long-term success, as well as safeguarding our Stakeholders' interests, are closely related to the extend our managers and employees will follow the principles of Corporate Responsibility and ethics.

For this reason, we have developed a Code of Conduct, which constitutes a statement of our values and principles and defines the way our managers and employees should behave, on a daily basis. The Code is communicated to all new employees and is available in our Website, as well as our corporate Intranet. All employees are subject to the Code, despite contract type (permanent, part time), hierarchical level, country of employment etc. At the same time, we have developed a whistle blowing mechanism, to identify gaps in implementation of our Code.

The sections of this Code are:

- Our enterprising principles.
- Behaviour towards colleagues.
- Behaviour of Management towards employees.
- Behaviour of employees towards the company.
- Behaviour towards customers.
- Behaviour towards shareholders and investment community.
- Behaviour towards suppliers and partners.
- Behaviour towards competitors.
- Behaviour towards authorities.
- Behaviour towards the media.
- Behaviour towards the environment.



Our Code of Conduct defines amongst others:

- We conduct our business activities with sincerity, respect and integrity.
- We follow the law and adopt principles of corporate ethics.
- We do not tolerate bribery and corruption.
- We collaborate effectively and cultivate a team spirit.
- We keep our promises and are sincere.

Compliance Management System: COSMOTE has implemented a Compliance Management System, in order to protect our Shareholders' and Stakeholders' interests and, at the same time, strengthen our responsible internal operation. The Compliance Management System is based on three basic functions: awareness and prevention, localization and research, response and management (see section VI-1C). Furthermore, all employees sign the "Annual Compliance Statement", indicating thereby that they are both aware of company's policies and committed to implement them.

Management Systems: We have developed Management Systems, which are certified by respectful bodies and help us manage our operations in a systematic way, including issues related to Corporate Responsibility, such as environmental management and employees' health and safety. More specifically, we apply the following systems certified by TÜV Hellas:

- **ISO 9001:** Quality Management System.
- **ISO 14001:** Environmental Management System.
- **OHSAS 18001:** Health & Safety Management System.
- **BS 25999:** Business Continuity Management System (certified by BSI).



Subsidiary Glance

For the first time, COSMOTE Romania, GLOBUL (Bulgaria) and AMC (Albania) published a Corporate Responsibility Report (all according to the GRI Guidelines).

C. We focus on measurable results

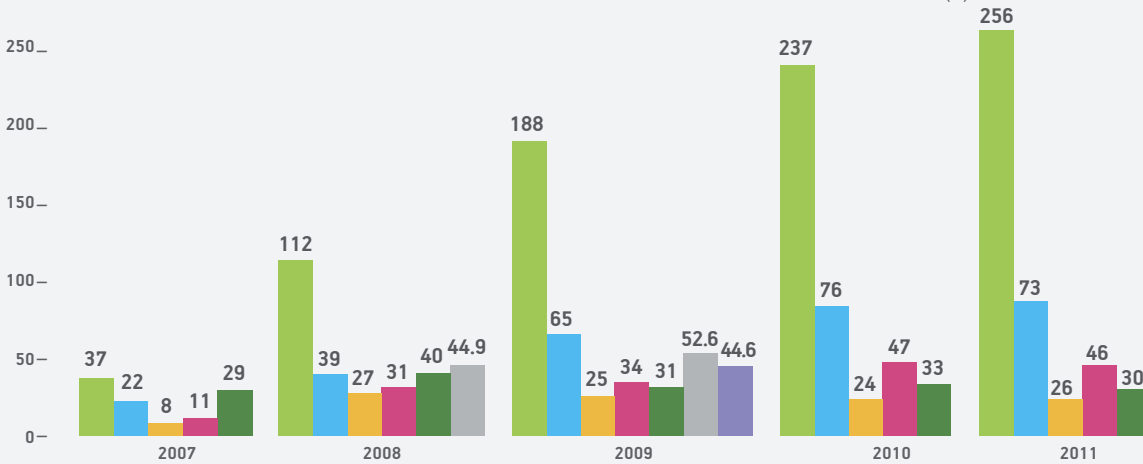


Case study

Focus on quantitative data

COSMOTE recognizes the international practice of Corporate Responsibility Reports to include reliable, complete and measurable indicators, in order to be transparent to Stakeholders. For this reason, our company focuses on presenting more quantitative indicators, objectives and ratings in its Report, as indicated in the following graph.

Quantitative Data within the Report



We increased by 8% the number of quantitative indicators we make reference in our 2011 CR Report.

- Quantitative indicators (number)
- Fully covered GRI indicators (number)
- Partially covered GRI indicators (number)
- Graphs and tables (number)
- Targets (number)
- Accountability Rating Greece (%)
- EMDI of WWF (%)

D. We ensure data credibility

The disclosure of reliable quantitative data is a prerequisite for credibility. For this reason:

- We follow a systematic data gathering process, segmented in four levels: information owner, supervisor (organisational level check), Corporate Responsibility Manager (functional level check), Corporate Responsibility, Public Relations & Internal Communication Deputy Director (management level check).

At the same time, to independently verify the data announced to Stakeholders:

- We control environmental, health & safety data, within the annual re-certification process of our corporate management systems.
- We conduct a Report Assurance (for the first time in 2009), by an independent external verification body (see Section VII-4)

5. Corporate Governance and Compliance

A. We operate according to Corporate Governance practices

The highest ranking governance board of our company, responsible to take decisions for important corporate issues (according to legislation KN 2190/20 and the Corporate Charter), is the General Assembly of Shareholders.

As described in our Internal Code of Operations, the Board of Directors (BoD) is responsible to take any decisions regarding administration, management, resource utilisation and overall in order for our company to achieve its corporate objectives.

- The BoD constitutes of nine (9) members, which are elected by the General Assembly of Shareholders.
- Out of 9 BoD members, 7 are non-executive, out of which 4 are also independent.
- Wages and other compensation of BoD members are defined, according to legislation KN 2190/1920.
- BoD is supported, in its operation, by an Audit Committee and a Remuneration & Nomination Committee.

Name	Executive Member	Non Executive Member	Independent Member	Audit Committee (3 Members)	Remuneration Committee (3 Members)
M. Tzamaz	BoD President & CEO				
K. Apostolides		BoD Vice President	✓	✓ (President)	✓
I. Vezanis		✓	✓	✓	✓
P. Tabourlos		✓	✓		
D. Tzouganatos		✓	✓		
G. Mavrakis		✓		✓	
Z. Piperides	✓				
K. Copp		✓			
K. Müller		✓			✓

* BoD Members on the 15.11.2011.

The Remuneration & Nomination Committee, is composed of 3 non-executive BoD members (two of which are independent). The CEO and the Human Resources General Director participate in the Committee as well, but without voting rights. Objective of the Committee is to prepare and submit proposals to the BoD, addressing the company's compensation policy, as well as to approve placements of General Directors within the company (following the Managing Director's proposal).

The Audit Committee is composed of 3 non-executive BoD members (two of which are independent). The Committee supports the Board of Directors, in overseeing conformity of our company, in terms of compliance with laws and regulations, completeness and accuracy of published financial statements, effectiveness of our corporate audit system, independence and qualifications of external financial controllers, as well as performance of our company's Audit Department. Audit Committee members evaluate annually their conducted work and present respective results to the Board of Directors, which is responsible to further assess performance.

In parallel, a Compliance & Corporate Governance Committee has been established, consisting of Executive Management members (see section II-4B).

B. We control our internal operations

COSMOTE Group's Internal Audit & Compliance Department, supports the company in achieving its corporate objectives, by offering a systematic approach in evaluating and improving its risk assessment methodologies, while conducting internal audits of departments and processes, to identify and report non conformances. According to results of these assessments, which could influence the company and indirectly our stakeholders, the Department examines the existence and implementation of check points (to identify and avoid respective incidents), in order to suggest additional approaches and compliance (see section II-5C).

Also, during the annual Sarbanes-Oxley conformity check, the Internal Audit & Compliance Department examines and reviews the control points, which have been established by management and are related mainly to financial operations and overall governance issues of our company.



Subsidiary Glance

The same practices are also followed by our subsidiaries, where local Internal Audit Departments conduct respective activities.

C. We implement a Compliance Management System

In order for our management practices to protect our Shareholders' and Stakeholders' interests and, at the same time, strengthen our responsible internal operation, COSMOTE has implemented a Compliance Management System. The System defines the employees' responsibility boundaries and behaviour rules, in order to avoid legal implications and potential conflict of interest, between executive management and corporate shareholders.

The structure and function of the Compliance Management System, is based on three areas:

Awareness and Prevention: The System includes the following regulations and policies:

- **Internal Code of Operations.**
- **Code of Conduct** (see section II-4B).
- **Internal Personnel Code and Collective Bargaining Agreement.**
- **Supplier Code of Conduct** (see section III-5A).
- **Identification of Financial Fraud Policy.**
- **Complaint and Accusation Management Policy.**
- **Information Misuse Policy (Information Asymmetry).**
- **Corporate Events Policy.**
- **Donation and Sponsorship Policy.**
- **Personal Data Protection Code of Conduct.**
- **Present Acceptance and Offer Policy.**
- **Conflict of Interest and Corruption Handling.**

In 2011, we conducted a training on corruption issues, to 96 employees. Furthermore, in order to continuously inform our people and ensure implementation of our policies, we have sent informative leaflets to all employees, reminding requirements of our policies or utilizing occasions, such as the Transparency International report on corruption and the World Day of corruption.

Identification and Inquiry: Internal procedures have been established to investigate incidents.

Response and Management: In order to register cases of non-compliant behaviour, a Complaints and Reporting Management Policy was established, as described below:

Case Study

"Whistle blowing" mechanism

COSMOTE Group, has established a Complaints and Reporting Management Policy, to handle reports related to issues of public interest, such as breaching of legislation (e.g. theft, money laundering), misconducts related to corporate policies and procedures (e.g. Code of Conduct, Sarbanes-Oxley), infringements which could affect the corporate reputation (employee relations, misconducts, discriminations, corruption) or any attempt to support such activities.

Within the frame of this Policy, each employee can, anonymously or not, report to the Compliance Desk potential ethical misconducts, which fall into their attention:

- by sending a letter to a dedicated postal address,
- by sending an e-mail
(cosmotecomplianceoffice@cosmote.gr
or whistleblowing@cosmote.gr),
- by calling the dedicated phone line +30-210-6372345,
- by a Complaints Form, through the corporate web site.

It must be noted that:

- The Compliance Officer reports respective complaints to the Compliance Committee, which decides on corrective actions, after receiving the results of a respective inquiry.
- Results of particular serious cases are handled by the BoD Audit Committee.

The Policy clearly defines that COSMOTE does not allow any direct, or indirect, retaliation actions by corporate management (or other corporate bodies), to anyone who will, in good faith, proceed with reporting, expressing a concern or complaint, regarding infringements of our policies or legislation.

During 2011, we received a total of 17 complaints, out of which 9 were Regulatory Compliance issues and the rest customers' comments for products, or services. All these complaints were handled in accordance with our respective procedure, while 2 cases of internal fraud were identified.



It must be noted that, following our policies, we did not fund political parties in 2011, nor did we receive financial aid from public authorities.

6. Stakeholder Engagement

A. We conduct dialogue with our Stakeholders

Our Code of Conduct, has been communicated to all our employees and addresses behavioural principles, on which our relationship with Stakeholders is based upon (see section II-4B).

Today, Stakeholders (which were defined through meetings with departmental representatives) require not only transparency, but also active involvement of companies on social issues, societal progress and environmental protection. Responding to this requirement, we systematically identify Stakeholders (through a workshop with representatives of company departments) expectations and questions of our Stakeholders and respond to them in various ways, as described in the Report and summarized in the following table:

Stakeholder Group:	Means of dialogue (annual continuous):	Topics raised:	Section in this Report:
Customers (Corporate & Retail)	<ul style="list-style-type: none"> ▫ Customer Satisfaction Surveys ▫ Customer Service Centers ▫ Corporate Responsibility Surveys ▫ Special Surveys ▫ Sales Network ▫ Social Media 	<ul style="list-style-type: none"> ▫ Quality of services (in relation to costs) ▫ Mobile telephony operations ▫ Safe use of services ▫ EMF ▫ Responsible Marketing (e.g. consumer rights) ▫ Pricing 	Marketplace: III-2,4,6,7,8 Environment: VI-8
Commercial Network	<ul style="list-style-type: none"> ▫ Corporate Responsibility Surveys ▫ Special Surveys 	<ul style="list-style-type: none"> ▫ Transparency ▫ Governance ▫ Economic growth 	Management: II-5, Marketplace: III-1,2
Suppliers	<ul style="list-style-type: none"> ▫ Attendance in sector-based unions ▫ Meetings ▫ Corporate Responsibility Surveys ▫ Suppliers' evaluation 	<ul style="list-style-type: none"> ▫ Transparency ▫ Market Policy ▫ Economic growth 	Marketplace: III-1,2,4,5
Employees (including Unions)	<ul style="list-style-type: none"> ▫ Negotiation with Union representatives ▫ Employee Satisfaction Survey ▫ Internal Corporate Responsibility Survey ▫ Organization of events ▫ Publication of informative forms ▫ Meetings ▫ Corporate Responsibility Laboratory (Upper, Higher and Senior Management) ▫ Appraisal system ▫ Trainings 	<ul style="list-style-type: none"> ▫ Professional Development ▫ Health and Safety ▫ Fair work (diversity, work-life balance) ▫ Education 	Human Resources: IV-2,3,4
Authorities	<ul style="list-style-type: none"> ▫ Dialogue with representatives of national and local authorities ▫ Attendance in associations and unions 	<ul style="list-style-type: none"> ▫ Transparency ▫ Governance ▫ Economic growth 	Management: II-5 Marketplace: III-1,2
Academia	<ul style="list-style-type: none"> ▫ Cooperation within programmes ▫ Corporate Responsibility Surveys 	<ul style="list-style-type: none"> ▫ Environment ▫ EMF ▫ Mobile use safety ▫ Job positions 	Environment: VI-2-8 Marketplace: III-4,8 Human Resources: IV-1
Local Communities	<ul style="list-style-type: none"> ▫ Systematic visits ▫ Dialogue with local representatives and other authorities 	<ul style="list-style-type: none"> ▫ Environmental impact ▫ Covering local societies' needs ▫ Support of local business enterprising ▫ EMF 	Environment: VI-2,4,7,8 Society: V-2, Marketplace: III-3 Human Resources: IV-4

Stakeholder Group:	Means of dialogue (annual continuous):	Topics raised:	Section in this Report:
Public	<ul style="list-style-type: none"> ▫ Corporate Responsibility Survey ▫ Informative meetings with citizens 	<ul style="list-style-type: none"> ▫ Environmental impact (e.g. recycling, pollution) ▫ Social Contribution (e.g. poverty, social exclusion, disability) ▫ Economic growth ▫ EMF ▫ Responsible Marketing (e.g. child protection, pricing) ▫ Employees' equality ▫ Job positions 	Environment: VI-2-7 Society: V-1 Market: III-1,4,7 Human Resources: IV-1,3
Non Governmental Organizations	<ul style="list-style-type: none"> ▫ Collaborations ▫ Meetings with NGOs ▫ Corporate Responsibility Survey ▫ Assessments & Indexes 	<ul style="list-style-type: none"> ▫ Environmental impact ▫ Use of natural resources ▫ Social Contribution 	Environment: VI-2-8 Society: V-2
Media	<ul style="list-style-type: none"> ▫ Press Announcements (Press Releases) and other articles ▫ Press Conferences ▫ Events ▫ Informative contacts with media representatives ▫ Special Media Surveys 	<ul style="list-style-type: none"> ▫ All above issues 	Management Environment Marketplace Human Resources Society
Shareholders (OTE / Deutsche Telekom)	<ul style="list-style-type: none"> ▫ Meetings of executives ▫ Adoption and utilisation of policies and principles ▫ Daily collaboration 	<ul style="list-style-type: none"> ▫ All above issues 	Management Environment Marketplace Human Resources Society

B. We monitor our Stakeholders' opinion

COSMOTE monitors the needs and expectations of its Stakeholders, as described above. Indicative examples are described below:

Public

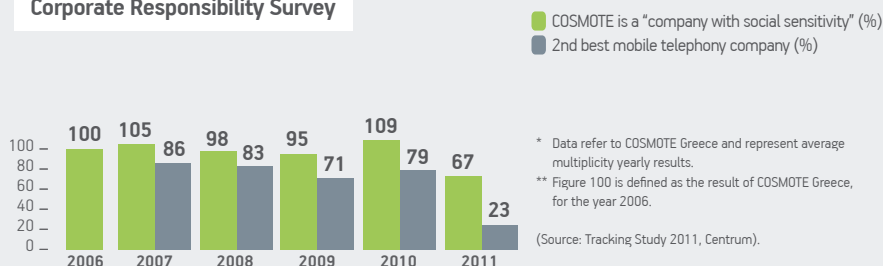
Our company participates and monitors surveys carried out by independent institutions, addressing our Stakeholders' perception, regarding our responsible operation. For example, within the quantitative survey "Social Barometer A.S.B.I.", COSMOTE is assessed as:

- The second most recognizable company for its social contribution within the Greek market (and first in the telecommunications sector).
- The second company in terms of pervasiveness of its social contribution within the Greek market (and first in the telecommunications sector).

(Source: ASBI - Awareness & Social Behavior Index 2011)

Finally, through periodic quantitative surveys, COSMOTE systematically monitors specific indicators, in relation to the public's perception about our company's social sensitivity. The reduced performance of all mobile operators is worth mentioning, attributed to the overall economic situation. However, the respective drop of COSMOTE's performance is significantly smaller, compared to performance of all other mobile operators.

Corporate Responsibility Survey



Despite the significant fall, COSMOTE is evaluated by the public as the most «socially sensitive» mobile telephony company for the last 5 years.

7. Membership and Recognition

A. We participate in International and National institutions

Our company participates voluntarily in a number of International & National Organizations and Institutions, through which we seek to promote issues linked to obstacles the Mobile Telephony sector faces, as well as the importance of Corporate Responsibility. Indicatively, we are members in the following organizations and institutions:



Telecommunications sector:

- GSM Association (GSM-A): our company is member of the World Association of Mobile Communications Services and participates actively in many of its work groups.
- Association of Mobile Telephony Companies (EEKT): our company is a founding member of the established association, which aims to strengthen collaboration and promote issues of common interest, among mobile telephony providers in Greece.
- European Telecommunications Standards Institute (ETSI): our company is a member of the European Organisation for Telecommunications Standardization, since 1998.
- Association of ICT Companies in Greece (S.E.P.E.).
- Association of Greek Companies and Industries (S.E.V.): our company participates in the Committees of Wireless Communications and Mobile Communications.

Corporate Responsibility sector:

- GeSI (Global e-Sustainability Initiative): the objective is to inform the public and promote technologies that contribute to Sustainable Development (since 2010).
- Hellenic Network for Corporate Social Responsibility (since 2005).
- Hellenic branch of UN's Global Compact (since 2008).
- Information and Alert Action Saferinternet.gr of the Greek Node for Safer Internet (since 2008).
- Road Safety Institute "Panos Mylonas" (since 2009).
- Ministry of Infrastructure, Transport and Networks Working Group: the objective is to investigate the influence of Information and Communication Technologies (ICT) on climate changes (since 2010).

Other organisations:

- Athens Chamber of Commerce & Industry (A.C.C.I.).
- Forum "Next generation's access networks".

B. Our efforts are recognized

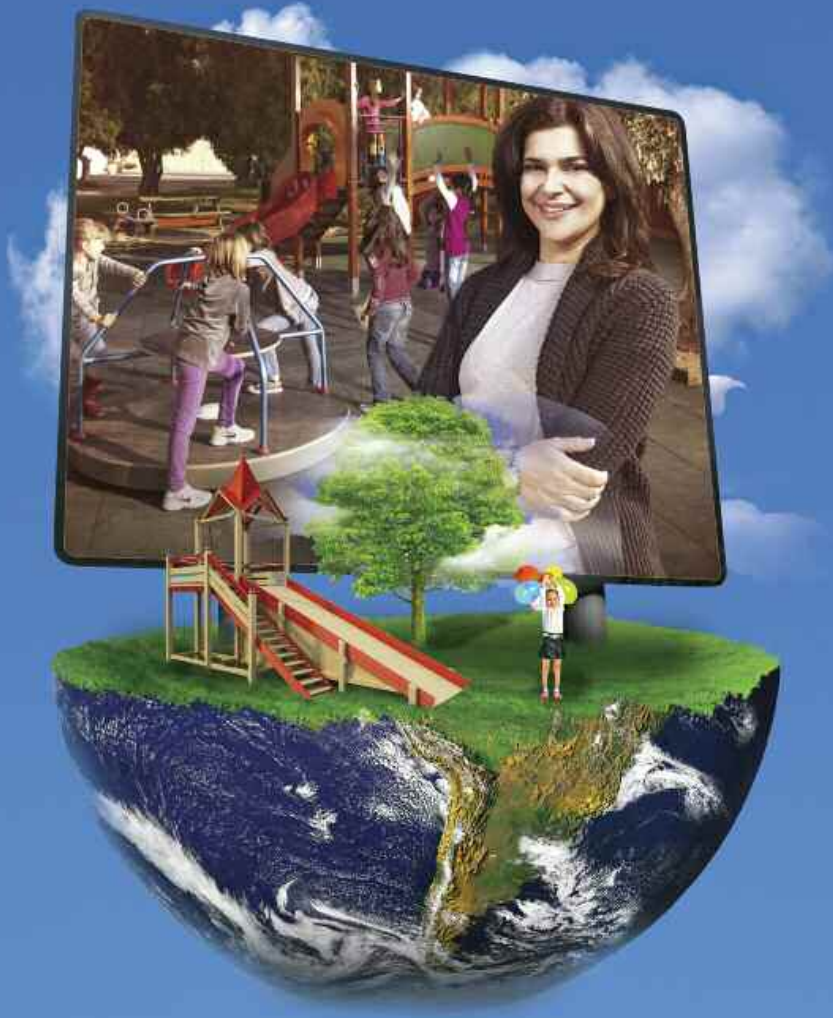
Recognition of our efforts, to become more responsible, provides us satisfaction and energy to continue the application of our long term programmes. In 2010, we received a number of recognitions, such as:

- During the "Enterprising Rewards THALES-CEO & CSR 2011", COSMOTE received the First Award "Best Team of Corporate Social Responsibility", according to votes of the wider business community.
- During the "BRAVO, Sustainable Development Awards", our 2009 Corporate Responsibility Report, was awarded in the category "Best Standards Application".
- During the 5th HAA Corporate Social Responsibility Excellence Awards 2009, our company won the award for our project "When you have the knowledge, you have the world in your hands": Information initiatives for the Safe Use of Mobile Services, within the Business Environment / Market category.
- During the International Business Continuity Awards, organized by the British magazine Continuity Insurance & Risk (CIR), COSMOTE received, for the second year, the 4th place for «Business Continuity Team of the Year» and the 6th place for «Business Continuity Initiative of the Year».



8. Targets and Achievements 2011-2012

We said (in 2011)	We did (in 2011)	Progress	We will (in 2012)	Target Date
<ul style="list-style-type: none"> To increase the reference to GRI Indicators in the Report, by 5%. 	See Section II-4C			
<ul style="list-style-type: none"> To publish a Corporate Responsibility Report for at least one subsidiary abroad. 	See Section II-3B		<ul style="list-style-type: none"> To publish Corporate Responsibility Reports for all subsidiaries abroad. 	2012
<ul style="list-style-type: none"> To expand the collection and data control system, related to our Corporate Responsibility Report. 	See Section II-4		<ul style="list-style-type: none"> To expand the collection and data control system, related to our Corporate Responsibility Report. 	2012
<ul style="list-style-type: none"> To deploy our management practices to our subsidiaries in Greece and Abroad. 	See Section II-III		<ul style="list-style-type: none"> To deploy our management practices to our subsidiaries in Greece and Abroad. 	2012
<ul style="list-style-type: none"> To conduct a Stakeholder Engagement Survey for all stakeholders. 	See Section II-6A,B			
<ul style="list-style-type: none"> To train our subsidiaries on developing CR Reports 	See Section II-6B			
<ul style="list-style-type: none"> To train at least 50% of our employees on Compliance issues (e.g. personal data, asymmetry of information). 	See Section II-5C		<ul style="list-style-type: none"> To train at least 50% of our employees on Compliance issues (e.g. personal data, asymmetry of information, conflict of interest). 	2012
			<ul style="list-style-type: none"> To adopt a common Code of Conduct for the Group. 	2012



III. Our world, our **Marketplace**



Briefly

20.5	} million customers
2.6	} billion euro turnover
10	} leaflets to inform the public
465.8	} million euro in taxes

Positively influencing the markets we operate in.

Introduction and Priorities

Our Objective:

To follow a management approach based on the principles of transparency and ethics, while at the same time contribute to the responsible operation of the Marketplaces, where we conduct our business in.

Our Achievements in 2011:

- We paid the amount of €465.8 million for direct and indirect taxes to the Greek state.
- We issue 10 leaflets, for citizens' awareness.
- We informed over 1 million citizens, about issues such as safe use of mobiles, recycling, health etc.
- We assessed 88.7% of our Suppliers (in terms of monetary acquisitions), on applying Corporate Responsibility practices.
- We offered a 15% monthly fixed charge discount to post-paid pensioners and unemployed customers.
- We conducted 28 information system and 20 critical processes audits, for information security issues.



1. Economic Contribution

A. We support Economies of countries we operate in

Particularly important is the contribution of COSMOTE, to the Greek economy (as well as economies of SE Europe countries it operates in), by systematically investing in telecommunications infrastructure, providing products and services tailored to local needs, as well as providing working conditions, which allow professional growth and development of employees. COSMOTE Group:

- Had a turnover of €2,599.9 million in 2011. A significant proportion of this amount, is re-directed to local societies, via payroll, investments, tax contributions and supplier payments.
- Invested over €321.5 million for its development, while our company invested €167 million, only in Greece.
- Paid the amount of €465.8 million in taxes (direct and indirect), to the Greek State.
- Paid the amount of €38.1 million, for employees' insurance programmes.
- Has created in all SE Europe, over 9,000 direct and thousands indirect employment positions (relevant to mobile telephony business sectors, but also due to our products and services offered).

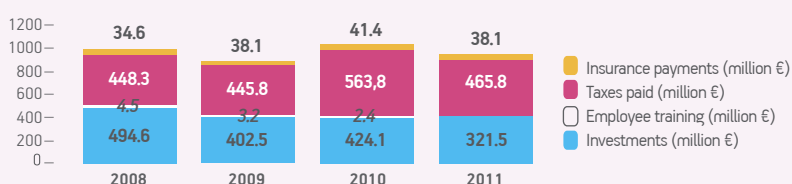
2011	COSMOTE Group	Greece	Albania	Bulgaria	Romania
Turnover (mil.€)	2,599.9	1,647.5	94.2	412.5	468.2
EBITDA (mil. €)	904.5	616.6	37.6	156.2	100.1
Investments (mil. €)	321.5	167.0	21.0	49.7	90.0
Customers (mil.)	20.5	7.9	1.8	4.3	6.5



For further information please visit:

http://www.cosmote.gr/cosmportal/page/T37/xml/Company_articleadvanced_articleadvancedOikonomikesKatastaseis/section/Investor_Relations_Team

Economic Development of South East Europe



B. We protect the company, through a Business Continuity Management System

COSMOTE, as the leading Greek mobile telecommunications company, considers its obligation to maintain its stable growth and ensure the continuous supply of qualitative telecommunication services according to the needs and expectations of all stakeholders and respond to extraordinary conditions. The company aims to protect its value and reputation. For this reason, since 2005, COSMOTE has implemented the principles of Business Continuity Management (BCM), within the Corporate Governance frame and, since 2007, a full Business Continuity Management System (BCMS), which was certified in 2011 by the British Standards Institution (BSI), according to the BS25999 standard.

In 2011, our actions were focused on the following issues:

- Improve our Business Continuity Management System.
- Evaluation of processes and procedures or/and their alignment, if deemed necessary, according to BS25999.
- Evaluation and improvement of our recovery strategies after testing, if deemed necessary.
- Employees' awareness, as well as continuous training to the functional Business Continuity team.
- Conduct a Business Impact Analysis and Risk Assessment, for all buildings with COSMOTE, GERMANOS and E-Value employees.
- Create and continuously control proper operations of two alternative work areas (in case main facilities are inaccessible).
- Initiate a Business Continuity Plan at AMC Albania and GLOBUL Bulgaria.

For 2011, COSMOTE's Business Continuity structure managed over 56 extraordinary incidents, during which over 2,000 COSMOTE Group members were trained and informed, both through general briefings, 33 targeted training courses and by the implementation of an online bi-lingual learning platform (e-learning), in order for employees, infrastructures and corporate processes to be capable of responding, in the best possible way, to unanticipated incidents.

2. Responsible Competition



A. We comply with competition rules

The responsible regulator regarding electronic communications in Greece is the Hellenic Telecommunications and Post Commission (EETT), whereas in countries our subsidiaries operate, corresponding local regulators exist. In all countries of operation, our companies comply with the institutional requirements, related to free competition (national and EU).

For this reason in 2006, our company developed a respective Policy, to inform employees on the importance of a company to comply with free market competition rules and define the guiding lines of our employees' behaviour, in order to conform to these rules. The Policy, which was revised in 2010, is accessible to all employees, through our corporate intranet, while was adopted by our subsidiary companies, after adjustment to respective local legislation.

COSMOTE is suitor in a number of legal and administrative cases, the majority of which are related to the operation of Base Stations. Most important pending disputes are publicized within the annual financial statements of the company, where, amongst other information, reference is made to free competition issues:

http://www.cosmote.gr/content/el/attached_files/Company/EkthesiOikonomikonKatastaseon31122010.pdf (page 88).

- A fine of € 1 million was imposed by EETT, for alleged violation of the competition law (concerted practice with companies WIND & VODAFONE, for SMS charge increase). The Athens Administrative Court of Appeal accepted our appeal and cancelled the decision of EETT (a decision on the subsequent appeal of EETT is now pending in the State Council).
- A fine of € 2 million was imposed by EETT, for alleged violations of regulations concerning information provided to subscribers on minimum talk time increase (a decision on COSMOTE's appeal is pending in the Athens Administrative Court of Appeal).

B. We contribute to improving the marketplace

The collaboration of mobile telephony providers, within the frame of official institutions and state laws, can be positive for consumers, quality of services provided and safe use of mobile telephony services. Some examples are:

- Our active participation during the consultations, which took place in Brussels, under the auspice of the European Committee for the establishment of a European Memorandum, addressing the safe use of mobile phones by children and teenagers. COSMOTE, was the first Greek company to sign the Memorandum, in February 2007, among 15 other European mobile telephony and content provider companies. The Memorandum addresses issues, which aim to ensure the safe use of mobile telephony services by minor users, such as access control mechanisms, sensitization and communication, categorization of commercial content, as well as handling illegal content in products and services of mobile telephony and / or the Internet.
- The collaboration with other mobile telephony providers in Greece, in order to develop a "Common Code of Conduct for added value services, via mobile phones and protection of minor users". The objective of this mobile telephony sector self-regulation process is for minor users to be offered a common level of protection, such as in other European countries.
- Participation in the non-profit organisation "Association of Mobile Telephony Companies" (with the approval of EETT, the Greek National Regulatory Authority). The Association, aims to be an advisory board in regulative processes, to participate in the decision-making processes of legislative or technical committees (at an international, European and national level), as well as to collaborate with institutions and associations in other countries, within the scope of bilateral or multilateral collaborations. Its objective is the collective modernization and development of the mobile telephony sector. To achieve its founding objective, the Association, seeks to update its members, follow-up on issues of collective interest, establish positions on respective issues, as well as represent and promote the opinion of its members, in Greece and abroad.

3. Broadband and Mobile Internet



A. We utilize technology to reduce the digital divide

The deployment of broadband penetration remains a challenge for our country. Despite the small improvement taking place, Greece remains within the last positions among EU member states, as broadband penetration access reached 21.8% by the end of 2011, while our country in the beginning of July was placed in the 22nd position among the 27 EU states.

(Source: Broadband Report of EETT, 4th Quarter 2011, March 2012)

COSMOTE utilises its products and services, in order to reduce the “digital divide” phenomenon, namely the unequal access to information and data, which inevitably leads to social and economic imbalance. The dynamics of mobile telephony and mobile broadband internet, the leading position of COSMOTE in the sector, the continuous growth of our 3rd generation telecommunications network (with coverage overcoming 98% in 2011, from 95.9% in 2010), as well as the provision of innovative broadband services, have established COSMOTE as a pioneer in the effort to make access to information and data, through digital technology, accessible to all citizens.

It must be noted that, there is no regulatory obligation for complete geographic and demographic coverage for these services.

Country	Population Coverage 2G (%)	Population Coverage 3G (%)
Greece	99.8	> 98
Albania	99.8	95
Bulgaria	99.98	99.25
Romania	> 99	66



Case Study

“Surfing the World”

Through the programme “Surfing the World”, COSMOTE aims for the second year to diminish existing inequalities between urban and rural regions of Greece.

The company supplies technological equipments (such as monitors, pc units, wi-fi routers, and web cameras) to schools in isolated islands and mainland regions, by offering students and teachers free high-speed wireless Internet access. In parallel, the company updates its local telecommunication network, providing advantages not only to students, but also to teachers and indirectly to citizens.

The programme was applied, from November 2010 until the end of 2011, in 70 schools in various islands in Greece, for approximately 3,000 students.



4. Responsible Marketing

A. We apply Responsible Marketing practices

From the first day of our operations, we have adopted a simple, clear and friendly communication style, towards our customers.

- We ensure that our communication material is legal, appropriate, fair, sincere, corresponds to reality and respects peoples’ diversity, in terms of age, gender, race, religion and physical or mental status.
- To guarantee the above, the company’s Marketing Division controls all advertising messages and campaigns, before deploying them to the public.
- The company follows the SEE (“Committee of Communication Control”) code of Responsible Marketing, in order to ensure that communication is according to market rules and societal codes.

As a result, no respective fine was imposed in 2011, by responsible authorities.

B. We apply transparent and reduced pricing practices

Greece is one of the few countries where a special tax is imposed for the use of mobile telephony services. As a result, taxes as a percentage of average invoices are the highest of all EU countries. The only corresponding tax within the tax system, is related to luxury products. Therefore, the mobile telephony sector is classified as a uniquely high-tax category.



For this reason, the low pricing policy our company follows, is particularly important for consumers, as the following examples indicate:

- Pensioners and unemployed post-paid customers were given the option to receive a 15% discount on their monthly fixed fee, for all 2011, for the second consecutive year. It is worth mentioning that, during the first month of implementation, 15,000 beneficiaries received the discount.
- Post-paid customers were given offers, which provided a monthly fixed fee discount of up to €20.
- Our post-paid customers had the option of a discount instead of device subsidy.
- Our post-paid customers, through our COSMOTE Traveller service, can use their free time in EU countries, despite network, with a minimal extra charge.

On pricing and charging issues, we communicate with clarity and transparency and systematically provide essential information, following all legal procedures (e.g. publications, website updates, messages in customer invoices), in order for our customers to receive an objective and clear briefing.

In parallel, we offer services which enable our customers to be informed and manage their accounts. For example, the following practices can be mentioned:



Cost Control Service: This service, automatically updates subscribers with free SMS, when they have consumed 80% of their free talk usage program.

Outstanding Service Control: This free of charge service (activated via SMS), informs post-paid customers, with pre-paid services regarding their remaining free call time, SMS, MMS, MB or/and respective amount in euros, until the issuing of the commencing invoice.



Development of Roaming Services: We initiated a series of actions to upgrade our roaming services, such as expanding our Roaming network to cover 392 networks in 178 countries, expanding our "COSMOTE TRAVELLER" service, reducing prices for inbound and outbound calls, in order to contribute to optimizing the quality/price ratio, of our services. At the same time, we provide the service Roaming Data Limit EU62, which sets a limit of € 62 per account, on the use of data within the European Union.



Usage Monitoring for Internet On the Go: Via an application called "COSMOTE Internet On the Go Connect", we provide, to all of our Mobile Internet customers, access to an indicative usage monitoring tool (for downloaded data), as well as defining maximum limits of use. Finally, our customers are also offered the option to review historical data of this monitoring tool on a daily, weekly or self-defined time interval.

Multimedia Information Services: (see section III-4C).



For further information please visit www.cosmote.gr

C. We protect minor users of our services

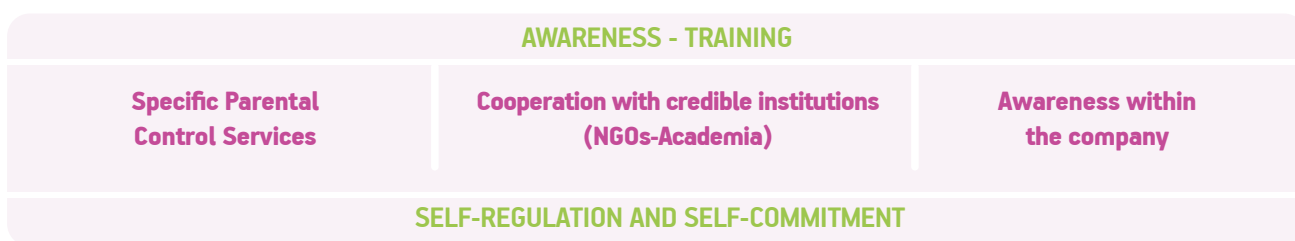
The use of mobile phones, is gradually deployed to younger age groups, a fact requiring continuous alerting of parents. Parents should be informed properly, about mobile phone functions (such as accessing services, voice calls, sms, sending and receiving photographs and videos, access to the internet), to be able to properly decide the mobile telephony services, they will permit their children to use.

From an operational perspective, COSMOTE has implemented a series of Policies and Procedures such as:

- The company does not promote Adult / Erotic / Chatting / Horoscope services.
- COSMOTE services (e.g. Flirt SMS) do not permit access, if stated age (or searched age) is below 18 years.
- Service providers are contractually obliged to follow guidelines (e.g. legally prohibited to utilize customers' data for service promotion etc.).

Within this framework, being convinced that prevention and appropriate information can ensure proper use, we have developed a multifaceted strategy, for safe use of our services. This strategy, focuses on the following areas:

- 1.Participation in European Initiatives for Self-Regulation and Self-Commitment.
- 2.Development of Parental Control Services, at European level.
- 3.Collaboration with credible Institutions.
- 4.Training and awareness within the company.
- 5.Awareness, training and sensitization of the public.



Self-Regulation and Self-Commitment Initiatives: The objective of the mobile telephony sector self-regulation process and of our company, is for minor users to enjoy a common level of protection, as in other European countries.

Therefore, our company:

- Participates, since 2007, in the European Memorandum, for safe use of mobile phones, by children and teenagers (in collaboration with other European mobile telephony companies).
- Collaborated with other mobile telephony companies in Greece, to develop the "Common Code of Conduct for added value services, via mobile phones and protection of minor users". Within 2008, the Code was further adapted to the European standards.

Case Study

Parental Control Services

Parental Control Services: Our company developed a line of services, for parents to have the option to manage their children's access to services, which are exclusively addressed to adults. For this reason, we simplified the registration process for these services (as described below) and published respective informative material, which is distributed in all our shops and all countries, where these services are provided (see section III-6A). It is worth mentioning that, COSMOTE Romania, AMC Albania and GLOBUL Bulgaria also offer Parental Control Services, simply by calling the Customer Service Center.

COSMOTE My View: The Erotic category, within "COSMOTE my view", contains adult content websites, inappropriate for minors. COSMOTE enables parents to block access to this content, by calling Customer Care and enabling the Minors Protection Service.



 **Case Study**

Multimedia Information Services: We are aware that attention should be placed by our customers on multimedia information services, based on subscription that are value added (e.g. series 901, 909, 806, 812, 825, 850, 875, 14, 190-195 and 54), especially where subscribers are charged upon receiving -not sending- an SMS. Those services are primarily developed and deployed by 3rd party providers (licensed by the Hellenic Telecommunications & Post Commission), with COSMOTE not being responsible for their content and content provision methods. COSMOTE has expanded the ability to block these numbers and recommends its subscribers to contact Customer Care for any related problem, as well as to exclude them from Multimedia Information Services subscribers. At the same time, the company has posted respective information on its website.

Collaboration with Credible Institutions: Our company collaborates with Institutions, which aim to increase citizens' awareness and inform them on ways to be protected, but also to effectively protect their children, from risks associated with improper use of interactive technologies, such as the Internet and mobile phones. For this reason, we support, as Golden Sponsor, the Briefing and Awareness Initiative of the Greek Awareness Center "Saferinternet.gr" (under the auspice of the European Commission), which is the National Representative of the Pan-European Awareness Center INSAFE. Furthermore, in 2011, COSMOTE supported the informative events organised by the Cyber Crime Unit, regarding internet Safety.



Sensitization of Public and Employees: Our company systematically informs our employees, parents, teachers, as well as the wider public, both through its retail network, as well as through targeted communication programmes. Within this frame, we inform the public by distributing three dedicated leaflets, through our entire retail network, with the message "when you have the knowledge, you have the world in your hands".

 **Subsidiary Glance**

It is worth mentioning that, both COSMOTE Romania, as well as GLOBUL Bulgaria, have also signed the European Memorandum, for Safe Internet Use. COSMOTE Romania distributed the last two years over 85,000 informative leaflets, while respectively 113,000 customers of GLOBUL Bulgaria were informed through SMS messages.



5. Responsible Procurement

A. We influence our supply chain

We recognize, that our own responsible operation can be influenced by our suppliers' activities and that, due to our size, we have a moral obligation to influence positively our value chain, by deploying Corporate Responsibility principles. Therefore, we developed a **Supplier Code of Conduct**, in the frame of which:

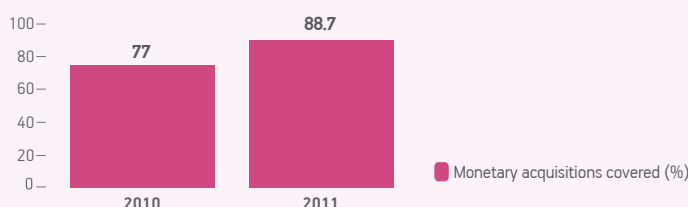
- We expect from our partners and suppliers to apply best practices of corporate ethics, to operate according to respective legislation and internationally agreed regulations, but also to be socially and environmentally sensitive.
- We expect our collaborators to respect the principles and aspects of this Code.
- Conformity to the Code, is a criterion within our vendor selection and evaluation process.
- We recognize our responsibility to have a dialogue with our collaborators, as well as to educate them, when required, on the Corporate Responsibility practices we follow.

Within 2009, we re-designed our Supplier Evaluation System (with Corporate Responsibility issues contributing to the overall evaluation). Within 2011, we completed the annual evaluation of suppliers corresponding to 88.7% of our overall acquisitions in monetary terms for 2010.

The Code includes, among other, the following sections:

Labor (based on the SA8000 standard)	Health and Safety	Environment	Ethics
<ul style="list-style-type: none"> • Free Choice of Employment • Avoidance of Child Labor • Work Hours • Terms and Payments • Behaviour • Non-Discrimination • Freedom of Association 	<ul style="list-style-type: none"> • Work Safety • Locations • Physical Intense Labor • Health and Safety Policy 	<ul style="list-style-type: none"> • Pollution Precaution / Reduction of Natural Resource Usage • Hazardous Substances, Liquid and Solid Waste • Environmental Policy 	<ul style="list-style-type: none"> • Corruption, Extrusion and Abuse • Information Reveal • Illicit Advantages • Intellectual Property Protection

Supplier Assessments (in monetary terms)



Subsidiary Glance

It is worth noticing that, the process was also applied in our subsidiaries COSMOTE Romania, E-Value and GLOBUL Bulgaria, while our subsidiaries have also adopted the Group's Supplier Code of Conduct in order to ensure that suppliers follow the same principles as our company, as far as environmental, health and safety issues are concerned.

B. We respect our Suppliers' rights

Our Principles, which define our relationship with Suppliers, are included in our Code of Conduct, which has been communicated to all employees (see section II-4B). Within this frame, our company:

- Behaves towards partners and suppliers with respect and transparency, in all countries we operate in.
- Provides equal opportunities for vendors to become our suppliers, by following an objective and fair selection process.
- Follows payment terms according to our contractual obligations, something particularly important due to the economic crisis. It is worth mentioning that, the average payment time of suppliers, in 2011, was 110 days, comparing to 100 days in 2010.
- Although a significant part of our acquisitions are electrical and electronic equipment (which are constructed abroad), we seek to utilise local suppliers.

C. We ensure safe products for our customers

Particularly important is the provision of safe products, which are manufactured according to international standards and conventions. For example:

- Electronic and electrical devices sold in our stores have relative labelling (e.g. CE), as regulatory requested.
- COSMOTE inquires suppliers about data regarding SAR levels of mobile devices, data which is made available to our customers.
- Mobile phones sold in our shops, have relative CE labelling (declaring completion of all essential conformity evaluation processes) and operate within electromagnetic field safety limits, as defined by the Specific Absorption Rate (SAR), which should not exceed 2 w/kg locally, as described within the Presidential Decree (PD) 44/2002 and at European level within the Directive 1999/5/EK.

6. Public Awareness

A. We provide information to the public



Informing the Public

We are convinced that, we can contribute to inform the public on social and environmental issues, as well as on issues specifically related to our products and services. For this reason, we utilise various communication channels (such as printed leaflets, informative SMS), to communicate useful and practical messages, with regards to mobile telephony and social/ environmental issues. Some examples, are mentioned below:

Pillar "Environment"

Recycling:

- We distribute the informative leaflet "Join us in Recycling", providing information to citizens on the options they have to recycle mobile phones, accessories and batteries, ink cartridges and domestic batteries, in all our retail shops in Greece (see section VI-3F) (approximately 3,500 leaflets in 2011).
- We inform the public about the importance of recycling in general (as well as specifically for mobiles, accessories, batteries and ink recycling), by utilizing major artistic and athletic events, sponsored by our company. Among other we supported and utilised:
- The Bon Jovi concert in the Olympic Stadium, the international tennis tournament "Status Athens Open 2011", the third conference "InfoCom Green ICT 2011", the exhibition "Against All Odds Project", the conference "CEO & CSR Money Conference 2011", by placing recycling bins and handing out leaflets.
- We proceeded with an informative awareness campaign across Greece, addressing recycling of mobile phones, accessories, batteries and cartridges. The campaign, called "Come to Recycling", was initiated with the occasion of the World Environment Day on 5 June.
- Within this content, we conducted an extensive media campaign and forwarded bulk SMS to 300,000 COSMOTE subscribers. In parallel, we conducted an extensive awareness campaign for our employees, called "Green Green... The environment is calling", on issues concerning the environment and its protection.

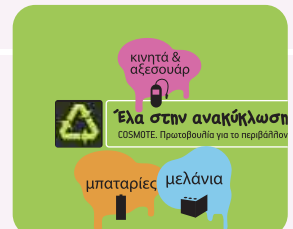
Pedion 24: This refers to our EMF Measurement Programme (approximately 1,500 informative leaflets in 2011) (see section VI-8B).

Pillar "Society"

Life with our Mobile Phone: In this leaflet, we provide useful information on mobile etiquette, safe driving and avoiding mobile phone theft etc. (approximately 1,000 leaflets in 2011).

Products: Within these three informative leaflets, we describe our products and services for Disabled people (approximately 210,000 leaflets in 2011) (see section V-1A).

Awareness: We utilized mobile telephony to send targeted SMS messages to our fellow citizens, for causes such as participating in the Institutions of Love campaign (497,000 messages), informing about the Safer Internet Day 2011 (266,194 messages) and the World Environment Day 2011 (300,000 messages).



Case Study

Pillar "Marketplace"

Mobile Telephony and Parenting: Within this leaflet, we provide information on how parents can ensure, that their children use mobile services safely, in case they are allowed to use mobiles (approximately 4,500 leaflets in 2011) (see section III-4C).

Safer Internet: We distributed 2 leaflets, of the Action Alert and Awareness Saferinternet.gr, through our commercial network and major sponsoring events, which provide information, on how to use safely the Internet (about 6,500 leaflets). In parallel, we forwarded a respective mass SMS to over 266,194 customers, during the Safer Internet Day on the 8th of February.



How Mobile Telephony Functions/Questions & Answers for Mobile Telephony: A leaflet which describes how mobile telephony functions (approximately 2,200 leaflets in 2011).

Safe Driving: COSMOTE, for third consecutive year, participated in the Alliance "Roads to the Future", which was initiated by I.O.AS "Panos Mylonas". Within this context, the company has undertaken the axis of "mobile & driving".

Overall, it is estimated that in 2011, more than 229,000 Greeks received these leaflets, while more than 1 million citizens received the informative SMS.

Subsidiary Glance

It is also worth noticing that, GLOBUL Bulgaria in cooperation with GERMANOS Bulgaria organized, for the fifth continuous year, a national campaign addressing safe driving, under the title "Drive Safely! Use HANDS-FREE!". The campaign, aimed to promote the safe use of mobile phones while driving, with the use of Hands-free devices, by distributing leaflets and stickers. In parallel, the company became an official partner of the Bulgarian Safer Internet helpline 124 123, which provides respective information and advice. COSMOTE Romania continued the campaign "Take life in your own hands", with over 1,000,000 people being briefed the last two years about the rules of using safely a mobile phone while driving.

7. Customer Satisfaction and Service

A. We handle our customers requests

On a monthly basis, we roughly handle 2,785 written remarks-complaints and 1,460 e-mails by customers, the majority of which (over 97% for the second semester of 2011) are processed in less than 2 working days, with the National Regulatory Authority's Code of Conduct defining a respective threshold of 20 days.

Although the number of customer complaints is below 1% of overall monthly contacts by our customers, the importance we place on proper complaints handling is high. The basic principles of our methodology are:

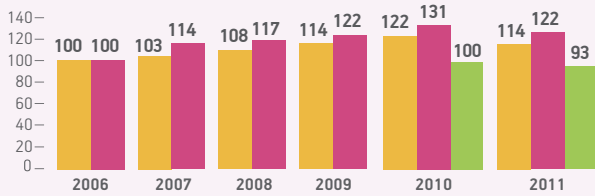
- Central follow-up.
- Single registration application and follow-up of progress.
- Homogeneous customer-centric management philosophy, by all involved parties.
- Quality assurance.
- Strengthening corrective and preventive actions.
- Annual or by-annual review, to adopt to customer expectations.
- Achieve personalized solutions, through one contact solution process.
- Detailed monthly management reporting.

In 2011, we received 791 written complaints via the National Regulatory Authority and 784 complaints via other formal channels, such as the General Consumer Secretariat of the Ministry of Employment and Social Insurance, as well as the Consumer Protection Authority.

B. We monitor our customers' satisfaction

We seek to be the preferred choice of customers, by cultivating a reciprocal, sincere and trustful relationship with them. For this reason, we closely monitor our performance on satisfying our customers, through a series of surveys, which are carried out via telephone interviews on a representative sample of the public. As indicated below, our customers' satisfaction regarding services provided within our retail shops and call centres, has improved since 2006 (2006 results are defined as the basis, representing the number 100), by 22 and 14 percent respectively.

Customer Satisfaction (agreement with statement)



- "Good call center service" (%)
- "Good service at shops" (%)
- "Overall loyalty" (%)

* Data refer to COSMOTE Greece.
 ** Figure 100, is defined as a base and corresponds to 2006 results (for Overall Loyalty, 2010 is defined as base year).

C. We provide reliable services

Offering reliable and uninterrupted services is an important issue for our company. The effort to create a reliable network, is highlighted in the following elements:

- The population coverage of our 2nd generation (2G) network reached 99.8% within 2011, while the 3G network coverage exceeded 98%.
- Our call success rate exceeds the 99% limit.

8. Data Security and Privacy

A. We ensure personal data protection

Confidentiality of personal data and communication content of our customers is of utmost importance for our company. Our sophisticated mechanisms and specialized personnel, co-ordinated by the Information Safety Department, focus around three main areas:

- Application of an information safety management system (policies, processes and models), according to legislation and international best practices.
- Implementation of control mechanisms, utilising modern technological means and infrastructures. Within 2011, 28 audits to information systems and 20 audits to critical internal processes (e.g. access rights, private data usage) were conducted, to ensure absence of security breaches.
- Continuous and targeted briefings and trainings of employees, regarding Information Security and Safety (e.g. through a campaign to inform employees and present to new employees).

It is worth mentioning that, within 2011, we handled 37 respective customer complaints, with the average response time being 10 days, from 2 weeks in 2010. It must be noted that, after respective enquiry, none of these complaints was justified.

9. Targets and Achievements 2011-2012

We said (in 2011)	We did (in 2011)	Progress	We will (in 2012)	Target Date
To expand our blocking services to 806, 812, 825, 850, 875, 14, 190-195 and 54 numbers.	See Section III-4C	100%		
To communicate recycling issues, through major events we sponsor.	See Section III-6A	100%	To continue communicate recycling issues, through major events we sponsor.	2012
To assess Suppliers corresponding to 47% of our acquisitions.	See Section III-5A	100%	To assess Suppliers corresponding to 70% of our monetary acquisitions.	2012
Continuous evaluation of recovery strategies.	See Section III-1B	100%	To further deploy informative activities for employees, regarding protection from unexpected incidents.	2012
To expand the program "Surfing the World" in the Aegean and Crete.	See Section III-3A	100%	To expand the program "Surfing the World" for 50 schools in Ipiros and Thraki.	2012

Offering excellent work conditions, within a competitive landscape.

Introduction and Priorities

Our Objective:

To create a workplace, which is safe, fair and facilitates the professional and personal development of our employees.

Our Achievements in 2011:

- In COSMOTE Greece, we maintained a 50% proportion of female Directors reporting to the CEO, which broadly corresponds to the analogy of female employees overall.
- In the last 6 years, over 50% of our employees were trained, at least once annually.
- We increased the average training hours per employee by 9.6% in COSMOTE Greece and by 7% in COSMOTE Group.
- We increased the percentage of filling job vacancies from within by 7 points in COSMOTE Greece.

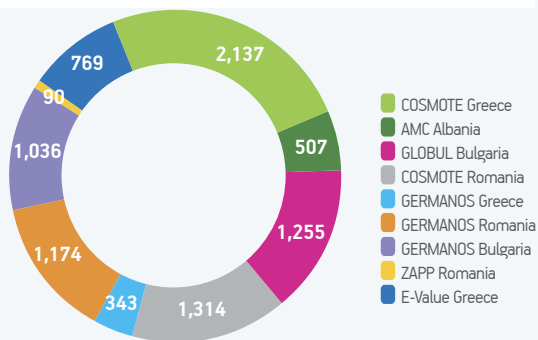


1. Workforce

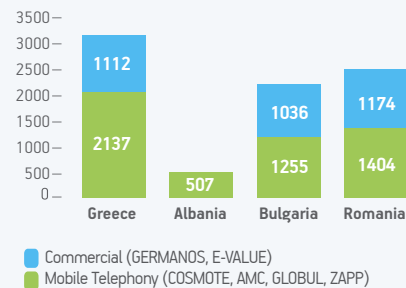
A. We create a positive workplace

At COSMOTE, we offer our employees a positive workplace, by attracting specialized workforce and providing the best possible conditions, to work and professionally develop. We directly occupy 8,625 employees, while, due to our business activity, have indirectly influenced the creation of tens of thousands more job positions.

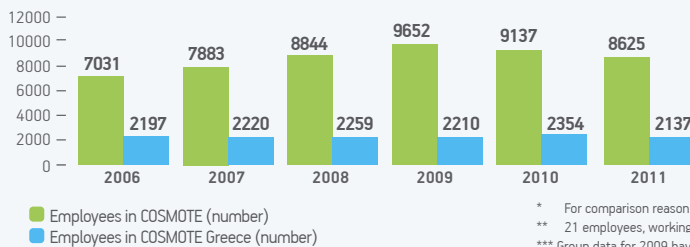
Allocation of Employees per company - COSMOTE Group



Allocation of Employees per country - COSMOTE Group



Human Resources - COSMOTE Group



* For comparison reasons, COSMOTE's former subsidiaries in FYROM, are not included in this chapter.
 ** 21 employees, working in COSMOTE from other Group OTE companies on the 31/12/2011, are not included in the above analysis.
 *** Group data for 2009 have changed, due to addition of ZAPP Romania employees.

Some characteristics of our employees in COSMOTE Greece are:

- All employees have full-time and permanent contracts, with the exception of one employee who has permanent contract, but part-time.
- The employee turnover was 10.96%, due to voluntary retirement programme (without which it would be 0.96%), compared to 2.06% in 2010, without significant differentiations, according to age, gender or region.
- The average age is 37 years (while the corresponding figure for COSMOTE Group is 32 years).
- The work absenteeism rate in 2011 was 4.26% (including health absenteeism, short leaves, unjustified absenteeism and strikes).

COSMOTE Greece employees' analysis is showed below.

POSITION	Directors (CEO, General Directors, Directors)	Managers (Deputy Directors, Managers)	Employees	Sum
Employees (number)	32	269	1,836	2,137
CORPORATION	COSMOTE	OTE (detachment)		
Employees (number)	2,137	21		
TYPE OF EMPLOYMENT	Permanent	Fixed-term	Full time	Part time
Employees (number)	2,137	0	2,136	1
SEX	Female	Male		
Employees (number)	1,105	1,032		
CATEGORY	Special needs	Foreigners		
Employees (number)	25	11		
AGE	<25	26-35	36-45	>45
Employees (number)	10	971	1,044	112
AREAS OF EMPLOYMENT	Stores	Offices		
Employees (number)	171	1,966		
EDUCATION	Basic-High school	I.V.T	University	Master - Doctorate
Employees (number)	1,018	101	738	280

* Data refer to 31/12/2011. ** Data refer to COSMOTE Greece.

2. Health and Safety

A. We focus on Health and Safety at our workplace

Having as a priority to offer our employees a safe workplace, we focus on ensuring suitable work conditions and follow health and safety rules, in order to protect our employees. This priority, is also reflected in our official workplace Health and Safety Policy.

Health & Safety Policy

COSMOTE **believes** that the Health and Safety of its personnel at Work, constitutes a value integral to the company's general culture. **The health and safety of its employees constitute a first priority duty for management.**

COSMOTE **aims** to achieve Health and Safety at Work conditions, which will fully respect the requirements laid down by legislation.

COSMOTE **adopts** a preventive approach in all activity sectors, taking Health and Safety issues into account in all decision-making, prior to all actions aiming at the implementation of such decisions. Thus, it consults with the personnel and encourages its participation in the respective issues.

Management executives should **act as role models of safe behaviour** and thus convince all employees of their commitment to the Company's Health and Safety at Work Policy.

COSMOTE **commits** to providing information, updating and training to the personnel working on its account, so that the personnel itself can contribute, as it is obliged, to the preservation and improvement of Health and Safety conditions at Work.



Michael Tsamaz

BoD Chairman and CEO of COSMOTE

For this reason:

- All COSMOTE Greece's operations are certified, according to OHSAS 18001 (Occupational Health and Safety Series - OHSAS 18000), for Health and Safety at the workplace.
- We identify labour risks, via documented Occupational Risk Assessments. These studies allow us to reduce the risks, by taking suitable actions, such as training employees and providing suitable Means of Individual Protection (if necessary).
- Our safety technicians control the safety measures of our construction sub-contractors.
- We annually check our climbers' health, through specialized medical examinations.
- We follow the corporate procedure "Accident-Incident Reporting", according to which all accidents within the company are analytically investigated, identifying a suitable suggestion-proposal to handle the underlying reasons. At the same time, we notify accidents to the responsible state authorities, according to respective legislation.
- We have established a Health and Safety Committee, which meets quarterly along with company representatives, in order to discuss issues concerning workplace risks.
- Medical centres have been established in all of our buildings, in order for medical personnel (e.g. nurses) to provide first aid and Occupational Doctors to conduct their scheduled visits.
- We support mental health, by operating a Psychological Support Service in Athens and Thessaloniki, in order to support our employees on common life and health everyday problems (e.g. family life, divorce, parent illness, isolation, work stress, work relations etc). Within 2011, 645 individual sessions took place.

- We support physical health of our employees, by informing them about important health topics:
 - Spirometry tests, to inform employees about the benefits of smoking cessation (63 attendances).
 - Preventive Dental control (47 attendances).
 - Doctor Visits for preventive examination of skin cancer (72 attendances).
 - Preventive medicine seminar for cervix cancer (28 attendances).
 - Workshop on proper Nutrition - Health - Balance (73 attendances).
 - Workshop on Melanoma - Skin Cancer (52 attendances).
 - Newsletter about Breast cancer for all female employees.
 - Informative articles on the Intranet for hépatites, diabète, AIDS, nutrition etc.
 - Eyesight examinations for refractive abnormalities (809 attendances), while in case pathological findings (e.g. myopia, astigmatism) were identified, proper instructions were given.
- At the same time, within 2011 we implemented:
 - In COSMOTE Greece, 9 scheduled building evacuations, with the attendance of over 1,600 employees (74% of the total workforce).
 - In EVALUE SA & EVALUE MEPE, one scheduled building evacuation (about 70% of employees).
 - In GERMANOS, 2 scheduled building evacuations (27% of employees).

B. We closely monitor our performance

The results of our systematic efforts on Safety issues, are reflected in the following table, where incidents related to Health and Safety, are summarised, for the last few years:

	Losses in Employees	Losses in Collaborators	Number of Accidents	Number of Accidents (absence of > 3 days)	Percentage of involved employees	Total days of absence from work
COSMOTE Greece						
2006	0	1	11+14	10+10	1.14	115+208
2007	0	0	7+24	4+17	1.42	40+310
2008	0	0	4+12	1+11	0.71	8+131
2009	0	0	8+14	4+7	0.98	41+137
2010	0	0	5+23	5+16	1.18	26+209
2011	0	0	1+16	1+12	0.79	9+209
COSMOTE Group						
2006	0	1	11+16	10+12	-	482
2007	0	0	7+39	4+32	-	365
2008	1	0	4+35	1+34	-	163
2009	0	0	41+15	37+8	-	258
2010	0	0	8+23	8+17	-	274
2011	1	0	4+25	4+21	-	24+267

* Where two figures are presented, first figure refers to accidents within the workplace, while the second one to accidents outside the workplace (e.g. road accidents).

Regrettably, within 2011, the unfortunate death of a colleague from GLOBUL (Bulgaria) took place, due to a car accident in an urban transportation bus, in which our colleague was travelling.

In comparison to 2010, work accidents decreased from 28 to 17, while the number of accidents within the workplace decreased (from 5 to 1), as well as absence days due to accidents (from 26 to 9). Following investigations, no corrective action for the work accident that took place were required, as it has been considered incidental.

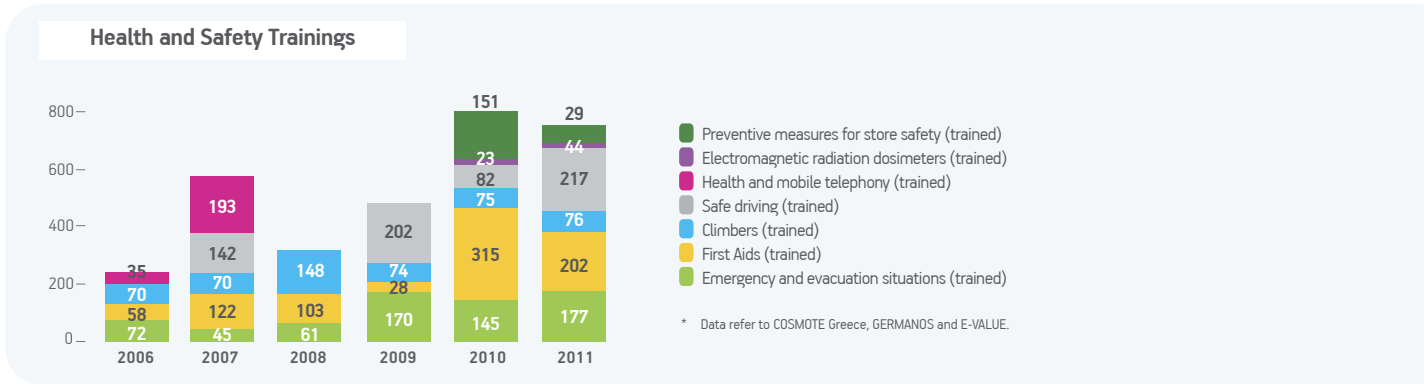
Total days lost due to accidents (both inside and outside the workplace), decreased marginally from 235 to 218. Also, 94.1% of accidents occurred outside of COSMOTE's workplace, being mainly traffic or misstep accidents (on the way to or from work), while the total percentage of employees involved in work accidents was 0.8%.



C. We train our employees on Health & Safety issues

Our company places particular emphasis on training and sensitizing our employees on Health and Safety issues. Therefore, after 2010, when 587 trainings took place and over 3,300 man-hours of training on safety issues were invested, in 2011, the number of trainings increased to 889.

Particular focus was given, as every year, on training climbers on work safety issues, as a total of 76 people were trained and over 1,680 corresponding man-hours were dedicated. Moreover, training of GERMANOS's stores employees was emphasized, in behaving and handling robbery situations (Critical Incident Stress Management), with 29 trainings conducted and 116 man-hours invested. Furthermore, 104 trainings for warehouse Health & Safety took place at GERMANOS, for which over 208 man-hours were devoted.



3. Fair Employment

A. We condemn child, forced and unfair labor

Our company respects the internationally recognized principles of human rights, as defined within the UN International Declaration of Human Rights and within the ten Principles of the UN Global Compact (which our company has subscribed to).

The fundamental principles, which define our relationship with our employees, are included in our Code of Conduct, which has been communicated to all employees (see section II-4B).

Based on these principles, we are committed not to proceed with employment engagement of individuals, which are below the legal work age limit (as defined by the Greek labour legislation) and, under no circumstances, will we engage employees below the age of fifteen years. We also commit ourselves not to follow, or even tolerate, coercive work in our premises. At the same time, we anticipate our suppliers not to occupy individuals below the legal work age, or to tolerate practices of physical harassment, exploitation, or use of coercive work, in any of their premises.

B. We offer a fair work environment

The principle of equality is the cornerstone of our relationship with our employees, enabling them to advance professionally, according to their performance, their skills and corporate needs. Our company is committed not to make any discriminations due to race, religion, colour, origin, age, special needs, sexual orientation, political beliefs, gender or family status, in any decisions linked to employment issues (e.g. discrimination of wage based on gender).

Society's diversity is also reflected within our company, as we occupy corresponding proportions of male and female, younger and older employees, as well as employees from various regions, while we seek to harmoniously integrate disabled people, within our company. Particularly important is that, the proportion of male-female employees is almost equal (both within COSMOTE Group, as well as COSMOTE Greece), the corresponding proportion of female Directors reporting to the CEO is 50% (compared to 50% in 2010 and 44% in 2009) in COSMOTE Greece and 31.6% within the entire COSMOTE Group, indicative of our equal opportunities policy.

Indicator	Percentage of female (total)	Percentage of female (in management positions)	Percentage of female (Directors reporting to the CEO)
COSMOTE Greece (%)	51.7	27.6	50.0
COSMOTE (%)	45.8	30.8	31.6



✓ Within 2011, we maintained a 50% proportion of female Directors reporting to the CEO (similar to the total analogy of female employees), in COSMOTE Greece.

It is worth mentioning that:

- There are no inequalities in compensation of male / female with a similar hierarchical grade.
- The lowest wage within the company is 41.5% higher than the legal basic salary.
- 11 employees of COSMOTE Greece are foreigners.
- Employees with special needs are 25 (all with over 50% disability) in COSMOTE Greece.

It must be noted that, no discrimination incidents occurred within COSMOTE for another year.

Within this frame of meritocracy, our company continued the development of official Job Position Roles (Job Families Model).

More specifically:

- The Job Position Roles (Career Paths) planning for Commercial, Technical and Information Technology Functions was completed in 2010. System planning for the remainder corporate Functions, was completed within 2011.
- An IT enabled tool for Career Paths was developed via e-SAP system, for all Divisions.

The application of this Job Family Model, further strengthens COSMOTE's commitment for employee development, equal treatment and advancement opportunities, according to their qualifications and skills.

Subsidiary Glance

The Job Family Model has also been applied to COSMOTE Romania, GLOBUL Bulgaria and AMC Albania.

C. We respect freedom of association

COSMOTE respects freedom of association of its employees and their right to form labour unions. Our company's Management conducts negotiations with the Employee Union of COSMOTE Greece, in order to sign the Collective Bargaining Agreement.

Overall, 72% of COSMOTE Greece employees participate in the Employee Union of COSMOTE Greece, while the election of Union representatives is performed directly by our employees.

D. We respect the right to strike

Our company also respects the right of employees to strike. The causes of strikes and stoppages, in their majority, were directly related to Pan-Hellenic strikes, due to social policy issues (e.g. new legislation). Only in few cases, strikes were attributed to issues related to COSMOTE. Overall, within 2011, 13 strikes and 2 stoppages took place.



4. Employee Development

A. We appraise our employees

Our Performance Appraisal System is critical for the development of our employees. Through this system, we identify strengths and areas for improvement, while actions to facilitate professional advancement of employees are recorded. At the same time, our employees' performance is rewarded, as the Performance Appraisal system is linked to the «bonus» system. For 2011, all COSMOTE Greece employees, which fulfilled the criteria of the respective appraisal procedure (being occupied for over six months), have been appraised through a software system, which manages all the necessary approval flows.

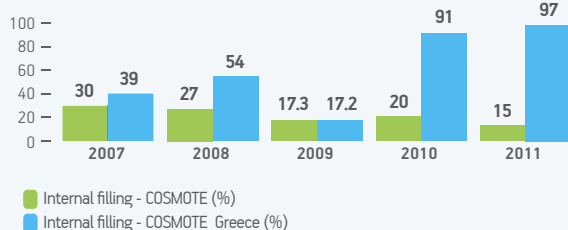
B. We develop our employees

We place emphasis on developing our own employees, therefore we apply a respective procedure, according to which:

- The Human Resources Division assesses which job positions can be filled from within and announced internally.
- Afterwards, a selection process is followed, which includes a series of interviews for candidates fulfilling the position requirements.
- In order to establish a robust and long term internal promotion system, we have created Assessment Centres, in which candidates for promotion (to positions with extended duties), participate. Within 2011, over 50 Assessment Centres were conducted.

As a result of this policy, within 2011, 97% of job openings in COSMOTE Greece (and 15% in all COSMOTE Group) were covered from within.

Internal Filling of the Job Positions



✓ In 2011, the analogy of internal job fillings increased by 7% at COSMOTE Greece, while reduced by 5% at COSMOTE Group.



C. We train our employees

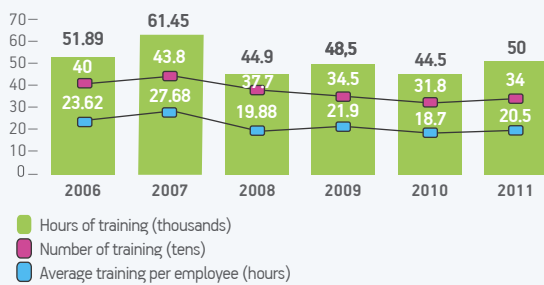
Our company seeks to develop and train all its employees. Indicative of this policy is the fact that, we managed to train over 50% of our employees, at least once a year, both within the Group, as well as within COSMOTE Greece. Within the frame of developing our employees and in parallel achieve our strategic objectives, we have designed and implemented an extensive training programme, addressing issues related to technology, products and services, competencies, people management, customer service, corporate responsibility etc.

In 2011, we materialized in total 2,150 training programmes within COSMOTE Group, which correspond to over 189 thousand training hours. These correspond to 22.8 training hours per employee, in comparison to 2,050 programmes, 194 thousand hours and 21.3 hours per employee, within 2010. In 2010, we also conducted a Corporate Responsibility training (addressing also Environmental issues), for 84% of Upper, Higher and Senior Managers in Greece.

Employee Training - COSMOTE Group



Employee Training - COSMOTE Greece



* Training data for 2009 have changed, as GERMANOS Greece and E-Value data have been integrated within Group figures.

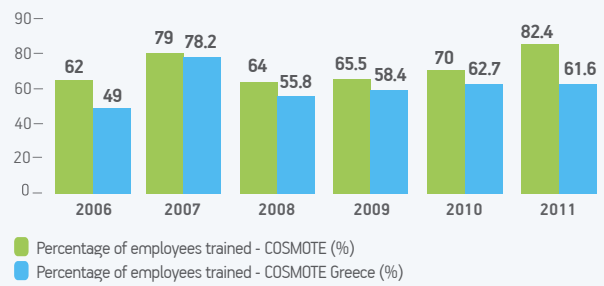


✓ Average training hours per employee increased by 9.6% in COSMOTE Greece and by 7% in the Group.



✓ Over 50% of our employees have been trained at least once annually, in the last 6 years.

Employee Participation in Training



D. We induct our new colleagues

Through the induction programme «Welcome to our world» our new colleagues are familiarized with our corporate principles, structure, culture, policies and procedures. Within the frame of this five-day programme, our new colleagues are also informed about:

- corporate operations,
- proper communication channels where they can receive further information,
- the main customer service principles,
- our Corporate Responsibility principles.

5. Employee Benefits

A. We offer additional benefits

Our company offers to its employees an extensive additional benefits package, which covers 5 main categories:



Insurance – Medical Care:

- Private medical care programme, for all employees and their protected members.
- Private life insurance programme, for all employees.
- Private retirement programme, utilised for the company to strengthen savings options, for all employees.



Mobile Telephony Products:

- Free corporate mobile phone, for all employees, as well as an additional 30% in preferential tariffs.
- Discounts for corporate products, in privately-owned COSMOTE shops.
- Discounted corporate products during our corporate Bazaar.
- Discount for corporate mobile phone / tablet upgrades, the amount of which varies, according to each employee's hierarchical grade.
- Other privileges for employees (such as receiving a discount on their mobile bill, by using the COSMOTE EUROBANK VISA).

Other Products:

- Gift vouchers, for Christmas and Easter festive periods.
- Cooperation with various companies, to ensure preferential treatment of employees, for products and services.

Family:

- Subsidising for nursery cost, up to €295 monthly, for each child of preschool age (till the first degree of elementary school).
- Favourable policies for working mothers, aiming to achieve a better work-life balance.
- Flexible daily work attendance for all employees (except those employed in shifts).
- Additional days of leave, in cases of special need.
- Monetary reward for employees' children, who rank high in their studies (Lyceum, University).
- A symbolic Mother Day gift, for all mothers working within COSMOTE.



Sports – Team Building:

- Salespeople and Customer Care Representatives Motivation Programme, aiming to identify and reward best employees (approximately 23% of participants were rewarded).
- Organization of athletic activities (e.g. internal 5X5 football and volleyball championship) and other events, aiming to cultivate a team spirit and, at the same time, employees becoming more active physically.
- Establish a COSMOTE Basketball Team, participating in an external Championship.



Stock Options:

- Managers of our Greek companies and directors of our abroad subsidiaries (approximately 4% of all employees and 14.3% of employees in Greece), participate in OTE's stock options programme, with a three-year time horizon.

6. Internal Communication

A. We systematically inform our employees

Systematic briefing and reciprocal communication, contribute towards creating a homogeneous corporate culture. For this reason, starting in 2005, we have established a systematic dialogue with our employees, via internal communication processes, utilising various means, such as:

- Intranet called "Mikrocosmos"»,
- electronic briefings (e-mails), for corporate and other issues,
- web2sms (written messages sent to employees' corporate mobiles),
- informative leaflets, via hard copy correspondence,
- face-to-face briefings in targeted audiences,
- posters, stands, etc.

It is worth mentioning that, once again in 2011, our Corporate Responsibility Report 2010 was uploaded on our Intranet, encouraging employees to review it electronically, for environmental reasons. At the same time, we strive to develop a common perception and to stimulate active participation of all employees, in our Corporate Responsibility programme. Therefore, we conduct extensive briefings to newly-hired employees, as well as regular briefings for all our employees, via printed and electronic material.



7. Employee Satisfaction



A. We monitor our employees' level of satisfaction

We monitor and analyze, in a systematic way, our employees' perception about the work environment, in order to identify both our strengths, as well as our potential areas for improvement. This registered perception, combined with our company's strategic objectives, is the basis to develop plans and implement targeted actions, to continuously improve our workplace.

In 2010, for the first time, the Employee Satisfaction Survey was conducted at Group level. Particularly important is that the participation rate reached 88% for COSMOTE Group and 87% for companies in Greece.

During 2011:

- Detailed per department presentations of research results were conducted (per each company unit) for all employees. From these employee meetings, action plans and actions for improvement emerged.
- Focus Groups, at employee and manager level were conducted, to analyze and interpret the opinion of employees about the company. During these focus groups, employees were given the opportunity to discuss with representatives of Senior Management about their concerns.
- A brief survey (at Group level), called "Pulse Survey" was conducted, which included questions about satisfaction of employees from their work and whether the company has applied corrective actions due to the previous Employee Satisfaction Survey.

The results of the "Pulse Survey", will be communicated to all of our employees in 2012.

8. Targets and Achievements 2011-2012

We said (in 2011)	We did (in 2011)	Progress	We will (in 2012)	Target Date
<ul style="list-style-type: none"> To implement a program to promote physical and mental health. 	See Section IV-2C		<ul style="list-style-type: none"> To expand the program of promoting physical and mental health. 	2012
<ul style="list-style-type: none"> To expand and implement the career path system, in all our functions. 	See Section IV-3B		<ul style="list-style-type: none"> To integrate principles of Corporate Responsibility in the Performance Evaluation System. 	2013
<ul style="list-style-type: none"> To communicate the Employee Satisfaction results of 2010 and develop respective programs. 	See Section IV-7A		<ul style="list-style-type: none"> To conduct an Employee Satisfaction Survey. To communicate the "Pulse Survey" results to all employees. 	2012
<ul style="list-style-type: none"> To implement program of "Diversity." 	See Section IV-4A,B		<ul style="list-style-type: none"> To certify AMC (Albania) due to OHSAS 18001. 	2012
			<ul style="list-style-type: none"> To implement a plan addressing human resources and their most effective use. 	2012
			<ul style="list-style-type: none"> To implement an electronic recruitment process to handle external candidates. 	2012

V. Our world, our **Society**



Briefly

- 2.5 } million emergency calls
- 557 } blood donators
- 1.49 } million euros for social support
- 42 } scholarships and honorary awards

Holistically supporting society, beyond financial aid.

Introduction and Priorities

Our Objective:

To combine our business success with the prosperity and the quality of life, for citizens in local communities in Greece and other countries we conduct our business in.

Our Achievements in 2011:

- We offered 15 Scholarships and granted 27 Honorary awards to first-year students.
- We increased the number of employee blood donors by 27%, reaching a total of 557 donors.
- We offered € 320,000 through the "Custom of Love" - New Year's SMS & MMS and € 183,100 through the service "I Offer".
- We gathered 98 boxes of toys, school and clothing supplies, in order to distribute them to people in need.
- We informed 320 students on the way a mobile telephony corporation operates.
- We launched 7,150 specially designed devices, suitable for elderly and/or people with sight disabilities.



1. Social Products and Services

A. We develop products and services for Disabled People

In COSMOTE, we believe that our obligation is to offer everybody equal access to communication services, despite abilities and particularities. For this reason, we seek to exploit technology, through products and services developed, in order to improve the available communication options (and therefore quality of life), for all and especially for Disabled People.

Services for people with sight disabilities



Case Study

"Communication for everyone"

In 2010, COSMOTE launched a specially designed mobile phone, suitable for elderly and / or people with sight disabilities. The mobile phone:

- costs less than € 50 (or is free for post-paid contracts and pre-paid products), in order to be accessible to everyone,
- has large sized keys and screen fonts,
- has easy functionalities, in order to enable communication for people facing difficulties in using common mobile phone devices,
- features an emergency storage key, enabling storage of up to 5 emergency numbers,
- features intense volume capabilities (up to 110dB), for people with hearing disabilities.

Overall, we distributed 12,000 pieces of such devices.



MobiTalk: We offer our MobiTalk service to individuals with sight problems, in collaboration with the Institute for Language and Speech Processing. This service aims to make mobile phone use easier for these individuals, by installing a high-tech software, via which all screen information are transformed to voice, while the user scrolls through menus. The service is offered free of charge, in our COSMOTE and GERMANOS retail chain.

Voice e-mail: This service provides people with sight problems the ability to manage easily their electronic post. Via voice recognition technology, users are able to hear and answer their e-mails, by giving phonetic commands (free of charge), as well as hearing out loud their inbox. At the same time, they can forward, or erase, electronic messages.

Services for people with hearing disabilities

Video Call: We provide an advanced Video Call service with 50% discount, both for pre-paid and contract customers.

SMS Messages: All contract and pre-paid customers with hearing problems, are able to send written messages (SMS) with 50% discount, as well as use free of charge emergency services, by sending written messages.



B. We utilize mobile telephony technology for the common good

With sensitivity to our citizens, we offer communication services tailored to their needs.

Emergency calls for the public

Emergency Services: Mobile telephony, apart from offering the capability to communicate within society, additionally facilitates calls to emergency numbers. Indicatively, within 2011, 2,505,997 emergency calls were made to numbers like 166, 100, 199, 116000, 116111, 116123 etc, without charge.

Support service for the public

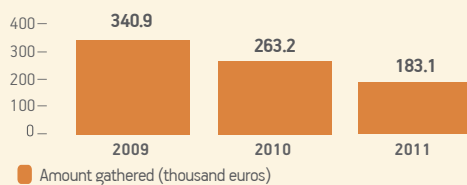
"I Offer" Service: Within the last years, even more institutions make use of short written messages (SMS), in order to conduct radio and tele-donation programmes.

In order to support social institutions and non-governmental organizations, COSMOTE along with the other two mobile telephony companies (VODAFONE and WIND HELLAS), for the fifth continuous year, collaborated to provide the "I Offer" Service:

- This service is supported by 3 five-digit numbers and is exclusively activated for charity purposes.
- Activation of the service requires a timely application, as well as deposit of required supporting documentation (authorization for conducting a charity by the Ministry of Health and Solidarity), by the charitable Institution / Association.
- The end user sends an SMS with a subject (linked to the specific charitable cause), to the pre-defined four-digit number and is charged 1€ / SMS, plus taxes. The gross income from the service is given to the Institution / Association, which requested the service activation.

The "I Offer" service was activated 17 times during 2011 and the total sum COSMOTE received and forwarded to charities, was € 183,076.

Activation of "I Offer" Service



Subsidiary Glance

In Bulgaria, the three mobile telephony companies initiated a similar service. As a result, 130,403 messages (SMS) were sent from subscribers of GLOBUL, in 2011. Respectively, COSMOTE Romania, activated 28 support lines, gathering approximately €415,000 for charity purposes.

Case Study

"2FOR ONE Programme"

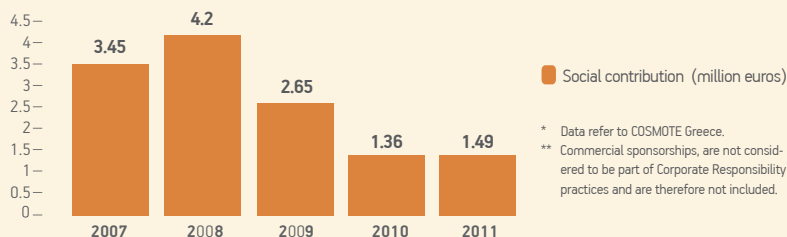
Through the programme "2FOR ONE", our customers can acquire 2 tickets at the price of one, by sending an SMS which costs € 1, for cinemas, zoos, cooperating theatres of ELLTHEA etc. It is worth mentioning that, over 370,000 customers utilized the program, with the annual participation increase being over 80%.



2. Social Contribution

COSMOTE recognizes the need to support weaker social teams and organizations which support the aforementioned teams.

Social Contribution



A. We support equal opportunities for Disabled People

At COSMOTE we believe that, Disabled People should be offered the same opportunities and living conditions, as any other citizen. For this reason:

- For the sixth consecutive year, we supported the important web site **www.DISABLED.gr**, with visitors being approximately 220,000 per month. This web site provides useful information to help disabled people in their everyday life.
- For the sixth time, we supported the magazine **"DISABILITY NOW"**, a magazine sent for free to 15,000 readers from Greece, Cyprus and Greeks expatriates. Its objective is to support disabled people through value adding articles, advice and consultations.
- COSMOTE, in cooperation with OTE, sponsored the **World Special Olympics 2011**, which took place in Athens, with the participation of 7,500 athletes from 185 countries. The Special Olympics offer people with mental disabilities the opportunity to develop physically, gain confidence and be further integrated within society.



B. We support programmes for children

For COSMOTE, caring for children, constitutes an important area of activities.



Case Study

"Custom of Love" - New Year's Day SMS & MMS

For twelve consecutive years, through our "Custom of Love" programme, we offer an important part of our income from New Year's Day SMS and for the first time MMS (sent between 00:00 to 07:00), to support 7 children institutions.

More specifically, seven institutions were supported this year:

- Association of Social Paediatrics Friends "Open Arms".
- Cerebral Palsy Society.
- Hellenic Society for Disabled Children "ELEPAP".
- Association of Parents with Children Suffering from Neoplastic Diseases "Floga".
- Association of Parents and Guardians of Children Suffering from Neoplastic Diseases "Pisti".
- Charity Institution and Association of Thessaloniki "Child Care".
- Association of Parents, Guardians and Friends of Children with Disabilities of Naxos region.



For the first time in 2011, COSMOTE and GERMANOS employees, voted to choose one of the institutions to be supported by the programme. The respective amount, in 2011, was € 320,000.

Social initiatives for children: For the eleventh consecutive year, we offered to a children care institution the amount which corresponds to acquiring Christmas business presents. In 2011, we chose the Special Education Centre "Melissa", in Corfu, supporting its operational costs.



Subsidiary Glance

It is worth mentioning that, our subsidiaries have implemented similar programmes:

COSMOTE Romania implements programmes to support children. Since 2009, the company has donated € 140,000 from the income of SMS messages, sent by customers, during the New Year's Day to 17 NGOs. Also in 2011, AMC Albania, donated € 12,500 of the income due to messages, sent by customers, during New Year's Day, to buy equipment for a school for children with limited abilities.

C. We support the right for Education

The education sector, constitutes an important priority, to support local societies:



“OTE-COSMOTE Scholarship Programme for Greek Rural Regions”:

Since 2002, when the programme started, COSMOTE Scholarships have covered more than once the entire Greek region. Through this programme, we have granted 106 Scholarships and 231 Honorary Distinctions in total (the value of which exceeds the amount of € 1.6 million), to first-year students, in rural regions. Its worth mentioning that, in 2011, the programme was empowered with the participation of OTE and the provision of 5 additional scholarships.

More specifically, in 2011:

- We offered 15 Scholarships, € 15,280 each, to first-year students from 15 prefectures of the Greek Region.
- We also granted 27 Honorary Distinctions, € 1,528 each one, to candidates chosen through an assessment process, addressing curriculum and extra-curriculum achievements.
- Scholars and Distinguished received free connection, Conn-x, as well as a pre-paid COSMOTE mobile device with free fixed charge for all years of study. Scholars also received a Notebook.
- For the convenience of candidates, as well as to reduce paper consumption, we simplified the procedure to participate in the programme, which was, for the first time, utilised only in electronic form, via a specially designed website.



Subsidiary Glance



Our subsidiary company COSMOTE Romania continues a respective programme, by offering 5 nine-month scholarships of €150 / month to talented new students. Our subsidiary company GLOBUL Bulgaria, for the sixth year, offered 10 scholarships to students, while offered them also the opportunity to practice inside the company. For the 10th year, AMC in Albania offered scholarships of €1,500 / year to 16 students, as well as a 3-month internship within the company's Construction Department, for those scholars finishing their bachelor studies.

D. We contribute to improving quality of life of the Greek society



Case Study

“Our world is you”

COSMOTE invited fellow citizens to express their ideas on how we could make our world a better place, with 7,500 people expressing their ideas. All ideas were evaluated and the first idea implemented was the one of Mrs Maria Tsiouni. Based on her idea, COSMOTE built the biggest human PACMAN ever. The objective was, during a day of joy and fun, for children to collect points, which were transformed to financial aid for the Chatzikiriakio Institution.

As a result, € 110,000 were gathered and used to:

- Cover heating and health needs for the year.
- Create a play ground.
- Renovate the building.
- Acquire toys for all children.



E. We contribute to cultural development

Our effort of supporting the Greek cultural heritage continued in 2011, through a series of actions:

- At the Byzantine Museum, the exhibition "Mount Athos" by Efthimis Varlami.
- At the Museum Benaki, the programme "Against All Odds (AAO Project): ETHICS/AESTHETICS", concerning environmental and social awareness of citizens, through architecture.
- At the Museum Vorre, the painting exhibition "Imprints 2011 - Special Olympics".
- At the Municipality of Larissa, the Penaeus Festival, including cultural, sporting and environmental activities.
- At the Municipality of Sparta, the events "Palaiologeia" and the "Spartathlon" race.
- At the Municipality of Spetses, the annual event of Armatas.
- At the Municipality of Kalamaria, the annual cultural events.

3. Volunteering

A. We promote the concept of volunteerism to our employees

Aiming to mobilize and make our employees aware, in order to develop responsible and active citizens, we cultivate volunteerism, through various actions. Examples of such actions, are described below:



Gathering Clothes: The programme “COSMOTE’s Family helps Greek Families”, was initiated in 2005, when employees were asked to contribute clothes, games, books and foods, which were forwarded to charitable institutions.

In 2011, 115 employees gathered 98 boxes of toys, school supplies and clothes, which were given to 2 institutions, as well as essential items, which were given to 8 poor families, through the Association “Social Support”.



Sports: For the sixth time, 110 employees voluntarily participated in the Marathon, as well as the 5 and 10 km routes, of the 29th Athens Classic Marathon. For every kilometer each employee run, COSMOTE offered a symbolic amount to the Centre of Infants “Mitera”. It is worth mentioning that, our employees’ participation increased by 49%, in the 2011 Marathon.



“2011 Bicycle Round Athens”: COSMOTE was the Grand Sponsor for this event, organized by the Youth and Sports Institution of Athens municipality, which took place with the participation of 40 company employees, which brought joy to orphan children, by giving them bicycles to participate in the event.

Special Olympics: 20 employees, voluntarily worked for a week, at the World Games Special Olympics 2011, living a useful experience, by understanding the struggle waged by people with mental disabilities.



“Our world is you”: 340 suggestions were raised by our employees to “make the world a better place”. The first idea, chosen to be implemented was the one of Georgia Agouridi, who asked “for a child clinic to be filed with toys”. COSMOTE made this wish come true, at the Karamandanio Children Hospital in Patra, with the contribution of Georgia and other employees that worked voluntarily.





Subsidiary Glance

It is worth mentioning that, 100 GLOBUL Bulgaria employees, for the third consecutive year, volunteered during the WWF Bulgaria National Nature Park Day and contributed to collecting 12 tn of garbage and renovating the visitor infrastructure.

AMC Albania, implemented a volunteer programme to clean up two forest areas, with 20% of employees participating.

COSMOTE Romania continued its volunteer tree planting programme "Adopt a Forest", with employees visiting and taking care of an area, where approximately 3,000 trees were replaced in 2011, with the participation of roughly 80 volunteers.



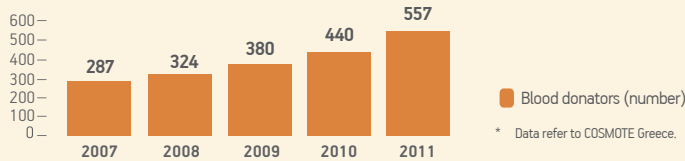
B. We encourage blood donation

Voluntary blood donation becomes a conscience, to more and more employees. Employees voluntarily offer blood within events organized by OTE Group twice a year, in collaboration with the G. Gennimatas hospital. Alternatively, employees can offer blood at any hospital of the country and mention the OTE Group blood bank.

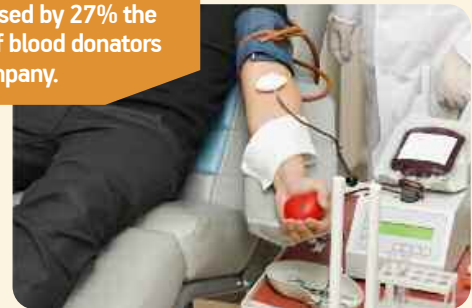
The Voluntary Blood Donation Program of OTE Group, defines that blood-donators can use half the quantity of blood donated (for a relative of any degree, or a friend), while at the same time, a work leave is provided.

In 2011, a total of 557 employees participated, 27% more than in 2010.

Employee Blood Donation



We increased by 27% the number of blood donors in our company.



Subsidiary Glance

It is worth mentioning that, 20 employees of AMC Albania participated in a blood donation programme of the Red Cross in Albania.

4. Business Enterprising

A. We inform young people about corporate practices

In COSMOTE, we undertake initiatives to systematically brief adults and young people, materializing specific educational programmes for high school and lyceum students, as well as for students in Universities and Polytechnic Colleges.

The visit takes place at the premises and includes:

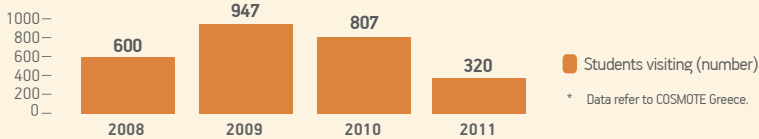
- A briefing about technology by our engineers, as well as professional orientation and the way a modern company operates.
- A presentation of our network architecture and our control center.
- A presentation on Base Stations' technology, 2nd (2G) and 3rd generation (3G) networks, microwave junctions etc.
- A briefing by our scientific personnel (actinophysics), about electromagnetic radiation of Base Stations and mobile phones.

During this briefing, we conduct an ad hoc measurement of electromagnetic radiation level, with a spectrum analyst.

In 2011, 320 high school and university students from 5 schools and universities all over the country visited our company, attending the above educational programme.

Students Visits

✕ Student's visits to our company decreased by 60%.



At the same time, visitors have the opportunity to be informed, in an interactive and innovative way, about Base Stations and their operation, at the mobile telephony section of OTE Group's Telecommunications Museum.

B. We support technological development

A central pillar of our enterprising operation, is exploiting new technologies and services, to facilitate business innovation, competitiveness, as well as customer facilitation (see section III-3A).

Case Study

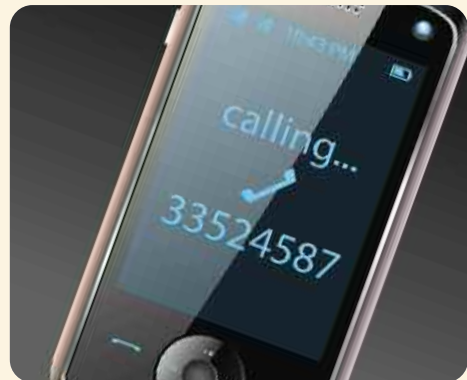
Impact of Mobile Communication

COSMOTE, among other companies, supported in 2010 the study titled "Mobile Communications: a catalyst in the new developmental model of Greek economy", conducted by IOVE. Within this study, the incorporation of 14 mobile communication applications in various business sectors was assumed, with the contribution, within the main scenario, being cumulatively till 2020:

Operational cost: Reduction of operational costs for enterprises can reach € 23.7 billion. The progressive accumulation can lead to an annual cost reduction of € 3 billion in 2020 (which corresponds to approximately 1% of anticipated GNP).

Environment: Emission of greenhouse gases can reach 4.9 million tons CO₂eq, which corresponds to 3.7% of emissions in Greece 2005 (4.6% for 1990).

Quality of life: By adopting 6 applications, average time saving for a person can reach 234 hours per year, which corresponds to 2 years of a 75-year old person.



5. Targets and Achievements 2011-2012

We said (in 2011)	We have (in 2011)	Progress	We will (in 2012)	Target Date
<ul style="list-style-type: none"> To develop an employee volunteer programme, utilising employees skills. 	See Section V-3A,B	50%	<ul style="list-style-type: none"> To further develop an employee volunteer programme. 	2012
<ul style="list-style-type: none"> To launch a new product or service for disabled people. 	See Section V-1A	0%		
<ul style="list-style-type: none"> To continue the "Custom of Love" programme, with one institute being chosen by our employees. 	See Section V-2B	100%	<ul style="list-style-type: none"> To continue the "Custom of Love" programme, with one institute being chosen by our employees. 	2012
<ul style="list-style-type: none"> To continue the Scholarships Programme for Rural Regions. 	See Section V-2C	100%	<ul style="list-style-type: none"> To continue the Scholarships Programme for Rural Regions. 	2012
			<ul style="list-style-type: none"> To continue the "Our world is you" programme, by utilising further ideas. 	2012

VI. Our world, our **Environment**



60.3	} tones of packaging material
1.8	} million liters of petrol
21.2	} thousand cubic meters of water
160	} GWh of electricity
5	} million EMF measurements
744	} thousand bio-degradable bags

Briefly

Maintaining our operations, without harming the environment.

Introduction and Priorities

Our Objective:

Our objective is not to have a negative impact on the environment (where this is not feasible, we aim to minimize the negative impact, which inevitably originates from all human activities) and in parallel to raise awareness of our fellow citizens and employees, on acting more responsibly on the issue of environmental protection.

Our Achievements in 2011:

- We recycled 8.28 tn of mobiles-accessories.
- We deployed our mobile recycling system in 100% of our COSMOTE and GERMANOS retail network.
- We recycled 69.1 tn electrical and electronic devices (100% of the quantity we withdrew).
- We recycled 227 tn of batteries (100% of the quantity we withdrew).
- We recycled 9,021lt of oil-lubricants (100% of the quantity we withdrew).
- We continued the operation of photovoltaic panels in 21 Base Stations to utilise solar energy.
- We prevented 3,700 tn of carbon dioxide from being emitted, due to programmes we have implemented.
- We reduced electricity consumption per Base Station at 3.7%, due to programmes we have implemented.
- We reduced energy consumption within our stores by 8.6%.
- We reduced total petrol consumption by 4.4%.
- We recycled 84.1% of solid waste from our warehouse.
- We recycled 41.8 tn of paper (over 50% of the total purchased paper).
- We reduced the average weight of packages by 52%.
- We reduced water consumption per employee by 5.6%.
- We reduced fuel consumption, in the corporate fleet, per kilometer by 1.9%.
- We increased by 15% the number of EMF measurement stations in all of Greece, through our "Pedion 24" programme.
- We helped our customers to reduce paper consumption by 250 tn, which corresponds to more than 4,300 trees.



1. Strategy and Management

A. We operate in a systematic way

Within the frame of our Environmental Management System, which is certified according to the ISO 14001 standard, we analyze all our activities, products and services with reference to their impact on the environment and try to improve our environmental performance, by setting goals, determining indicators and taking actions, which are economically feasible, through our multifaceted Environmental Strategy, which is based on three main axes:

Environmental Strategy



Reduce own environmental footprint



Brief and raise Stakeholder awareness



Contribute to reduction of environmental footprint of other business sectors

COSMOTE's commitment to protect the environment is also expressed in its Environmental Policy and is transformed into action through the development of Environmental programmes described within this chapter.

COSMOTE GROUP's Environmental Policy

"We, at COSMOTE, are committed to handle any effects our operations have on the environment, by taking into consideration the continuous improvement of our environmental performance. This commitment defines the way we operate within COSMOTE.

Issues

- Application of current legislation and participation in achieving national goals, constitutes the starting point for the development of our environmental policy.
- We recognize and measure our impact on the environment.
- We seek for ways to reduce our impact, by utilizing the best available techniques and practices:
 - Minimizing pollution and waste we emit to the environment.
 - Reducing unnecessary use of raw materials and energy consumption.
 - Recycling raw materials, such as lubricants, papers, but also WEEE.
- We educate, raise awareness and encourage our employees' to participate in the operation of our Environmental Management System, but also more generally, to adopt an environmentally responsible way of life.
- We have an open dialogue with our employees and stakeholders.
- We expect our suppliers and our contractors to demonstrate environmental care and put into practice environmental management programmes.
- We contribute to the sensitization-mobilization of our customers on environmental issues, such as recycling of mobile phones, batteries, ink cartridges, the use of ecological materials, such as bio-degradable bags in our shops, as well as services like e-billing.
- We stay in contact with the local society, we anticipate and correspond to their needs to confront critical environmental issues.
- We participate in public dialogue and environmental discussions in general.
- Remaining faithful to our environmental principles, we put into practice, everywhere in Greece, the Environmental Management System, according to ISO 14001:2004 standard, in all the breadth of our operations and services.

The reduction of our impact on the environment, requires continuous effort and monitoring of results. Environmental issues constitute an integral part of our philosophy and are integrated in all internal operations of our company."

Michael Tsamaz

BoD President and CEO



Subsidiary Glance

Our subsidiaries GLOBUL Bulgaria and COSMOTE Romania and AMC Albania are in the process of developing environmental management systems according to ISO14001.

2. Energy and Climate Change



A. We analyze energy consumption sources

Our company recognizes the importance and risks associated with the issue of Climatic Change. Therefore it strives to improve its energy efficiency and reduce the negative impact it has directly (e.g. petrol use in Base Stations,) and indirectly (e.g. electricity use from the Public Power Corporation) on the atmosphere, due to the corresponding greenhouse gas emissions (such as carbon dioxide).

The direct and indirect carbon dioxide emissions, which are related to our company's energy consumption, are presented below per sector and activity, while corresponding energy consumptions are described analytically in the following sections of this chapter.

Total (direct and indirect) emissions of carbon dioxide increased by 1.6% (from 123,747 tn in 2010, to 125,810 tn in 2011, mainly due to inclusion of air-transport related emissions) with the overwhelming majority being attributed to our Network operations (Backbone Network and Base Stations). Based on this analysis, priorities for our company are identified as being: energy reduction programmes within our network operations and secondary within our office operations.



Case Study

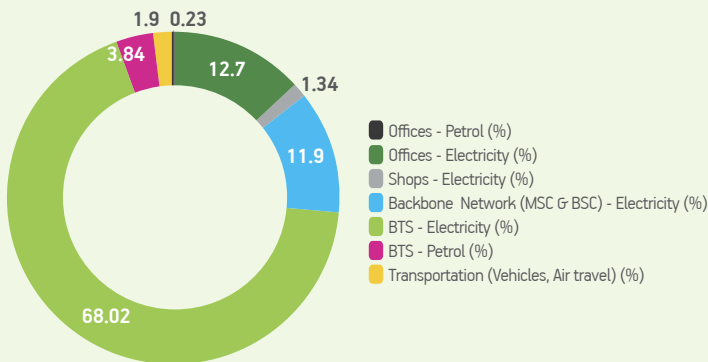
Energy Monitoring Model

For the configuration of our energy strategy, COSMOTE has developed an Energy Monitoring and Forecasting Tool, in order to:

- Monitor energy consumption.
- Forecast future energy consumption.
- Register energy saving, due to respective programmes.
- Define future energy and carbon emission targets.



Carbon Dioxide Sources

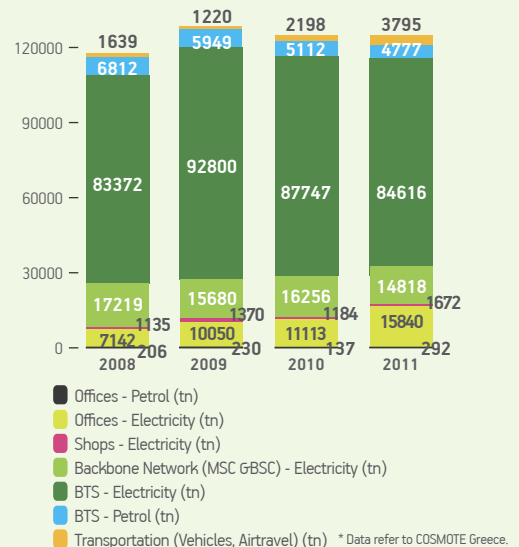


* Data refer to COSMOTE Greece.

** Conversion factor: Electricity 0.722399 tn CO₂e /MWh, Gasoline 0.002327 tn CO₂e/lit, Petrol (stationary combustion) 0.002667 tn CO₂e/lit, Propane 231.1015 g CO₂/kWh

Sources: IEA CO₂ emissions from Fuel combustion 2010 Edition - GHG Protocol Calculation Tools (2006 IPCC Guidelines for National GHG Inventories / 2007 IPCC Fourth Assessment Report).

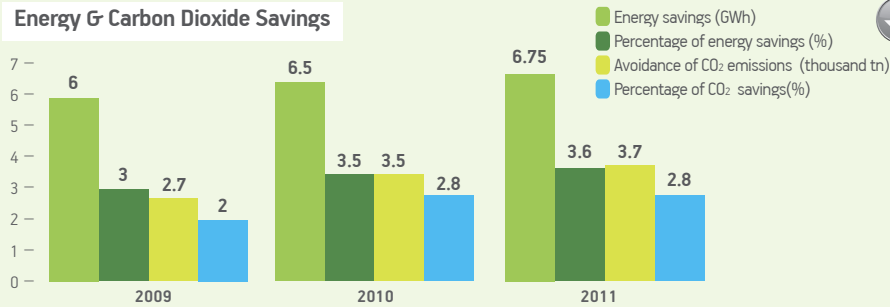
Carbon Dioxide Emissions



● Offices - Petrol (tn)
 ● Offices - Electricity (tn)
 ● Shops - Electricity (tn)
 ● Backbone Network (MSC G-BSC) - Electricity (tn)
 ● BTS - Electricity (tn)
 ● BTS - Petrol (tn)
 ● Transportation (Vehicles, Airtravel) (tn) * Data refer to COSMOTE Greece.

Via programmes described below, we seek to decrease our energy consumption from all sources, and therefore the corresponding emissions of carbon dioxide. Without these programmes, the consumption of energy would be over 6,750 MWh higher (or 3.6% of total). This corresponds to 3,700 tn of carbon dioxide emissions (or 2.8% of total emissions) and saving of over € 860,000.

Energy & Carbon Dioxide Savings



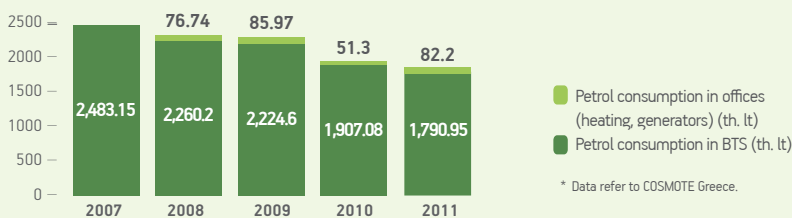
✓ We prevented emission of 3,700 tn of carbon dioxide, through targeted programmes that were implemented.

B. We reduce consumption of petrol in our Base Stations and Offices

In order to continuously provide our services in all Greek territory, we install Base Stations (BTS) in the remotest locations, where electricity supply (via the Public Power Corporation network) is difficult, or even impossible. At these locations, it is necessary to use electricity generators, which function 24 hours a day, or at least temporarily (when energy supply from the Public power Corporation is not available).

Our company, in order to reduce petrol consumption, which has particularly aggravating impact on the environment, applied a programme for maintenance of 651 generators (24-hour and emergency operation), aiming to ensure their proper function. More analytically, in 2011 the petrol consumption in Base Stations reached 1,790,950 lt (reduction by 6.1% in comparison to 2010), heating petrol consumption in buildings reached 68,001 lt, while petrol consumption for generators in offices (Dachtilidi and Acharnon) reached 14,190 lt. The decrease in oil use is due to better adjustment and operation of PV systems used by the company (resulting 504 tn CO₂ savings). These consumptions correspond to approximate emissions of 1.17 tns of SO₂ and 4.0 tns of NO_x.

Petrol Consumption in Base Stations and Offices



* Data refer to COSMOTE Greece.



✓ We reduced the total consumption of petrol by 4.4%.

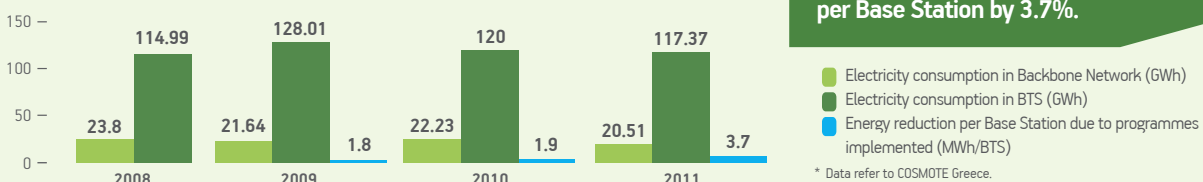
Subsidiary Glance

For 2011, petrol consumption for offices, Network and Base Stations of all COSMOTE Group reached 3,164,990 lt, while also 3,236 lt of propane were consumed at our subsidiary E-Value.

C. We control the electricity consumption in our Backbone Network and B/S

Growth of our network and deployment of a new third Generation (3G) network, require installation of new Base Stations (BTS) and additions of new equipment in our Backbone Network. Therefore, reduction of energy consumption is a challenging goal, for any mobile telephony company. The company has not monitored directly the total electricity consumption in BTS and Network, a practice it intends to complete in the near future, with the installation of digital energy consumption monitoring systems, a programme initialized in 2010. However, in order to prioritize energy reduction programmes, we conducted direct measurements and estimations, in order to focus on areas, where the highest energy consumptions (and corresponding carbon dioxide emissions) originate from.

Electricity Consumption in Backbone Network and BTS



✓ Due to the programmes we have implemented, we reduced energy consumption per Base Station by 3.7%.

* Data refer to COSMOTE Greece.

In order to decrease current electricity consumption in Base Stations, our company:

- Continues the installation of free cooling systems, aiming to reduce energy use (utilizing the difference between external and internal temperature in BTS). In 2011, we installed 123 free cooling systems, increasing the total number to 1,571.
- Operates, at the end of 2011, photovoltaic panels in 21 Base Stations in total. Through these systems, renewable solar energy is utilized, replacing electricity from Grid and petrol consumption, which have negative impact on the environment.
- Implements a programme for the gradual replacement of old telecom equipment with new type equipment, achieving a worth mentioning reduction in energy use. The programme will be continued and new Base Stations will be designed, according to new energy facts.

It must be noted that, due to the programmes we have implemented, we managed to reduce the consumption of energy in our Network by 3.7% per Base Station. This is particularly important, as our Network is accountable for the majority of our energy consumption.



Subsidiary Glance

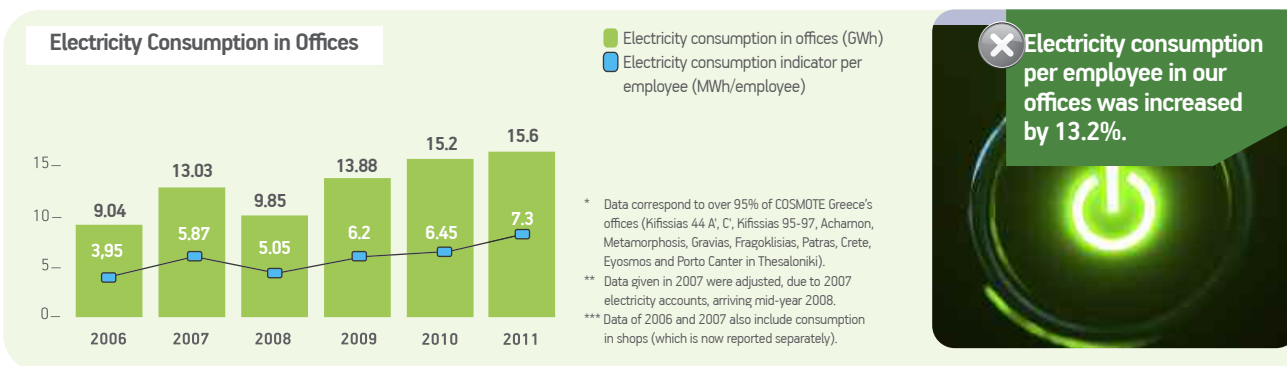
For 2011, electricity consumption in COSMOTE Group's Network and Base Stations reached 255.27 GWh. Indicative examples of good practices, is the use of free cooling systems in approximately 1,520 Base Stations of COSMOTE Romania and the use of a free cooling and heating-cooling system combination in approximately 910 Base Stations in GLOBUL Bulgaria.

D. We control electricity consumption in Offices

In order to reduce office energy consumption, we have taken proactive measures, such as:

- We increase awareness of our employees about the consequences of energy consumption on the environment.
- We monitor consumption and take actions, such as decreasing the air-conditioning use, limiting lighting in exterior places etc.
- We initiated a building upgrading programme.

In 2011, office energy consumption reached 15.6 GWh, while the corresponding consumption per employee was 7.3 MWh (increase by 13.2% in comparison to 2010).



The increase of energy consumption at offices is due to the inclusion of measurements from two new facilities, as well as the deployment of the Data Center in our Acharnon building.



Subsidiary Glance

For 2011, electricity consumption at Offices, Warehouses and Stores, in all COSMOTE Group, reached 46.98 GWh. Indicative example of good practice, is the logistics center of GERMANOS in Avlonas, with light-tubes installed in an area of 8,500 m², resulting an energy reduction which exceeds annually the amount of 200 MWh. As a result, energy consumption at GERMANOS stores, in 2011, reached 6.43 GWh, reduced by 2.7% in comparison to 2010.

E. We control electricity consumption in Shops

Our company's remodeling project in 2010 resulted a significant decrease in our per-store energy consumption, which was reduced by 8.6%, in 2011, reaching 1.48 GWh.



3. Raw Material and Waste

A. We analyze the use of Raw Material

Our company recognizes that raw materials are not inexhaustible and that a more efficient use of natural resources is a priority for the whole planet. For this reason, we follow the principle "Reduce - Reuse - Recycle", in order to achieve the more efficient use of limited resources, while we also aim to reduce the production of solid waste, that inevitably emanate from any corporate activity.

Consequently, depending on the type of materials (general or special-hazardous), our company:

- Monitors materials used.
- Reduces materials used.
- Reuses materials used.
- Recycles materials used.
- Properly disposes materials produced.



MONITOR MATERIAL USED

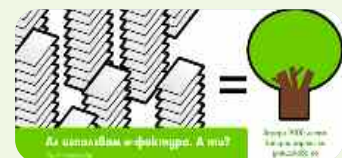


B. We use Recycled Materials

COSMOTE, in 2011, acquired 744,110 environmentally friendlier bio-degradable bags, 11% less than in 2010. Moreover, our company uses only recycled paper in all materials related to Corporate Responsibility activities.

Subsidiary Glance

The objective to expand, in 2011, the use of bio-degradable bags in GERMANOS retail network, was achieved, as 4,365,291 bags were acquired. In parallel, recycled paper is also used in GLOBUL Bulgaria for the coverage of the needs in offices and shops.



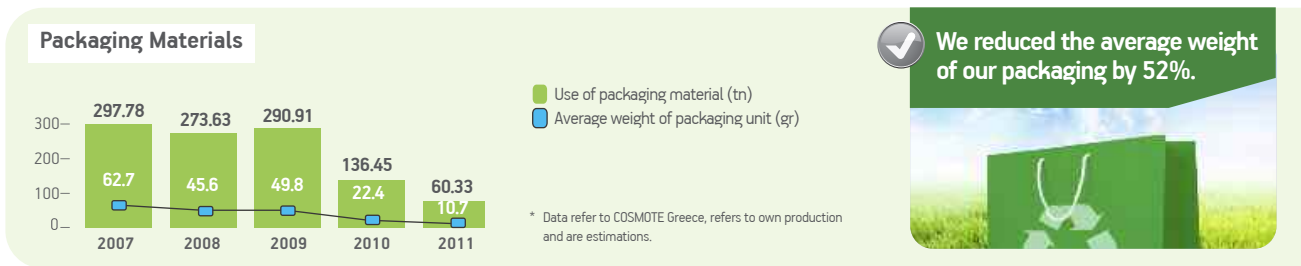
C. We control consumption of Packaging Material

Our company implemented a product packaging control programme, for products manufactured in-house and positioned in our shops.

	2007	2008	2009	2010	2011
Aluminium (tn)	12.46	8.81	9.98	1.9	0.02
Wood (tn)	52.93	35.27	37.48	1.4	0
Plastic (tn)	85.94	100.19	102.81	48.15	10.66
Paper-cardboard (tn)	146.46	129.36	140.64	85	49.65
Packaging (pieces)	4,748,894	6,001,672	5,843,520	6,083,743	5,650,628
Bio-degradable bags (number)	1,000,000	1,600,000	1,210,000	837,000	744,110

* Data refer to COSMOTE Greece, refers to own production and are estimations.

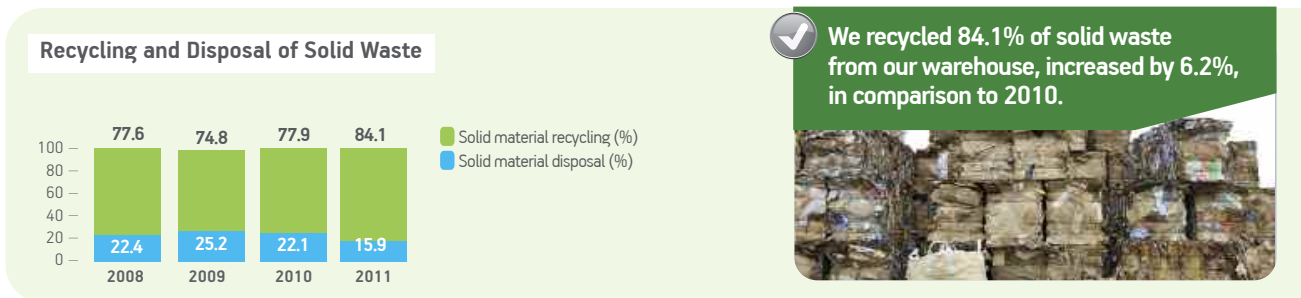
In 2010, we stopped production of prepaid metallic boxes, resulting a significant decrease in Aluminum usage (production of which is energy intensive), while the overall raw material usage reached 60.3 tn. As a result, the average weight of our packaging, decreased to 10.7 gr per unit.



General Waste Management

D. We recycle Warehouse Materials

Within 2011, we continued our programme to manage alternatively materials of our warehouse in Metamorphosis. In total, 64.63 tn packaging materials were delivered for recycling through our warehouse (36.08 tn cardboards, 11.8 tn plastic, 16.75 tn wood), while 12.22 tn of non-recyclable materials were directed for disposal, to the Ano Liosia waste area.



Subsidiary Glance

In 2011, 187.3 tn of product materials from GERMANOS (86.6 tn cartons, 30.5 tn plastic, 70.2 tn wood) were forwarded for recycling, while 39.3 tn of non-recyclable materials were forwarded to the Ano Liosia waste area.

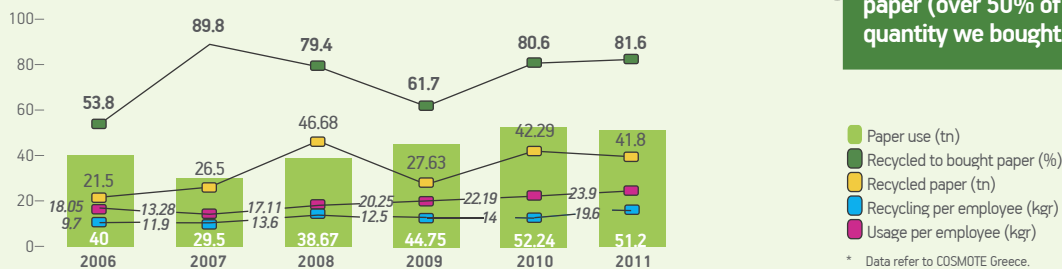
E. We reduce usage and recycle Paper

The reduction of paper used in our offices and shops, is a practice that COSMOTE has implemented for years. This effort is based on the following practices:

- Use of targeted messages to increase the awareness of our employees.
- Application of electronic paper management tools, such as for customers' electronic signature at COSMOTE and GERMANOS shops (for contract renewals, address changes, deactivations etc.) and for the employees' payment procedures (it is estimated that over 1,200 kgr of paper will be saved, an amount corresponding to 20 trees).
- Possibility of two-side photocopying and printing, for documents in Greece.
- Usage of recycled photocopy paper, to cover office needs.
- Implementation of the "Follow Me Printing" programme, to optimize printing administration and therefore paper savings.

At the same time, by having systematized the recycling programme we emphasize on the proper use of paper. As a result, in 2011, 41.8 tn of paper were recycled.

Use and Recycling of Paper



✓ We recycled 41.8 tn of paper (over 50% of the quantity we bought).

- Paper use (tn)
 - Recycled to bought paper (%)
 - Recycled paper (tn)
 - Recycling per employee (kgr)
 - Usage per employee (kgr)
- * Data refer to COSMOTE Greece.

Subsidiary Glance

Paper consumption of COSMOTE Group, within 2011, reached 151.2 tn. In parallel, paper recycling of COSMOTE Group reached 114,47 tn, with respective programmes being also applied at GERMANOS in Greece (which recycled 49.2 tn), GLOBUL and GERMANOS in Bulgaria (10.43 tn), COSMOTE and GERMANOS in Romania (7.98 tn) and AMC in Albania (5.3 tn).

Special Waste Management

F. We recycle Mobile Phones, Accessories and Batteries

Since 2005, we have implemented a mobile phone, accessories and battery recycling programme in all COSMOTE shops, GERMANOS shops and COSMOTE buildings. As a result, 8,282 kgr of phone devices and mobile telephony accessories were gathered in 2011, corresponding to 18.04 kgr per collection point, which unfortunately represents a decrease by 29.4%, in comparison to 2010.

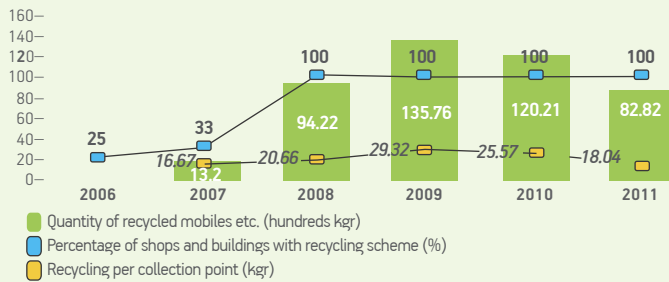
Furthermore, within the frame of a corporate assets withdrawal programme, 6.33 tn of mobile phones and accessories from COSMOTE's warehouse were recycled. These amounts are not included in the data of the graph below, as they are not related to customers' participation.

Subsidiary Glance

In 2011, a similar mobile phone and accessories recycling programme was continued in GLOBUL and GERMANOS in Bulgaria (418 kgr), as well as in COSMOTE and GERMANOS Romania (234 kgr). The total recycled quantity, within COSMOTE Group, reached 8,934 kgr.



Recycling of Mobiles, Batteries and Accessories



* Data refer to COSMOTE Greece and GERMANOS Greece customers.



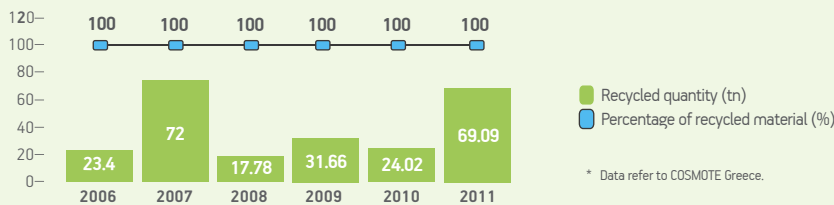
Apart from phone devices, batteries and accessories, our company also enables recycling of domestic batteries and ink cartridges in its shops, for the public. In 2011, 44,774 kgr of domestic batteries were collected from 459 collection points (i.e. 97.5 kgr per point), as well as 1,066 pieces of ink cartridges (or 2.3 items per collection point).

G. We recycle Electrical and Electronic Waste - WEEE

COSMOTE was the first mobile telephony company in Greece, which responded to the requirements of the relative legislation (117/2004) and signed a contract with the Appliances Recycling company, the only licensed company in Greece, for recycling Electrical and Electronic Waste Equipment.

Through this environmental programme, we forward 100% of telecommunications equipment and 100% of IT Hardware equipment withdrawn for recycling, which in 2011 reached the quantity of 69.1 tn.

Electrical and Electronic Waste Recycling



* Data refer to COSMOTE Greece.



Subsidiary Glance

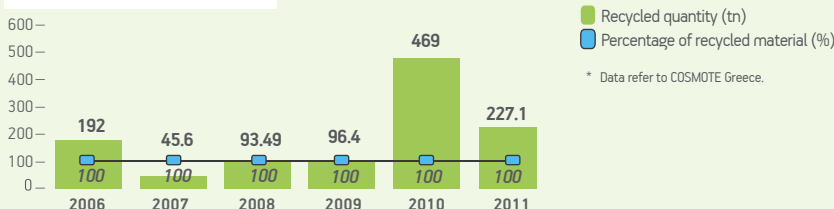
During 2011, 97.6 tn of electrical and electronic waste were recycled within COSMOTE Group.

H. We recycle Base Station Batteries

In order to continuously provide our services to customers, we have installed lead batteries in our Base Stations, which are activated when electricity provisioning problems occur. When the life cycle of batteries is completed, they are collected by specialized companies and transported to licensed establishments, in order to be recycled (since lead batteries are characterized as hazardous).

Our objective for 2011, was the recycling of 100% of withdrawn batteries. This objective was achieved, as 227.1 tn of lead-acid batteries were forwarded for recycling.

Recycling of Lead Batteries



* Data refer to COSMOTE Greece.



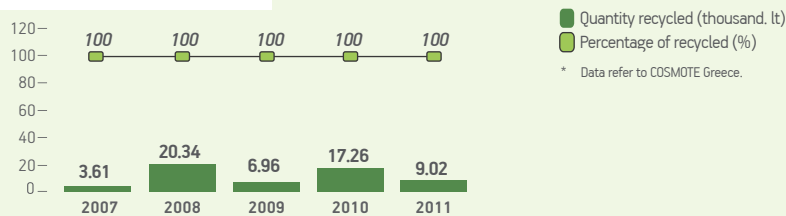
I. We recycle Oil-Lubricants

It is ecologically important to avoid rejection of lubricants to the environment, which are used in generators located in Base Stations, as these are considered dangerous materials. For this reason:

- We invested in installing special collection buckets in all BTS, with 24-hour operating generators (or generators used for backup operation), for outcast oil-lubricants and maintenance waste.
- 9,021 lt of lubricants were collected, for recycling.
- At the same time, we cooperate with a licensed company, which collects and forwards for recycling the whole quantity of lubricants rejected, during generator maintenance.
- Collection of oil-lubricants is conducted annually for 24 hour operating generators and every two years for back up generators.

The achieved target for 2011 was the alternative management of 100% of outcast Lubricants and Oils, which are the result of BTS generators maintenance. Consequently, in 2011 over 22,289 lt of lubricants were bought, while 9,021 lt were collected and delivered, to the respective Alternative Management Collection System. The difference is due to the fact that acquisition and replacement of oil and lubricants do not coincide with the calendar year.

Oil-Lubricants Recycling



✓ We recycled 9,021 lt of oil-lubricants, 100% of the quantity we withdrew.

J. We reuse Ink Cartridges

Since the very first year of our operation, we have adopted a policy to handle ink cartridges for printers, since in some cases, these contain hazardous substances. The target for 2011 was to reuse 30% of bought ink cartridges. The target was overachieved, as reuse reached 50.6% (almost 70% above the target). More specifically, 6,087 new ink cartridges were bought, 3,078 of which were delivered and refilled (after their reconstruction, in case they had a repairable dysfunction) and 2,234 items were sent for alternative recycling.

Reuse and Disposal of Ink Cartridges



Subsidiary Glance

In 2011, reuse of bought ink cartridges started at GERMANOS, with the respective percentage reaching 3.6%.

K. We recycle Lamps

In 2010, we initiated a new recycling programme for lamps in our buildings. The total amount gathered and recycled reached 220 kg (increase by 22.2%, in comparison to 2010).

Lamps Recycling



4. Ozone Layer

A. We reduce our impact on the Ozone Layer

Our company has stopped installing equipment, which use chlorine-fluorine-carbons (CFCs), which are extremely harmful for the ozone layer. Progressively, our company has replaced these substances with refrigerating and extinguishing substances, which are environmentally friendlier (as they correspond to a lower Ozone Depleting Potential - ODP), such as the cooling substances R407, R410C, R134A and the extinguishing substance FM200. However, the existing materials which inevitably leak to the atmosphere are gradually replenished. It is worth mentioning that, according to existing legislation, handling and reuse of existing R22, is allowed until 2014.

QUANTITY LEAKED TO ATMOSPHERE IN (Network, Buildings, Shops)

MATERIAL	2009 (Network, Buildings)	2010 (Network, Buildings, Shops)	2011 (Network, Buildings, Shops)
R22 (elaborated)(kgr)	2,057	172.3 (94.7 CFC-11eq)	266 (146.3 CFC-11eq)
R407 (kgr)	655	462	681
R410 (kgr)	520	159	433
R134 A (kgr)	117	24	0
Total (kgr)	3,349	817.3 (94.7 CFC-11eq)	1,380 (146.3 CFC-11eq)

* Data refer to activities of COSMOTE Greece.

5. Water

A. We monitor our water consumption

Since water is not connected to our operations, we consume water (acquired solely from public water companies), exclusively for our employees' hygiene, plant watering and office / shops cleaning, therefore do not significantly affect water sources. Since all waste water is directed to public waste networks, our company does not apply water recycling practices, while the amount of waste water can not be monitored. At the same time, our company seeks to make aware our employees on the responsible use of this significant natural resource, while no significant spills occurred.

Consumption in 2011 was 21,246 m³, which corresponds to a 14.3% decrease, compared to 2010 (being 24,791 m³), as well to a per-person consumption decrease by 5.6%.

Water Consumption



Subsidiary Glance

In 2011, water consumption of COSMOTE Group reached 94,811 m³. An indicative example of water reduction practice is the use of biological cleansing at GERMANOS' distribution center in Avlona. The system operates without stench and noise, treats waste water produced at the distribution center and reclaims the treated water for watering the surrounding gardens. In 2011, the total consumption of water in GERMANOS reached to 18,656 m³, which corresponds to an increase by 6.6%, in comparison to 2010.

6. Transportation

A. We reduce our transportation impact

Our company's products are distributed to all of our sales points, according to specific processes, which include:

- The employment of trained drivers and application of a control system for drivers, loads and routes.
 - The systematic control of our distribution fleet, at the Technical Vehicles Control Centers (T.V.C.C) and the supply of exhaust-gas cards.
- The number of vehicles for COSMOTE Greece in 2011 was 363, on average, while these vehicles consumed in total 731,319 lt of fuel (845 lt of those were diesel). This corresponds to a decrease of 7.6% in comparison to 2010. The vehicles were used to cover a distance of roughly 7.1 million km. This corresponds to a 1.9% reduction of fuel consumption per kilometer (from 0.105 to 0.103 lt/km), due to the more effective management of our corporate fleet, as well as use of more efficient cars.



Subsidiary Glance

In 2011, the GERMANOS corporate fleet consumed in total 285,976 lt of fuel, which corresponds to a quantitative reduction of 22.5% and a per kilometre reduction of 8%.

7. Biodiversity

A. We monitor our impact on biodiversity

The influence of our activities on biodiversity is minimal and does not constitute a priority for action, in comparison to other issues addressed in this chapter. Nevertheless, our company:

- Identifies the potential impact of Base Station construction on the natural and urban environment through Environmental Impact Studies for Base Stations and strives to integrate Base Stations within the environment, with the least possible repercussions.
- Has already completed the development of 3.600 Environmental Impact Studies, which have been registered for approval, at the respective Regions of the country. Till the 31st December 2011, only 40% of these cases have been approved by the respective authorities. This is due to the new Administrative Structure of the Regions: all registered Studies have been moved from the District Departments to the District Units, without however approval of these Studies by the new Authorities, while, at the same time, new Studies have been registered for approval.
- Protected areas near Base Stations, such as NATURA, SPA (Special Maintenance of Bird Species), RAMSAR, CORINE (protection of biotopes), IBA (important areas for birds) are in all cases referred in respective Environmental Impact Studies and are evaluated, within the context of relative processes.
- Commits to restore potential negative repercussion, which our offices and Base Stations might have on the ecosystems.



According to Law 3431/2006 for electronic communications, all mobile telephony Base Stations-Antennas in Greece, were retroactively imposed to be accompanied by Environmental Impact Studies, which have to be approved by the 51 Regions of the country. Overall, the Base Station licensing process in Greece is complicated: up to 18 different public agencies are involved in a licensing process (versus 1-2 in the E.U.), while the average time required for this process is over 50 months (corresponding time in E.U. countries is 7.2 months).

(Source: ICAP and OPA, Department of Management Science and Technology, Study: "Socio-economic evaluation of mobile telephony sector in Greece", Athens 2008)

8. Electro-Magnetic Frequency

ICNIRP and SCENIHR Rulings

Based on rulings of the EU Scientific Committee (SCENIHR) and the International Commission on Non-Ionizing Radiation Protection (ICNIRP), the **scientific studies** published till today, **do not correlate exposure of human population to electromagnetic fields lower than the proposed levels by ICNIRP, with negative impacts on public health.**

A. We follow by design the Precautionary Principle

The important benefits mobile telephony offers to citizens in their everyday life, is the main reason, which has led to a dynamic growth of mobile telephony. However, at the same time, we recognize public concerns, about potential consequences of electromagnetic radiation on health issues.

Even though:

- (a) relative research, conducted and assessed by the World Health Organization did not indicate any such correlation and
- (b) independent measurements estimate the percentage of electromagnetic emissions attributed to Base Stations to be up to 30% of the total electromagnetic fields in populated areas, our company follows by design the precautionary principle applying a number of practices, such as:
 - The levels of electromagnetic fields, in all of our Base Stations, comply with the suggested limits from the World Health Organization and ICNIRP, as they are formed from the Law 3431/2006. Specifically, have been instituted in Greece in 70-60% of ICNIRP limits (which are already approximately 50 times stricter than recommended levels by the scientific community), in all points with free public access.
 - For every COSMOTE Base Station a radiation study and an electromagnetic background study is conducted by specialized personnel, with the surrounding electromagnetic field being calculated (both due to the COSMOTE Base Station, as well as due to other electromagnetic radiation sources), within an area of up to 300 meters. The results are compared against the strict limits set in Greece, in order to ensure that all COSMOTE Base Stations operate within these defined legislative limits. The corresponding studies form also part of respective environmental studies conducted and registered by COSMOTE for approval by responsible authorities.



The amount COSMOTE spent on programmes concerning electromagnetic fields was, on average, € 400,000 in 2011.

B. We monitor the levels of EMF radiation from Base Stations

Our continuous EMF measurement programme, called "Pedion24", has been developed by the Laboratory of Mobile Radio Communications at the National Technical University of Athens, the Radio Communications Laboratory at the Aristotelian University in Thessalonica and the ICT Laboratory at the Aegean University, with the support of COSMOTE. The programme aims to continuously and openly inform the public, about the levels of electromagnetic fields, around mobile telephony Base Stations, including all other EMF sources, such as radio transmitters, televisions, radars and other telecommunication applications.

COSMOTE's participation in the programme refers to supplying all essential equipment: leading edge technology measurement stations (with suitable detectors of electromagnetic fields), as well as certified appliances, compliant with the European specifications and latest scientific models. In order to continuously record electromagnetic field radiation levels, in even more regions of the country, and achieve respective briefing of all citizens, every year we install more measurement stations all over the country, while in 2010 University of Aegean joined the programme.

After the first pilot phase, at the end of 2005, the programme was fully deployed during 2006, offering continuous flow of information, regarding the levels of electromagnetic fields, throughout the day. The system consists of:

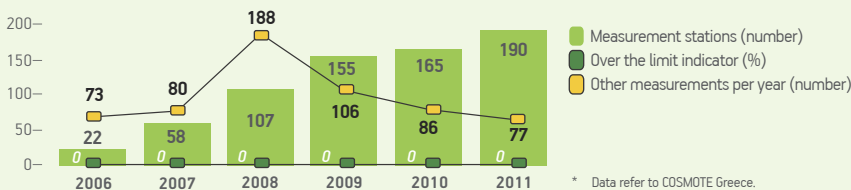
- The electromagnetic radiation measurement stations, positioned in various locations.
- The management centre, located in the Mobile Radio Communications Laboratories of the National Technical University of Athens, the Aristotelian University in Thessalonica and in the Computer Systems and Communications Laboratory of the Aegean University.

Furthermore:

- The stations cover the prefectures of Aitolokarnania, Attica, Arcadia, Arta, Zakynthos, Achaea, Voiotia, Dodekanisoy, Evrou, Evia, Evrytanea, Zakynthos, Ilia, Iraklion, Thessalonica, Karditsa, Corfu, Kilkis, Kozani, Korinthia, Cyclades, Lakonia, Larissa, Lesvos, Lefkada, Magnesia, Messinia, Xanthi, Pelli, Pieria, Preveza, Rethimno, Rodopi, Samos, Serres, Trikala, Fthiotidos, Florinis, Chalkidiki, Chania and Chios.
- The stations are located in sensitive areas all over the country (e.g. near schools and in densely populated regions).
- The measurement stations monitor, at a 24/7 schedule, the total electromagnetic field, caused by various sources, such as broadcasting, television and mobile telephony.
- Every 24 hours, the measurement stations communicate with the management centre and forward measured data, to a central server, where they are stored. Afterwards, the measurements are automatically available in the programme's website (www.pedion24.gr), where anyone interested can be informed about the results in every measurement station.



"Pedion24" Program



✓ We increased by 15% the number of measurement stations in our "Pedion 24" programme.



Every year, we try to increase the number of measurement stations. To the 165 stations already installed in 2010, 25 more stations were added in 2011 achieving our goal to install 25 new stations. These stations, conducted over 5 million measurements within 2011, without indicating cases of EMF measurements exceeding the legislative limits.

In 2011, 77 further measurements were conducted by specialized scientific personnel of COSMOTE, while in addition 14 more measurements were conducted by independent institutions (Universities, E.E.A.E). Again, public exposure safety limits were not observed to be exceeded (in points of free public access), in any of these measurements.

It is worth mentioning that, the website visits for the "Pedion24" programme (for the continuous measurement of electromagnetic radiation), are on average 172 visits per day.

In 2011, we were imposed one fine, the total amount of which was € 32,000, for the Lack of Environmental Terms (LET). It must be noted that, in our opinion, imposing fines for LET is not legal according to current legislation (N. 3431/06), however our company has decided to proceed with respective payments and reclaim the amounts through legal proceedings.

C. We systematically inform our fellow citizens

According to the pan-european Eurobarometer survey in 2010 regarding concerns of citizens in relation to Electro Magnetic Fields, 81% of Greeks worry whether mobile radiation affects negatively their health, while the corresponding European Union average is 46%. Also 54% of Greeks state "not satisfied" by the information provided to them on the likely repercussions of health from mobile radiation, while the European average is 40%.

How concerned are you about the potential health risks of electromagnetic fields?

Answers:
Very & Fairly concerned

EL 81%	FR 50%	DE 29%
CY 80%	UK 37%	NL 24%
IT 81%	PT 45%	CZ 31%
LU 47%	EU 46%	EE 23%
SI 56%	IE 49%	HU 23%
PL 46%	AT 38%	DK 16%
MT 37%	LT 39%	FI 21%
BE 53%	LV 21%	SE 17%
RO 51%	ES 54%	
BG 48%	SK 43%	



Therefore, in order to provide to every citizen access to information, regarding how mobile telephony functions, we issued and distributed through our commercial network the following informative material:

- The leaflet called "Pedion 24 - Continuous Measurements of Electromagnetic Radiation Programme", where the way the respective programme functions is described. The leaflet was distributed to over 1,400 citizens, all over Greece.
- The leaflet called "How mobile telephony works", was distributed to over 2,200 citizens.



D. We conduct an open dialogue with local communities

During 2011, we intensified our contacts with relevant bodies, representatives of local communities, activist and citizen committees all over Greece, responding to requests for dialogue, briefings and presentations.

At the same time, the Team which manages Base Station and Electromagnetic Field issues and therefore is responsible for monitoring, coordinating and managing issues related to the operation of Base Stations. Within this Team, members from the Department of Corporate Affairs, the General Technical Division and the General Division of Legal Council-Competition, Legal and Regulatory Affairs conducted briefings to 320 students from 5 schools and Universities, while also distributed approximately 4,000 informative leaflets.

Moreover, we have established a dedicated e-mail address for questions regarding electromagnetic fields emfinfo@cosmote.gr, as well as a relevant section in COSMOTE's corporate website.

E. We systematically inform our employees

Our employees, more than anyone else, owe to understand how mobile telephony functions. For this reason, within the last years we have materialised a dedicated programme to inform all COSMOTE and GERMANOS employees in Greece. Through this programme, we provided responsible and scientifically documented information, about mobile telephony operation.

Subsidiary Glance

It should be mentioned that, similar practices are followed in all subsidiary companies of COSMOTE: the electromagnetic fields, due to our Base Stations, are below the respective legislative limits in all countries (e.g. in the case of COSMOTE Romania the ICNIRP levels), while informing the public and employees, is performed by corresponding practices (e.g. in COSMOTE Romania via an informative leaflet located in the corporate website; in GLOBUL Bulgaria via a leaflet located in the company's website and a short question-answer section).



9. Visual Impact

A. We reduce our Base Stations' impact

A mobile telecommunications company, has relatively small visual impact on the environment.

However, our company, applies a number of practices such as:

- We build new Base Stations, which are significantly smaller in size than old constructions.
- In many cases, we locate Base Stations in installations, in cooperation with the other two mobile telephony companies (or respectively allow placement of Base Stations on our own installations). In this way, the overall visual impact of mobile telephony Base Stations is reduced.
- We create special constructions (especially in urban areas), which are harmonised with the surrounding environment.

DATA	2007	2008	2009	2010	2011
New Base Stations (number)	50	70	150	233	323
New Collocations (number)	11	4	2	10	25
New Special Constructions (number)	30	40	50	110	147

It is worth mentioning that, in all COSMOTE Group, a total of 12,500 Base Stations have been installed, while information for licensed Base Stations in Greece are available at the relevant EETT website at: www.eett.gr/opencms/opencms/EETT/EETT/EETT_Decis/Antennas/showM.html?cat=keraies

10. Noise

A. We monitor our impact

The noise impact of COSMOTE is insignificant, since:

- Our buildings are located within urban areas (while generators are used only in cases of electricity failure).
- Base Stations powered by electricity have practical zero noise levels.
- Base Stations using generators are located in isolated areas.
- In special cases, where sound levels from generators should be reduced, we proceed with noise isolation or install hybrid systems, to reduce the time generators operate.

11. Awareness

A. We brief and raise awareness of our Stakeholders

Employees: We aim to engage our employees towards a common objective: our people to be particularly sensitised, as far as environmental protection is concerned, in order to participate in respective initiatives.

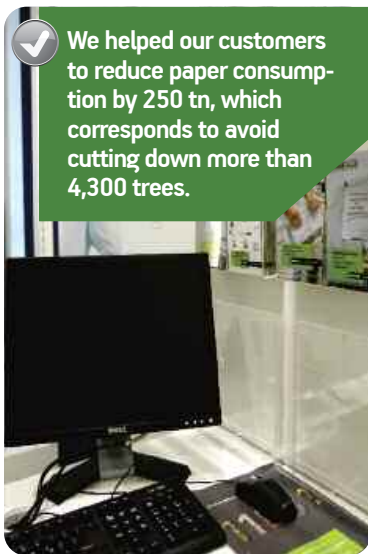
Examples of such initiatives in 2011 are:

- Raise awareness and inform employees on matters concerning the environment and protection of it, on the occasion the World Environment Day 05/06/2011, with the message "Green Green... Environment calls you!".
- Continuation of our recycling programme for employees' Home Electric & Electronic devices, in all our buildings (1,070 kgr were gathered and forwarded for recycling).



- Start recycling programme for paper, plastic, metal and glass packaging in the context of the programme "Come on recycling". In 2011, there were collected approximately 6tn paper, plastic, metal and glass packages.
- Announcing results for our Environmental Management System within our Intranet.
- Participation in WWF's "Earth Hour".
- Promotion of Environmental Programmes, by utilizing corporate sponsorships.
- Conducting a dedicated training for employees of the subsidiaries, concerning Energy Management issues. In this context, we contributed to technology transfer for the development and implementation of the Model Energy Management of the subsidiaries.

Suppliers: Within 2011, we assessed our Suppliers, according to a newly developed Supplier Evaluation Methodology, which includes, among other, also Corporate Responsibility - Environmental evaluation criteria.



We helped our customers to reduce paper consumption by 250 tn, which corresponds to avoid cutting down more than 4,300 trees.

Public: An important objective for COSMOTE in 2011 was increasing our customers' awareness on ways to reduce their own environmental footprint, through their active contribution. Therefore:

- We offer pre-paid customers the option to renew their air time by using e-voucher, which results saving of 81.5 tn paper, corresponding to approximately 1,400 trees.
- We offered an e-bill service to customers, in order to issue their accounts only in electronic form, therefore reducing required paper consumption by approximately 169 tn (in combination with our new bill layout), which corresponds to 2,900 trees. Respective practices are also implemented in GLOBUL Bulgaria, where approximately 34% of subscribers do not use printed bill, as well as in COSMOTE Romania.
- We offered our customers the option to buy on-line services and devices, through our internet E-shop, which is available in our corporate website.
- On the World Environment Day, we implemented comprehensive information and awareness campaign to recycle mobile phones and accessories, batteries and cartridges.
- Last but not least, we inform, sensitize and encourage participation of the public through systematic initiatives.

B. We influence positively other business sectors' environmental footprint

COSMOTE's main objective is the efficient use of natural resources, however, an equally important area is influencing the impact other business sectors have on the environment. Indicatively:

- We participate in the subsidised European research programme ECOGEM (Cooperative Advanced Driver Assistance System for Green Cars). Objective of the project is to develop an advanced system to assist driver of electrical vehicles (Advanced Driver Assistance System - ADAS). The system will propose the most economic and environmental friendly route and provide useful information for charging stations (location, distance, reservation etc).

Case Study

Fleet Management

Our Fleet Management service is based on monitoring the location of vehicles with the use of a GPS satellite system, transmitting information via our 2G/3G network to the customer's Control Center and monitoring the information on a digital map. The result is the optimization of vehicles' routes and the corresponding reduction of fuel consumption and carbon dioxide emissions.

12. Targets and Achievements 2011-2012

We said (in 2011)	We did (in 2011)	Progress	We will (in 2012)	Target Date
<ul style="list-style-type: none"> To certify GLOBUL (Bulgaria) and AMC (Albania) according to ISO 14001. 	See Section VI-4A,9A		<ul style="list-style-type: none"> To certify GLOBUL (Bulgaria) and COSMOTE Romania according to ISO 14001. 	2012
<ul style="list-style-type: none"> To improve the mechanism of data collecting. 	See Section VI-2			
<ul style="list-style-type: none"> To prevent the emission of more than 4,000 tn CO₂, due to programmes we apply. To reduce petrol consumption in buildings, by 5%. 	See Section VI-2B		<ul style="list-style-type: none"> To prevent emission of over 4,000 tn CO₂, due to programmes implemented. To reduce petrol consumption in our network by 5%. 	2012
<ul style="list-style-type: none"> To prevent use of electricity energy by 4% per Base Station, due to programmes implemented. 	See Section VI-2C,D		<ul style="list-style-type: none"> To prevent use of electricity energy by 4% per Base Station, due to programmes implemented. 	2012
<ul style="list-style-type: none"> To recycle 100% of packaging waste, in our central warehouse. 	See Section VI-3D		<ul style="list-style-type: none"> To recycle 100% of packaging waste, in our central warehouse. 	2012
<ul style="list-style-type: none"> To recycle 100% of WEEE materials withdrawn. 	See Section VI-3G		<ul style="list-style-type: none"> To recycle 100% of WEEE materials withdrawn. 	2012
<ul style="list-style-type: none"> To collect 20 kgr phone devices and accessories per collection point. 	See Section VI-3F		<ul style="list-style-type: none"> To collect 15 kgr phone devices and accessories per collection point. 	2012
<ul style="list-style-type: none"> To recycle 100% of lead batteries withdrawn. 	See Section VI-3H		<ul style="list-style-type: none"> To recycle 100% of lead batteries withdrawn. 	2012
<ul style="list-style-type: none"> To reuse 30% of ink cartridges bought and manage alternatively 100% of the non-recyclable. 	See Section VI-3J		<ul style="list-style-type: none"> To reuse 30% of ink cartridges bought and manage alternatively 100% of non-recyclable ones. 	2012
<ul style="list-style-type: none"> To recycle 100% of oil-lubricants withdrawn. 	See Section VI-3I		<ul style="list-style-type: none"> To recycle 100% of oil-lubricants withdrawn. 	2012
<ul style="list-style-type: none"> To apply a pilot packaging recycling programme in our offices (i.e. plastic, metal, glass). 	See Section VI-3E			
<ul style="list-style-type: none"> To reach 190 points of EMF measurement (Pedion 24). 	See Section VI-8B		<ul style="list-style-type: none"> To reach 205 points of EMF measurement (Pedion 24). 	2012
<ul style="list-style-type: none"> To certify the EMF Measurement Laboratory according to ISO 17025. 	See Section VI-8B			

VII. Information about the Report

1. Summary Table

SECTION	2008	2009	2010	2011
STRATEGY AND MANAGEMENT				
Quantitative indicators within the Report (number)	112	188	237	256
GRI indicators within the Report (G3.1 G Telecom - number)	66	90	99	99
Members in Corporate Responsibility Section (COSMOTE Greece - number)	4	5	5	4
Stakeholder Groups (number)	11	11	11	11
Independent BoD Members (number/total)	2/9	2/9	3/9	4/9
Non-Executive BoD Members (number/total)	7/9	7/9	7/9	7/9
Whistleblowing cases (number)	NR	NR	4	9
MARKETPLACE				
Investments (million €)	494.6	402.5	424.1	321.5
Taxes paid (million €)	448.3	445.8	563.8	465.8
Customers (million)	20	21.9	20.8	20.5
Turnover (billion €)	3.2	3.03	2.8	2.6
Base Stations (number - estimation)	NR	NR	12,500	12,500
Citizens informed (COSMOTE Greece - million)	NR	NR	1.2	1.2
SOCIETY				
Social Contribution (COSMOTE Greece - million €)	4.2	2.65	1.36	1.49
Social Products (number)	3	3	4	4
Employees blood donators (COSMOTE Greece - number)	324	380	440	557
WORKPLACE				
Number of employees (number)	8,844	9,067	9,137	8,625
Fatal accidents (number)	0	0	0	1
Accidents with absence >1 of day (number)	39	56	31	29
Women Directors Reporting to CEO (COSMOTE Greece - %)	NR	44.4	50	50
Training (thousand hours)	295.43	309.96	194.7	189
Employees participating in Unions (COSMOTE Greece - %)	70	70	70	72
ENVIRONMENT – COSMOTE Greece				
Overall CO ₂ emissions (from offices, transportation, shops, backbone network, BTS) (tn)	117,525	127,299	123,747	125,810
Overall non-renewable energy consumption (from offices, transportation, shops, backbone network, BTS) (MWh)	150,163	165,410	159,051	159,910
Renewable energy use (BTS number)	37	36	37	21
Petrol consumption (thousand lt)	2,336.93	2,310.57	1,907.08	1,858.95
Water consumption (m ³)	20,006	24,498	24,791	21,246
Packaging material consumption (tn)	273.6	290.91	136.5	60.32
Office paper consumption (tn)	38.6	44.7	52.24	51.2
Mobile G accessories recycling (tn)	9.42	13.5	12.02	8.28
Lead batteries recycling (tn)	93.5	96.4	46.9	227.1
Paper recycling (tn)	46.7	27.6	42.29	41.8
Lubricants recycling (thousand lt)	20.34	6.96	17.26	9.02
Light bulb recycling (kg)	17.78	31.66	180	220
WEEE recycling (tn)	17.78	31.66	24.02	69.1
Bio-degradable bags acquired (million)	1.9	5.7	0.837	0.744
EMF measurements (million - estimation)	4	5	5	5
Road transportation distance (million km - estimation)	5.48	5.59	7.52	7.1
Legislative fines (COSMOTE Greece - €)	NR	NR	63,000	32,000

NR = Not Reported

2. Global Compact, GRI, AA1000, ISO26000 Tables

The correspondence between the content of this Report with the 10 UN Global Compact's Principles, the Guidance ISO 26000 (recognizing ISO 26000 as a reference document that provides guidance on social responsibility), as well as the Global Reporting Initiative's (GRI - G3.1 issue 2011) Profile and Performance Indicators, is presented in the following tables:

- Additional GRI Indicators are indicated in grey background, while Core GRI Indicators are indicated in white background.
- Core Indicators are indicated in white background.
- Telecom Supplement Indicators are indicated in blue background.
- Coverage of Indicators is characterised as Full (F), Partial (P), Not Reported (NR) or Not Applicable (NA).

A. Global Compact Table

ISSUE	PRINCIPLE	REPORT SECTION	COVERAGE
Human Rights			
1.	Support and respect protection of internationally proclaimed human rights	IV-3	F
2.	Ensure not to be complicit in human rights abuses	IV-3, II-4	F
Labour Standard			
3.	Recognize freedom of association and right to collective bargaining	IV-3C,D	F
4.	Eliminate all forms of forced and compulsory labour	III-5, IV-3	F
5.	Effectively abolish child labour	III-5, IV-3	F
6.	Eliminate discrimination in respect to employment and occupation	III-5, IV-3	F
Environment			
7.	Support a precautionary approach to environmental challenges	VI-8	F
8.	Promote greater environmental responsibility	VI-1-8	F
9.	Encourage development and diffusion of environmentally friendly technologies	VI-1-8	F
Corruption			
10.	Work against all forms of corruption, including extortion and bribery	II-4,5, III-2,5	F

B. GRI Principle Table

GRI PARAGRAPH	SUMMARY OF ASPECT	REPORT SECTION	COVERAGE/OMISSION
Strategy and Analysis			
1.1	Most senior executive statement	A	F
1.2	Description of key impacts, risks and opportunities	A,II-1A,3B,8	F
Organizational Profile			
2.1	Name of the organization	B	F
2.2	Primary brands, products, and/or services	I-3	F
2.3	Operational structure of the organization (main divisions, operating companies, subsidiaries, joint ventures)	I-2B	F
2.4	Location of organization's headquarters	I-2A	F
2.5	Number of countries organization operates (and those with major operations or specifically relevant to TBL)	I-2A	F
2.6	Nature of ownership and legal form	I-2A, B	F
2.7	Markets served (geographic breakdown, sectors served, types of customers).	I-2A, 3A, III-1A	F
2.8	Scale of the reporting organization	I-3A, IV-1A, III-1A	F
2.9	Significant changes in report period (size, structure, owner)	I-2C	F
2.10	Awards received in the reporting period	II-7B	F
Report Parameters			
3.1	Reporting period (e.g. fiscal/calendar year)	B	F
3.2	Date of previous report	B	F
3.3	Reporting cycle (annual, biennial)	B	F
3.4	Contact point for questions	B	F
3.5	Process for defining report content	II-1, 2, 3, 6A	F
3.6	Boundary of the report (countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers, see Protocol)	B	F
3.7	Limitations on scope or boundary of report	B	F
3.8	Basis for reporting (on joint ventures, subsidiaries, leased facilities, outsourcing) can significantly affect comparability from period to period	B	F
3.9	Data measurement techniques, bases of calculations, (assumptions, estimations techniques, compilation, diverge from, the GRI Indicator Protocols)	B	F
3.10	Effect and reasons of information re-statements (mergers/acquisitions, change of base years, methods)	B, IV-1A	F
3.11	Significant changes (scope, boundary, methods)	B, I-2C	F
3.12	Table for location of Standard Disclosures	VII-2	F
3.13	Policy and practice for seeking external assurance	VII-4	F
Governance, Commitments and Engagement			
4.1	Governance structure (e.g. BoD committees strategy or oversight)	II-5A, II-4A	F
4.2	BoD Chair also executive officer	II-5A, I-2B	F
4.3	BoD members that are independent and/or non-executive	II-5A	F
4.4	Mechanisms for shareholders and employees recommendations to BoD	II-5A,C	F
4.5	Link of BoD members, senior managers, executives' compensation (incl. departure arrangements) with TBL	II-5A	F
4.6	Processes for BoD to ensure conflicts of interest avoided	II-5C	F
4.7	Determining qualifications of BoD for guiding TBL strategy	II-5A, II-4A	F
4.8	Mission, values, codes of conduct, principles relevant to TBL	II-4A,B	F
4.9	BoD procedures for overseeing management of TBL (risks, opportunities, compliance with standards, codes, principles)	II-4A, II-5A	F
4.10	Processes for evaluating BoD performance on TBL	II-4A, II-5A	F
4.11	Whether and how precautionary approach addressed	VI-8A, B, VI-1A, III-4A	F
4.12	TBL principles and initiatives the organization subscribes	II-7A	F
4.13	Membership in associations (industry, national/international, governance bodies, projects, committees, substantive funding beyond membership, strategic membership)	II-7A, B, III-2B	F
4.14	Stakeholder groups engaged by the organization	II-6A	F
4.15	Basis for identification and selection of stakeholders	II-6A, B, II-3A	F
4.16	Stakeholder engagement approach (frequency, type, group)	II-6A,B	F
4.17	Concerns raised by stakeholders and responds (report)	II-6A	F

C. GRI Indicator Table

GRI INDICATOR	REPORT SECTION	COVERAGE /OMISSION
ECONOMIC		
Goals and Performance	III-1A, V-0	F
Policy (commitment)	A, V-0	F
Additional Contextual Information (success, shortcomings, risks, opportunities)	III-1A	F
Economic Performance		
EC1	III-1A	F
EC2	VI-2, I-1	F
EC3	IV-3A, B, 5A	P
EC4	II-4A, II-5C	F
Market Presence		
EC5	IV-3B	F
EC6	-	NR
EC7	IV-1A, 3B	P
Indirect Economic Impacts		
EC8	III-1A, 3A	F
EC9	III-1A, II-6A	F
ENVIRONMENT		
Goals and Performance	VI-0,12	F
Policy (commitment)	VI-0, VI-1A	F
Organizational Responsibility (operational structure)	II-3A, 4A	F
Training and Awareness	VI-8C, III-6A, IV-6A	F
Monitoring and Follow Up (supply chain, certifications, auditing)	II-4B, III-5A	F
Additional Contextual Information (success, shortcomings, risks, opportunities)	VI-0, 9	F
Materials		
EN1	VI-3, VII-1	F
EN2	VI-3B	F
Energy		
EN3	VII-1, VI-2	P
EN4	VII-1, VI-2	P
EN5	VI-2	P
EN6	VI-2C, VII-1	P
EN7	VI-2B, C, D, E, 6A	F
Water		
EN8	VI-5A	F
EN9	VI-5A	F
EN10	VI-5A	F
Biodiversity		
EN11	VI-7A	F
EN12	VI-7A	F
EN13	VI-7A, 9A	F
EN14	VI-7A	F
EN15	VI-7A	P
Emissions, Effluents, Waste		
EN16	VI-2A, VII-1	F
EN17	VI-2A, VII-1	F
EN18	VI-2	F
EN19	VI-4A	F
EN20	VI-2B	P
EN21	VI-5A	F
EN22	VI-3, VII-1	F

GRI INDICATOR	REPORT SECTION	COVERAGE /OMISSION
EN23	VI-5A	F
EN24	VI-3 F, G, H, I, J	F
EN25	VI-7A, 5A	F
Products and Services		
EN26	VI-2,3,10	F
EN27	VI-3F	P
Compliance		
EN28	III-2A, VII-1, VI-8B	F
Transports		
EN29	VI-6A, II-3B	F
Overall		
EN30	VI-8A	P
LABOUR PRACTICE		
Goals and Performance (link to universal standards)	IV-0, 8	F
Policy (commitment, link to universal standards)	IV-0, 3A	F
Organizational Responsibility (most senior position)	I-2B	F
Training and Awareness	II-4A, IV-4C, IV-6A	F
Monitoring and Follow Up (supply chain, certifications, auditing)	II-4B, III-5A	F
Additional Contextual Information (success, shortcomings, risks, opportunities)	IV-0,8	F
Equal remuneration for women and men	IV-3B	F
Employment		
LA1	IV-1A	F
LA2	IV-1A	P
LA3	IV-5A	F
Labour/Management Relations		
LA4	IV-3C	F
LA5	-	NR
Occupational Health and Safety		
LA6	II-4A	F
LA7	IV-2A, B	P
LA8	IV-2, VI-8E	F
LA9	IV-2A, II-4A	F
Education and Training		
LA10	IV-4C	P
LA11	IV-4A, B, C	P
LA12	IV-4A	F
Diversity and Equal Opportunity		
LA13	IV-1A, 3B, II-5A	F
Equal Remuneration		
LA14	IV-3B	P
LA15	-	NR
HUMAN RIGHTS		
Mngt Practice	IV-0, 8	F
Policy (commitment, link to universal standards)	IV-0, 3A	F
Organizational Responsibility (most senior position)	I-2B	F
Training and Awareness	II-4A, IV-6A, 4C	F
Monitoring and Follow Up (supply chain, certifications, auditing)	II-4B, III-5A	F

GRI INDICATOR	REPORT SECTION	COVERAGE /OMISSION
Additional Contextual Information (success, shortcomings, risks, opportunities)	IV-0,8	F
Organisational Risk Assessment	II-3A, IV-3A, B, III-5A	F
Impact Assessment	II-3A, IV-3A, B, III-5A	F
Investments and Procurement Practices		
HR1	III-5A, IV-0	P
HR2	III-5A	F
HR3	II-4B, 5B	P
Non-discriminations		
HR4	IV-3B	F
Freedom of Association and Bargaining		
HR5	IV-3C, III-5A	F
Child Labour		
HR6	IV-3A, III-5A	F
Forced and Compulsory Labour		
HR7	IV-3A, III-5A, II-4A	F
Security Practices		
HR8	II-4B, III-5A	P
Indigenous Rights		
HR9	IV-3A	P
Assessment		
HR10	-	NR
Remediation		NR
HR11	-	
SOCIETY		
Goals and Performance	V-5,0	F
Policy (commitment)	V-0, II-2A	F
Organizational Responsibility (most senior position)	II-4A, I-2B	F
Training and Awareness	II-4B, IV-6A	F
Monitoring and Follow Up (supply chain, certifications, auditing)	II-4B, III-5A	F
Additional Contextual Information (success, shortcomings, risks, opportunities)	V-0,5	F
Community		
S01	V-2A,B,C, III-1, V-3, 4, III-3, VI-8A, II-6	F
S09	-	NR
S010	-	NR
Corruption		
S02	II-5A, B, II-4A	P
S03	II-4B, III-5A	F
S04	II-5	F
Public Policy		
S05	II-7A	P
S06	II-5C	F
Anti-Competitive Behaviour		
S07	III-2A	F
Compliance		
S08	VI-8A, III-2A, II-5F	F
PRODUCT RESPON/LITY		
Goals and Performance	III-0,9	F
Policy (commitment)	III-0, II-2A	F
Organizational Responsibility (most senior position)	I-2B	F

GRI INDICATOR	REPORT SECTION	COVERAGE /OMISSION
Training and Awareness	III-6A, IV-6A, II-4A	F
Monitoring and Follow Up (supply chain, certifications, auditing)	II-4B, III-5A	F
Additional Contextual Information (success, shortcomings, risks, opportunities)	III-0,9	F
Customer Health and Safety		
PR1	VI-3F, VI-8A-D, III-5C	F
PR2	III-4A, B, 5C, VI-8B	F
Labelling		
PR3	III-2A, 5C	F
PR4	III-2A, 4A	F
PR5	III-7A, B	F
Marketing Communication		
PR6	III-4A	F
PR7	III-4A, B	F
Customer Privacy		
PR8	III-8A, 2A	F
Compliance		
PR9	-	NR
TELECOM SUPPLEMENT		
INTERNAL OPERATIONS		
I01	III-1A	F
I02	III-3A	F
I03	VI-8, IV-2C	F
I04	III-5C	F
I05	VI-8A, B	F
I06	III-5C	F
I07	VI-9A	P
I08	VI-9A	F
PROVIDING ACCESS		
Digital Divide		
PA1	III-3A	F
PA2	V-2A, VI-8A	F
PA3	III-7C	F
PA4	III-3A, 7A	F
PA5	III-4B, V-2A	P
PA6	V-1C, III-1A, B	F
Access to content		
PA7	III-4C	F
Customer relations		
PA8	VI-8, III-6A	F
PA9	VI-8A, III-6A	F
PA10	III-4B	F
PA11	III-4B,6	F
TECHNOLOGY APPLICATIONS		
TA1	-	NR
TA2	I-1A, V-1A	P
TA3	V-1A, III-1A, 3A	P
TA4	III-3A	P
TA5	-	NR
OTHER		
EC13	III-5A, 2A, B, VI-3F	F

D. AccountAbility Principles Standard (AA1000 APS) Table

PRINCIPLE	THROUGH	REPORT SECTION	COVERAGE/OMISSION
Inclusivity	Identification and dialogue with stakeholders for understanding significant issues.	II-6	F
Materiality	Identification of issues which are important to the company and stakeholders.	II-1, 2, 3, 4	F
Responsiveness	Responsiveness to important issues and transparency with regard to our performance.	II-8, VI-11, V-5, IV-8, III-9	F

E. ISO26000 Table (Draft International Standard)

CLAUSE	REPORT SECTION	COVERAGE
1.Scope	II-2A	F
2.Definitions	II-1A, 2A	F
3.Understanding Social Responsibility	II-1, 2, 3	F
4.Principles of Social Responsibility	II-1, 2, 3	F
5.Recognising Social Responsibility & Engaging Stakeholders	II-5	F
6.Guidance on Social Responsibility Core Subjects		
a. Organizational Governance	II-4	F
b. Human Rights	V, IV	F
c. Labor practices	IV	F
d. Environment	VI	F
e. Fair operating practices	V-2	F
f. Consumer issues	III-4, 6, 7	F
g. Community involvement and development	II-5, V	F
7.Guidance on Integrating SR throughout the Organization		
a. Enhancing Credibility	II-4	F
b. Communication	III-4, 6, 7	F

3. Glossary

Biodiversity (or Ecosystem): The variety of living organisms, in a geographical area.

Business Continuity Management (BCM): A management approach, which proactively handles issues a company could face (e.g. disaster, crisis), in order to ensure the continuation of offered services and products.

Base Station (BTS): Installations in a region (including antennas), which are used to transmit data or voice, from a mobile through the backbone network and further to another mobile.

Customers/Subscribers: The final users of COSMOTE's products and services.

Company: Refers to COSMOTE.

Corporate Social Responsibility or Corporate Responsibility (CSR, CR): The voluntary commitment of companies to include in their corporate practices economical, social and environmental criteria and activities, which are beyond the legislative requirements and are related to their impact on Stakeholders.

Electro Magnetic Field (EMF): The non-ionising radiation emitted by mobile phones and base stations (used to transmit data and voice).

European Foundation for Quality Management (EFQM): A non-for-profit organisation, based in Brussels, which promotes Business Excellence and within this frame also Corporate Responsibility. EFQM has more than 800 member organisations all over the world, including corporations, public institutions, universities etc.

International Commission on Non-Ionizing Radiation Protection (ICNIRP): The international institution which defines acceptable levels of non-ionising radiation levels.

Solid waste: Solid by-products of domestic or industrial activities, such as construction.

Sustainable Development (Sustainability): The concept of aiming at economic development, without undermining the potential of future generations to satisfying their own needs.

World Declaration on Human Rights: The declaration voted by the General Assembly of the UN in 1948, defining the worldwide recognised fundamental human rights (www.un.org/overview/rights.html).

4. External Assurance

A. Independent Assurance Statement

Independent assurance statement by Deloitte Hadjipavlou Sofianos & Cambanis S.A. ('Deloitte') to the management of COSMOTE Mobile Telecommunications S.A. ('COSMOTE') on the 2011 Corporate Responsibility Report ('CR Report') for the year ended 31 December 2011.

Scope of our work and the assurance standards we used

COSMOTE's Corporate CR team engaged us to:

1. Provide Type 1 limited assurance in accordance with the AA1000 Assurance Standard 2008 ('AA1000AS'):

- Inclusivity – how they identified and engaged with stakeholders to gain a full understanding of issues;
- Materiality – how they assessed the relative importance of each issue; and
- Responsiveness – how they responded to stakeholder issues and how this is reflected in the CR Report.

2. Provide limited assurance on the following selected key performance data

- Total number of accidents and days of absence from work, page 42.
- Total number of training sessions to climbers on work safety, page 43.
- Employee turnover, page 40.
- Proportion of women within COSMOTE in management positions that report to the CEO, page 44.
- Quantity of recycled Oils and Lubricants (litres), page 70.
- Quantity of recycled Base Station Batteries (tonnes), page 69.
- Quantity of recycled Packaging Materials (cardboards and plastic) and non-recyclable materials directed for disposal (tonnes), page 67.
- Electricity consumption in Backbone Network, Base Stations, Offices, Shops (GWh), pages 64, 65 and 66.
- Quantity of recycled Mobile Phones, Accessories & Batteries (kilos), page 69.
- Number of measurements on EMF conducted by specialized scientific personnel of COSMOTE and independent institutions, page 74.
- Customers' loyalty, page 37.
- Results of CR survey with regard to social sensitivity, page 22.
- Customer complaints and percentage of complaints processed in less than two working days, page 36.
- Number of trainings to employees, page 46.
- Suppliers evaluated in terms of annual purchases in euro, page 34.

3. Provide assurance in relation to the GRI self-declaration

Whether COSMOTE's self-declaration on page 7, of a B+ Application Level, with regards to the GRI guidelines is not materially misstated.

The scope of our work was limited to COSMOTE's activities in Greece. We carried out Type 1 limited (i.e. moderate) assurance in accordance with AA1000AS. A Type 1 engagement requires us to report on the nature and extent of adherence to AA1000 APS. To achieve moderate-level assurance we have used the criteria in AA1000AS to evaluate adherence to AA1000APS in combination with our robust evidence-based and quality-assured approach to professional, independent assurance.

We carried out limited assurance on the selected key performance indicators in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000). To achieve limited assurance the ISAE 3000 requires that we review the processes, systems and competencies used to compile the areas on which we provide assurance. This is designed to give a similar level of assurance to that obtained in the review of interim financial information. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls.

Our key assurance procedures

To form our conclusions, we undertook the following procedures:

- Analysed and tested on a sample basis the processes related to stakeholder identification and engagement, including review of a sample of engagements and the outcomes of engagement;
- Reviewed the process that COSMOTE used to identify and determine material issues to be included within the CR Report. This included a review of external media coverage and peer reporting on CR in 2011 to corroborate issues identified by COSMOTE;
- Interviewed a selection of COSMOTE executives and senior management who have operational responsibility for CR issues, including the COSMOTE CR team to understand the governance structures used for managing CR, engagement with stakeholders on CR issues, as well as implementation of CR related policies and initiatives in 2011 and the monitoring of these activities;
- Analysed and reviewed on a sample basis the key structures, systems, processes, procedures and controls relating to the collation, aggregation, validation and reporting processes of the selected CR performance indicators;
- Reviewed information and explanations about the Reports' assertions regarding CR performance in 2011;
- Reviewed COSMOTE's approach to ensuring application of GRI guidelines, including checking that the GRI conformance index available on pages 81, 82, 83, contains the relevant indicators; and
- Reviewed the content of the CR Report against the findings of the aforementioned procedures and, as necessary, provided recommendations for improvement.

Our independence and competencies in providing assurance to COSMOTE

- We complied with Deloitte's independence policies, which address and, in certain cases, exceed the requirements of the International Federation of Accountants Code of Ethics for Professional Accountants in their role as independent auditors, and in particular preclude us from taking financial, commercial, governance and ownership positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the report. We have confirmed to COSMOTE that we have maintained our independence and objectivity throughout the year and in particular that there were no events or prohibited services provided which could impair our independence and objectivity.
- Our team consisted of a combination of qualified Accountants with professional assurance qualifications and professionals with a combination of environmental, CR and stakeholder engagement knowledge, who also have experience in providing CR report assurance.

Roles and responsibilities

The Corporate Affairs Division of COSMOTE manages all the procedures for the development, implementation and publishing of the annual CR Report, in cooperation with the Company's business units involved with CR issues, for the intended audience of stakeholders as outlined in section II-6 'Stakeholder Engagement'. They are also responsible for determining the CR targets and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Our responsibility is to independently express conclusions on the subject matters, as defined within the scope of work above, and in accordance with our letter of engagement. Our work has been undertaken so that we might state to COSMOTE those matters we are required to state to them in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than COSMOTE for our work, for this statement, or for the conclusions we have formed.

Our observations and recommendations

COSMOTE has made the following key improvements in managing and reporting its CR performance during 2011:

- Expanded the evaluation of its suppliers, on the basis of a system which includes CR criteria.
- Provided to stakeholders (customers and employees), through the initiative "our world, you", the opportunity to be involved in the decision making of this particular CR action.

In order to improve in the future the management and reporting of CR issues in accordance with the AA1000AP Standard, we would make the following recommendations to COSMOTE:

Inclusivity

- Further expanding the scope of the CR Report to the activities of Germanos S.A. would give a more comprehensive picture of the material CR issues of COSMOTE and its subsidiaries.
- COSMOTE Management is engaged in a process of dialogue with its stakeholders for the development of an integrated and consistent CR related strategy. Incorporating gradually the dialogue process in the policies and procedures followed by COSMOTE, would promote a more structured engagement approach with its stakeholders.

Materiality

- The frequent contact of the CR team with the representatives of COSMOTE's departments in order to re-assess the identification and recognition of stakeholders as well as the significant CR issues that concern them, would assist COSMOTE in applying the most suitable CR policies in order to address their needs and expectations.

Responsiveness

- The CR Report lists a number of short-term targets for each pillar of Corporate Responsibility. Setting long-term CR targets as well as CR targets that cover all the departments that handle significant CR issues would assist COSMOTE in enhancing its CR performance.
- The procedure for the preparation and publication of the CR Report is in the process of being documented. We recommend that this procedure is incorporated in the formal corporate policies and procedures followed by COSMOTE.

The above observations and recommendations have been taken into account in forming our conclusions on the CR Report as set out in this statement.

Our conclusions

Based on the scope of our work and the assurance procedures we performed we conclude that:

1. COSMOTE has implemented processes and procedures, as described on page 84, that adhere to the principles of inclusivity, materiality and responsiveness as set out in the AA1000 AccountAbility Principles Standard 2008 ('AA1000APS'); and
2. Based on the assurance work we performed, nothing has come to our attention that causes us to believe that the specific CR performance indicators, as defined above, as well as COSMOTE's self-declaration on page 7, that it has applied the GRI guidelines at level B+ in preparing the Report, are materially misstated.

In the event of any inconsistency in the translation between the English and Greek versions of the Report, as far as our conclusions are concerned, the English version prevails.

Athens 25 May 2012

Deloitte Hadjipavlou Sofianos & Cambanis S.A.

Assurance & Advisory Services

Paris Efthymiades

Partner



Deloitte.



AA1000
Licensed Assurance Provider
000-64

B. GRI Statement



Statement GRI Application Level Check

GRI hereby states that **COSMOTE Group** has presented its report "Corporate Responsibility Report 2011" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 16 May 2012

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because COSMOTE Group has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 10 May 2012. GRI explicitly excludes the statement being applied to any later changes to such material.

5. Feedback Form

You are invited to improve COSMOTE's Corporate Responsibility Report, by completing this Feedback Form, which is located in our website www.cosmote.gr





Report developed by: STREAM Management / www.stream-eu.com

This report was printed by the Therapy Center for Dependent Individuals, KETHEA.

