Corporate Responsibility Report 2009

OTE

Aware of society's calls, OTE has always offered a helping hand towards those in need.
This year, in its attempt to offer direct help through its corporate responsibility program, OTE suggests simple ways through which anyone of us can help society as well as the environment.

2002 In Accordance		C	C+	B	B+	A	A+
Mandatory	Self Declared				GB GRI REPORT SELF DECLARED		
	Third Party Checked			Report Externally Assured	GB+ GRI REPORT 3rd PARTY CHECKED		Report Externally Assured
Optional	GRI Checked				GB+ GRI REPORT GRI CHECKED		

Report Application Levels

FTSE4Good

THE GLOBAL COMPACT — Global Compact Network Hellas

CRI 2009 SILVER — ΙΝΣΤΙΤΟΥΤΟ ΕΤΑΙΡΙΚΗΣ ΕΥΘΥΝΗΣ — CORPORATE RESPONSIBILITY INDEX

Hellenic Network for Corporate Social Responsibility

SEV *BCSD* GREECE

Regarding this Report

The annual '2009 Corporate Responsibility (CR) Report' is the fifth report and review of Hellenic Telecommunication Organisation's (OTE) economic, social and environmental activities.
OTE is committed to continuously and consistently incorporating the principles of Social Responsibility into the Company's corporate strategy. Through the implementation of the 'Building Ties' programme, OTE demonstrates its commitment not only to providing modern and quality services, but also to try to satisfy its many stakeholders.

The Report presents a concise summary of our main activities for 2009, focusing on providing key data and evidence, and indicating the topics on which additional information is provided on the OTE website. Accordingly, the Report provides an update of developments in the OTE Group, followed by sections on OTE's CR practices and performance in the Marketplace, towards Employees, the Environment, and towards Society in Greece. The CR initiatives that have been developed by OTE's subsidiary companies in Greece and abroad can be found online on OTE's website at www.ote.gr/cr2009.

As in previous years, the selection of the subjects covered in the 2009 Report was made according to the 'G3 Guidelines of the Global Reporting Initiative (GRI). We are also guided by our commitment to uphold the principles of the UN Global Compact. In addition, this year we have begun to develop our approach in terms of the three principles of the AA1000 AccountAbility Principles Standard – inclusivity, materiality and responsiveness. We intend to adapt our CR management process and reporting further on these criteria.

In continuing with the goal we set in 2006 of systematic harmonisation with international CR standards, the 2009 Report includes updated quantitative data, improvements in certain CR practices and new goals, demonstrating the implementation of an evolving CR strategy.

Additionally, OTE has taken further steps to improve our understanding of the expectations of Greek society and our employees regarding CR as a key aspect of business strategy. Also for the first time, our 2009 CR report is subject to external assurance, providing additional validity and valuable feedback on our approach and performance.

For your opinions and comments regarding our Corporate Responsibility Report, you can visit our website at www.ote.gr/cr2009 or contact the Corporate Responsibility Section via e-mail at CorporateResponsibility@ote.gr or telephone to: +302106118681, +302106118178, +30210 6115754, fax: +302106115873.

Message from the Chairman and Chief Executive Officer

We are in the midst of a major economic crisis which raises questions concerning the values on which our society functions.

OTE, as one of the largest corporate entities in Greece and South-East Europe is called upon to do its best to combat the negative psychology which inevitably prevails at such times. This will be done by stressing the positive in action rather than in words, through investments, innovations, taking risks and moving forward. By showing confidence in the future of the people and countries in the area we operate. Crises often provide alibis and excuses for relaxing or even abandoning efforts for improvement. We will do the opposite, working harder on our investments, on country wide broadband coverage, bridging the gap between towns and countryside, improving the standard of our services and giving the consumer value for money. We will continue to take active steps towards contributing to a low carbon society, making telecoms a "green" sector.

Our commitments to good governance, transparency and fiscal responsibility are unshaken as is our concern for the welfare of all those who make a living out of our Group's activities.

Panagis Vourloumis
Chairman of the Board of Directors
& Chief Executive Officer

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1. OTE and Group

OTE

About OTE

The company trading under the name 'Hellenic Telecommunication Organisation S.A.' (OTE S.A. or OTE) was established pursuant to Presidential Decree 1049/1949 (Government Gazette A' 195/1949) as a Legal Entity under Private Law. It has been operating since its establishment as a Société Anonyme and is governed by the provisions of Codified Law 2190/1920. Its registered headquarters are in the Municipality of Amaroussion.

OTE is the largest telecommunications company in the Greek market, providing broadband services, landline telephony and fully integrated telecom services to Greek and foreign companies, consumers and government bodies. The OTE Group also offers mobile telephone services, Internet access services, digital communications, high-speed data communications and leased line services.

OTE S.A. Basic Data for 2009 (31 DEC 2009):

Number of Employees	11,396 employees (regular staff)
Turnover	2,412,4 million €
Total capitalisation	5,0 billion €
Share price (30 SEP 2009)	10.29 €

Detailed information and data on OTE's financial performance is available on the OTE Investment Relations web site at: **http://www.ote.gr/portal/page/portal/InvestorRelation/OTEIRMainPage/ OTE_ANNUAL_FINANCIAL_REPORT_31122008_ENGLISH.pdf**

OTE Group

The OTE Group, made up of the parent company OTE S.A. and its subsidiary companies, offers fixed line, broadband, data, leased lines and mobile telephony services in Greece and Romania, as well as mobile telephony in Bulgaria and Albania. The Group also holds 20% of Telekom Serbia, which is the main telecommunications provider in Serbia. Since 2009 OTE Group also holds 100% of GERMANOS, which is the largest distribution chain for technology products in South-East Europe.

The OTE Group employs over 32,600 people who have high-level know-how and vast experience. The Group's turnover is € 5,984 million.

Detailed information regarding OTE's subsidiaries, as well as the Group's financial data is available on the OTE Investment Relations web site at:
http://www.ote.gr/portal/page/portal/InvestorRelation/OTEIRMainPage

OTE Group's Ownership Structure / OTE Share Structure

OTE's share structure (31-12-2009), following the share sales Agreement and the shareholder Agreement between the Greek State and Deutsche Telekom AG (relevant Law 3676/2008, published in the Government Gazette, no. 139/2008, A edition), which was ratified by Greek Parliament (18-06-2008), is as follows:

OTE Share Structure
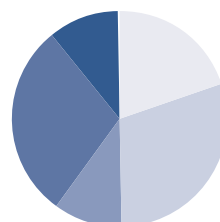
Greek State:	**20,00%**
Deutsche Telekom:	**30,00%**
Greek Institutional Investors:	**10,3%**
International Institutional Investors:	**29,3%**
Others:	**10,6%**

Main Business Moves by OTE Group in 2009

- OTE's new double play offer with broadband internet and voice, through Conn-x, at a competitive price.
- COSMOTE's acquisition of Telemobil SA (Zapp) in Romania.
- OTE's acquisition of retail shops GERMANOS.

For more information on the main business moves of OTE Group for 2009, visit:
www.ote.gr/cr2009

Vision, Mission and Business Strategy

OTE operates in a fast evolving telecommunications sector influenced by EU and international trends and developments. In Greece, given the growing intensity of competition, as well as requirements imposed by the regulatory and legislative framework.

OTE's goals are focused on sustainable development and growth by providing quality products, services and customer service, and by concurrently utilising the synergies within the OTE Group.

Vision

To offer high quality and fully integrated services, in order to remain the customers' first choice in Greece and South-East Europe.

Mission

- To ensure the Group's profitable and sustainable development in today's competitive marketplace.
- To maintain market share and offer new products (IPTV, satellite TV, ICT).
- To respond to customers' expectations by providing high quality services through innovative telecommunications products.
- To further expand and enhance the offering of broadband services.
- To reduce operational cost and improve prices of all services.
- To make the most of the value of our people through maximum develop ment of their potential and abilities.
- To act in accordance with the mandates of social corporate responsibility, so that our presence and activity add value to the markets where we operate.

Business Strategy

Considering the grave economic conditions in Greece and in an ever more competitive telecommunications environment, the basic strategic priorities of the Company are as follows:

- Expansion of broadband penetration in the domestic market and maintenance of OTE's leading role, with maximum utilisation of the Company's competitive advantages through provision of innovative products, services, and integrated solutions for telecommunications and IT.

- Utilisation of the convergence of technologies by creating commercial proposals and the development of the customer offer by adopting new systems and procedures.

- Expansion and upgrading of the OTE network aiming towards its gradual restructuring into a next generation network.

- Establishment of fair treatment of OTE in the shaping and oversight of the regulatory framework.

- Formation of a competitive work environment.

- Incorporation of Corporate Responsibility principles in the Company's business planning.

*Our vision, mission and corporate strategy, as well as relations with all our stakeholders are permeated by a set of business and ethical values, expressed and codified in OTE's Code of Business Conduct and Ethics. For more detailed information, visit: **http://www.ote.gr/investor/Uploads/Code_June_July2006.pdf***

Corporate Governance

The fundamental principles of OTE's corporate governance system involve the following:

- Two-way communication between the company's stakeholders and the company's Management.
- Assurance of operational efficiency.

OTE applies corporate governance regulations and practices on the basis of three key priorities which include the definition of the role of the Board of Directors and the executive members, the control and protection of shareholder rights, and the enhancement of transparency and information disclosure.

Corporate Governance in OTE

THE ROLE OF THE BOARD OF DIRECTORS AND MANAGEMENT TEAM	→	PROTECTION OF SHAREHOLDERS' RIGHT

TRANSPARENCY AND INFORMATION DISCLOSURE
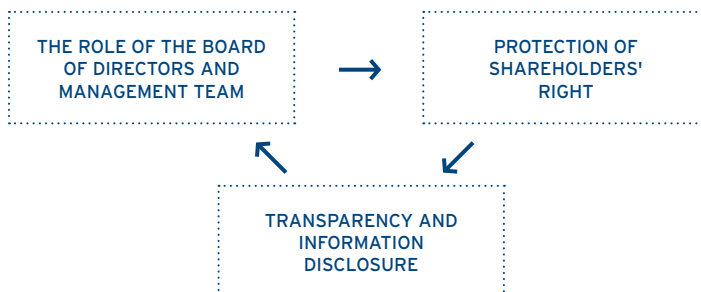
Corporate governance for OTE means the totality of principles, policies and practices adopted by the company which secure its performance, the interests of the shareholders and those of all the other stakeholders. Recognising the significance of Corporate Governance, OTE's subsequent policy is aligned to international standards and is structured around the following counterparts:

- The Management Bodies (Board of Directors, CEO and Shareholder's General Assembly).
- The Audit Committee which assists the BoD in carrying out its supervisory responsibilities, financial reporting and internal auditing.
- The Compliance Management System (CMS) to legal and internal regulation established in July 2009.
- The Audit Procedures ensuring the Company's reliability and preventing fraud (eg Code of Business Conduct and Ethics).
- A whistle-blowing policy, which is both a preventative measure in counteracting, as well as a means of detecting, fraud.

The following illustrates the structure of OTE's Corporate Governance System:
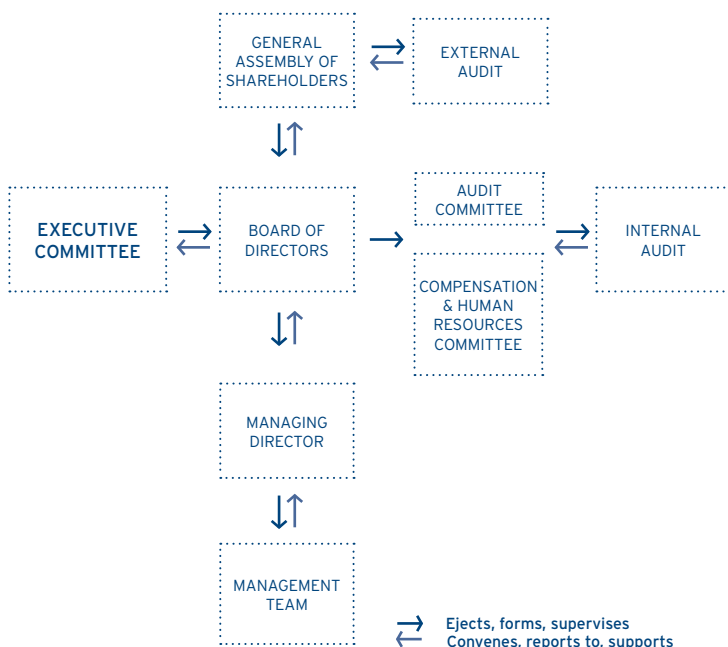
In 2009, OTE launched the OTE Group Compliance Management System and the CEO contacted all the employees (100%), via internal communication (e-mail), in order to inform them that the Compliance Management System is available to all, in the Intranet site (U-Link). In OTE, all the new hires receive special training, upon their hire, regarding various subjects, comprising the Compliance Management System and the Code of Conduct. In 2009 two (2) company employees were permanently released of their duties for being involved in fraud, while another employee was fined for receiving a bribe.

OTE Group Compliance Management System consists of the following:

- The Code of Conduct for the Protection of the Individual's Right to Privacy in the Handling of Personal Data within OTE Group
- The OTE Group Whistle blowing Policy
- The OTE Group Policy on Acceptance and Offering of Corporate Gifts
- The OTE Group Donations and Sponsorships Policy
- The OTE Group Events Policy
- The OTE Group Fraud Policy
- The OTE Group Policy on Insider Trading.

The new OTE group General Directorate of Compliance, for the year 2010, plans to create a manual for the Compliance Management System, which will refer to the responsibilities of the General Directorate, analysing basic processes, such as:

- The "Risk Assessment" process
- The "Policies Assessment" process, within the Group, from it's development to it' s implementation to all the companies of OTE Group
- The function and substantiation of the "Ask me" process, concerning the implementation of the Codes and Policies of the Group
- The "Training needs" process
- The "Whistle blowing Policy" process, for matters of violation of the Group's Codes and Policies
- The "Case management" process
- The "Consequence & Remediation" process

Detailed information on OTE Corporate Governance, including Board composition, conflict of interest policy, and performance evaluation, is available on the OTE Investment Relations website at: http://www.ote.gr/investor/Uploads/oteeterikien.pdf

2. Corporate Responsibility & Business Strategy

Building Ties

Corporate Responsibility values are a strategic choice for the Company and that is why they are being progressively incorporated into the business strategy of all the General Directorates of the company. Through the 'Building Ties' programme, OTE's presence as a 'responsible citizen' is established on a daily basis, aiming to create a sustainable business with increased competitiveness.

Once again in 2009, OTE's priorities for Corporate Responsibility focused on the four following axes:

- **Marketplace:** further expansion of broadband penetration, the utilisation of technology convergence, and the Company's upgrades in infrastructure. At the same time, an emphasis was given to development and provision of innovative products and services, designed responsibly in order to benefit the consumer, businesses, as well as broader economic and social growth.

- **Employees:** aiming at creating a unifying culture for OTE personnel, through programmes of internal communication, the opportunity to participate in community volunteering initiatives, continuous enhancement of career development and increased protection of the health and safety of our employees.

- **Environment:** by expanding and standardising the efforts to record the impact of our operations on the environment (our "ecological footprint"), and by coordinating environment-related CR activities and environmentally-friendly policies throughout the Group.

- **Society:** through the development and maintenance of relationships with NGOs and communities based on mutual cooperation and support.

All of the key issues for OTE, regarding these four pillars are widely analysed in the course of the 2009 CR Report.

CR Indexes and Standards

Certifications

- OTE has the certification of a Unified Integrated Management System, which comprises all 3 Management Systems (Quality, Health and Safety, and Environmental Management) at the Maintenance and Repair Section.
- 128 OTESHOPS (in a total of 206) throughout Greece received certification in accordance with ELOT EN ISO 9001:2000 (quality management system), following the certification of an additional 12 stores.

Via these certifications, the provision of certified quality service is ensured and is continuously re-examined and improved.

Global Reporting Initiative (GRI)

OTE was one of the first Greek companies that successfully applied the 'G3' GRI principles for reporting Corporate Responsibility actions. The 'Corporate Responsibility Report 2008' achieved the self-declared GRI application level 'B' and the 2009 CR Report will be our first to undergo external assurance.

External Assurance
AA1000 Accountability Principles Standard

During 2009 we took the first steps in evaluating our approach in terms of the AA1000 principles of inclusivity, materiality and responsiveness. OTE's CR framework 'Building Ties' is already based on issues which matter to both our business and our stakeholders, and we recognise the need to further develop the systems which support our identification and evaluation of emerging or changing issues.

Our approach to materiality (determining what issues are important to OTE and our stakeholders), has so far focused on our direct impacts in the marketplace and on the environment as well as support for communities and employees. Our aim is to focus on the issues at the intersection of high impact for our business and high interest to our stakeholders, and we consider that most of the issues on which we focus meet this test. However, we recognise the need to increase the systematic approach to this process during 2010-11.

Our approach to responsiveness (responding to material issues and being transparent about our performance), is well developed in individual domains, such as customers, investors and employees, and is increasingly becoming embedded with regard to environmental management. Our approach to issues that are material to multiple stakeholder domains, such as Internet Safety, and environmental screening of suppliers, is less developed at this time. This is something we attend to address as CR is progressively integrated into OTE's business planning, which should also help to foster necessary agility and cross-functional collaborations. Deloitte were engaged to independently assure our application of the AccountAbility AA1000 principles, and you can see their statement on page 88.

FTSE4Good

Since 2008, OTE has been included in the FTSE4Good International Index which measures the performance of companies that meet globally recognised corporate responsibility standards; confirming therefore, OTE's continuous efforts and good practices.

Corporate Responsibility Index (CRI)

OTE participated in the Corporate Responsibility Index (CRI) evaluation process for the second time in 2009, in cooperation with BITC (Business in the Community) and was distinguished as "silver" among a significant number of notable Greek companies and multinational corporations. The Corporate Responsibility Index (CRI) is seen as a top evaluation tool and reference point in Europe for the comparative recognition of the achievements of companies in the field of Corporate Responsibility, based on international standards.

Corporate Responsibility and OTE Management

The Corporate Responsibility strategy supports OTE's strategic business objectives and has been integrated as an overall objective into the Company's three-year business plan (2009-2011). In addition, CR KPIs are being discussed with individual Directorates during 2010. As part of that, OTE's company-wide approach to stakeholder relations and dialogue will be enhanced, and a review of OTE's risk management approach with regard to sustainability-related ''precautionary'' principles.

The person responsible for monitoring the application of the CR programme at OTE, including evaluation of executive performance, is the Chairman of the Board of Directors (BoD) and the CEO of OTE.

The OTE Board and Executive Management are updated about the CR practices applied by the Company through:

- A regular report regarding progress of CR actions and initiatives which is presented to the Management Council (at the OTE General Directors level) by the Corporate Communications Manager, who reports directly to the Chairman and CEO.
- An annual presentation of CR activities to OTE's BoD by it's chairman and CEO.
- The distribution of the 'Annual Corporate Responsibility Report' to BoD members and Company shareholders, during the Annual Ordinary General Meeting.

Corporate Responsibility Team

The intra-company Corporate Responsibility Team, which was created in 2006 through Management's initiative, proceeded with collecting and organising, with the aid of the Corporate Communication Directorate, the material for drafting the annual 'Corporate Responsibility Report 2009'. In 2009, the intra-company CR Team, comprised of representatives of all General Directorates, was expanded with the participation of representatives from three Telecommunication Regions.

Core Corporate Responsibility Team

Perhaps the most important challenge faced by the Core CR Team in 2009 was initiating the process of incorporating CR Goals and KPIs into each General Directorate's business plans. Proposals were prepared for each General Directorate, and the team is currently engaging in discussions with all the General Directors in order to conclude the process during 2010. The below graph presents the structure of the CR governance mechanisms within the company:

BOARD OF DIRECTORS

GENERAL DIRECTORS

CHAIRMAN & CEO
- Yearly reports on CR to BoD
- CR wider - strategy decisions

CORPORATE COMMUNICATIONS DIRECTOR
- Reports on CR to CEO-Chairman
- Regular reports on CR to GD
- Proposes CR strategy
- Supervises the intra-company Corporate Responsibility Team

CORE CR TEAM
- Prepares CR Report
- Dissemination of CR info in OTE
- Coordinates the intra-company Corporate Responsibility Team
- Communication of CR to external audiences

INTRA-COMPANY CORPORATE RESPONSIBILITY TEAM
- Points of contact for CR in General Directions
- CR 'Ambassadors' throughout OTE

Participations-Distinctions

Participations in CR Organisations

In order to ensure continuous and well-rounded information on CR developments, in 2009 OTE maintained participation in several national and international bodies as a member.

Body	Capacity
Greek Network for Corporate Social Responsibility	Member
Global Reporting Initiative	Member
Global Compact	Member
ETNO (Sustainability Working Group)	Member
Sustainable Development Council SEV	Member
GeSI (Global e-Sustainability Initiative)	Member
Corporate Social Responsibility Institute	Member

Awards-Distinctions

In 2009 OTE received distinctions for the Corporate Responsibility actions and practices it applies, a few of which are indicatively presented below:

Body	Distinction
«CR Index 2009»	Distinction at the CR Index 'Silver' Level
«CEO & CSR Money Conference 2009»	1st place in the 'Best Listed Company in CSR"
CSR Reporting Forum 2009	OTE's CR Report was awarded among the best reports for covering GRI indicators
Thomson-Reuters	Best CFO Investor Relations
Aegean University	2008 CR Report: Award for best applying the GRI-G3 Principles
Golden Ermis	Award for the advertising campaign of Conn-x@Work plus
Accountability Rating Greece 2009	8th place, among the biggest Greek companies. Considerable improvement from last year in all indicators evaluated (corporate governance, stakeholder relations, strategy etc).

*Further information regarding OTE's approach to Corporate Responsibility, as well as OTE's Corporate Responsibility reports from previous years can be found on the OTE website at **www.ote.gr,** in the **Corporate Responsibility section.***

Goals – Results - Commitments

General	Goals set for 2009	Achievements 2009	Commitments 2010
CR in Business Plan	To incorporate CR Principles into Business Plan.	Created proposals for all General Directorates (GD) for incorporation of CR goals and KPIs.	- To submit and discuss with General Directors and reach final agreement on incorporating the CR goals and KPIs in Business Plan - To align with Deutsche Telekom's KPI's where possible
CR & Management	To assign a BoD member to monitor CR issues.	The Corporate Communications Director presented the CR Programme to the Management Council and pointed out the need to align with Deutsche Telekom's CR Strategy, where possible.	To have a more systematic approach on matters of CR by the Board of Directors (quarterly or biannually).
Stakeholder Dialogue	- To expand communication channels to more stakeholders - To evaluate survey results - To conduct dialogue through organised discussions	- Surveys conducted with additional stakeholders: investors, more NGOs and employees - Presentation and assessment of survey results with additional stakeholders	- To hold organised discussions with selected stakeholders, such as meetings with employees to discuss vital issues - To arrange meetings with NGO's to discuss matters of concern (eg: Internet Safety)
Certifications	To maintain and further expand CR certifications by International Bodies.	- Maintenance of GRI self assessed certification to a Level B Grade - External assurance of 2009 Report. - Maintained FTSE4Good listing for 2009 - Awarded 'Silver Distinction' by CR Index	- To obtain GRI B+ for the 2009 CR Report - To maintain FTSE4Good listing for 2010 - To maintain and further improve CR performance in line with international standards

Marketplace	Goals set for 2009	Achievements 2009	Commitments 2010
Broadband Development	- To strengthen efforts to bridge the digital gap nationwide with targeted actions - To expand the PC redeployment programme to the periphery	- Increased access speeds offered, network and infrastructure expansion, underwater cables to islands, new Local Loop Unbundling (LLU) lines, broadband penetration up to 17,5% in Greece - PCs were redeployed to more than 100 schools/NGOs in Athens and the periphery	To increase OTE broadband services, speed and networks to more than the 94% of the country's territory (infrastructure coverage which gives the opportunity to have access to Broadband connection).
Products & Services	To expand the '1242' ADSL Helpdesk to 24 hr service.	- Expansion of '1242' ADSL Helpdesk to 24 hr service - Launch of Conn-x TV - Launch of '13818' OTE Business Customer Service - Continued services and products for special social groups	- To expand Conn-x TV programmes and channels - To continue and increase services and products for special social groups
Safer Internet	- To continue safer internet initiatives. - To launch new products - To create an information brochure	- Participation in "Safenet" - Launch of 'Conn-x On Line Secure' - New sponsorship of a teenage helpline "Ypostirizo 800 11 800 15" in collaboration with the Adolescent Health Unit (MEY) of the B' Pediatrics Clinic "Aglaia Kyriakou" (University of Athens)	- To expand existing synergies (eg. teenage helpline "Ypostirizo") - To select and partner with an active organisation in order to support/produce brochure targeted to parents, teachers, children and teenagers
Procurement Policy	To implement a new Policy	- Successfully activated the new Policy - Commenced knowledge-sharing with Deutsche Telekom Group companies on CR criteria screening and vendor dialogue methods	To be decided in 2010 Business Plan.

Environment	Goals set for 2009	Achievements 2009	Commitments 2010
Ecology Footprint	To record in detail the nationwide ecological footprint.	Documentation of the ecological footprint of the selected buildings in Attica and expansion of the recording to the Telecommunication Region of North Greece.	Further expansion of the detailed recording of the ecological footprint.
Recycling	To systematise and expand the recycling programmes nationwide.	Nationwide expansion of the contract with the company "Appliances Recycling S.A.".	To sign a nationwide contract with the company "ECOELASTIKA S.A." for the alternative management of the used tyres of our vehicles.
Paper Use	To recycle and reduce the paper consumption.	Completed the expansion of the "PAPIROS" system (electronic management of daily filing work).	To expand the paper recycling programme nationwide.
Renewable Energy	To exploit the wind energy and photovoltaic systems.	Coverage of electricity needs in remote regions.	To promote the further use of alternative energy sources.
OTE buildings	To conserve energy in buildings.	- Installation of 2 additional VRV units replacing the older AC systems - Use of natural gas in 13 buildings - Replacement of 7500 filament bulbs with low energy consumption bulbs and installation of a lighting automation system at the main building in Thessaloniki	- To continue installing (a) VRV systems, (b) Free Cooling Systems and (c) "Building Management Systems" - To use natural gas in more than 6 buildings in Attica - To continue the installation of low energy consumption bulbs
Building Management System (BMS)	To complete the installation of "Building Management System" at OTE's Administration Building.	Continuance of the ongoing process of "Building Management System".	To complete the system's installation.
Environmental Management System (EMS)	To get the certification of management systems for 2009.	Certification of Integrated Management Systems for two Departments.	To design and develop a centralised Environmental Management System for OTE.
Environmental data Collecting System	To complete and operate a system for environmental data collection and create the related reports (reporting system).	Pilot use of the "Credit 360" Data Collecting System (also used by Deutsche Telekom).	To evaluate the "Credit 360" Data Collecting System and to design an intra-company environmental data collection and archiving system, if necessary, targeted to OTE needs.

Employees	Goals set for 2009	Achievements 2009	Commitments 2010
Employee Satisfaction and Training	- To design and implement employee satisfaction survey - To establish the New HR Help Desk	- Employee Survey on CR, conducted at end of 2009, with the participation of 1000 employees - New HR Help Desk, on a trial basis, in order to cover employees' needs and queries (on matters of retirement, salary, compensation, health and safety, etc).	- To design and implement e-learning sessions for employees, on various issues, such as matters of compliance - To continue the employees satisfaction survey
Internal Communication	To strengthen the dialogue with employees through the Intranet (U-Link) and exchange views regarding CR practices.	- The company's intranet site (U-Link) received over 3.500.000 visits, by OTE employees - Survey on CR conducted through the Intranet - Provision of CR related information via the intranet, such as new "Corporate Volunteering Programme" for employees	To maximise the use of the Intranet for internal communication purposes and to spread CR information and culture.
Society Corporate Volunteering Programmes	To continue employee blood donation programme.	- Continued employee blood donation programme - Participated in NGO activities via the new "Corporate Volunteering Programme"	To assess the first results and level of participation of the new "Corporate Volunteering Programme".
OTE CR Website	Make efforts for the awareness of the stakeholders and their participation to voluntary activities.	Creation and launch of the online "Eco Game" for spreading CR knowledge among the public.	To create a micro-site, within corporate website (**www.ote.gr/cr2009**) dedicated to OTE's CR activities, aiming at improving information provision to the public.

Stakeholder engagement

OTE has begun to develop its CR-focused stakeholder engagement system, including looking to evolve its stakeholder relations in a more systemised way, according to the International AA 1000 AccountAbility Principles Standard. The Company, in cooperation with its Intra-Company CR Team, decides on the most material issues concerning the Stakeholders, ensuring that all of the concerns raised are properly treated. The company has already identified its most important stakeholders as being those who are impacted by OTE's business, and those that impact OTE. OTE is engaged in ongoing relations as well as ad hoc contact with its key stakeholders.

Below is a graphical mapping of the most important stakeholders of OTE, as well as a brief description of the means of communication/relations developed with each one of them:

Stakeholder Map

1. EMPLOYEES
2. INVESTORS / SHAREHOLDERS
3. LOCAL COMMUNITY
4. TRADE UNIONS / REPRESENTATIVES
5. CUSTOMERS
6. SUPPLIERS
7. STATE/COUNTRY REGULATORY
8. MEDIA

OTE
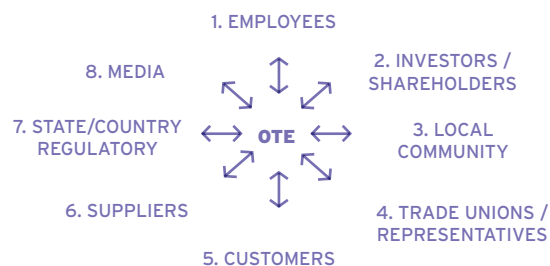
Stakeholder dialogue

Stakeholders / Types of Stakeholder Communication	Main issues Raised by Stakeholders	OTE Actions	Page
Customers			
- CR awareness surveys - Customer satisfaction Surveys - Call centres - Customer 'Satisfaction and Loyalty Barometer' - Regular meetings with customer groups (corporate, business customers)	- Need to allocate a telecommunication consultant - Request to upgrade OTE's "13818" Business Customer Service - Increase satisfaction during technical support and complaints - Protection of personal data safety - Matters of pricing of the offered products	- Allocation of a telecommunication advisor team, for the correspondence of issues that arise on a daily basis - Greater level of readiness regarding issues of technical support - Improvement of complaints' treatment (92% were resolved in 20 days)	35
Telec. Providers			
- Customer satisfaction Surveys - Customer 'Satisfaction and Loyalty Barometer'	- Need to improve the level of satisfaction on the restoration of failures/damages/complaints - Request to Improve the "Telecommunication Provider's customer service"	- Better communication and customer service of the Providers, through the "Key Account Manager", the "One Stop Shopping" and the "Single Bill" - Function of the "Supply Damage-reporting Centre" which works 24/7 – 365 days per year, providing high level of after sales customer service and support	34
Investors			
- Ongoing communication and cooperation with the Investor Relations Dept - Annual Shareholders meeting - Publication and distribution of the CR Report - CR awareness surveys	- Need for briefing on OTE's CR actions, through mail/website - Request for more actions regarding the digital divide - Transparency and information on regular basis	- Creation of mini-site, within the OTE site, in which the CR Reports are presented in an interactive way - Increase of transmission infrastructure (e.g. optic fibers, transmission systems, etc). - VDSL (trial service) - Upgrade of internet connection speed	70 34

Stakeholders / Types of Stakeholder Communication	Main issues Raised by Stakeholders	OTE Actions	Page
Local Communities / NGO's			
- Ongoing communication with representatives from the local communities (mostly in the periphery) - CR awareness surveys	- Need for briefing on OTE's CR actions, through mail/website - Further activation regarding issues that have to do with digital divide - Information and protection from the spread of the A-H1N1 virus	- Creation of a new e-mail address (CorporateResponsibility@ote.gr) to which, issues regarding CR can be sent - Creation of mini-site, within the OTE site, in which the CR Reports are presented in an interactive way - Increase of transmission infrastructure (e.g. optic fibers, transmission systems, etc). - VDSL (trial service) - Upgrade of internet connection speed. - Design of an action plan in case of pandemic situation - Informative brochures. - Measures against the spread of the A-H1N1 virus	3 70 34 46
Media			
- Ongoing communication with the Media - Corporate announcements (Press Releases) - Press conferences - Advertorials/publicity on matters of CR.	- Need for briefing on OTE's CR actions, through mail/website - Dedicated e-mail to facilitate OTE-Media communication - Ενημέρωση για τις κοινωνικές δράσεις του OTE	- Creation of a new e-mail address (CorporateResponsibility@ote.gr) to which issues regarding CSR can be sent - Creation of mini-site, within the OTE site, in which the CR Reports are presented in an interactive way - Communication through Press Releases to the Media, on any matter concerning OTE, via the Press Office - Written response to all matters sent to the media-office@ote.gr e-mail	3 70 www.ote.gr
Employees / Syndicalism Organisations			
- Intanet site (U-Link) - Negotiations with Syndicalism Organisations - CR awareness surveys - Organisation of events for the employees (ex: corporate games) - Organisation of annual Sales and Technicians Conventions - Publication of information Brochures - Internal Communication via e-mail from the CEO and the General Directors	- Need to determine a Consultation Framework - Facilitation of syndicalism representatives in practicing their tasks - Need for a greater flow of information regarding employment/working issues - Design and implementation of educational programmes, for staff development	- Formation of agreement between O.M.E and OTE regarding the Consultation Framework - Consultation and implementation of dialogue, regarding material issues that the employees have (Trial application of the HR-HELP DESK service) - Recording of the raised issues (and their responses) having as a result the creation of an Information Bank - Fulfillment of 158.430 training hours - Fulfillment of seminars regarding various issues (e.g. management, customer service, technology, etc) - 39 "Internal Communications" (e-mails) were sent in 2009, regarding various employees' matters	44, 48 44 50 52

Stakeholders / Types of Stakeholder Communication	Main issues Raised by Stakeholders	OTE Actions	Page
Suppliers			
Consultation and dialogue on OTE Procurement Policy (related legislation, matters of the telecommunication market, etc).	User-friendly contact points for queriesand information.	- Discussions and training for vendors on new Procurement Policy - Website and telephone contact points for vendor queries and concerns - No complaints or problems reported in 2009	39
State			
Consultation and engage of dialogue for the formation of legislation, regarding matters of the telecommunication market.	Compliance with the regulatory obligations.	- Responding to sixteen (16) national and five (5) European consultations - Monitoring all regulatory developments and provided input to consultations at pan-European level	40, 41

For more information visit: **www.ote.gr/cr2009**

Results of 2009 Stakeholder Surveys on CR

In 2008 OTE proceeded, for the first time, in conducting research using questionnaires, with the participation of cooperating bodies and employees, aiming at expanding their knowledge of OTE's Corporate Responsibility actions, and OTE's understanding of the CR issues and forms of communication that stakeholders regard as important. OTE continued the Research in 2009 as it considers that it is a reliable tool that can monitor the trends regarding the evolution and development of the Corporate Responsibility actions it is realising.

The results are presented below (percentages refer to the percentage of survey respondents):

Investors

Investors have little knowledge on matters of CR.	50%
CR is not important in shaping how investors view large companies.	60%
All investors would like to be informed about CR actions via e-mail or via the company's website.	100%
Investors would like OTE to be more active in matters of "Bridging the broadband gap (remote areas, disadvantaged groups, education)", as well as "Providing services for vulnerable social groups".	70%

Non-Government Organisations (NGOs)

CR is very important in shaping how NGOs view large companies.	100%
The actual implementation of CR actions, by a company is very important for all the NGOs.	100%
NGOs think that in order for a company to be recognised as a "responsible citizen", its employees must implement the values of CR in the day to day work activities.	73%
For the NGOs a company has to have a positive effect in the communities.	66%

The NGOs recognise that OTE's employees implement the values of CR in the day to day work activities.	66%
The NGO s think that OTE focuses i's CR actions on education and "Bridging the broadband gap".	53%
The NGO s think that OTE focuses its CR actions on Environmental Issues and Voluntary Engagement activities.	46%
NGOs would like to be informed about CR actions via e-mail.	100%

Employees

CR Actions are significantly important for the employees in order for them to shape how they view the company they work in.	51%
Employees know enough about the CR Actions being done by OTE.	42%
Employees would like to be informed about CR actions via corporate e-mail.	67%
The employees get informed on CR actions via the corporate intranet (U-Link).	46%
The employees are interested taking part in voluntary activities of CR.	71%
The employees would like to take part in CR actions organised by the local communities.	20%
The employees would like to participate in a recycling programme or other environmental actions.	28%
The employees would like to participate in actions which will promote the matter of "Bridging the broadband gap".	22%
The employees would like OTE to be more active in Environmental issues.	50%

The evaluation of the survey will help towards building an even more integrated dialogue with the stakeholders, aiming to improve the program "Building Ties".

National and International Partnerships - Participations

Research programmes

Part of OTE's strategy is the active participation in modern European and National research programmes, which promote technological applications in electronic communications sectors according to the needs and requests of the European community and economy. During 2009 OTE participated in 5 European Community and 4 national research programmes, while it attended eight 8 conferences/workshops, such as:

- "FUTON" (Fibre Optic Networks for Distributed, Extendible Heterogeneous Radio Architectures and Service Provisioning)
- The General Secretariat for Research and Technology (GSRT) for International Partnerships: "Greece-Taiwan Cooperation Framework"
- The ICT Mobile and Wireless Communications Summit 2009 (ICT Mobile Summit 2009), 10-12 June 2009, Santander, Spain [Supported by the European Commission, DG Information Society and Media] Technically Co-Sponsored by IEEE

*For more visit: **www.ote.gr/cr2009***

Participations in Unions - Forums

As a member, OTE actively participates in European as well as International Organisations, such as:

- ETNO (European Telecommunications Network Operators' Association)
- ITU (International Telecommunications Union)
- ETSI (European Telecommunications Standards Institute)
- ADSL FORUM & Metro- Ethernet FORUM
- EURESCOM (European Institute for Research and Studies in Communications)

3. Building Ties with the Marketplace

Building Ties with the Marketplace

OTE develops and offers the technological possibilities and infrastructure, in order to broaden internet access and provide services of the highest level to the society.

OTE's priorities for the marketplace are:

- Increasing the internet access using high speeds, even in remote areas of the country.
- Further developing and expanding broadband networks and infrastructure.
- Providing faster and more economic services for customers through the usage of network management systems.
- Offering competitive, high-quality services that cover the latest needs of landline and mobile communications providers in the new market convergence environment.
- The dynamic defence and further increase of market share through designing, implementing, and commercial promotion of innovative, secure and reliable products, services and integrated solutions that combine network and information technologies.

OTE's leading presence, not only in Greece but in South-East Europe via its subsidiaries, simultaneously contributes to the improvement of the markets and the economies of the countries in which it is active, as well as to their modernisation and development, by providing pioneering telecommunications products and services.

Payments for OTE and subsidiaries (Amounts in million Euro)	2008	2009
Payroll and Employee Benefits (Bonus)	1,281.0	1,286.9
Income Taxes payable	240.2	1,299.3
Charges from International Operators	173.9***	184.0***
Charges from Domestic Operators	642.3	516.3
Fees & Commissions to Third Parties*	461.8	472.6
Shareholder Returns**	597.8	400.7

* (Including expenses incurred for payments to third parties and commissions to commercial agents)
** (Including net profit attributable to Company Shareholders and Minority Interest)
*** In 2009, a different classification has been made between Charges from International Operators and Other Operational Expenses. For comparison purposes, the figures of 2008 have been changed too.

Payments for OTE and subsidiaries (Amounts in million Euro)
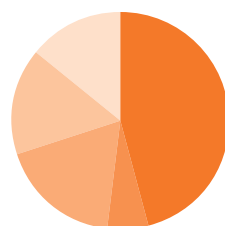
Income taxes payable	46%
Shareholders Returns	6%
Charges from Domestic Operators	18%
Fees & Commisions to Third Parties *	16%
Charges from International Operators**	14%

Sustaining competitiveness

In 2009 the challenging economic environment resulted in decreased revenues in fixed line telephony and equipment sales alongside increased revenues in ADSL and Internet services. Details are provided in the 2009 OTE Annual Report http://www.ote.gr/portal/page/portal/InvestorRelation/OTEIRMainPage and Annual Report 2009) which also sets out the market risk assessment for the company.

In this context, the company's strategy to sustain its competitiveness focuses on:

- customer satisfaction
- network infrastructure development
- cost control action plan
- corporate process optimisation
- development of workforce capabilities and motivation
- ensuring fair regulatory treatment

These issues also comprise important elements of OTE's key stakeholder and CR reporting focus areas, together with stewardship of OTE's environment footprint and support for local communities.

New technologies & broadband services

Building up network and broadband infrastructure

Broadband is rapidly expanding throughout the country, thanks to OTE's decisive and ongoing contribution, while levels of penetration are approaching the European average. Those benefiting from this growth are the citizens, the businesses, and the Greek economy in general. Through investments that exceed 1,3billion € in network and infrastructure in the last five years, OTE is the most active new technology growth driver in Greece and the number one preference of consumers. OTE's ADSL retail customers exceeded 1 million.

By the end of 2009, the ethernet PoPs were 800 and the ethernet ports were 969,294.

By utilising investments amounting to 900.000.000 € (during 2006-2008) the broadband landscape in Greece has been formed as follows:

	2008	2009
ADSL Network Points of Presence (PoP's)	1,420	1,501
Land Loop Unbundling (LLU) connections	650,000	987,300
Broadband Penetration Percentage	14.5%	17.5%

The map bellow shows the evolution of Ethernet DSLAM's presence nationwide.

Thessaloniki (63)

Attica (132)
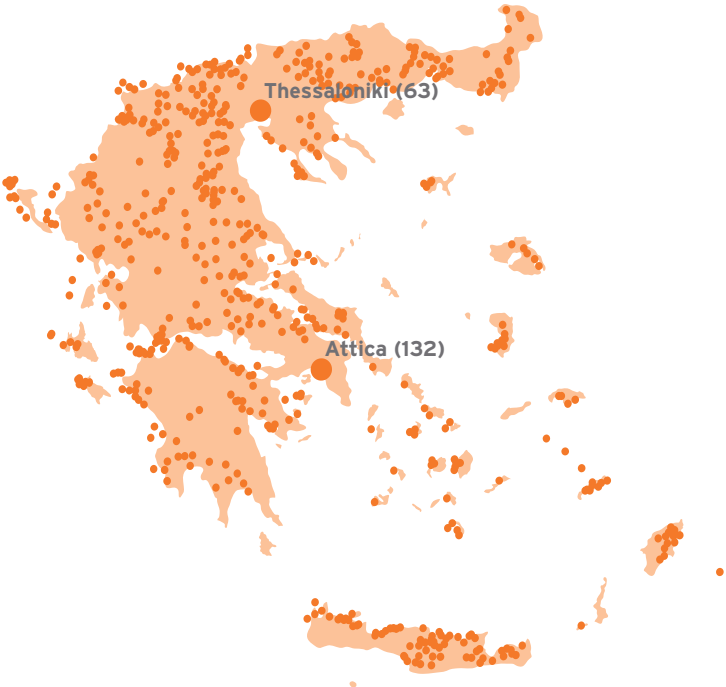
Until today, OTE gave emphasis to the development of the necessary infrastructure, even in remoted areas, so that all citizens can have access to the new technologies and specifically broadband.
Specifically in 2009:

1. Transmission infrastructures were increased (optic fibre cables, land and submarine, transmission systems) as well as IP core networks

2. Pilot VDSL

3. Speed upgrades

4. Underwater wires

5. 341,000 new LLU lines, up 53% compared to 2008

6. 3 operational WiMax networks:
   • Thessaloniki
   • Agion Oros
   • Attica

7. Ethernet technology for higher speeds, limitation of ATM DSLAM technology

8. With the new service Hellas SAT net! Home, which was announced by OTE subsidiary, Hellas Sat, permanent and unlimited access to the Internet is now available in areas in Greece where there is no land-based connection infrastructure or other telecommunication medium

Educating citizens on Broadband

OTE has adopted a series of actions and initiatives in order to educate and familiarise the public about broadband services, aiming to bridge the digital gap, both between city centres and the rest of Greece, as well as between Greece and the European Union countries.

In this direction, OTE has:

1. 88 operational special areas (internet corners) at OTESHOP (92 in 2008), providing more than 7,000 citizens the capability to use broadband services.

2. Continued and expanded to the Periphery the Programme of re-using computers and other technological equipment in schools and Non-Governmental Organisations.

3. Supported the country-wide Student Competition 'LYSIAS' through sponsorship, which cultivates healthy competition between students, in subjects of their interest, while increasing their familiarity with new technologies.

Telecommunications Operators

Currently there are 48 Telecommunications Operators of mobile and fixed-line services in the domestic Telecommunications market, of whom 16 have connected to the telephone network of OTE, while 6 offer services via local loop unbundling. OTE's strategic priority regarding operators is to offer the most competitive high quality services by using its telecom infrastructure and new technologies and by offering immediate after-sale support for maximum customer satisfaction. During 2009 OTE widened its services portfolio and upgraded their quality through the following:

Creation of Fault-Reporting Call Centre for Telecommunications Operators

During 2009 OTE placed special emphasis on managing relations with Operators. The implementation of the Wholesale CRM system boosted the efficiency in the areas of management and support of products-services towards Telecommunications Operators and contributed in the further improvement of all inter-company procedures at OTE.

Specifically in 2009:

1. The time of response and management of all the requests filed was reduced, leading to immediate and full resolution of problems.

2. The complaints filed were reduced by 44.3% (869 in 2009 compared to 1,564 in 2008). Approximately 433,000 requests for external portability were completed in the IT system N.P. (Number Portability Service) graphical user interface (GUI).

3. The annual Customer Satisfaction Barometer testified that there was progress in operator's satisfaction in this field, certifying that OTE is the number one choice of most reliable and trustworthy partner of Telecom Operators.

4. Communication and customer service of the Providers, through the "Key Account Manager", the "One Stop Shopping" and the "Single Bill".

5. Function of the "Supply Damage-reporting Centre" which works 24/7 – 365 days per year, providing high level of after sales customer service and support.

6. Compliance with regulatory standards was ensured.

*For more information visit: **www.ote.gr/cr2009** and **http://www.otewholesale.gr/***

Customer Service and Satisfaction

The continuous and coordinated efforts of OTE to deliver quality upgrades to customer service contribute decisively to establishing the Company's leadership role in a constantly changing business environment.

Apart from the stores of the OTE Group and the online store www.oteshop.gr which help thousands of customers on a daily basis, OTE has created a series of specialised customer call centres. OTE call centres are certified with ISO 9001:2000 and have highly trained personnel and state-of-the-art infrastructure. Furthermore, OTE Customer Care personnel are supported by modern CRM (Customer Relationship Management) applications.
In addition, OTE has created a telecommunication "advisor team", for the resolution of issues that come up in a daily basis, thus elevating the level of readiness regarding issues of technical support, for business and corporate customers.

For more information visit: **www.ote.gr/cr2009**

Management of Complaints

With the goal of the most efficient management of complaints in all customer categories (corporate, business and residential), the Customer 'Complaints Management System' began operating in 2008, covering areas where requests were recorded, such as OTESHOP, '134' in Thessalonica, Customer Support Group, Telecommunications Regions, support departments.
In 2009, the majority of complaints concerned:

- Activation of products/services (eg: in how many days is the telephone line going to operate, when the internet connection will be available, etc).

- Billing issues (eg: enquiries regarding charges).

- Technical issues (eg: why is the internet connection interrupted, why the router does not cover the maximum speed data transmission, etc).

All the complaints were handled with customer service as a guide and the average of written complaints that was answered within 20 days, was 92% while the majority of the verbal complaints were solved within 2 days Specifically:

Total of Complaints		% of Complaints resolved within 20 days
2007	99,448	85%
2008	147,731	91%
2009	132,399	92%

Complaints resolved within 20 days

85%	91%	92%
2007	2008	2009
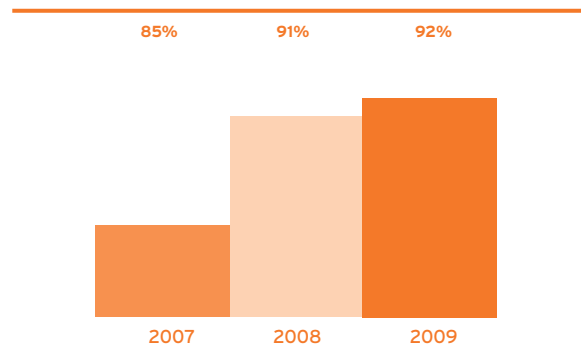
Retail Store Network

OTE offers a range of technologically advanced products and services to its customers, through its extensive retail network.

For more information on retail store network visit: www.ote.gr/cr2009 and http://oteshop.ote.gr/ portal/page/portal/OTESHOP/MainPageOTESHOP

Stores certification

In 2009, 62% of the OTESHOPS (128 OTESHOPS in a total of 206) throughout Greece received certification in accordance with ELOT EN ISO 9001:2000 (quality management system), following the certification of an additional 12 stores. Via these certifications, the provision of certified quality service is ensured and is continuously re-examined and improved.

Customer 'Satisfaction and Loyalty Barometer'

The 'CUSTOMER SATISFACTION AND LOYALTY BAROMETER' project, which was implemented by OTE over the last four years, concerns the planning, development and application of a market research system that measures the overall experience and loyalty of OTE's customer base and provides the Company with a significant tool in matters of strategic planning.
The survey is conducted in two phases, during March and October, and includes individual measurements, quantitative and qualitative, regarding residential, business and corporate customers, as well as surveys of the 'specialised groups:' '11888' (directory information), '134' (telephone service centre), '121' (fault reporting centre) and the alternative operators.

Regarding the audience, methodology, frequency, and results on CR findings of the surveys can be found below. As a common observation, the CR programme implemented by OTE significantly affects the opinion formed about the company by all customers (63% Home, 77% Corporate, 67% Business Customers).

Residential Customers

A significant drop has been seen in public recognition of 'special programmes' applied by OTE concerning the community, the environment, and specific population groups (e.g. students, pensioners). The majority prefers to be informed regarding CR programmes through the media and corporate brochures. Home customers expect more from OTE regarding environmental protection issues and the provision of services to vulnerable social groups.

AUDIENCE/SAMPLE	FREQUENCY
7,500 customers	2 times per year

Corporate Customers

Corporate and Small and medium sized business (SMB) Customer recognition of OTE's CR programmes is roughly at the same level as in the previous survey. Such customers are mainly interested in CR actions related to the protection of the environment and the development of environmentally friendly technology. Corporate Customers prefer to be informed regarding OTE's CR actions through the media and advertising campaigns.

AUDIENCE/SAMPLE	FREQUENCY
1,400 customers	2 times per year

Business Customers

A significant percentage (59%) of Business Customers, are not aware of the special Corporate Responsibility programmes implemented by OTE. However, they consider more important the programmes related to the protection of the environment. Business Customers state that they prefer to learn about CR from the Company's webpage and via e-mail.

AUDIENCE/SAMPLE	FREQUENCY
80 OTE customers	2 times per year

Providers

AUDIENCE/SAMPLE	FREQUENCY
10 companies	1 time per year

Special Audiences

AUDIENCE/SAMPLE	FREQUENCY
11888 (directory information): 800	
134 (telephone service centre): 800	
121 (fault reporting centre): 700	2 times per year

For more information visit: www.ote.gr/cr2009

Providing telecommunications products and services for people with special needs

Respecting the needs of all citizens, OTE has developed a series of programmes addressing specific groups of the population:

Specificaly:

Product	Description
Free ADSL to university students with excellent academic performance	For the fifth consecutive year OTE offered broadband connection to excelling undergraduate and graduate students free of charge through the 'Diodos' action and specifically, to the top five students entering each department after entrance exams for the current year and to the top five students in every department of each year or semester of study during the academic year 2008-2009.
Student Conn-x	OTE offers all students the capability to acquire broadband connection to the Internet via ADSL access at attractive rates. In 2009, 979 students took advantage of this right, in accordance with the specifications of the 'Diodos' Action.
Remote assistance	The 'Instant Alert' (OTEAlert) is for individuals that need assistance and constant monitoring (elderly, individuals with special needs, etc.) or other specialised applications (e.g. lifts). The service has more than 1.000 subscribers.
Telecommuting	This programme gives the opportunity to users (residing in isolated areas, people with special needs etc.) to interact in real time, by means of audio and video data, creating a modern telecommuting environment at their place of work, which could be their home.
Telemedicine by Teleconferencing	This programme has been applied in Mental Health Centres such as KLIMAKA, through the interconnection of Rehabilitation Centres situated on Greek islands with the specialised medical staff at KLIMAKA in Athens. This programme is also operated by the Greek National Ambulance Service (EKAV) on a pilot basis, connecting certain islands with EKAV headquarters in Elefsina, with the aim of having an exchange of opinions between specialised medical staff and field office doctors.
Special line for deaf/hearing impaired persons	The 18855 Call Centre for the deaf and hearing impaired has been operating since 2000 and provides assistance to people with hearing problems (tele-text), who are charged at the local rate.
Hearing impaired persons	Special telephone handsets for the hearing impaired (including a keypad and a small screen to enable text conversations - text phone) are available.
Text phone installation in Public Areas	Installation of text phones in Public Areas for the hearing impaired. 20 such handsets have been operating at Eleftherios Venizelos (Athens International) Airport since 2004.

Discounted Rates for People with Special Needs
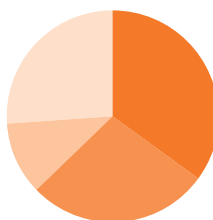
People with a disability	**35%**
Individuals with severe motor disability	**28%**
Final Stage Nephropathy Patients	**26%**
Individuals with Vision Impairment	**11%**

Other programmes
- Conn-x TV (IPTV) was made commercially available in 2009.
- Video Conference Services
- 1535 Public Health Line
- OTE Internet Health portal: www.healthpages.gr
- 112 Emergency Line.

For more details visit: ***www.ote.gr/cr2009*** *and* ***http://oteshop.ote.gr/portal/page/portal/OTESHOP/MainPageOTESHOP***

Responsibility for Products

The equipment that accompanies all OTE products/services:

- Bears the required mandatory markings by the European Union.

- Is not made of hazardous materials.

- Is accompanied by detailed instruction for their safe use.

- Is always in compliance with regulations and directives regarding their facts and labelling.

- Complies with the WEEE, RoHS, ICNIRP Directives and the Presidential Decrees that implementing them.

- Suppliers are obliged to demonstrate through formal certificates compliance to the above Directives. In cases where damage is cause by non-compliance to the previously mentioned Directives, suppliers are obliged to compensate OTE.

- Suppliers are obliged to demonstrate through formal certificates compliance to the above Directives. In cases where damage is cause by non-compliance to the previously mentioned Directives, suppliers are obliged to compensate OTE.

With regard to incidents of non-compliance to optional codes regarding marketing communications, including advertising, product promotion, and sponsoring, in 2009 there were 3 indictments against OTE and its products, of which 2 incidents were judged to be partially valid. OTE also filed 5 indictments to the Council of Communications Control (CCC) directed to other operators which were judged as valid.

OTE's procedure in dealing with indictments is the following:

- An indictment is filed at the Council of Communications Control (CCC)
- The CCC sets a date, within a week, for the companies involved to express their arguments, in front of the Council.
- In this meeting the Marketing Department and the Advertising companies of both parties are present.
- Usually in 2 working days the decision of the Council is announced, determining the changes and alterations the indicted side has comply with.
- Finally, the new advert is being launched and OTE checks that it is according to the indications of the Council.

Further information on the nature of the indictments is available on the official website of the Council of Communications Control at: http://www.see.gr/index.aspx?op=3.

Information Security and Communication Confidentiality

OTE conforms strictly to all National Legislation relating to information security and confidentiality and is actively cooperating with the State and independent regulatory authorities in order to guarantee the effective protection of its customers
Relevant OTE activities include:

- Development and implementation of an integrated system regarding the protection and management of confidentiality and security of data and information.
- Investments in the use of cutting-edge technical, organisational and procedural tools to guarantee confidentiality in telecommunications.
- Provision of assistance and support to national authorities that conduct investigations against electronic crime.
- Elevating the security cultural awareness of employees at all levels by implementing a full scope security awareness campaign.
- Uplifting the Crisis Management set of methodologies, procedures, processes and policies.

At the same time, with regard to safety on the Internet:

- OTE participates in the non-profit organisation Safenet (www.safenet.gr), which aims at promoting regulatory procedures for the safer use of the Internet and the protection of children from unsuitable content.
- OTE has developed and distributed a relevant service called 'Conn-x Secure' which offers complete protection for e-mails and computers, integrating Firewall, Anti-virus and Anti-spam applications. Furthermore, the service includes an enriched Parental Control application that provides customers with the capability to control, filter and block access to websites with unwanted content (e.g. violence, sex, weapons, drugs, etc), by setting the protection limit according to the child's age.
- On OTENET's customer service website there is a section with useful advice on security issues (http://www.otenet.gr/hd/).
- OTE has a url (http://www.otenet.gr/hd/HTML/abuse.htm) in which the public can find advice on matters concerning internet abuse as well as a special e-mail contact point to which the public can address complaints on anything they consider offensive in the internet.
- OTE supports the teenage helpline "Ypostirizo 800 11 800 15" in collaboration with MEY (Adolescent Health Unit) of the B' Pediatrics Clinic "Aglaia Kyriakou" of the University of Athens.

Procurement Policy - Subcontracted Projects

In September 2008, the Company's Board of Directors approved the new Procurement Policy first implemented in 2009. The Procurement Policy is aligned to modern trends that shape the procurement market, the optimal practices followed by large telecommunications organisations on an international level, and OTE's internal needs as well as its performance improvement goals.

- The supplies, through the drafting of a detailed procurement schedule, are linked to OTE's general strategies and business aspirations, so that procurement needs may be recognised and scheduled in a timely manner.

- The procedures of vendor pre-selection, market research, evaluation of vendor performance, and the selection of strategic realisation of supplies were improved and standardised through the creation of a potential vendor register.

- During the drafting of the new Procurement Policy, comments and observations by OTE vendors were taken into consideration and incorporated into the new procedures, aiming to simplify and improve cooperation.

Moreover the Procurement Policy is in accordance with all the required environmental and social standards specified in Greek as well as European Union laws.

The most significant changes introduced by the new Procurement Policy are:

1. The reduction of time between the occurrence of the need and the materialisation of procurement.

2. The reduction of the total cost of procurements.

3. The improvement of the programming process and as a result the best possible use of the company's funds.

4. The introduction of greater flexibility in the decision making and the choice of procurement processes.

5. The more efficient management of procurers and improved procedures of monitoring and evaluation of suppliers.

6. The increased negotiating power of OTE versus suppliers.

7. Setting procurement goals aiming to the best possible procurement solutions.

8. The participation of new suppliers in the procurement tenders of OTE.

Subcontracted Projects

All of the Organizations' projects are provided by external subcontractors through the tender process. Supervision is done by OTE engineers who, together with the Delivery Committee (which is created by decision for each project), are responsible for the qualitative and quantitative delivery (provisional and final) of the project. The quantities, materials, dimensions and completion times of each project stage are checked, ensuring that they conform to the technical specifications stipulated in the tender documents. Additionally, in line with its policy of supporting the development of the periphery and local communities where it operates, OTE has been employing 638 locally-based (subcontractors) suppliers in numerous cases.

	2008	2009
Subcontracted Projects	543	638

Regulatory Issues

The electronic communications sector in Greece is regulated in accordance with the European regulatory framework, as it is incorporated into the National Legislative framework, which is comprised of laws and regulatory decisions. Since the regulatory framework affects the Company's operation, its relations with consumers, and investments in infrastructure, technology and services, OTE is diligent to:

- Cooperate with the national regulator and the State in order to co-form a policy that encourages investments particularly in New Generation Access Networks and enhances healthy competition in the market.
- Support its position during the transposition of the new European regulatory framework into national legislation and the legal framework regarding competition.
- Secure impartial treatment of OTE by regulatory authorities, and support a regulatory environment which will include less and less regulation once competition is adequately developed.
- Uphold its positions on competition issues in the national and European regulatory environment but also in front of national judicial authorities.

OTE, in order to ensure a regulatory framework that will secure the long-term interests of the Company and its subscribers, while contributing to social prosperity is working with:

- the National Telecommunication and Post Commission (EETT)
- the Hellenic Authority for Information and Communication Security and Privacy (ADAE)
- the Hellenic Competition Commission, and the National Council for Radio and Television (NCRTV)
- the Ministry of Infrastructure, Transport and Networks, the Ministry of Development
- the Ministry of the Environment, Energy and Climate Change
- the Hellenic Data Protection Authority (HDPA)

OTE strives to create excellent long term value to reward investment in OTE, and maintains the highest standards of business practice and be committed to effectiveness in the dealings related to its' regulatory activities.

OTE complies with the regulatory obligations, while at the same time actively follows national and European legislator developments and participates in public consultations.

In 2009, OTE responded to sixteen (16) national consultations, the most important of which are:

1. Public Consultation on Wholesale (physical) network infrastructure access (including shared or fully unbundled access) at a fixed location (market 4) and on wholesale broadband access (market 5).
2. Public consultation concerning wholesale market analysis and the proposed regulatory obligations for the wholesale broadband access (EU).
3. Public consultation for the transposition of Audiovisual Media Directive into national law.
4. Public consultation on regulation concerning the Establishment of the Infrastructure for an Open-access Fibre Optic Network (Ministry of Transport & Communication).

On a pan-European level, in 2009 OTE monitored all regulatory developments and provided input in the following consultations:

1. World Telecommunications Standardisation Assembly Resolutions (ITU).
2. Draft Community Guidelines for the application of State aid rules in relation to rapid deployment of broadband networks.
3. Towards a strengthened network and information security policy in Europe.

4. Draft commission recommendation on regulated access to next generation access networks (NGA).

5. Post-i2010: priorities for new strategy for European information society (2010-2015).

During 2009, OTE received fourteen fines (14) and seven (7) non-monetary penalties. The total sum of the monetary fines amounts to approximately 13 million euro. In addition the company dealt with thirteen (13) cases of incidents concerning facility security reported to A.D.A.E (Hellenic Authority for Communication Security and Privacy).

In July 2009, EETT issued a Decision with a Recommendation for OTE to implement a Joint Ministerial Decision on measures for the disabled, which was issued in 2008 and significantly increased both the number of potential beneficiaries and the discounts to be applied to services provided to them. In this context it is noteworthy that OTE, having for several years undertaken without compensation the full burden of implementing measures for the disabled within the context of Universal Service as well as additional action on its own initiative, noted to the competent authorities that the above Decision gave rise to a number of issues that rendered its implementation impossible, and called for its review. The competent authorities confirmed OTE's concerns and the procedure for the revision of this Decision is under way.

OTE's specific commitments consist of:

• Providing value for money products and services that are backed by appropriate high standards.

• Handling complaints speedily, professionally and courteously.

• Respecting customers' special needs and requirements.

• Providing opportunities for dialogue on objectives, strategy and performance.

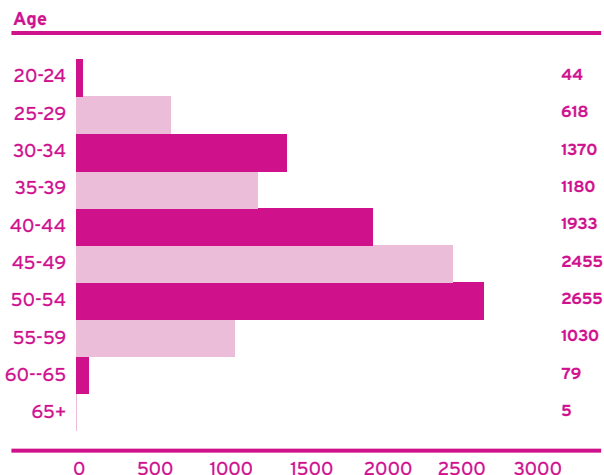# 4. Building Ties
with the Employees

Building Ties with the Employees

OTE applies policies and practices that encourage its employees' personal development and success.

OTE's priorities for the employees are:

- Improving the operational management and career development of employees in order for them to achieve their goals parallel to improving their performance
- Ensuring health and safety conditions at the work place
- Promoting equal opportunities
- Ensuring the operation of a well tuned evaluation system with performance measurement indicators
- Developing training and reward programmes
- Ensuring a series of added benefits
- Expanding and developing the internal communication channels
- Strengthening corporate commitment through the creation and reinforcement of a single corporate culture

In 2009, the milestones for the Company's personnel were:

- The complete implementation of the bi-annual (2008-2009) National Collective Labour Agreement (ESSE) between OTE and OME-OTE.
- The implementation of the early employee retirement programme of 197 employees, pursuant to an OME-OTE agreement.
- The completion of the Voluntary Retirement Scheme of 601 employees based on Law3371/2005 (article 74) in combination with Law3762/2009 (article 34).
- The signing and beginning of the implementation of the plan agreed between OTE and OME-OTE for the incorporation of the OTENET employees into OTE's Internal Labour Code and all other relevant Labour Codes.
- The implementation of the pilot Service HR HELP DESK, aiming at informing employees on all kinds of matters which concern them (salary, additional benefits, HR matters, etc).
- The work of 693 students who did their internship at OTE.
- The development of a Unified System of Quality Management within the General Directorate of Business and Corporate Clients, which was certified by ELOT.
- The development and certification of a Unified Integrated Management System, which comprises all 3 Management Systems (Quality, Health and Safety, and Environmental Management) at the Maintenance and Repair Section.
- The planning and execution of training seminars, in cooperation with ELOT, on issues of Quality, Health and Safety at Work and Environmental Management.
- The conclusion of the first phase of the project "Platform for Governance System Human Resources", with the specification of the model for "Similar Working Positions".

For more information visit: www.ote.gr/cr2009

Number of employees according to Age

Age

Age	Number
20-24	44
25-29	618
30-34	1370
35-39	1180
40-44	1933
45-49	2455
50-54	2655
55-59	1030
60--65	79
65+	5

0   500   1000   1500   2000   2500   3000

Permanent & indefinite term employee force per geographical region

0	1000	2000	3000	4000	5000	6000

CRETE — 545

ISLANDS — 321

NORTHERN AEGEAN — 230

EASTERN MACEDONIA AND THRACE — 463

CENTRAL MACEDONIA — 1449

WESTERN MACEDONIA — 192

THESSALY — 376

IPIROS — 308

PELOPONNESE — 575

MAINLAND GREECE — 437

WEST GREECE — 821

ATTICA — 5652
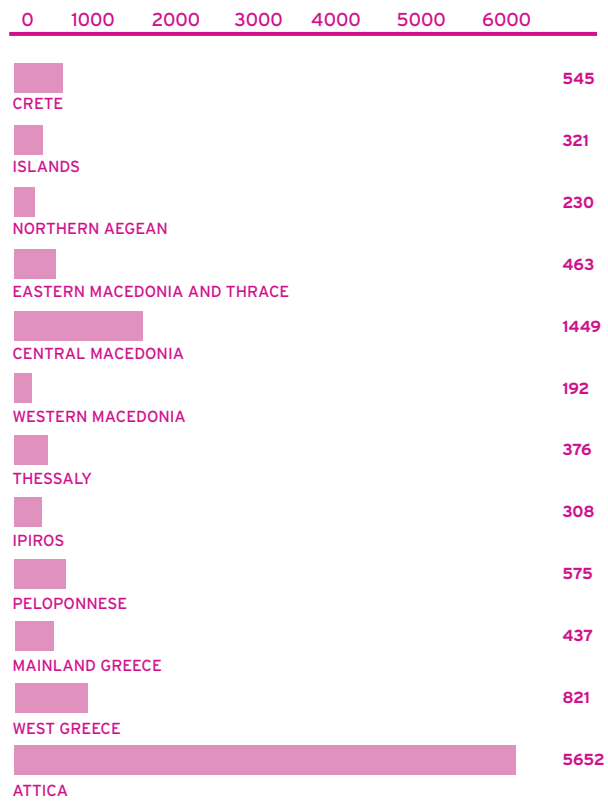
Health and Safety

OTE's Health and Safety (H&S) at the Workplace policy is carried out through the Internal Protection and Prevention Service as part of a wider preventative approach adopted by the company. The Health and Safety Policy includes the following basic elements:

- Action plan for the enhancement of the implementation and control of H&S mechanisms provided for by Law.
- Initiatives for early warning and prevention of danger.
- Is materialised by 12 Safety Technicians, 7 Working Doctors, and other scientifically trained, responsible and experienced personnel.
- Is implemented through the participation of employees in 63 H&S Committees operational throughout Greece, in which 178 elected members participate and which meet every three months.
- Implementation of the H&S management system in line with ELOT 1801:2002 (Health and Safety Management at the Workplace), to selected operational facilities of OTE.
- Primary policy goals are high quality working environment, employee satisfaction, ongoing training, the reduction of work-related accidents, and measurements of factors influencing the working environment.

OTE's "Health and Safety Management at the Workplace" is available to all the company's employees via the Intranet (U-link), in order for them to have access to any information they may need, regarding matters of health and safety.
Through the last few years there has been an obvious improvement in the health and safety conditions for OTE employees, which can be summarised in the following achievements for 2009:

- Positive decreasing trend of accident ratio among all employees.
- Provision of First Aid to 1,610 employees (1,752 in 2008) at special

medical care areas by OTE's 9 doctors (7 on-site doctors and 2 examining doctors).

- 13,755 medical examinations were conducted (12,231 in 2008) on 3,414 employees (3,675 in 2008) by the 7 on-site doctors.
- 45 workplace risk evaluation studies were drafted (48 in 2008) and 4 studies were written measuring the electromagnetic radiation for OTE buildings.
- 3,713 inspections were conducted (2,312 in 2008) at work places by the 12 safety technicians and the 7 on-site doctors.
- Participation in the development of security specifications in the workplace (special equipment for technicians, etc).
- Drafting of educational programmes on subjects of Health and Safety and implementation of 4 seminars to special categories of personnel,
- Conducted a series of updates by the safety technicians and the on-site doctors at various workplaces.
- Edition and distribution of 4 leaflets with precautionary measures in order to prevent accidents at Facilities and Shops.
- "Plan of Action" in case of a Pandemic, issue of electronic informative material and distribution of special leaflets about the influenza A-H1N1. This had as a result that less than 1% of OTE employees came down with the virus.

Furthermore, there are:

- 14 organised canteens in the Administration Building, as well as a restaurant that implements regulations of the HACCP Food Safety Management System.
- Organised canteens in all the other buildings of OTE, and their compliance to hygiene regulations, are controlled and monitored with, among others, microbiological controls of the products they offer.

Number of OTE Personnel Work related Accidents 1998-2009

96	95	59	67	53	49	41	36	27	20	28	31

100

80

60

40

20

0

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
3	4	1	3	1						1	

Number of Work Related Accidents
Number of Fatal Accidents
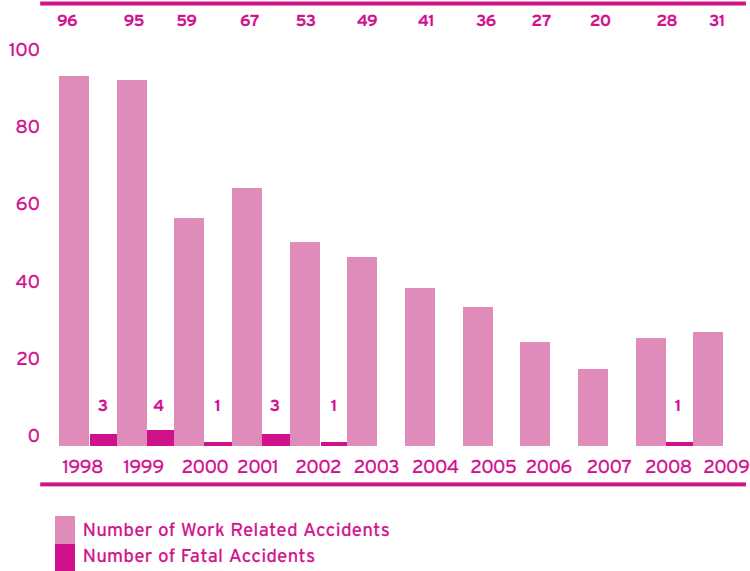
Percentage of Work related accidents 2003-2009
(in total of employees)

0.29%	0.25%	0.24%	0.23%	0.18%	0.24%	0.27%

0.30%

0.25%

0.20%

0.15%

0.10%

0.05%

0.00%

2003	2004	2005	2006	2007	2008	2009

Lost time (in days) from Work related Accidents

0	500	1000	1500	2000	2500

2004
- 1876
- 197
- 2073

2005
- 1859
- 456
- 2315

2006
- 1298
- 883
- 2181

2007
- 614
- 934
- 1548

2008
- 1196
- 231
- 1427

2009
- 1141
- 1023
- 2164
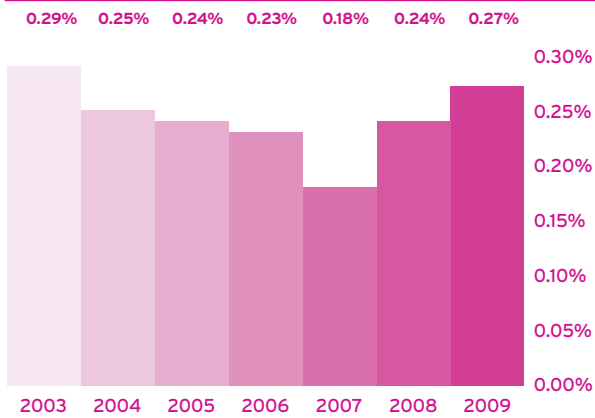
Loss of Time (in Days) from Work related Accidents
Subsequent Days due to Work related Accidents
Total days lost due to Work related Accidents
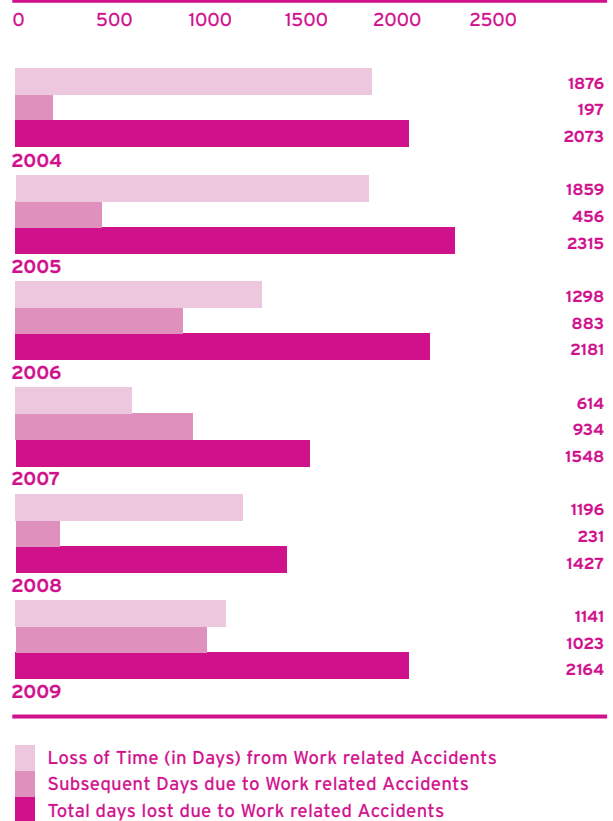
Equal Opportunities - Hires

At OTE, granting equal opportunities to all employees and full respect for human rights is the active policy. In this particularly sensitive area OTE has created a solid internal regulatory framework in order to respond to the challenges and demands of our age, based on:

- The Internal Personnel Regulation (EKP-OTE)
- The company's Code of Business Conduct and Ethics
- The 'Compliance Management System' –implemented since July 2009

*For more information visit: **http://www.ote.gr/portal/page/portal/InvestorRelation/CorporateGovernance/diafaneiapliroforisi/codeofethics***

The above mentioned framework prohibits the possibility of child labour.
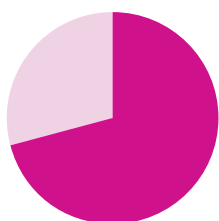
The following graphs show the gender distribution in OTE, regarding the Positions of Responsibility, as well as the distribution between men and women in the total of OTE personnel for the year 2009.

Gender Distribution Positions of Responsibility

Position	men	women
GENERAL DIRECTORS	10	2
SUB-GENERAL DIRECTORS	5	0
DIRECTORS	38	3
SUB-DIRECTORS	187	35
HEADS OF SECTIONS	736	246

men
women

2009 Gender Distribution

men	8,109 / 71%
women	3,260 / 29%
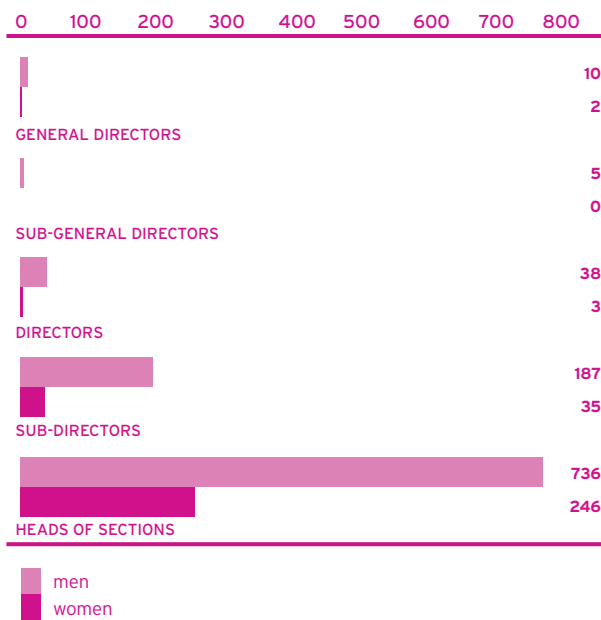
According to the Internal Personnel Regulation (EKP-OTE) ''the freedom of political and philosophical beliefs are respected and ensured by the Company in the context determined by the Constitution and the Legislation in force.'' In practice the right to collective negotiations is upheld and protected in the best possible manner. All Company employees, without exception, are covered by agreements based on collective negotiations. During 2009, as in 2008, no discrimination incident was reported.

For the year 2009 OTE hired 211 persons and 896 persons left the company (retirement scheme). The average age of all OTE personnel is 44,83 years of age.

Basic and additional Benefits

All of OTEs' permanent employees are eligible for basic benefits (salary, pensions, etc). Moreover, they are eligible for a series of additional benefits, beyond those provisioned by Greek Law, in view of enhancing the corporate approach of work-life balance. Specifically:
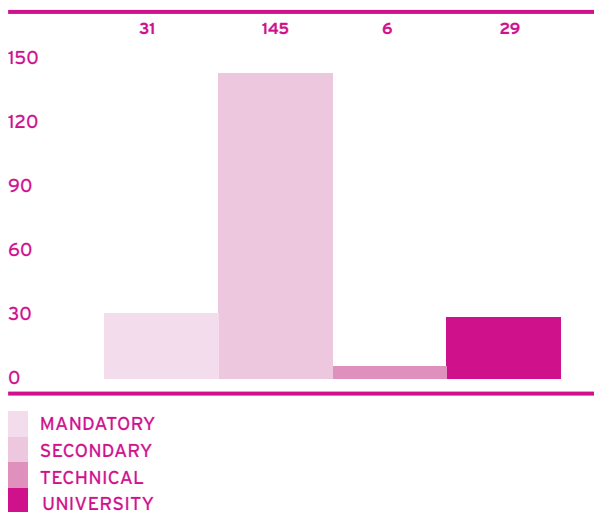
- Youth Fund, Solidarity Fund, personal loans, expenses for child-care.
- Additional group life insurance coverage, work disability, hospital and home health care, to all employees with an indefinite work contract.
- One-off payment of EUR 25,000 to all employees upon having a ninth child.
- Provision of a computer and printer to all employees upon having a fourth child.
- Employees are rewarded financially for attaining degrees from Universities, Technical Schools, and in Foreign Languages.

Hires

OTE does not discriminate on the grounds of gender and remuneration is based on duration of service and level of education.
Job opportunities advertised by OTE, in the last trimester of 2009 were posted to OTE's website and in the online job network www.kariera.gr. The submission of applications is done only electronically.

Number of new-hires by subject

Subject	Number
MANAGEMENT/ADMINISTRATION	115
FINANCIAL	7
TECHNICIANS	49
EXPERTS	2
OTHER	1
FROM OTENET	4
LAWYERS	1
MANAGEMENT	4
SUPPORT	28

Number of new-hires by level of education

31 145 6 29

MANDATORY
SECONDARY
TECHNICAL
UNIVERSITY
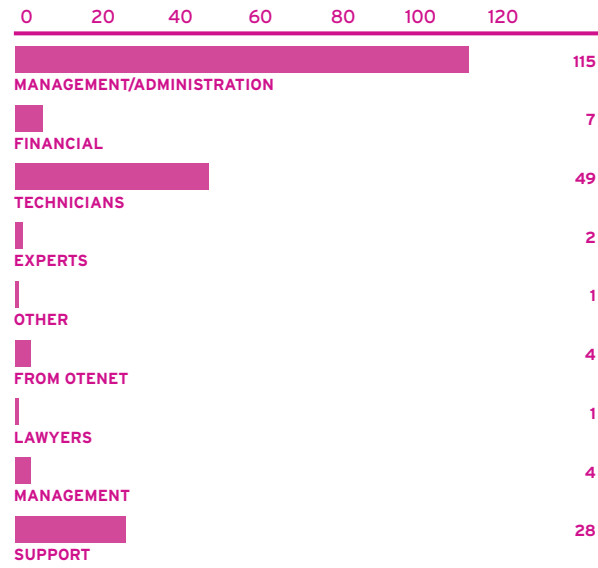
Special Hires

In 2009 the total number of special hires in OTE was 436 (414 in 2008)

People with special needs in Positions of Responsibility

10 22 14 24

2008   2009

employees with special needs (Heads of Sections)
employees with special needs (Progect Managers)

Training Programmes

OTE's training programmes aim at developing the necessary professional qualifications demanded by the ever evolving and competitive telecommunications environment. In adopting modern educational and teaching policies, OTE has created a systematic training cycle that includes:
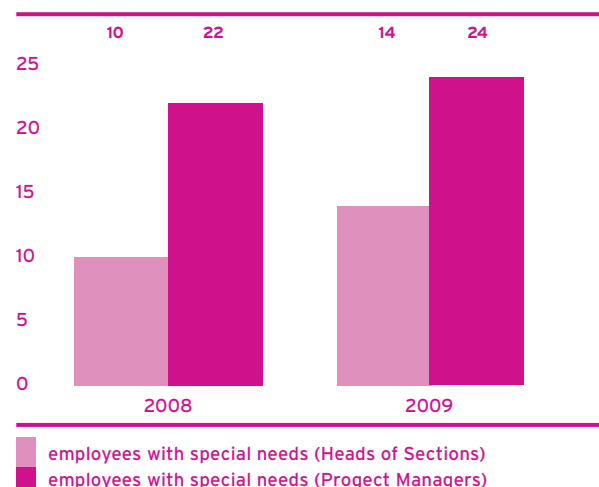
- diagnosis of educational needs
- scheduling-design of training programmes
- implementation of training and educational programmes
- connection of diagnosis of training needs to the evaluation systems
- evaluation of training activities.

Specifically for 2009, the training programmes covered the following subject matters:

Number of participants in trainning programmes

| 3470 | 1426 | 467 | 743 | 355 | 254 |

- Telecommunications Technology
- IT
- Management Issues
- Customer Support-Sales-Marketing
- Financial
- Human Resources

Total hours of training

Training	2008	2009
Total training Hours	152,000	158,430
Average training hours per trainee	25	24
Total trainees	6,000	6,853
Management-Commercial Sector Trainees	400	1,837
Financial-Technical Sector Trainees	3,400	5,016

Additionally, in 2009, OTE collaborating with the OTEAcademy provided the opportunity for e-learning courses, while OTE's library served more than 550 employees and students in parallel to the online library www.otelibrary.gr, which had a great deal of visitors.

Establishment of Employee Evaluation System
In 2009, OTE continued to use the system of annual evaluation for all of the Company's employees. All evaluated employees discuss their performance in personal interviews. In 2009, all employees have had performance appraisals.

Internal Communication-Personnel Recreational and Leisure Activities

The Company's priority is the provision of valid and regular updates to all its personnel and the strengthening of collaboration, teamwork and cohesion between employees, which is achieved through a set of communication tools, such as:

Internal Magazine
The official internal magazine of the employees, 'OTECh@t, is published every 3 months, since December 2007. In 2009, a total of 69,000 copies of the magazine (64,000 in 2008) were sent to employee homes, OTE's Cultural Centres, OTESHOPs, as well as to representatives of subsidiaries of the Group.
A permanent cross-corporate team of 15 members from all the General Directorates works on writing the magazine, which covers a variety of subjects, while during 2009 approximately 180 employees participated towards the magazine's content.

Intranet
In 2009, the new company intranet "U-link", celebrated its first year anniversary. Accessible by 84% of the employees (9,500 employees in a total of 11,396), U-link received more than 3,500,000 visits, while more than 1500 new documents were added to it.

Since June 2009 the intranet became accessible to all the employees of OTE's subsidiaries in Greece, enhancing corporate unity and sharing of information. In order to facilitate the access and use of the intranet, OTE organised in March-April 2009 an educational game-competition with prizes for winning entries. The idea is that employees are not only informed by the intranet, but also participate in its enrichment with new information. During 2009 a team of 350 U-link representatives was established who regularly contribute contents to the intranet, which is emerging as a key tool of communication between employees but also between management and the workforce. U-link's valuable role extends to spreading the notion of CR throughout the company. In 2009 66 CR-related pieces of content were posted in the intranet.

Internal CR Communication
Through U-link, the OTE website, the annual CR Report, short CR brochures and the company magazine, the CR Team and the Management inform the workforce on developments and initiatives such as:
- OTE's new Corporate Volunteering Programme
- The Voluntary Blood donation Programme
- The Recycling Programme
- The collection of school equipment for the Association "A Child's Smile"
- Participation at OTE's Europe Corporate Games
- Issues of health and safety at the Workplace such as the new Flu Virus H1N1
- Activities of OTE's Cultural Centres and Choir
- 39 "Internal Communications" (e-mails) were sent regarding various employee matters

Employee awareness and sensitivity are enhanced through notifications on occasions such as:
- The "Time of the Earth"
- The World Environment Day
- The World Blood Donation Day
- The European Week without a Car
- The company game on "Measuring your own environmental footprint" for employees
- "Safe Internet" Day

Personnel Recreational and Leisure Activities

OTE supports activities and initiatives that contribute to the creative utilisation of the employees' free time, thus balancing work and personal life, which is an important cultural element of the company.

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                    ┌─────────────────────────┐
                    │  OTE Personnel Vacation  │
                    │   Club (OPAKE- OTE)      │
                    └─────────────────────────┘
                                ↕
┌──────────────────┐                          ┌──────────────────┐
│ Europe Corporate │    ↖      OTE       ↗    │   OTE Choirs     │
│      Games       │        Personnel         │                  │
│                  │       Recreational       │                  │
└──────────────────┘        Activities        └──────────────────┘
                        ↙              ↘
        ┌──────────────────┐    ┌──────────────────┐
        │   Drawings for   │    │ OTE Employees    │
        │ participation in │    │ Cultural Centres │
        │ events sponsored │    │                  │
        │     by OTE       │    │                  │
        └──────────────────┘    └──────────────────┘
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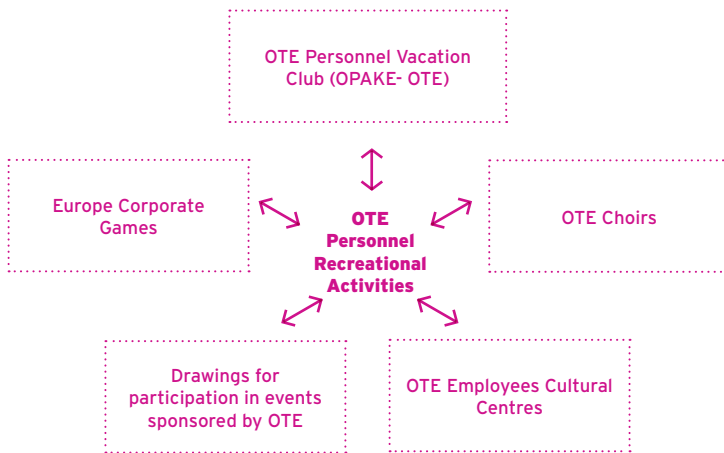
For more information visit: **www.ote.gr/cr2009**

5. Building Ties with the Environment

Building Ties with the Environment

OTE acknowledges that businesses with a leading role in South-eastern Europe are those that combine:

- **Financial growth**
- **Environmental protection**
- **Environmental awareness in all aspects of its operation**

OTE recognizes its own responsibility and aims to actively contribute to the mitigation of the global environmental issues, such as climate change and natural resources conservation. In this context, a series of initiatives and actions are being developed, in line with international rules and practices, with qualitative and measurable quantitative goals. OTE aims at decreasing the impact of its operations on the environment, thus contributing to the establishment of corporate environmental responsibility. An integrated environmental policy and management scheme was formulated in order to meet this objective, with clearly defined annual improvement benchmarks. At the same time we look for the design and development of products and services that enable our customers in reducing their environmental impacts.

In this framework, OTE's priorities for the environment concern:

- **continuation and expansion of documentation of its environmental footprint**
- **energy conservation**
- **promotion and utilisation of renewable energy sources**
- **reduction of greenhouse gas emissions**
- **reduction of water consumption**
- **further promotion of recycling programmes and practices internally**
- **raise the awareness of citizens regarding participation in recycling programmes implemented by OTE**
- **support of actions by environmental organisations**

Environmental impacts from OTE's operations in Greece

OTE takes all necessary actions in order to ensure that its operation is in compliance with environmental legislation in force[1].
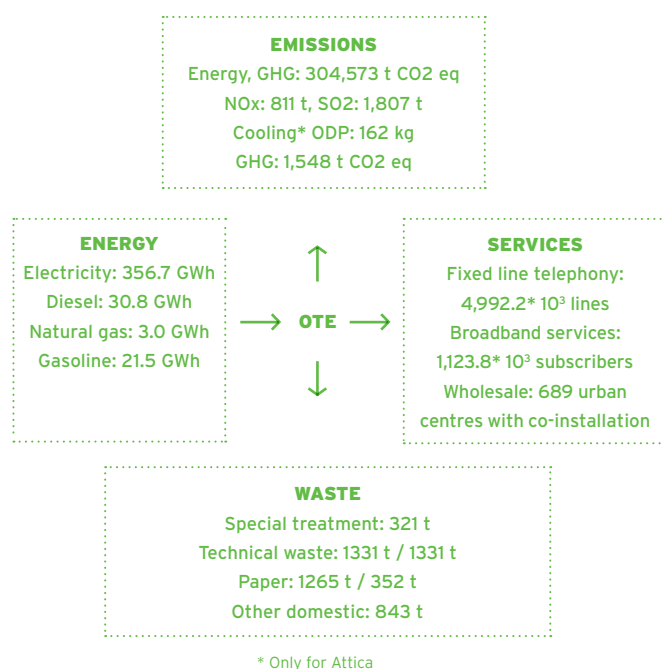
OTE considers energy consumption and the associated emission of greenhouse gases and other gases represent the most significant environmental impacts arising from its operation. The establishment and the continuous improvement of an environmental data collection and elaboration system aiming at an accurate, consistent and complete assessment of its environmental performance are considered as a major prerequisite and thus a full commitment.

Key features of the environmental performance of OTE in 2009 include the following:

- In 2009, energy consumption in OTE's buildings and facilities remained almost constant as an increase of 0.3% compared to 2008 was estimated. This increase is the result of a 2% increase of electricity consumption and a 16% decrease of fuels consumption (diesel and natural gas). At the same time services provided to customers presented a sharper increase as (a) broadband data transfer increased by 60% and (b) a total of 689 urban centres nation-wide (from 211 at the end of 2008) offered co-installation services to telecommunication operators in 2009.

- Fuel consumption of the OTE owned vehicles fleet in 2009 amounted to 26.4 GWh (unleaded gasoline: 2,277 thousands litres; leaded gasoline: 75 thousands litres; diesel: 480 thousands litres). The specific consumption of vehicles running on unleaded gasoline improved further to 10 lt/100 km (from 11.7 lt/100 km in 2008 and 12.2 lt/100 km in 2007), though energy consumption for road transportation (OTE owned vehicles' fleet) increased in 2009 by 17% as a result of the increased transportation activity.

- Direct primary energy consumption for 2009 (excluding electricity consumption) is estimated at 55.3 GWh, and indirect primary energy consumption at 847.4 GWh[2].

- In 2009, total GHG emissions from energy consumption (buildings/facilities and road transportation) were estimated (according to IPCC guidelines and the GHG protocol initiative) at 304,573 t CO_2 eq presenting an increase of 1.6% compared to 2008. Direct emissions,

i.e. emissions due to fuel consumption from sources owned or controlled by OTE, account for 4.7% of the total.

- OTE is gradually replacing old cooling systems operating with ozone depleting substance (ODS) as refrigerants, while fire suppression systems use suppressants with zero ozone depleting potential (ODP). For 2009, the installed capacity of ODS in Attica was 1,680 kg ODP, presenting a decrease of 65% compared to 2008. The ODP of the ODS quantity being replenished in 2009 was 162 kg, decreased by about 6% kg compared to 2008.

- With respect to cooling systems, HFC blends are utilized either for substituting ODS or for installation in new cooling systems. The quantity replenished for 2009 is equivalent to GHG emissions of 1,550 t CO_2 eq approximately.

- Water consumption[3] in 2009 is estimated at 229,300 m^3 (not including water consumption from privately owned wells), about 8% higher compared to water consumption in 2008.

- Wastewater from the operations of OTE refers to domestic wastewater, which is treated according to area-specific processes (e.g. municipal wastewater facilities). No planned or unplanned water discharges to the environment took place during 2009.

- Total generated solid waste amounted to 3,760 t in 2009 with printing paper (A4 paper) accounting for about 11% of total generated waste (422 t approximately). Recycling represents the major management practice utilised by OTE (see paragraph "Conservation of natural resources"). Existing recycling programmes cover the whole of technical waste and about 30% of paper. Solid waste disposal accounts for about 47% of the total waste generated. Methane emissions associated with solid waste disposal in 2009 are estimated at 158.2 t.

For more information visit: www.ote.gr/cr2009

1. There were no environmental fines and non-monetary sanctions in 2009.
2. Indirect primary energy consumption refers to fuel consumption for the production of the electricity consumed by OTE. Figures are based on 2008 data (from the national energy balance) as 2009 data are not available.
3. Calculation methodology has changed this year and it is based on water consumption per employee (for departments/regions where water consumption data are available) instead of water consumption expenditures. Values for 2006 and 2007 have been recalculated.

EMISSIONS
Energy, GHG: 304,573 t CO2 eq
NOx: 811 t, SO2: 1,807 t
Cooling* ODP: 162 kg
GHG: 1,548 t CO2 eq

ENERGY
Electricity: 356.7 GWh
Diesel: 30.8 GWh
Natural gas: 3.0 GWh
Gasoline: 21.5 GWh

→ OTE →

↑
↓

SERVICES
Fixed line telephony:
4,992.2* 10^3 lines
Broadband services:
1,123.8* 10^3 subscribers
Wholesale: 689 urban
centres with co-installation

WASTE
Special treatment: 321 t
Technical waste: 1331 t / 1331 t
Paper: 1265 t / 352 t
Other domestic: 843 t

* Only for Attica

Facing climate change

Climate change is a global problem affecting the environment, the society and economic development. According to the 4th Assessment Report of the Inter-governmental Panel on Climate Change (IPCC) climate change is already occur-ing and is related to anthropogenic activities. Consequently at global, EU and national levels, there are on-going formal or informal consultations regarding the formulation of an effective set of policies and measures for climate change mitigation not only at public but also at private level. OTE's contribution in dealing with the climate change consists of adopting practices to reduce emis-sions and developing products and services that contribute to GHG emissions reduction. At the same time these practices have been found to contribute to the reduction of the Company's operating cost.

In this context, we aim at:

• the utilization of Renewable Energy Sources
• the adoption of energy conservation practices
• the reduction of greenhouse gases emissions
• the design and development of products and services that contribute to climate change mitigation

Reduction of GHG emissions from the operation of OTE
Renewable Energy Sources

OTE has installed and operates 179 small photovoltaic units (total capacity 286.8 kW) since 1994 to cover the electricity needs of its Rural Subscriber Radio repeaters and a larger photovoltaic unit at the Antikithira Police Sta-tion (20 kW). Also, the power for the wireless broadband network, WiMAX, of Agion Oros, is supplied mostly by upgrading existing photovoltaic systems and two small wind turbines of 1kW each.

Energy conservation

	Achievements	Future goals
Efficient lighting	Replacement of more that 7,500 low efficiency lamps with high efficiency ones.	All lamps to be installed in the future will be of high efficiency given the absence of any technical restrictions.
Auxiliary Units Management Systems: Regulate the operation of air-condition units, aiming to reduce power consumption.	Installed in 1800 digital OTE centres.	Extend the installation to 200 new points in the next two years.
Free Cooling System: Use of external cold air, during winter months for cooling digital centres.	Installation of 633 sys-tems, in total, out of ap-proximately 3000 digital centres.	Continue with the installa-tion of the systems during the next years.
Variable Refrigerant Volume (VRV) systems: Guarantee cooling and heating autonomy per space so that there will not be energy consumption in areas that are not being used.	Installation of 112 VRV systems throughout Greece, of which 20 at OTE's Administration Building (in 10 out of its 39 wings).	Continue the replacement of conventional central cooling systems with VRV systems in the following years.
Natural gas use	13 buildings are con-nected to the natural gas network. Natural gas use (instead of diesel) resulted in a re-duction of GHG emissions by 235 t CO2 eq.	The programme for the connection of additional buildings to the natural gas network is on-going. The necessary studies for 6 buildings in Attica are in progress.
Control of reactive power The control of reactive power improves the stability of the electricity transmission network, reduces peak load and as a result the possibilities for power outage are reduced.	Installation of 60 new capacitor banks and replacement of capacitor banks in 6 substations.	Keeping the power factor (cosφ) at values as close to 1 as possible.

Energy consumption of the telecommunication equipment is reduced through the consolidation (geographical and spatial) of the hardware necessary for network management as well as the adjustment of the capacity of data centres. This practice results also in the reduction of air-conditioned space. In addition, virtual machines technology is utilized for network management systems and aged computational systems are replaced by applying the P2V (physical to virtual) technique.

Reduce transportation

- Transportation needs are reduced through the development and the operation of «HELP-DESK» and Call Centres aiming at fault correction with telephone directions. A reduction of 758 t CO_2 eq achieved in 2009.

- Since 1999, more that 1000 employees have the option of commuting to and from their workplace with 22 buses, covering 19 different areas in Athens (going to and from OTE's Administration Building, as well as to the facilities of OTE in Parnitha etc). Minimum technological requirements are addressed in the relevant contract (currently an average age of less than 10 years is achieved). GHG emissions reduction was estimated at 1,810 t CO_2 eq for 2009.

Renewal of equipment and vehicles' fleet

- We are implementing a programme for the installation of generator sets with 'clean' new technology engines that achieve reduced carbon monoxide and micro particles emissions and noise. The installation of new generator sets began in 2007 with 24 sets (600kVA), continued in 2008 with 35 sets (4,055kVA) and in 2009 with 13 more sets with a total power of 7,075kVA (total increase, in 2009, of 22% in quantity and 152% in power, comparing to 2008). Gradually, all of the remaining generating sets will be replaced with newer, more technologically advanced units.

- The renewal of the OTE owned vehicle fleet is in progress. In 2009, 28 old passenger cars, 116 trucks (of which 96 were running on "super" gasoline) and 2 off-road machineries were withdrawn. As a result, the number of "super" gasoline vehicles reduced, at the end of 2008, to 14.

Products and services that reduce GHG emissions

- The installation of new telecommunication equipment for the development of new technologies (NG - SDH, ETHERNET, IP, etc.) leads to a reduction of energy consumption as construction practices adopted are focusing on reduced electricity consumption and air-conditioning requirements.

- Infrastructure development and broadband expansion will guarantee new, faster ways of communication, employment and exchange of information with indirect positive effects on environmental protection and GHG emissions reduction due to reduced transportation needs. The provision of services implemented through video – conference, internet services, VLANs contribute to this direction as well as the broader implementation of the SIZEFXIS programme and its expansion (SIZEFXIS II).

- The Wholesale Line Rental (WLR) service provided to telecommunication Operators allow them to provide telecommunication services to their customers without creating additional environmental burden as they exploit existing infrastructure.

- Development and utilisation of new e-applications for intra-OTE operational issues (e.g. human resources issues, e-learning, job applications, etc) as well as for services provided to customers (see modules in www.otebusiness.gr, www.otewholesale.gr). For instance 2.4 million applications by telecommunication Operators were submitted and handled electronically resulting in a reduction of paper consumption by 12,000 kg.

GHG emissions reduction achieved

GHG emissions reduction as a result of the initiatives undertaken by OTE in 2009 is estimated at 5,278 t CO_2 eq. This reduction was estimated taking into account recycling, use of renewable energies, the operation of HELP-DESKs & Call Centres, services provided to telecommunication Operators, natural gas penetration and personnel transportation.

For more information visit: ***www.ote.gr/cr2009***

Conservation of natural resources

Waste management policy

OTE's policy regarding waste management is summarised as follows and reported below:

- reduction of using materials whose production has an impact on the environment
- recycling of used material (e.g. paper)
- special management of waste that contaminate the environment (e.g. electronic equipment, lead batteries, and materials that contain substances dangerous to the environment)
- public awareness to increase participation in recycling practices

Amounts of material that is recycled

Category description	Management method	Quantities 2008	Quantities 2009
Metals (including alloys)	Disposal by ΕΛVAN	21,524 kg	14,935 kg
Copper, bronze, brass	Disposal by ΕΛVAN	875 kg	342 kg
Aluminium	Disposal by ΕΛVAN	12,708 kg	11,740 kg
Lead	Disposal by ΕΛVAN	1,582 kg	1,784 kg
Iron and steel	Disposal by ΕΛVAN	224,110 kg	305,190 kg
Pewter	Disposal by ΕΛVAN	4,819 kg	892 kg
Mixed metals	Disposal by ΕΛVAN	4,065 kg	13,851 kg
Cables (except for those in 17 04 10)	Disposal by ΕΛVAN	931,323 kg	880,393 kg
Paper and cardboard[4]	Disposal at "Paper Recycling"	274,577 kg	257,033kg
Disposable electric & electronic equipment[5]	Special treatment	99,530 kg	116,112 kg

4. In addition to those given to KLIMAKA
5. Includes «Racks with accessories that require special treatment»

Furthermore, OTE wastes that require special treatment include (a) 14,507 kg of lubricants and (b) 243,894 kg lead batteries that were collected by verified agencies. In both cases, no spills were occurred.

Paper recycling refers to packaging material from OTE supplies as well as printing paper mainly from the OTE administration building and the Printing Centre. Efforts for the development of a formalized recycling programme nation-wide have been initiated.

The electric and electronic equipment that is deemed inadequate or outdated is given to authorised companies for further processing (dismantling, recycling, disposal, according to the nature of the material). All telephone centres removed from customers' installations are sent to appropriate disposal.

Individual recycling schemes:

- Paper. The electronic management of daily filing work via scanners and electronic routing of internal communications ('PAPIROS' information system) resulted in a decrease in paper consumption by approximately 356,000 pages. In December 2009, the expansion of the 'PAPIROS' system completed, and therefore a further reduction in paper consumption is expected for 2010. The Printing Centre Complex forwarded 95,000 kg of paper (increased by 14% compared to 2008) to the Non Governmental Organisation "KLIMAKA".

- Batteries. In 2009, 6,507 kg of batteries were gathered (500 kg more than in 2008) and forwarded to AFIS for recycling. Our goal for 2010 is to increase battery recycling by 10%.

- Electronic equipment: OTE encourages consumers to participate in electronic equipment recycling through the placement of special bins in OTEShops and public awareness campaigns (brochures and electronic advertisements). In 2009 968 kg of electronic equipment (including fixed and mobile telephony devices) were collected (from 318 kg in 2008). In addition, 62,330 kg stocked in OTE facilities was also recycled. Our goal for 2010 is to keep the quantities collected at the level of 1,000 kg.

- In 2009, the label "Please recycle" was introduced to the Conn-x@ Work package (ADSL connection for business customers) referring to all contents of the package (box, manual, cd, plastic).

- Disposal of material. OTE materials that were no longer used, due to lifetime or financial (mainly) depreciation, were given free of charge to Public and Military Authorities, Security Agencies, Foundations, Churches, Associations, Unions, Schools and other social bodies. For 2010, an effort is made to systematise and extend the 'redeployment' programme throughout Greece.

- An initiative regarding the recycling of used tyres from the OTE owned vehicle fleet at national level is expected to start in 2010.

Environmental impacts from selected buildings in Attica and Thessaloniki

OTE continues and expands the programme (started in 2008) for the estimation of the environmental footprint at building level. The scope of this programme is to establish a bottom-up approach (as opposed to the top-down approach currently applied, see paragraph "Environmental impacts from OTE's operations in Greece") for the assessment of the environmental impacts from the operation of OTE, in which the environmental performance of OTE is built up from detailed information at building / facility level. Three buildings from the region of Northern Greece were included in the programme in 2009. The size and the specific operational characteristics (e.g. administration buildings, high concentration of operational equipment) represent key selection criteria. The buildings selected account for about 40% of the total number of OTE employees. It is estimated that activities in these 6 buildings are responsible for 12% of total energy consumption and GHG emissions for 2009. GHG emissions from the Central Administration Building increased

by 9% compared to 2008, while emissions from YMA-NYMA and Parnitha Warehouses decreased by 11% and 20% respectively.

Key interventions for energy conservation and environmental protection in general that took place in 2009 in these buildings include:

- **Central Administration Building. Installation of high efficiency lamps with electronic ballast in the Data centre and the new archive section. Expected energy conservation is estimated at 25%.**
- **Thessaloniki administration building. Installation of a lighting automation system covering communal areas, with an expected energy conservation of 20%.**
- **YMA-NYMA. Replacement of 4 central air-conditioning systems (cooling capacity of 400 RT each) with R-12 as refrigerant (affecting ozone layer) with new (R134a as refrigerant) of similar capacity.**

	Area (m2)	Electricity (kWh)	Natural gas (Nm3)	Heating diesel (lt)	Automotive diesel (lt)	Water (m3)	Emissions (t CO2 eq)
Central administration buidling	84,543	15,504,000		309,804	21,553	36,497	13,511
YMA-NYMA	42,317	16,792,200		215,000	2,800	28,000	14,397
Parnitha warehouses	18,768	856,407		19,611	70	1,821	750
Thessaloniki administration building	19,944	7,284,000	113,869		300	13,500	6,142
Building in Democratias Sq.	3,466	1,904,000	21,585		1,000	820	1,592
Building in P. Mela str.	2,901	1,188,800	7,947		1,000	1,040	985

*For more information visit: **www.ote.gr/cr2009***

Other activities concerning the environment

OTE has undertaken a series of actions towards the protection of the environment for the year 2009, such as:

- Participated at the 74th Trade Fair of Thessaloniki with a climate neutral stand, visited by 55,000 people approximately, who were informed about recycling actions and were able to contribute to OTE's effort to recycle. Moreover, during the Fair, 450 kilos of paper as well as 45 kilos of plastic waste were gathered in an effort to protect the environment.
- For the third year, OTE designed and implemented an interactive, electronic game regarding CR. In 2009 the game aimed to inform and raise public awareness on the impact of our environmental footprint. The game, hosted on OTE's corporate web site www.ote.ecogame.gr and also presented at the 74th International Commercial Exhibition, received 13,523 visitors and 13,189 participants.

Moreover OTE supports, by sponsoring, the following NGO's:

BODY	TYPE OF SPONSORSHIP
CALLISTO **Environmental organisation for wildlife and nature.**	Support to a forest protection and forest fire fighting programme in N. Pindos and Study for genetic monitoring of the brown bear through the placement of OTE poles in Rodopi.
THE GOULANDRI MUSEUM **Implement training programmes that adapt to new environmental training requirements.**	Support Training Programme of environmental report 'CLIMAX, Planet Earth: Climate change & human intervention'.
HELLENIC WILDLIFE HOSPITAL (EKPAZ) **The first rehabilitation centre in the country that received an official licence to possess, treat and release all species of indigenous wild life.**	Support the Society's activities to protect endangered species with small populations in Greece & Europe.
THE GREEK SOCIETY FOR THE PROTECTION OF THE ENVIRONMENT **Non Government Organisation that has been active since 1951, for the protection of Greece's natural environment, whose mission is to inform and raise awareness on Greece's natural heritage & activities for its protection.**	Continue supporting the Environmental training & awareness Programme: 'New Journalists for the Environment'.
THE HELLENIC SOCIETY **for the Protection of the Environment and Cultural Heritage.**	Support the society's magazine.
'CYCLE OF PATMOS' **Non Government Organisation.**	Support the organisation of environmental awareness symposium: 'The great Mississippi: restoring the Equilibrium' .
HELLENIC ORNITHOLOGICAL SOCIETY **The only Greek non-governmental body exclusively concerned with the protection of wild birds and their habitats in Greece.**	Support the operation of a Network of Caretakers for Monitoring Important Areas for birds (Caretakers network) by conducting 2 training seminars at Thermo, Etoloakarnaias, Langada, Thessalonica.
THE UNION FOR THE PROTECTION OF FORESTS IN ATHENS **(Philodassiki Enossi Athinon)**	Support the Union's project plans (reforestations, fire fighting etc).

6. Building Ties with Society

Building Ties with Society

OTE has always associated its presence with contribution to society. It is consistently and continuously expanding and reinforcing its role as a responsible corporate citizen by means of actions and initiatives that contribute to the preservation and safeguarding of social cohesion.

OTE's priorities for the society are focused on:

- Helping children, vulnerable social groups, and young people
- Helping youths on issues of accessing new technology
- Supporting volunteerism
- Supporting local communities that are in a state of emergency
- Maintaining and promoting cultural heritage, with emphasis on the cultural initiatives of the periphery

Supporting children, vulnerable social groups and youths

Support Children

OTE is dynamically and consistently boosting the work of voluntary organisations that support children, by offering financial support through social marketing and sponsorships.

Social Marketing

For seven years now, a substantial part of the revenues derived from OTE's Christmas campaign has been donated to charitable organisations. In 2009, the amount of 250,000 euro, which was gathered from calls made during Christmas and New Year's towards "11888", was given to boost the objectives of Charitable Organisations, which were the Union 'TOGETHER FOR CHILDREN', the Muscular Dystrophy Association (MDA HELLAS), and the Society 'THE CHILD'S SMILE'.

For more information visit: www.ote.gr/cr2009

CR Sponsorship Initiatives

Additionally, in 2009, OTE offered telecommunication infrastructure and financial support for the operation of the following helplines:

• The National helpline "1056", of the society "The Childs' Smile".
• The European helpline, for missing children "116000", of the society "The Childs' Smile".
• The advisory help line 11525, of The Union "Together for Children".
• The European helpline 16111 of the association A.P.H.C.A (Association for the Psychosocial Health of Children and Adolescents).
• The teenage helpline "YpoSTIRIZO 800 11 800 15" in collaboration with MEY (Adolescent Health Unit) of the B' Pediatrics Clinic "Aglaia Kyriakou" of the University of Athens.

For more information visit: www.ote.gr/cr2009

Support of vulnerable social groups

OTE remained a bastion for vulnerable groups into 2009, by offering support to Non Government Organisations working in that direction. In particular, it included and endorsed the following in its CSR programme:

Body	Type of Sponsorship
Food Bank – Foundation for fighting hunger	Coverage of operation costs of the foundation and buying of food supplies (fourth consecutive year of support).
Hellenic Anticancer Society	Buying of Digital Mastographer for the "Centre of Early Diagnosis of Breast Cancer".
Doctors of the Aegean	Boost, for a fourth consecutive year, the humanitarian missions of these doctors to remote border islands.
STROFI (rehabilitation centre)	Covering of operational and other costs.
Municipality of Athens	Support of the Homeless Programme work.

Furthermore, in 14 tele-marathons (12 in 2008) that were carried out with a special pricing policy through the Televoting-IN service for charity purposes, OTE gave 206,250.00 € for the year 2009 (154,736 in 2008).

Youth Support

OTE places its trust in young people and has adopted an array of actions and initiatives in their support: In this framework for 2009:
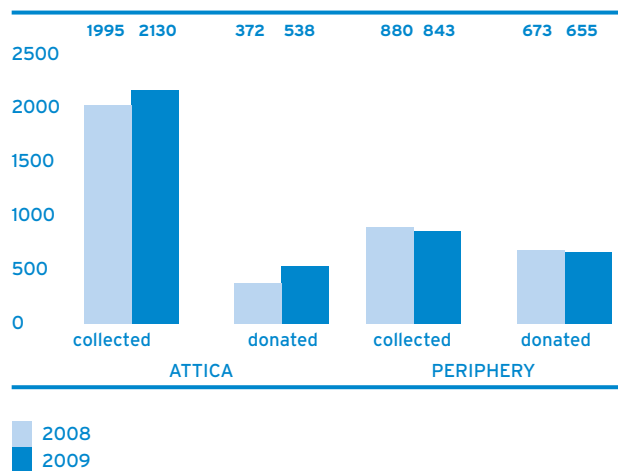
- OTE gave 693 students (up from 431 in 2008) the opportunity to complete their training by offering internships in a modern work environment, in collaboration with a university community and public bodies (e.g. OAED schools).

- OTE employed approximately 2,207 (2,500 in 2008) students on a twelve- month (eight-month in 2008) three-hour employment basis, providing them with financial support for their studies.

- For a fifth year OTE offered free broadband connections and services (Conn-x) to University students with excellent academic performance.

- OTE along with COSMOTE (AMC) and ROMTELECOM, offered three full scholarships to three students from Greece, Albania and Romania, to study at the American Farm School of Thessaloniki for 3 academic years 2009-2012.

- OTE awarded for the third consecutive year two students with excellent academic performance of the Department of Banking and Financial Administration of the University of Piraeus, as well as the top graduate of the Department of Telecommunication Science and Technology of the School of Applied Sciences of the University of Peloponnesus, for the academic year 2008-2009. The latter is supported by OTE since the beginning of its' operation, as it is also related to its' core business activity.

*For more information visit **www.ote.gr/cr2009***

Corporate Volunteering

Since the end of 2009, OTE in cooperation with partnering NGOs has launched a Programme of Corporate Volunteerism, through which all employees have the opportunity to participate in the work of NGOs in need of support. Through the intranet, OTE provides up to date information on active NGOs volunteer projects and offers an easy application process for employees who wish to volunteer.

Units of Blood Donated in Attica and the Periphery

	1995	2130	372	538	880	843	673	655

Chart y-axis: 2500, 2000, 1500, 1000, 500, 0

collected — donated (ATTICA) | collected — donated (PERIPHERY)

■ 2008
■ 2009

Blood Donation
The Blood Donation of OTE employees, the utmost act of human kindness and solidarity, increased its donations in 2009. For 2009, all throughout the country, the OTE Group employees gathered 2,973 units of blood, of which 2,130 were collected in Attica. 1,193 units were given to cover the needs of OTE Group employees, while 1,780 units of blood remained at the disposal of the Hospitals. In the Periphery, the Voluntary Blood Donations are organized by the local OTE Employees Cultural Centres.

Managing emergency Cases
The devastating earthquake in Haiti touched people worldwide, and the need for humanitarian aid to the victims, demanded from all people to become aware of this devastation and mobilise.

After this event, OTE Group became a benefactor to the victims by actively contributing in the planning of the Solidarity Marathon. In particular, OTE, COSMOTE and Hellas Sat satellite, offered both the necessary infrastructure so that the Solidarity telemarathon could be accomplished, as well as participated in the financial aid for direct support of the victims.

OTE Museum of Telecommunications

Founded in 1990, the OTE Museum of Telecommunications focuses on the research, study and documentation of historical information and data pertaining to the evolution of telecommunications technology, from antiquity to the present. The Museum, by means of the daily guided tours of its collections, especially to school children, offers a complementary source of knowledge and information on telecommunications, designed for the needs of every educational stage.

In 2009, 17,250 students visited the Museum, while for 2010, when the Museum will celebrate its 20th birthday, it will aim to reinforce its social role, through a special educational programme focused on life-long learning for young people and people with special needs.

*For more information on OTE's Museum of Telecommunications, go to **http://www.ote.gr/portal/page/ portal/OTEGR/TheCompany/MuseumOfTelecommunications***

Corporate Responsibility in the OTE web site (www.ote.gr)

The Corporate Responsibility activities are presented on the Internet, on a specific section in the OTE web site and the company plans to create a micro-site (www.ote.gr/cr2009), inside corporate website dedicated to OTE's CR activities, aiming at improving information provision to the public ensuring that the visitor has thorough information, both regarding strategy, as well as individual actions developed by the Company through the 'Building Ties' programme. The website includes the details of all of the initiatives and policies mentioned in this Report.

*For more information go to: **http://www.ote.gr/cr2009***

Cultural Heritage - Local Community

OTE consistently supports actions that promote cultural heritage, both in the cities and the different regions of Greece. Within this framework, in 2009 we continued our long-term relationship and cooperation with the following bodies:

• the Benaki Museum
• the 'Simon Karras' Union for the Dissemination of National Music
• Hellenic Foundation for European & Foreign Policy (ELIAMEP)

Actions and initiatives in the Periphery

OTE proves in practice its interest in local communities with its participation and support of a series of actions throughout Greece.
Such as:

• In Thessalonica: the council of the "Greeks Abroad", and the celebration of the "44th Dimitria".
• in Agrinio: the local ELEPAP.
• in the island of Santorin: the cultural event "Vision and Sound".
• in the Cyclades: the "festivities of small islands".
• in the island of Tinos: the festival of the municipality of Exomburg.
• in the island of Simi: the festival of the municipality of Simi.
• in Patras: the "11th international festival of photography", and the tennis team of "Niki Patron".
• in Komotini: the festivities of "Eleftheria Thrakis".
• in the island of Chios: the conference "Avlaia publications".

OTE Expenditures on CR Activities and sponsorships

All the below mentioned CR expenditures are approved by the Board of the Directors and the CEO, due to the large amount of the money donated, as well as the importance of the actions.

The CR-related sponsorships came to the amount of 887,000.00 €, which is 74% of the total amount for sponsorships spent in the year 2009.

OTE CR expenditures and sponsorships
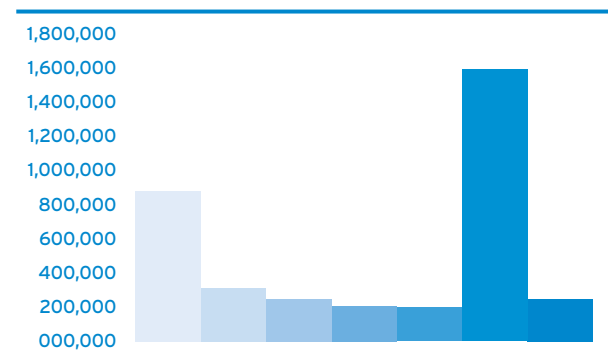
Sponsorships – Donations	887,000.00 €
Other sponsorships	312,800.00€
Christmas Donations	250,000.00 €
Tele-voting fund raising	206,250.00 €
OTE Employees Cultural Centres	200,000.00 €
Employee Vacation Resorts	1,600,000.00 €
Choirs (Athens – Thessalonica)	250,000.00 €
TOTAL	3,706,050.00 €

7. Annexes

Global Compact

**United Nations Global Compact -
Communication on Progress (COP), 2009**

"Corporate responsibility is a central element in our business success and sustainability. The UN's encouragement and guidance through the Global Compact is a most welcomed initiative that we have chosen to support and uphold in the internal operations of our company and as principles guiding our relations with external stakeholders. Our company is proud to be part of this global commitment."

Mr Panagis Vourloumis, Chairman and CEO, OTE SA

OTE SA –with operations principally in Greece- supports the UN Global Compact, the largest voluntary corporate citizenship initiative in the world and abides by its ten universal values in the areas of human rights, labor standards, the environment and anti-corruption. OTE has integrated the Global Compact principles into its policies and operations; and communications with key stakeholders and partners.
Our Corporate Responsibility Report for 2009, which is also available on our website at www.ote.gr/portal/page/portal/OTEGR/ CorporateSocialResponsibility/OurCRProgramincludes a detailed presentation of the company's priorities, activities, goals and outcomes, structured in a four pillar approach of "Building Ties" with our employees, in the market, for the environment, and with society.
During 2009 our main achievements relevant to adherence to Global Compact principles include:

- Focusing on our systematic efforts to record, measure and gradually reduce the company's "ecological footprint".
- Investing in and contributing to Greece's much needed broadband development, while placing special emphasis on bridging the broadband gap in remote areas of the country and facilitating access to new technologies for vulnerable social groups.
- Continuing our long-term commitment to children, young people and students, as well as the elderly and people with disabilities, through forming partnerships and supporting NGOs that are dedicated to helping these social groups.
- Enhancing policies and practices that secure our employees' wellbeing and development, while respecting and implementing equal opportunity and human rights policies.
- Upholding a company-wide ethics and anti-corruption policy and supporting mechanisms that promote transparent and responsible business conduct.

The following chart provides a "page index" guide for OTE's 2009 CR report, in respect of actions by OTE to support the Global Compact principles.

UN Global Compact 10 Principles – OTE Compliance

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights (1-2), labour standards (3-6), the environment (7-9), and anti-corruption (10):

UN Principles	OTE policies and practices	COP Index – page finder
1. Businesses should support and respect the protection of internationally proclaimed human rights.	Granting opportunities to all employees and full respect of human rights is an active policy at OTE. The company has set an internal regulatory framework for the protection of employee rights, including the Internal Personnel Regulation, and the company's Code of Conduct and the 'Compliance Management System'.	**23: Goals/Results/ Commitments Table: Marketplace, Procurement Policy** **44,48,49: Building Ties with Employees**
2. Make sure that they are not complicit in human rights abuses.	The new Procurement policy has increased control mechanisms for OTE suppliers and supply chain.	**23: Goals/Results/ Commitments Table: Marketplace, Procurement Policy** **39: Procurement Policy**
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	The Internal Personnel Regulation states that freedom of political and philosophical beliefs are respected and ensured by the Company in the context determined by the Constitution and the Legislation. In practice the right to collective negotiations is upheld and protected in the best possible manner. All Company employees, without exception, are covered by agreements based on collective negotiations.	**22: Goals/Results/ Commitments Table: General, Stakeholder Dialogue** **27: Stakeholder Engagement** **44,48: Building Ties with Employees**
4. The elimination of all forms of forced and compulsory labour.	OTE's Employment policies and Internal Personnel Regulation prevent and prohibit forced labour. In addition, the new OTE Procurement policy has increased control mechanisms for OTE suppliers.	**23: Goals Results Commitments Table: Marketplace, Procurement Policy** **39: Procurement Policy** **48: Equal Opportunities & Hires**
5. The effective abolition of child labour.	OTE's Employment policies and Internal Personnel Regulation prevent and prohibit phenomena such as child labour. In addition, the new OTE Procurement policy has increased control mechanisms for OTE suppliers. At OTE, there is no pay discrimination of any kind based on gender. The employees' basic salary is calculated on length of service and educational level.	**23: Goals/Results/ Commitments Table** **39: Procurement Policy** **48: Equal Opportunities**
6. The elimination of discrimination in respect of employment and occupation.	OTE implements equal opportunities policies and transparent employee evaluation systems.	**48,49,51: Building Ties with Employees**

7. Businesses should support a precautionary approach to environmental challenges.	OTE supports the precautionary principle by taking a proactive approach to measuring and reducing its environmental impact. Recording of ecological footprint and initiatives to save energy and reduce CO2 emissions.	**24: Goals/Results/ Commitments Table 56-63: Building Ties with the Environment**
8. Undertake initiatives to promote greater environmental responsibility.	Recording of ecological footprint and initiatives to save energy and reduce CO2 emissions.	**24: Goals/Results/ Commitments Table 56-63: Building Ties with the Environment**
9. Encourage the development and diffusion of environmentally friendly technologies.	OTE promotes the use of wind turbines and photovoltaic systems in infrastructure projects, and energy saving lighting and heating/cooling systems in its operational buildings.	**24: Goals/Results/ Commitments Table 56-63: Building Ties with the Environment**
10. Businesses should work against corruption in all its forms, including extortion and bribery.	OTE's Corporate Governance policy includes specific control measures to prevent bribery and corruption. The policy includes implementation bodies and mechanisms such as the Management Bodies, an Audit Committee, the Audit Procedures, and a whistle-blowing policy.	**13-14: Corporate Governance 19: CR Indexes and Standards IR website: http://www.ote.gr/portal/ page/portal/InvestorRelation/ OTEIRMainPage**
Contributing to broader development goals	OOTE is making a decisive contribution to building Greece's broadband infrastructure and services, including to make sure everyone in the country (remote areas, vulnerable groups) are reached in this effort. OTE has formed several long-term partnerships with NGOs to help children in need, students, the elderly and the disabled to have a better future and when applicable use new technologies to improve their lives.	**23: Goals/Results/ Commitments Table 26-27: Stakeholder Engagement 32-34: Building Ties with the Marketplace 25: Goals/Results/ Commitments Table 28: Stakeholder Engagement 37: Building Ties with the Marketplace 67-68: Building Ties with Society 63: Building Ties with the Environment**

GRI Index

1. Company profile	Stated in section	pages	Website page links
1.1 Statement from the most senior decision maker of the organisation about strategic priorities, key achievements, future goals, etc.	Message from the Chairman & CEO	**5**	
1.2 Description of key impacts, risks and opportunities	- Vision-Mission-Business Strategy - Goals-Results- Commitments - Building Ties with the Marketplace	**12** **22-25** **32**	

2. Organisational Profile			
2.1 Name of the organisation.	OTE	**10**	
2.2 Primary brands, products, and/or services	OTE	**10**	http://oteshop.ote.gr/portal/page/portal/OTESHOP MainPageOTESHOP
2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	- OTE - OTE Group	**10-11**	http://www.ote.gr/portal/page/portal/OTEGR/TheCompany/ OrganizationlStructure
2.4 Location of organisation's headquarters.	OTE	**10**	

2. Organisational Profile	Stated in section	pages	Website page links
2.5 Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	- OTE Group	11	
2.6 Nature of ownership and legal form.	- OTE - OTE Group	10 11	
2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	- OTE - OTE Group	10 11	http://www.ote.gr/portal/page/portal/InvestorRelation/ BusinessOverview/OrganizationalStructure/GroupStructure
2.8 Scale of the reporting organisation	OTE	10	
2.9 Significant changes during the reporting period regarding size, structure, or ownership, including:	- OTE - Main Business Moves by OTE Group	10 11	
2.10 Awards received in the reporting period	Awards-Distinctions	21	

3. Report Parameters

3.1 Reporting period for information provided.	Regarding this Report	3	
3.2 Date of most recent previous report.	Regarding this Report	3	
3.3 Reporting cycle.	Regarding this Report	3	
3.4 Contact point for questions regarding the report or its contents.	Regarding this Report	3	
3.5 Process for defining report content, including: • Determining materiality • Prioritising topics within the report, and • Identifying stakeholders the organisation expects to use the report.	- Regarding this Report - CR Indexes and Standards - Stakeholder Engagement	3 19 26-28	

3. Report Parameters	Stated in section	pages	Website page links
3.6 Boundary of the report	Regarding this Report	3	
3.7 State any specific limitations on the scope or boundary of the report	Regarding this Report	3	
3.8 Basis for reporting on subsidiaries.	Regarding this Report	3	
3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report	Regarding this Report	3	
3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/ acquisitions, change of base years/periods, nature of business, measurement methods).	- Main Business Moves by OTE Group - Environmental Impacts from OTE's operation	11 57	
3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Building ties with the environment	57	
3.12 Table identifying the location of the Standard Disclosures in the report.	GRI Index	77-87	
3.13 Policy and current practice with regard to seeking external assurance for the report.	Regarding this Report	3	

4. Governance	Stated in section	pages	Website page links
4.1 Governance structure of the organisation.	- OTE - Corporate Governance	**10** **13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/BoardofDirectors/roloskaiarmodiotites
4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement).	Corporate Governance	**13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/BoardofDirectors/roloskaiarmodiotites
4.3 For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Corporate Governance	**13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Corporate Governance	**13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	Corporate Governance	**13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Corporate Governance	**13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	Corporate Governance	**13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples

4. Governance	Stated in section	pages	Website page links
4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	- Vision-Mission-Business Strategy - Corporate Governance in OTE	**12** **13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
4.9 Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	- Corporate Governance in OTE - Corporate Responsibility and OTE Management - CR Indexes and Standards - Procurement policy	**13-14** **20** **19** **39**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Corporate Governance in OTE	**13-14**	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	Corporate Responsibility and OTE Management	**20**	

4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	- Corporate Responsibility &
	  business strategy
	- National and International
	  Partnerships
	- Global Compact
		19,21
		
		29
		74-76
			http://www.ote.gr/cr2009

4.13 Memberships in associations (such as industry associations) and/or national/ international advocacy organisations	National and International Partnerships	**29**	http://www.ote.gr/cr2009

4. Governance	Stated in section	pages	Website page links
4.14 List of stakeholder groups engaged by the organisation.	Stakeholder Engagement	**26-28**	
4.15 Basis for identification and selection of stakeholders with whom to engage	Stakeholder Engagement	**26-28**	
4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Stakeholder Engagement	**26-28**	
4.17 Key topics and concerns that have been raised through stakeholder engagement.	Stakeholder Engagement	**26-28**	

Performance Indicators

ECONOMIC

Disclosure on Management Approach	- Vision-Mission-Business Strategy - Goals-Results-Commitments - Building Ties with the Marketplace- priorities	**12** **23** **32**	

EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	- OTE
	- Building Ties with
	  the Marketplace
	- OTE Expenditures on CR
	  Activities
		10
		32
		
		71	

EC8 Development and impact of infrastructure investments.	Building Ties with the Marketplace: New Technologies & Broadband services	**33-34**	

Performance Indicators	Stated in section	pages	Website page links
ENVIRONMENTAL			
Disclosure on Management Approach	- Vision-mission-business strategy - Goals-Results-Commitments - Building ties with the environment	12 24 56	
EN3 Direct energy consumption by primary energy source	Environmental Impacts from OTE's operation	57	
EN4 Indirect energy consumption by primary energy source	Environmental Impacts from OTE's operation (partial)	57	
EN5 Energy saved due to conservation and efficiency improvements.	Environmental Impacts from OTE's operation	58	
EN8 Total water withdrawal by source	Environmental Impacts from OTE's operation (partial)	57	
EN16 Total direct and indirect greenhouse gas emissions by weight	Environmental Impacts from OTE's operation	57-58	
EN18 Initiatives to reduce greenhouse gas emissions	Environmental Impacts from OTE's operation	58-59	
EN19 Emissions of ozone-depleting substances by weight	Environmental Impacts from OTE's operation	57-58	
EN20 NOx, SOx, and other significant air emissions by type and weight	Environmental Impacts from OTE's operation	58	
EN21 Total water discharge by quality and destination	Environmental Impacts from OTE's operation	57	
EN22 Total weight of waste by type and disposal method	Environmental Impacts from OTE's operation: Conservation of Natural Resources	57-58 60-61	
EN23 Total number and volume of significant spills	Conservation of Natural Resources	61	

Performance Indicators	Stated in section	pages	Website page links
ENVIRONMENTAL			
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Conservation of Natural Resources	**60-61**	
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Environmental Impacts from OTE's operation	**57**	
EN29 Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	Environmental Impacts from OTE's operation	**57-59**	http://www.ote.gr/cr2009
SOCIAL – LABOUR PRACTICES			
Disclosure on Management Approach	- Vision-mission-business strategy - Goals-Results-Commitments - Building ties with the employees	**12** **25** **44**	
LA1 Total workforce by employment type, employment contract, and region.	Building ties with the employees	**44-45**	http://www.ote.gr/cr2009
LA4 Percentage of employees covered by collective bargaining agreements.	Building ties with the employees: Equal Opportunities-Hires	**48**	
LA6 Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programmes.	Building ties with the employees: Health & Safety	**46**	

Performance Indicators	Stated in section	pages	Website page links

LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	Building ties with the employees: Health & Safety	46-47	
LA10 Average hours of training per year per employee by employee category.	Building ties with the employees: Training Programmes	50	
LA11 Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Building ties with the employees: Training Programmes	50-51	
LA12 Percentage of employees receiving regular performance and career development reviews.	Building ties with the employees: Employee Evaluation System	51	
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Building ties with the employees: Equal Opportunities-Hires	48-49	http://www.ote.gr/cr2009

HUMAN RIGHTS

Disclosure on Management Approach	- Vision-mission-business strategy - Goals-Results-Commitments - Building ties with the employees-priorities	12 25 44	
HR4 Total number of incidents of discrimination and actions taken.	Building ties with the employees: Equal Opportunities-Hires	48	
HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Building ties with the employees: Equal Opportunities-Hires	48	

Performance Indicators	Stated in section	pages	Website page links
SOCIETY			
Disclosure on Management Approach	- Vision-mission-business strategy - Goals-Results-Commitments - Building ties with society- priorities	12 25 66	
SO1 Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Building ties with society	67-71	
SO3 Percentage of employees trained in organisation's anti-corruption policies and procedures.	Corporate Governance	14	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
SO4 Actions taken in response to incidents of corruption.	Corporate Governance	14	http://www.ote.gr/portal/page/portal/InvestorRelation/ CorporateGovernance/OurPrinciples
SO5 Public policy positions and participation in public policy development and lobbying.	Building Ties with the Marketplace: Regulatory Issues	40-41	
SO7 Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes.	Building Ties with the Marketplace: Regulatory Issues	40-41	
SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Building Ties with the Marketplace: Regulatory Issues	40-41	

Performance Indicators	Stated in section	pages	Website page links
PRODUCT RESPONSIBILITY			
Disclosure on Management Approach	- Vision-mission-business strategy - Responsibility for Products - Building ties with the marketplace- priorities	**12** **37-38** **32**	
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling by type of outcomes.	Building ties with the marketplace- Responsibility for Products	**38**	
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Building ties with the marketplace- Customer Service and Satisfaction	**35-38**	
PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Building ties with the marketplace- Responsibility for Products	**38**	

Independent assurance statement

Independent assurance statement by Deloitte Hadjipavlou Sofianos & Cambanis S.A. ('Deloitte') to the management of Hellenic Telecommunications Organization S.A. ('OTE') on the 2009 Corporate Responsibility Report ('CR Report') for the year ended 31 December 2009.

- In the event of any inconsistency in translation between the English and Greek versions of the Report, as far as our conclusions are concerned, the En glish version prevails.
- Our scope of work was limited to OTE's activities in Greece.

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

1. OTE has implemented processes and procedures, as described on page 19, that adhere with 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 defined below and OTE's self-declaration on page 2 that it has applied the GRI guidelines at level B+ in preparing the Report, are materially misstated.

Our observations and recommendations
OTE has made the following key improvements in managing and reporting its CR performance during 2009:
- Has established formal process for identifying key stakeholders and has engaged in dialogue to further improve its understanding of material CR issues impacting the organisation.
- Launched a number of initiatives aimed at improving customer safety when using the internet.
- Established a Regulatory Compliance System which strengthens Corporate Governance.

To improve future management and reporting of CR in accordance with AA1000APS we make the following recommendations to OTE:

Inclusivity:
- During our interviews we saw evidence of stakeholder engagement taking place with a variety of key stakeholder groups. Further reporting on stakeholder engagement and how the outputs of such engagement are used to inform decision making on CR issues would strengthen the CR Report.

- When gathering information for the CR Report, OTE used a number of contacts within the business who are specialists in the material issue. We recommend in the future that newly appointed individuals, who have operational responsibility for material CR issues, should be mapped and consulted for relevant input.

Materiality:
- With continued focus on responsible procurement, further reporting on how OTE manages and mitigates the environmental and social risks of its business decisions and activities would help stakeholders understand the management of this material issue.

Responsiveness:
- The CR Report lists a number of targets, however to strengthen responsiveness to material issues we would look to see more performance indicators which are related to material issues that are quantitative, focused and relevant and both short term and long term in nature.

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

Scope of our work and the assurance standards we used
OTE'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
- CR related sponsorships (euros), page 71
- Indirect energy consumption by primary source (GWH), page 57
- Total direct and indirect greenhouse gas emissions by weight (CO2e) , page 57
- Total transportation fuel consumption (litres) , page 57
- Quantity of paper consumed (tonnes) , page 57
- Quantity of solid waste recycled (tonnes) , page 60

- Number of accidents, page 47
- Lost time due to accidents, page 47
- Percentage of male/female employees (including percentage of females in management) , page 48
- Number of complaints in 2009 from operators, page 34
- Total training hours in 2009, page 50.

3. Provide assurance in relation to the GRI self-declaration
Whether OTE's self-declaration on page 2, applies the GRI guidelines at level B+ in preparing the Report, is not materially misstated.

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 OTE 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 2009 to corroborate issues identified by OTE;
- Interviewed a selection of OTE executives and senior management who have operational responsibility for CR issues, including the OTE 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 2009 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 2009;
- Reviewed OTE's approach to ensuring application of GRI guidelines, including checking that the GRI conformance index available on page 77-87 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 OTE
- 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 OTE 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 experience, including many years experience in providing CR report assurance.

Roles and responsibilities
- The Corporate Responsibility team of OTE has prepared the CR Report for the intended audience of stakeholders, as outlined in the 'Corporate Responsibility and Business Strategy' section on page 17. The team, who collect and organize the CR report data from the intra-company CR team members, is also responsible for the preparation of the CR Report and for the information and statements contained within it. The General Directors are responsible for approving the CR report data, 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 OTE 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 OTE for our work, for this statement, or for the conclusions we have formed.

Athens, 25 May 2010
Deloitte Hadjipavlou Sofianos & Cambanis S.A.
Assurance & Advisory Services
Paris Efthymiades
Partner