HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

GROUP OF COMPANIES

ANNUAL FINANCIAL REPORT

For the period
from January 1, 2021 to December 31, 2021

(TRANSLATED FROM THE GREEK ORIGINAL)

In accordance with Article 4 of Law 3556/2007

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I. STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS

The members of the Board of Directors of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.:

1. Michael Tsamaz, Chairman and Managing Director

2. Eelco Blok, Vice Chairman of the Board of Directors

3. Charalampos Mazarakis, Board Member

We confirm that to the best of our knowledge:

a. The Annual Financial Statements (Consolidated and Separate) of the HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. for the period January 1, 2021 to December 31, 2021, which have been prepared in accordance with the applicable accounting standards, provide a true and fair view of the assets and liabilities, the owners' equity and the results of the HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. as well as of the companies included in the consolidation taken as a whole; and

b. The Annual Report of the Board of Directors provides a true and fair view of the development, performance and the financial position of the HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. and of the companies included in the consolidation taken as a whole, including the description of the principal risks and uncertainties they are facing.

Maroussi, February 23, 2022

Chairman & Managing Director	Vice Chairman of the BoD	Board Member
Michael Tsamaz	Eelco Blok	Charalampos Mazarakis

The two members of the Board of Directors, who have signed the above statements, have been authorized to do so in accordance with the decision of the Company's Board of Directors of February 23, 2022.

II. ANNUAL REPORT OF THE BOARD OF DIRECTORS

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This report of the Board of Directors of the HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (hereinafter referred to as "OTE" or the "Company") has been prepared in accordance with the provisions of Articles 150-154 of Law 4548/2018, Article 4 of Law 3556/2007 of articles 1-24 of Law 4706/2020 and Article 2 of Decision 8/754/14.04.2016 of the Board of Directors of the Hellenic Capital Market Commission and refers to the Annual Financial Statements (Consolidated and Separate) as of December 31, 2021, and the year then ended. The OTE Group (the "Group") apart from the Company also includes subsidiaries over which OTE has direct or indirect control. The Consolidated and Separate Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (E.U.).

This report includes the actual depiction of the progress and performance of the Company's business and its financial position, for the period from January 1, 2021 to December 31, 2021, its objectives and its strategy, the significant events which took place in 2021, as well as the most significant events following the year end. The report also contains a description of the main risks and uncertainties for the next year, the non-financial report, the Corporate Governance statement, the material transactions with the Company's and the Group's related parties, any cases of conflict of interest and agreements of the fiscal year 2021 which fall under article 99 of law v.4548/2018 (related party transaction) and additional information as required by applicable law.

OTE's Financial Statements (consolidated and company statements), Auditor's Report on the Financial Statements and the Annual Report of the Board of Directors of OTE S.A may be found on the following link:
https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_omilou_ote_kai_ae.html

Furthermore, the Financial Statements and the Auditors' Reports on the Financial Statements of the OTE Group consolidated companies that are not listed on the stock exchange (in accordance with Capital Markets Board of Director's decision 8/754/14.04.2016) may be found on the following link:
https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_etairiwn_omilou.html

The amounts in this report are presented in millions of Euro, except when otherwise indicated.

A. FINANCIAL AND OPERATIONAL HIGHLIGHTS OF 2021

Group Revenues	2021	2020	Change
Greece	3,078.1	2,939.7	+4.7%
Romania mobile	315.5	350.4	-10.0%
Eliminations	(25.3)	(31.2)	-18.9%
OTE GROUP	**3,368.3**	**3,258.9**	**+3.4%**

Group Adjusted EBITDA After Lease (AL)*	2021	2020	Change
Greece	1,265.4	1,199.1	+5.5%
Margin (%)	41.1%	40.8%	+0.3pp
Romania mobile	30.5	24.5	+24.5%
Margin (%)	*9.7%*	*7.0%*	*+2.7pp*
OTE GROUP	**1,295.9**	**1,223.6**	**+5.9%**
margin (%	***38.5%***	***37.5%***	***+1.0pp***

** Alternative Performance Measures: For details on purpose and calculations refer to Section L. Alternative Performance Measures Section*
Note: All figures adjusted to reflect only continuing operations; TELEKOM ROMANIA operations have been classified as held for sale (Balance Sheet 2020 figures) and have been treated as discontinued operations. Furthermore, certain significant commercial transactions (MVNO agreement and handset sales) that existed between TELEKOM ROMANIA and TELEKOM ROMANIA MOBILE (Romania mobile) until the completion of the sale of TELEKOM ROMANIA have been treated as discontinued operations. The sale was concluded on September 30, 2021.

OTE Group's consolidated revenues totaled Euro 3,368.3 in 2021, up 3.4% compared to the prior year, supported by solid performances in Greek operations and a substantial recovery from the impact of the pandemic in 2020.

On a country basis, total revenues in Greece posted a solid increase of 4.7% to Euro 3,078.1 on positive momentum throughout the year, fueled by strong growth in broadband, mobile, and ICT, as well as a recovery in tourism. Service revenues were up 1.4% in the fixed segment and 4.4% in mobile, supported by ongoing investments in network infrastructure and customer experience.

In Romania mobile, total revenues reached Euro 315.5 in 2021, down 10.0% from a high comparison base in 2020, when certain ICT projects had been recorded. In addition, a drop in service revenues, notably in prepaid, as well as lower interconnection revenues, impacted the 2021 total.

Total Group Operating Expenses, excluding depreciation, amortization, impairment and charges related to voluntary leave schemes, other restructuring costs and non-recurring litigations amounted to Euro 1,995.8 in 2021, up 1.9% compared to 2020. The beneficial impact of the voluntary exit schemes implemented in 2020 was mainly offset by higher variable costs and the impact of global price hikes on energy costs.

The Group's Adjusted EBITDA After Lease (AL) amounted to Euro 1,295.9, up 5.9%, yielding a margin of 38.5% compared to 37.5% in 2020, on positive performances in both Greece and Romania. In Greece, Adjusted EBITDA After Lease (AL) increased by 5.5% to Euro 1,265.4, resulting in a margin of 41.1%, mainly due to higher top-line performance and savings in personnel costs. Romania Mobile achieved a significant increase in Adjusted EBITDA After Lease (AL), up 24.5% to Euro 30.5 compared to Euro 24.5 in 2020, reflecting cost-containment initiatives implemented throughout the year.

Group expenses for depreciation, amortization and impairment stood at Euro 667.6, compared to Euro 833.2 in 2020, mainly due to the impairment loss of Euro 160.0 recognized in 2020, as a result of the impairment test performed for TELEKOM ROMANIA MOBILE.

The Group reported Operating profit before financial and investing activities of Euro 812.3, compared to Euro 331.4 in 2020. In addition to the improved performances in both Greece and Romania, the increase reflects the Euro 133.5 reversal in 2021 of a provision related to OTE's pension fund for voluntary leave schemes of past years, higher costs for voluntary exit schemes in 2020, and lower depreciation, amortization and impairment charges as a result of the aforementioned 2020 impairment.

Interest and related expenses stood at Euro 45.0, down 19.9%, mainly reflecting the favorable evolution in average cost of debt.

The Group's income tax expense stood at Euro 233.6 in 2021, increased compared to 2020, mainly reflecting the tax effect from deductible investment losses recorded in 2020, higher profitability in the year and the impact on the deferred tax asset base of the reduction in corporate income tax rate from 24% to 22%.

Profit for the year from continuing operations (attributable to owners of the parent) stood at Euro 487.0 in 2021, compared to Euro 263.4 recorded in 2020.

In 2021, Adjusted Free Cash Flow After Lease (AL) stood at Euro 590.1, down 10.0% compared to 2020, mainly reflecting higher income tax paid along with working capital changes in the year.

The Group's Adjusted Net Debt stood at Euro 775.6 at December 31, 2021, down 25.0% compared to December 31, 2020. The Group's ratio of Adjusted Net Debt to Adjusted EBITDA (AL) stood at 0.6x.

Revised Shareholders Remuneration Policy:

On February 23, 2022, the Board of Directors approved the revised Shareholders Remuneration Policy. The Policy has been defined as follows:

Provided the external and the macroeconomic environment remain stable, the Company intends to distribute to its shareholders, through a combination of dividend payout and Share Buyback Programs (whereby acquired shares will be cancelled), between 70% and 100% of net free cash flow generated every year. In the coming years, the total shareholders remuneration payout will be split by 50% between dividends and share buybacks.

The Board will examine the use of any cash flow reserves which may be accumulated in the medium term, together with past surpluses.

The implementation of the revised Shareholders Remuneration Policy will start in 2022 and will take into account the net free cash flow projections for the current year, i.e. 2022, as the basis for calculating the aggregate shareholder payout. In the same way, the Remuneration Policy will be applied in the forthcoming years, i.e. the basis for calculating total shareholders' remuneration in 2023 will take into account the projections of net free cash flow for 2023 and so on.

Based on the current projection for 2022, the net free cash flow is estimated to reach approximately the amount of Euro 600. The total Shareholder Remuneration amount (dividends and share buy backs) will reach approximately Euro 500.

For the part of the Shareholder remuneration corresponding to dividend distribution, it is proposed that a dividend of Euro 0.558 (in absolute amount) per share or a total amount of Euro 250 be distributed from intragroup dividends and prior years' earnings. It is noted that the amount of Euro 0.558 (in absolute amount) per share (a) exceeds the minimum dividend payable as required by article 161 of Law 4548/2018 and (b) corresponds to 448,100,608 shares into which the share capital of the Company is divided following the cancellation of 8,638,512 own shares according to the relevant decision of the Extraordinary General Meeting of Shareholders on January 18, 2022.

It is noted that the dividend that will be approved by General Shareholders Meeting that will take place in 2022 and will correspond to own shares that will be owned by the Company at the ex-dividend date, will increase the dividend of the other shareholders according to the law.

It is further noted that, the remaining amount, i.e. approximately Euro 250 (amount to vary within a 3% range depending on market conditions and execution) or c.50% of the total amount to be allocated under the Shareholders Remuneration for 2022, will be used for the buyback of Company's shares under the Share Buyback Program as approved by the Extraordinary General Shareholders' Meeting held on January 18, 2022.

This proposed distribution is subject to the pronouncements of law 4548/2018 and the current tax legislation.

GREECE

Total revenues from Greek operations totaled Euro 3,078.1, an increase of 4.7% compared to 2020. Fixed Retail Service revenues increased by 1.4%, supported by continuing momentum in broadband revenues and positive performance in the TV segment. Increasing demand for higher speeds and superior sports content fueled fixed retail growth. Mobile Service revenues were up 4.4%. Both postpaid and prepaid revenues were higher compared to 2020, reflecting the ongoing execution of the Company's more-for-more strategy. Revenues from visitor roaming were up sharply, by 60%, compared to 2020, reaching over 80 % of the 2019 pre-COVID level, benefiting from the recovery of tourism during the summer period.

Revenues from the wholesale business in Greece were up 1.9%, mainly reflecting higher international transit traffic revenues and total market acceleration in fiber adoption. Other revenues increased by 14.5% reflecting positive ICT performance and 31.4% growth in handset sales, largely due to a government program subsidizing sales of tablets and laptops to students. ICT grew by 9.2%, reflecting a sharp 13% increase in system solutions, as OTE leverages its experience in delivering large projects for private and public organizations.

Adjusted EBITDA After Lease (AL) in Greece increased by 5.5% reaching Euro 1,265.4, mainly due to solid revenue increase across the board and significant savings in Personnel costs as a result of the voluntary leave schemes implemented in 2020.

Financial Data	2021	2020	Change
Revenues	**3,078.1**	**2,939.7**	**+4.7%**
Retail Fixed Services	950.8	938.1	+1.4%
Mobile Service Revenues	953.8	913.6	+4.4%
Wholesale Services	585.6	574.7	+1.9%
Other Revenues	587.9	513.3	+14.5%
Adjusted EBITDA After Lease (AL)	**1,265.4**	**1,199.1**	**+5.5%**
Margin %	41.1%	40.8%	+0.3pp

Operational Data	2021	2020	Change
Fixed-line business:			
Fixed lines access	2,715,939	2,683,750	+1.2%
Broadband subscribers	2,255,703	2,145,485	+5.1%
...of which Fiber Service	*1,148,871*	*945,088*	*+21.6%*
TV subscribers	624,195	575,282	+8.5%
Mobile business:			
Mobile subscribers	7,098,290	6,958,767	+2.0%
Postpaid	*2,818,426*	*2,713,954*	*+3.8%*
Prepaid	*4,279,864*	*4,244,813*	*+0.8%*

It is estimated that total revenues in the Greek telecom market, fixed and mobile, expanded by approximately 4% in 2021 compared with 2020, when total market revenue levels had been affected by the pandemic crisis and significant restriction measures. In a challenging and competitive environment, the Group maintained and strengthened its leadership market position while sustained a solid adjusted EBITDA After Lease (AL) margin at the high level of 41%.

In 2021, in Greece:

- Revenues were significantly higher, up 4.7% year-on-year, driven by ongoing growth in mobile, fixed broadband, and ICT.
- COSMOTE pursued major investments in its 5G network in Athens, Thessaloniki and other Greek cities, where in certain areas the maximum network speeds exceed 1Gbps. COSMOTE has already achieved 60% outdoor population coverage, confirming its position as a clear front-runner in 5G roll-out, while aiming for 80% population coverage by 2022 year end.
- The Company provided Fiber to the Home (FTTH) infrastructure and guaranteed higher Internet speeds to 563K homes at the end of 2021, while pursuing its major investment in Optical Fiber Networks, with plans to invest in total more than Euro 3 billion in Greece in the coming years, targeting to pass 3 million homes with FTTH infrastructure by 2027. In 2022, OTE plans to continue speeding up its FTTH deployment to reach approximately 1 million homes by year end.
- Consistent with its strategy of investing in enhanced customer experience, COSMOTE further developed significant new capabilities in its mobile application, which enable its customers to rely on a single digital interface to manage their accounts in a convenient and user-friendly way. By year end, COSMOTE had 3.8 million active mobile app users, achieving 91% penetration in its active base, a critical accomplishment in improving overall customer experience and enabling cost savings.
- The Company maintained its Business-to-Business (B2B) leadership position with 9.2% revenue growth in ICT. The Group acts as a major Systems Integrator for businesses and the public sector, providing state-of-the-art technology solutions.

In total fixed services, OTE Group in Greece achieved a solid 2.3% revenue growth rate, maintaining its high revenue share of the Greek market, as the Company managed to:

- Protect its access base of 2.7 million customers, leveraging its customer-centric strategy and creating value by fulfilling the needs of households and businesses.
- Capitalize on its extended NGA/FTTH footprint as well as speed-enhancement campaigns, resulting in the addition of 204K fiber broadband customers. At the end of 2021, the total number of NGA customers rose to 1,149K, reaching 51% penetration on its total broadband base, compared to 44% a year earlier.
- Expand its PAY-TV base to 624K subscribers, achieving an 8.5% year-on-year increase in total number of customers and delivering higher revenues. At the same time, leveraging a push on OTT streaming services and PAY-TV packs targeted at specific customer segments, the Company provides subscribers with the platform's total premium content, aiming to support demand as well as strengthen its market position. Additionally, COSMOTE TV acquired exclusive sports rights, including broadcasting rights for eight out of the 14 Greek Super League soccer teams for two years and for the Lega Serie A for three years.
- Win and implement major complex ICT projects, which required solutions combining Telecommunications and Systems Integration. The Company continues to implement digital transformation projects for the Public sector, such as Digital signature, "myhealth" app, e-GEMI (General Commercial Registry), Enterprise Agreement for Microsoft products, and for the Private sector (e.g. Philip Morris CRM, certain hotels in the touristic sector), as well as Utilities (e.g. CRM & Billing System, Vehicle Telematics Solution, Managed Network & Security Services).

In mobile, the Group maintained its leading market position with more than 52% service revenue market share:

- Service revenue increased by 4.4%, as a result of network leadership and the successful implementation of its more-for-more strategy in both postpaid and prepaid.
- Reflecting focus on 4G/4G+/5G investments, enabled by increased smartphones penetration, data active internet users uptake increased by 2 percentage points compared to last year, achieving 73% penetration in active base. COSMOTE will leverage the growth of data consumption, its rapid launch of 5G services and its network superiority to further strengthen its competitive position going forward

ROMANIA MOBILE

Financial Data	2021	2020	Change
Revenues	**315.5**	**350.4**	**-10.0%**
Mobile Service Revenues	221.8	230.5	-3.8%
Other Revenues	93.7	119.9	-21.9%
Adjusted EBITDA After Lease (AL)	**30.5**	**24.5**	**+24.5%**
Margin %	9.7%	7.0%	+2.7pp

Operational Data	2021	2020	Change
Mobile subscribers	**3,688,430**	**3,643,320**	**+1.2%**
Postpaid	1,732,498	1,647,905	+5.1%
Prepaid	1,955,932	1,995,415	-2.0%

In 2021, Telekom Romania Mobile revenues totaled Euro 315.5, a decrease of 10.0% compared to 2020, largely reflecting a high 2020 base of comparison due to certain ICT projects (WiFi in schools). Mobile service revenues were down 3.8% to Euro 221.8, mainly due to lower revenues in the prepaid segment and in interconnection. Visitor roaming revenues increased by 46.7% reaching Euro 6.6 in the year. The Company maintained its share of the prepaid market, which continued to shrink across the industry. The postpaid customer base increased once again, recording positive growth during all quarters of 2021. With a 5.1% increase year-on-year, the number of contract subscribers represents 47% of the total customer base. In July 2021, the Romanian telecommunications regulator implemented an approximately 8% decrease in mobile termination rates, with a further decrease in 2022.

In 2021 the Company achieved a sharp increase in Adjusted EBITDA (AL), up 24.5% to Euro 30.5, as a result of the cost-reduction initiatives implemented throughout the year. The Adjusted EBITDA (AL) margin stood at 9.7%, compared to 7.0% in 2020.

At December 31, 2021, the Company's total customer base amounted to 3.7 million subscribers, up 1.2% from the year-earlier level, driven by growth in post-paid.

B. OBJECTIVES AND STRATEGY

Management's continuous goal for OTE Group, is to remain the market leader and pioneer, a modern, high-performance Digital Leader who offers best customer experience based on its technological superiority.

More specifically, the aspiration of OTE Group is to:

- Remain the undisputable market leader in Fixed, Mobile and Convergent markets
- Safeguard its leading position in Broadband (both Fixed and Mobile), ICT and Pay-TV services in the Greek market
- Further grow in adjacent markets (COSMOTE Insurance, BOX, COSMOTE Payments) and enter new ones, capitalizing on its strong digital capabilities and ecosystem
- Deliver best services to customers, leveraging on the technological superiority of its Next Generation Networks (FTTH, 4G+/ 5G)
- Offer superior customer experience, utilizing modern digital channels (App, COSMOTE NEO, etc.)
- Advance with the transformation of its own operating model towards a leaner and more agile structure, capitalizing on digital transformation and the flexibility of its new spin-off subsidiaries
- Be the best place to work in the Greek market, develop its personnel and attract digital talents
- Increase the value of its shareholders
- Maximize synergies as a member of Deutsche Telekom Group
- Have a positive impact on the society and the environment, by mitigating climate change and promoting circular economy and digital inclusion.

Key objectives of 2022

OTE remains committed to sustainable and profitable growth. For 2022, the Group besides achieving the annual business targets will also seek to enable its long term evolution. Special focus will be put on the proper execution of its accelerated FTTH plan, the advancement of its 360° Digital Transformation plan (for Customer-facing and intra-Company processes), the continuous enhancement of Customer Experience, the transformation towards a leaner, more flexible and agile operating model, as well as the operationalization of Group synergies within the Deutsche Telekom Group.

Key Strategic pillars and actions for 2022:

Technology Superiority	Best Customer Experience	Revenue Transformation	Lead in Core Business
• Accelerate Optical Fiber Networks deployment. ~1 mn HH passed by 2022YE. • Reach 80% population coverage in 5G • Digitalize Network Field tasks • Improve IT systems	• Digital Transformation @Customer: ○ Omni-channel ○ Extended functionalities in apps ○ Service enhancements in O2B and F2R. • Push Online Sales • Load Reduction in front-line • Digital predictive maintenance @Network	• ICT projects ○ Public & Private sectors; EU projects ○ Cloud solutions ○ IoT - Smart Cities - Verticals • Develop COSMOTE Insurance, BOX, COSMOTE Payments	• Leverage COSMOTE brand superiority • Upgrade customers to double speeds in Fixed Broadband, offer more data on Mobile • Enhance FMC and FMCC propositions • Develop COSMOTE TV OTT • Wholesale Fiber Monetization

Digitalization, Simplification and Cost Optimization

- Lean, efficient and agile operating model (spin-offs, outsourcing)
- Digital Transformation @Company and @Network
- Cost efficiency programs • Synergies with Deutsche Telekom Group

Growth Mindset and Culture

- Evaluation of new working models (Agile, Work from home)
- Re-skilling / Upskilling in new digital skills
- Establish a culture of growth and innovation

Sustainable Business

Outlook for 2022

OTE accelerates the deployment of its fiber-to-the-home (FTTH) footprint in 2022 and in coming years, aiming to reach 3 million households and businesses by 2027. The FTTH rollout should provide Greece with the infrastructure it requires to pursue its digital transformation and economic recovery. This major investment is aimed at securing OTE's performance and competitiveness for decades to come. The fiber rollout will enable OTE to upgrade to FTTH nearly all subscribers currently relying on OTE copper or FTTC infrastructure.

Together with FTTH, OTE's effective deployment of a best-in-class 5G network enables the Group to offer enhanced services to customers, support the digital transformation of the country, and assure the Company's profitable growth. Ongoing investments in network infrastructure and customer experience should enable OTE to achieve sustainable topline growth and further profitability expansion.

In recent months, OTE has undertaken significant commercial activities to enhance its market presence, anticipating positive customer response to its upcoming initiatives. Upgrading of broadband speeds, should further strengthen subscriber loyalty and enhance penetration of higher-speed solutions.

The deployment of the Recovery and Resilience Plan is a substantial factor both for the country's economic outlook and for OTE's ICT business, whose overall contribution to the Group business is anticipated to grow in importance in coming years.

For 2022, Adjusted Group CAPEX should increase to approximately Euro 620 to cover accelerating FTTH deployment and other requirements. Free Cash Flow is expected to reach approximately Euro 600 in 2022. Total 2022 Shareholder Remuneration should reach approximately Euro 500, equally split between a proposed Euro 250 cash dividend, corresponding to Euro 0.558 (absolute amount) per share, and an approximately Euro 250 share buyback program.

C. SIGNIFICANT EVENTS OF THE YEAR 2021

CORPORATE GOVERNANCE

Due to the provisions of L. 4706/2020 on corporate governance, which came into force as of July 17, 2021, OTE proceeded in all the necessary actions in order to comply with the relevant requirements (i.e. approval of Suitability Policy for the members of the Board of Directors, Diversity, Equity and Inclusion Policy, Policy on the Evaluation of the Internal Control System and the application of the corporate governance provisions of L. 4706/2020, update of the OTE Regulation of Operations, update of the Regulations of Operations of the BoD and its Committees etc.), while at the same time it adopted the Hellenic Code of Corporate Governance (2021) in its operations.

COMPLETION OF TELEKOM ROMANIA (FIXED) SALE

On September 30, 2021, OTE completed the sale of its 54% stake in Telekom Romania Communications S.A. ("TKR") to Orange Romania for a total equity consideration of Euro 295.0. On September 9, 2021, the acquisition of a 30% stake in Telekom Romania Mobile (TKRM) was completed, for a consideration of Euro 58.9, in compliance with the remedy to the TKR disposal mandated by the European Commission (EC). As a result, OTE now controls near 100% of Telekom Romania Mobile (TKRM).

SHAREHOLDERS REMUNERATION POLICY

On June 9, 2021, the 69th Annual General Shareholder Meeting approved the distribution of a dividend of Euro 0.68 (in absolute amount) per share outstanding (or Euro 0.0687878 adjusted for own shares outstanding as of the ex-dividend date). The total dividend payout, i.e. Euro 313 represents 65% of the total amount allocated under the 2021 Shareholder Remuneration Policy. The remaining amount, i.e. approximately Euro 167 or 35% of the total amount allocated under the 2021 Shareholder Remuneration Policy, has been allocated to the buyback of Company shares under the Share Buyback Program, as approved by the Extraordinary General Shareholder Meeting of February 20, 2020 (the "2020-2022 Buyback Program").

EXTRAORDINARY SHAREHOLDERS REMUNERATION

On October 14, 2021, the Board of Directors of OTE, approved an extraordinary shareholder remuneration of Euro 174.0, in the form of dividends and share buybacks, following the disposal of OTE's 54% stake in Telekom Romania Communications S.A. In particular:

- the Board of Directors approved the distribution of an extraordinary dividend of Euro 113.3 or Euro 0.248 (in absolute amount) per share outstanding (or Euro 0.252068 adjusted for own shares outstanding as of the ex-dividend date) which was paid on November 19, 2021.
- the Board of Directors approved the allocation of approximately Euro 60.7 during the period from October 29, 2021, to February 20, 2022, for incremental share buybacks, under the 2020-2022 Buyback Program.

CANCELLATION OF OWN SHARES AND SHARE BUYBACK PROGRAM

During the first year of the 2020-2022 Buyback Program and particularly during the period between March 4, 2020 to January 28, 2021, the Company acquired a total of 11,387,932 own shares at an average price of Euro 12.20 (in absolute amount) per share.

The Extraordinary General Shareholder Meeting of December 4, 2020 approved the cancellation of 9,965,956 own shares acquired from March 4, 2020 to October 31, 2020, along with a reduction of the Company's share capital by Euro 28,203,655.48 (absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. 2.83 Euro (absolute amount)), and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation. Following notification to the Corporate Actions Committee of the Athens Stock Exchange and consummation of lawful procedures, the aforementioned shares were canceled and delisted from the Athens Exchange (ATHEX) as of January 15, 2021, when trading of the aforementioned shares on the ATHEX has ceased.

During the second year of 2020-2022 Buyback Program and particularly during the period between March 5, 2021 and February 20, 2022, 14,435,076 own shares were acquired at an average price of Euro 15.43 (in absolute amount) per share. During the period from March 5, 2021 to December 31, 2021 12,209,696 own shares were acquired at an average price of Euro 15.11 (in absolute amount) per share.

The Annual General Shareholder Meeting of June 9, 2021 approved the cancellation of 1,421,976 own shares acquired from November 1, 2020 to January 28, 2021, and 2,047,524 shares, acquired from March 5, 2021 to April 30, 2021, along with a

reduction of the Company's share capital by Euro 9,818,685 (absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. 2.83 Euro (absolute amount)), and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation.
Following notification to the Corporate Actions Committee of the Athens Stock Exchange and consummation of lawful procedures, the aforementioned shares were canceled and delisted from the Athens Exchange (ATHEX) as of July 19, 2021, when trading of the aforementioned shares on the ATHEX has ceased.

FIBER TO THE HOME (FTTH) INVESTMENT

On December 15, 2021, OTE announced that it decided to expand and accelerate its fiber rollout coverage to reach 3 million households and businesses by 2027 with fiber-to-the home (FTTH) technology. The FTTH rollout is a major investment that will drive the country's future and secures OTE's longer term performance and competitiveness for decades to come. As a result, capital expenditure will be elevated, compared to the recent past.

BOARD OF DIRECTORS

On June 9, 2021, the Annual General Shareholder Meeting approved among others the election of a new ten-member Board of Directors for a three-year term. In the composition of the Board of Directors Ms. Catherine de Dorlodot and Mr Grigorios Zarifopoulos participated for the first time.
On October 15, 2021, the Board of Directors, following a proposal of the Remuneration and Nomination Committee, appointed as a new non-executive member of the Board of Directors Mr. Rodrigo Francisco Diehl, in replacement of the resigned non-executive member Mr. Michael Wilkens. The election of Mr. Rodrigo Francisco Diehl was announced during the Extraordinary General Shareholder Meeting which took place on January 18, 2022.

Following the above, the composition of the Board of Directors is as follows:

1. Mr. Michail Tsamaz, Chairman and CEO, Executive member
2. Mr. Eelco Blok, Vice-Chairman, Independent Non-executive member
3. Mrs. Catherine De Dorlodot, Independent Non-executive member
4. Mr. Rodrigo Francisco Diehl, Non-executive member
5. Dr. Robert Hauber, Non-executive member
6. Mrs. Kyra Orth, Non-executive member
7. Mrs. Yvette M. Dominique Leroy, Non-executive member
8. Mr. Dimitrios Georgoutsos, Independent Non-executive member
9. Mr. Grigorios Zarifopoulos, Non-executive member
10. Mr. Charalampos Mazarakis, Executive member

The term of office of the above Board members expires at the Ordinary General Meeting of the year 2024.

STANDARD & POOR'S UPGRADES OTE TO "BBB" WITH STABLE OUTLOOK

On May 4, 2021, the rating agency Standard & Poor's raised its long-term rating on OTE to "BBB" with stable outlook. The upgrade of OTE followed the upgrade of Greece, indicating an improvement in OTE's economic environment and the anticipation that OTE will benefit from Greece recovery over the next two years. The upgrade also reflected OTE's strong credit metrics, including solid balance sheet and resilient cash flow generation.

ISSUANCE OF NEW BONDS

On May 14 2021, OTE PLC issued Euro 150.0 Notes due on November 2021 and Euro 200.0 Notes due on May 2028, which were fully subscribed by DEUTSCHE TELEKOM AG. The new Notes were issued by OTE PLC and guaranteed by OTE SA under the existing Global Medium Term Note Programme. The proceeds of the new Notes were used for the refinancing of the Euro 200.0 OTE PLC Notes, maturing in June 2021, as well as for general corporate purposes of OTE Group.

REPAYMENT OF NOTES

The Euro 200.0 Notes due on June 10, 2021 and the Euro 150.0 Notes due on November 12, 2021, both issued under the Global Medium-Term Note Program of OTE PLC, were fully repaid at maturity.

COSMOTE

Payment of principal installment under the Euro 150.0 term loan with European Investment Bank (EIB).
On January 25 and on July 23, 2021, Cosmote paid principal installments of Euro 11.5 each under the term loan with EIB, along with the accrued interest.

D. RISKS AND UNCERTAINTIES FOR THE NEXT YEAR

OTE Group has developed and applies an Enterprise Risk Management System, which is certified as per ISO 31000:2018, and supports Management in its strategic decision-making, in order to safeguard its smooth operation and future corporate success. This is achieved by identifying, evaluating, communicating and addressing enterprise risks, including sustainability and conflicts of interest risks, utilizing all strategic and operational risk mitigation, and monitoring relevant measures taken by the Group, in order to avoid risks and seize future opportunities.

In 2020, OTE Group conducted a new materiality analysis in order to identify the Group's most significant sustainability issues with the participation of OTE Group's Senior Management and the engagement of its stakeholders. The materiality analysis constitutes an important component of the stakeholder dialogue and of understanding stakeholders' expectations. At the same time it contributes to identifying and analyzing current and future developments, trends, opportunities, risks and stakeholder requirements relating to sustainability and ESG matters by taking into account the Group' s unified Enterprise Risk Management methodology The compliance risk assessment process was integrated in the materiality analysis process.

The Materiality Analysis is conducted periodically, it is an analysis of material issues and is based on the unified Enterprise Risk Management methodology on significant strategic, financial, operational, environmental, reputational and social aspects, which may have influence on (and/or may be influenced by) the decisions of the Group, taking into account the expectations of the Group's stakeholders. More information about this analysis is presented in the next section (E. Non Financial Report).

The Board of Directors and the Management of OTE Group continually assess the possible impact of any changes in the macroeconomic and financial environment in the countries where the Group operates, so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's operations. Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Group's financial and non-financial assets as of December 31, 2021.

Information regarding the Enterprise Risk Management System is included in Section F. Corporate Governance Statement ("C. Internal Control System") into the Annual Financial Report.

https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_ etairiwn_omilou.html.

Pandemic Crisis; COVID-19

The Covid-19 pandemic continued in 2021 as well. During the first quarter of 2021, due to the rise of corona virus cases that began from Christmas holiday period of the previous year, the application of restrictive measures in Greece continued being active. So, OTE Group continued to implement a targeted action plan in order to ensure avoiding unpleasant consequences from Covid-19 pandemic. Official measures began to be lifted gradually from mid-April 2021. In early May, a gradual relaxation of the quarantine's restriction measures began. During summer period, office occupancy rate extended to 70% on rotation and based on business needs and 30% teleworking from home. Front Line Units (Shops and Field Technicians) were working at full capacity, as well as Logistics/Warehouse employees in shifts and employees with health issues were working full time remotely. In December, OTE taking into account the upcoming rapid spread of SARS-CoV-2 Omicron variant applied an updated protocol regarding quarantine and isolation of employees and followed specific recommendations in accordance with National Public Health Organization (NPHO). Throughout the pandemic, the Company continually operates according to the guidelines and decisions of all relevant agencies, adhering to the requirements and action plan endorsed by the Greek authorities.

OTE continued using all digital channels and taking a series of precautionary measures. These measures concerned remote work scheme, provision of healthcare supplies, provision of specialized Personal Protective Equipment for technicians and activation of immediate communication channels for consultation on health issues and psychological support at all employees' disposal (for more information, please refer to section "Health and Safety in the workplace" below).

Despite the particularly increased daily data traffic in fixed and mobile networks, OTE's networks continued responding to the higher demand. Moreover, the Company's risk assessments on potential stock shortages of devices/equipment detected no exposure.

The extent to which OTE will be affected by Covid-19 in the upcoming quarters will largely depend on future developments of the pandemic.

Macroeconomic conditions in Greece

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary measures are taken in order to minimize any impact on the Group's Greek operations. Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Group's financial and non-financial assets as of December 31, 2021.

Financial Risks

The below stated risks are significantly affected by the macroeconomic and financial environment in Greece.

a) Credit risk

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

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

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

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Group and the Company. However, due to the large number of customers and the diversification of the customer base, there is no concentration of credit risk with respect to these receivables. Concentration of risk is however considered to exist for amounts receivable from other telecommunication service providers, due to their relatively small number and the high volume of transactions they have with the Group and the Company. For this category the Group and the Company assess the credit risk following the established policies and procedures and recognizes the appropriate provision for impairment.

The Group and the Company have established specific credit policies under which customers are analyzed for creditworthiness and there is an effective management of receivables in place both before and after they become overdue and doubtful. In monitoring credit risk, customers are grouped according to their business group, their credit risk characteristics, aging profile and existence of previous financial difficulties, also adjusted for forward-looking factors specific to the customers and the economic environment.

Taking into consideration the impact of COVID-19, the Group and the Company have also incorporated in the provision for expected credit losses the increase in credit risk for customers whose business is negatively affected and for those whose payment profile indicated a greater risk.

Group's cash and cash equivalents are mainly invested in highly rated counterparties and with a very short term tenor.

Loans include loans to employees, which are collected either through the payroll or are netted-off with their retirement indemnities, and loans to the pension fund related to prior years voluntary leave schemes. The latter loans are exposed to credit risk related to the debt servicing capacity of the pension fund.

Impairment of financial assets

The Group and the Company have the following types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Contract assets
- Lease receivables
- Loans to group companies
- Loans to pension funds
- Loans and advances to employees
- Other financial assets.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified loss was immaterial.

The Group applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables, contract assets and lease receivables.

The following tables demonstrate the credit risk exposure on gross carrying amount of trade receivables and contract assets for the Group and the Company:

GROUP (simplified approach)				
December 31,2021	Performing	Underperforming	Non-Performing	Total
Trade receivables	544.9	72.8	711.6	**1,329.3**
Contract assets	34.6	-	6.7	**41.3**
TOTAL	**579.5**	**72.8**	**718.3**	**1,370.6**

GROUP (simplified approach)				
December 31,2020	Performing	Underperforming	Non-Performing	Total
Trade receivables	477.1	71.0	697.3	**1,245.4**
Contract assets	28.7	-	6.5	**35.2**
TOTAL	**505.8**	**71.0**	**703.8**	**1,280.6**

COMPANY (simplified approach)				
December 31,2021	Performing	Underperforming	Non-Performing	Total
Trade receivables	339.2	37.4	372.1	**748.7**
Contract assets	3.4	-	-	**3.4**
TOTAL	**342.6**	**37.4**	**372.1**	**752.1**

COMPANY (simplified approach)				
December 31,2020	Performing	Underperforming	Non-Performing	Total
Trade receivables	284.3	29.5	364.5	**678.3**
Contract assets	0.4	-	-	**0.4**
TOTAL	**284.7**	**29.5**	**364.5**	**678.7**

Trade receivables balances as of December 31, 2021 are stated after the write-offs of Euro 51.5 for the Group and Euro 9.3 for the Company, respectively.

The major part of the outstanding balance of lease receivables for the Group and the Company are considered as performing.

The remaining financial assets of the Group are considered to have low credit risk, therefore the Group applies the IFRS 9 general approach and the loss allowance was limited to 12 months expected losses. The outstanding balances of these financial assets are considered as performing.

Financial assets which have a low risk of default and a strong capacity to meet contractual cash flows are considered as performing, while financial assets for which there is a significant increase in credit risk since initial recognition but there is no objective evidence of a credit loss event are treated as underperforming. Non-performing financial assets are those that have objective evidence of impairment at the reporting date and there is limited expectation of recovery.

The split of trade receivables and contract assets within the above categories and the assessment of whether there has been an increase in credit risk on a Group level is assessed based on each Group entity's best estimates taking into account its specific facts and circumstances.

b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations as they fall due. Liquidity risk is kept at low levels by ensuring that there is sufficient cash on demand and / or credit facilities to meet the financial obligations falling due in the next 12 months. The Group's and the Company's cash and cash equivalents and other financial assets as at December 31, 2021 amount to Euro 636.3 and Euro 277.0 respectively and their short-term portion of long-term borrowings amounts to Euro 397.3 and Euro 374.2, respectively.

For the monitoring of the liquidity risk, the Group prepares cash flows forecasts on a frequent basis.
Further details on liquidity risk are included in the Annual Financial Statements, Note 30: Financial instruments and financial risk management.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will result in fluctuations of the value of the Group's and the Company's financial instruments. The objective of market risk management is to manage and control exposure within acceptable levels.

The individual risks that comprise market risk and the Group's and the Company's policies for managing them are described below:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates.

Further details on interest rate risk are included in the Annual Financial Statements, Note 30: Financial instruments and financial risk management.

ii. Foreign currency risk

Currency risk is the risk that the fair values of the cash flows of a financial instrument fluctuate due to foreign currency changes.

The Group operates in Greece and Romania and as a result is exposed to currency risk due to changes between the functional currencies and other currencies. The main currencies within the Group are the Euro and the Ron (Romania).

Foreign currency risks that do not affect the Group's cash flows (i.e. the risks resulting from the translation of foreign operations financial statements into the Group's reporting currency) are generally not hedged.

The following table demonstrates the sensitivity to a reasonably possible change in the functional currency exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities):

Change in functional currency exchange rate against Euro	Effect on profit before tax	
	2021	2020
-10%	2.8	4.0
10%	(2.8)	(4.0)

Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business plans and maximize shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

An important means of managing capital is the use of the gearing ratio (ratio of net debt to equity) which is monitored at Group and Company level. Net debt includes interest bearing loans and notes, as well as long-term and short-term lease liabilities (following IFRS 16 adoption as of January 1, 2019), less cash and cash equivalents.

	December 31	
GROUP	2021	2020
Long-term borrowings	753.7	974.8
Short-term borrowings	-	205.9
Short-term portion of long-term borrowings	397.3	23.1
Lease liabilities (long-term portion)	189.2	290.6
Lease liabilities (short-term portion)	71.7	61.2
Cash and cash equivalents	(630.7)	(516.2)
Net debt	**781.2**	**1,039.4**
Total equity	1,972.2	2,139.8
Gearing ratio	**0.40x**	**0.49x**

COMPANY	December 31 2021	December 31 2020
Long-term borrowings	797.6	894.1
Short-term borrowings	-	270.8
Short-term portion of long-term borrowings	374.2	-
Lease liabilities (long-term portion)	126.5	195.3
Lease liabilities (short-term portion)	25.3	44.8
Cash and cash equivalents	(274.0)	(105.5)
Net debt	**1,049.6**	**1,299.5**
Total equity	3,198.6	3,259.2
Gearing ratio	**0.33x**	**0.40x**

d) Other risks

In OTE Group, Risk Assessment is a structured process for the identification, analysis, evaluation and treatment of enterprise risks, in order to ensure better informed decision-making by the Company's competent bodies regarding the management of risks, their mitigation measures, as well as the monitoring of the implementation of the measures. Within this framework, operational, strategic, regulatory, financial, legal and compliance risks are being assessed and monitored. A significant mitigation measure is the transfer of risk to third parties (e.g., insurance companies), through multinational and local insurance contracts, which protect the Company from operational risks that are insurable.

Additional tax burdens

In the previous years, the Greek State adopted a range of fiscal measures which aimed at increasing public tax revenues which materially affected the Group's and the Company's income statement. According to Law 4799/2021 that was published in May 2021, the corporate income tax rate was reduced to 22% from year 2021 onwards, whereas from January 1, 2020, the withholding tax rate on dividends was also reduced from 10% to 5%. Still, given the fiscal position of the Greek State in recent years, it cannot be excluded that fiscal measures may be taken in the future, which could have a material adverse effect on the Group's and the Company's financial condition.

Potential impairment losses

In conjunction with the conditions in many markets in which the Group has invested, the Group faces challenges regarding the financial outlook of some of its subsidiaries. In this respect, impairment losses may incur relating to these subsidiaries' assets.

Additional contributions to pension funds

Based on actuarial studies performed in prior years and on current estimations, the pension funds show (or will show in the future) increasing deficits. OTE does not have a legal obligation to cover any future deficiencies of these funds and, according to management, neither does it voluntarily intend to cover such possible deficiencies. However, there can be no assurance that OTE will not be required (through regulatory arrangements) to make additional contributions in the future to cover operating deficits of these funds

Regulatory framework

The regulatory obligations and the competitive pressure have an impact on OTE's ability to apply competitive pricing at retail and wholesale level and they may have a negative effect on OTE's ability to compete effectively. According to the legal and the regulatory framework in force, the Hellenic Telecommunications and Post Committee ("HTPC") has designated OTE as having Significant Market Power (SMP) in the relevant wholesale markets and controls its pricing policy on wholesale and retail level. Price control regulatory obligations require OTE to set often higher retail prices than its competitors for the same services.

Critical infrastructure failure

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

OTE Group, in order to ensure the seamless continuation of its business operation, has already established processes, Continuity & Recovery plans as a robust Business Continuity Management System demands and has been certified by ISO 22301:2019. In this context, recovery programs for both the telecommunications network and the IT infrastructure are already in place. Business

Continuity Subdivision OTE Group, in cooperation with Network Automation, Security & Operations Support Subdivision Fixed & Mobile and IT Service Continuity & Risks Subdivision Fixed & Mobile test and rehearse the recoverability & operability of the critical business processes. The resilience of the telecommunications network has been further enhanced through the gradual introduction of new technologies.

Furthermore, power availability at critical sites is constantly monitored and enhanced. Two of the main Network and IT Data Centers were awarded with a Tier III-category certification by the Uptime Institute. Improvement works of Electro-Mechanical infrastructure ("Dual Feed" project) of network critical infrastructure sites took place.

Uninterrupted provision, to DT Group, of Value Added services is safeguarded by critical infrastructure's high availability along with application switch over or diversion to alternative Data Center.

Information security

Being faithful to the commitment of adapting swiftly to the evolving needs of the new digital era, OTE Group places emphasis on new strategy and business models, utilizes digital capabilities to the benefit of its customers, employees, partners and suppliers, and continuously innovates, providing a wide range of services and cutting-edge technology, such as 5G and Fiber to the Home.

The ever-changing technological environment and the increased regulatory requirements towards the security of network and information systems, reinforce the existing cybersecurity challenges and create new ones, by growing in complexity and risk. OTE Group provides a wide range of products and services, and delivers integrated ICT solutions, including services to well-established customers and public organizations, keeping cybersecurity at the forefront. The Company embraces a holistic approach to cyber security, balancing the need to protect itself from risks and ensure that right levels of protection are in place with the need for business innovation.

To maintain a high level of network and information security across the Company and ensure that cybersecurity touches all facets of its activities, OTE Group, through the Information Security and Telecommunication Fraud Prevention Division, implements a robust security strategy, demonstrating its commitment and the key actions it takes to stay ahead of the threat landscape. By applying a structured approach to security risk management, the Division establishes and implements the required set of security policies, procedures and practices, oversees their implementation, designs robust security mechanisms, systems and infrastructure, and evaluates their effectiveness (e.g. via periodic system audits). In addition, the OTE Group Cyber Defense Center of the Division collects and analyzes data from corporate systems on a 24/7 basis, in order to timely detect security incidents (e.g. cyber-attacks) and respond effectively.

Ensuring security of information and communication systems is always one of OTE Group's top priorities. It is more than just an obligation to meet statutory and regulatory requirements; it is also part of the Company's culture and enhances its competitive advantage in maintaining the trust of its customers, partners and suppliers.

Data Protection

The Company collects, stores and uses personal data, in the ordinary course of its operations, and protects them according to the data protection legislation and the Binding Corporate Rules Privacy (BCRP) for the protection of personal rights in the handling of personal data within the Group, which have been adopted by the BoD of the Company. Although technical and organizational measures are implemented to protect personal data, measures may fail and certain personal data may be lost as a result of human error or technological failure or otherwise be used inappropriately. Data breach by the Company or one of its partners or suppliers may result in fines, reputational harm and subscriber churn and could have a material adverse effect on the business and its financial condition.

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

Technical and organizational measures implemented by the Company include, inter alia, measures to prevent unauthorized persons from accessing data processing systems, measures to ensure the confidentiality of data at rest and in transit (e.g. encryption, pseudonymization), measures to ensure that personal data processed by third parties / contractors are processed only in accordance with the Company's instructions, as well as periodic employee awareness and training activities.

Climate protection

Climate change is a global environmental issue, the impacts of which affect the whole range of economic activities as well as numerous other aspects of life on the planet and could lead to emerging risks, due to its severe and long-term impacts. On the one hand, low environmental performance could affect the Group's reputation and market share, as surveys indicate that consumers and investors tend to engage with companies that have an effective environmental policy in place. On the other hand, in the long term, telecommunications infrastructure could be affected by extreme weather events (physical impacts) that can lead to network disruptions.

Aiming at climate change mitigation, EU has set its target the reduction of Greenhouse Gas (GHG) emissions by at least 55% by 2030, compared to 1990 levels. In the context of the European Green Deal, EU aims at zero net emissions by 2050, which is now legally binding with the adoption of the EU Climate Law.

In July 2021 the European Commission released a series of legislative proposals (Fit for 55) setting out how it intends to achieve its climate targets. Moreover, the European Commission is in the process of establishing through its Taxonomy Regulation and its delegated acts criteria for determining whether an economic activity qualifies as environmentally sustainable for the purposes of establishing the degree to which investing in it is also environmentally sustainable.

Following along these lines, in November 2021, a public consultation process was initiated on the Greek Climate Law that aims to provide the framework for Greece to also achieve an 80% reduction by 2040 on the way to a net-zero emissions target by 2050.

Addressing climate change is fully in line with OTE Group's overall environmental strategy which comprises three areas, namely:
- Minimizing the environmental impact of its activities,
- Developing and providing products and services that enable increased productivity and environmental protection in other sectors of economic activity, and
- Reinforcing its stakeholders' environmental awareness.

To this end, OTE Group is committed to participate fully towards the achievement of the DT Group wide net zero targets (climate neutrality), announced in early 2021, of:

- Net-zero of direct and indirect GHG emissions (scope 1&2) from energy consumption by 2025, including up to 95% reduction of emissions from energy consumption by 2025 compared with 2017.
- 100% coverage of electricity consumption with electricity generated from renewable energy sources by 2021 and onwards.
- 25% Emission reduction per customer for value chains emissions (scope 3) by 2030 compared with 2017.
- Net zero GHG emissions (scope 1, 2 and 3) at the latest by 2040.

Energy consumption is a major source of GHG emissions in OTE Group contributing to climate change (and air pollution), and affects the operational cost of OTE Group, which is also directly related to the regulated charges of the national electricity transmission and distribution system, and may also be influenced by:

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

Taking into consideration all the above, OTE Group inventories annually all direct and indirect emissions (scope #1, #2 and #3) arising from its operation and endeavors to reduce them. In this, OTE Group has initiated a number of actions for the reduction of energy consumption (and corresponding emissions), thus minimizing relevant risks and enabling, in the long term, its adaptation to climate change. These actions, among others, include:

- Air-Condition temperature set-point / Automation
- Telecom Rooms Consolidation
- Legacy Networks Power off
- Infrastructure Modernization / Optimization
- Free Cooling
- Energy Audits at Telecom Rooms
- Mobile Modernization
- RAN Energy Features – Deactivation of capacity layers in low traffic periods
- Fuel saving measures, with hybrid solutions at off grid sites
- Measures to improve the efficiency in data centers
- Energy upgrade of buildings' shell
- Energy-efficient design of renovated buildings and shops and installation of new energy-efficient equipment and LED lighting systems
- Automation in lighting systems, air conditioning, generators etc. and monitoring of energy consumption
- Energy audits to identify measures to improve the performance of the equipment installed

- Office space consolidation
- BMS/ BEMS systems and energy management of installations in accordance with the ISO 50001 Standard
- Environmental certification of building installations according to internationally recognized standards
- Fleet upgrading with new technology vehicles of lower emissions and improved energy efficiency engines

Climate Change can lead to emerging risks, due to its severe and long-term impacts. On the one hand, low environmental performance could affect the Group's reputation and market share, as surveys indicate that consumers and investors tend to engage with companies that have an effective environmental policy in place. On the other hand, in the long term, telecommunications infrastructure could be affected by extreme weather events (physical impacts) that can lead to network disruptions.

Supply chain

OTE Group believes that the diffusion of key values and standards in the supply chain is an important feature of responsible business conduct.
The development and maintenance of a value-added supply chain for the Group, with economic, environmental and socially responsible methods and practices, in line with the Group's vision, is a continuous target for improvement.

However, there are risks that may potentially cause business operational failures, revenue losses, reputational damage as a result of third party/vendor actions (environmental damages, inadequate working conditions, child labor, fraud, etc.).

In order to mitigate these risks arising from suppliers, OTE Group has adopted and implements the following:

- The OTE Group Supplier Code of Conduct, which is uploaded on the corporate website and is accessible by suppliers. The acceptance of the Code is a prerequisite in order for a prospective supplier to enroll at the Suppliers' Portal and also for signing a contract or other agreement (the adherence to the Code is a contractual obligation). Moreover, the supplier must bind its contractors (and/or subcontractors) to the principles of the Supplier Code of Conduct insofar as they are involved in providing deliverables under the contract.
- The OTE Group Code of Human Rights and Social Principles, which is uploaded on the corporate website and in the Supplier Portal, is accessible by the suppliers, customers and the rest of the stakeholders of the Group. OTE Group extends the Code's principles to its suppliers and requires from them to respect and apply them throughout their operations and business relationships.
- An anti-corruption clause which is included both into the General Order Terms and also as a term in contracts with suppliers. As noted in the above mentioned clause, among others, the supplier and supplier's sub-contractors have the obligation to adhere, in the context of the agreement, to the principles and values (Rules) that are outlined in the "OTE Group Code of Conduct", in the "OTE Group Supplier Code of Conduct" and in the "OTE Group Code of Human Rights and Social Principles" (i.e. the adherence to the Rules is a contractual obligation).
- Procedures for reviewing and evaluating suppliers (such as a pre-contractual integrity check and evaluation of prospective suppliers) according to the Compliance criteria. These criteria include anti-bribery or anti-money laundering law infringement in the past, negative publicity regarding the supplier, as well as the inclusion of the supplier to publicly available sanction lists.
- Communication/awareness, periodically, to our suppliers regarding the OTE Group Principles, the OTE Group Compliance Management System and the related to suppliers' Codes, as well as their contractual obligation to adhere to these principles throughout our business cooperation.
- An annual suppliers' evaluation.

Health risks related to Electromagnetic fields (EMF)

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

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

In 2020, ICNIRP published the new guidelines for protection against exposure to electromagnetic radiation. According to ICNIRP's new international guidelines, after more than 20 years of research, the security of mobile networks is confirmed for everyone, including children, when the recommended exposure limits are met. ICNIRP notes that: "The most important thing for people to remember is that 5G technologies will not be able to cause harm when these new guidelines are adhered to".

Health and Safety in the workplace

Multiple work – related risk factors are considered to be hazardous for the Health and Safety of employees, especially for the technical staff (such as Field, Net and PCP technicians; linemen; electricians; warehouse personnel; etc.). An unsafe working environment, may burden the Company with compensation liabilities and other legal costs, while hurting the Company's reputation and business continuity.

According to the inspections of the risk assessments conducted by the Health and Safety business unit and regarding the consequences of the existing hazards is revealed that the most significant workplace hazards are that the technical staff is exposed to the following:

1. Improper use of Personal Protective Equipment (P.P.E.), which aims to reduce the severity of injuries.
2. Underground work, which is performed for the purposes of repair or maintenance of equipment. An underground construction site is a narrow space with stagnant (dirty) water, and it could be a source of infections, especially if the worker does not use his of P.P.E. properly.
3. Work on poles, can also lead to accidents, especially if the worker uses his P.P.E. improperly or not at all.
4. Use of ladders for repair or maintenance purposes, which are located wrongly.
5. Improper or unsafe use of hand tools, which are used during work.
6. Non – continuous implementation of the guidelines for safe works, which are communicated in multiple ways for each individual work.

OTE assures that the technical staff is always equipped with the proper P.P.E., which are being chosen according to specifications, are state of the art certified and audited for its integrity and their expiry date and renewed according to the standards defined by legislation. Moreover, the Company is conducting continuous and repeated trainings for the technical staff; in order all the workers to be informed and aware for the hazards in the workplace. All training programs are being updated and enriched with new techniques and information if needed (i.e. live webinars for Use of portable ladders for work at heights) in order to give motivation to workers to attend them. Except for these educations, trainings that are more frequent conducted to technicians by Safety Engineers who visit the sites. Finally, all relevant guidelines for safe work are uploaded to the Company's intranet, to which every employee has access.

Regarding call center and store employees, the health and safety risks could be:

- Musculoskeletal strain, as a result of repetitive movements and non - ergonomic posture (sitting position or standing) during the work.
- Eye problems such as visual fatigue and disorders, as a result of insufficient lighting / reflections / large contrast of brilliance in the workspace.
- Improper response to emergencies such as fire or earthquake.

The Company ensures that its staff remains always informed about the risks arising in the workplace and the prevention measures taken for risks' elimination. In 2021, among others, the Health and Safety Unit organized live Webinars "Ergonomics and Correct ergonomic sitting position" for all the employees who worked in office or remotely in order to inform the employees about basic ergonomic principles and advises for the prevention of musculoskeletal disorders.

As for the prevention of visual fatigue and eye problems, employees are examined when they are hired and periodically by the occupational physicians of the Company.

Regarding the employees' response to emergencies, multiple and continuous trainings are organized by Health and Safety Unit and implemented by the responsible Safety Engineer of each site, nationwide. Among others, the trainings include evacuation exercises and updated information for good practices. Moreover, each site has its own Incident Response Team which consists of members – employees of the site, who are specially educated and have the proper equipment, so as in case of emergency (e.g. fire, earthquake) to evacuate the workspace promptly and safely. Although, for the employees' awareness and because of the frequently repeated earthquake phenomenon, Health and Safety Unit organized a recorded discussion with the Professor of Natural Disaster Management and President of OASP, Dr. Efthymio Lekka. The discussion has been uploaded to the Intranet of the Company, so each employee can watch it anytime and get informed about the preparedness and prevention measures both in the professional space and in home.
Apart from the customized actions, all OTE Group employees are covered by private health insurance contracts, compensation programs for health issues, and have occupational physicians at their disposal.
During the Covid-19 pandemic, an extra risk factor aroused and the Company, through the Health & Safety unit, responded promptly. Continued ensuring all necessary means and protection conditions from the virus spread, by implementing special

guidelines (via direct e-mail, intranet) with updated info for Covid-19 implemented for all employees on a regular basis for Retail Shops, Call Centers, field technicians and subsidiaries.

At the same time, all employees were informed and continuing be informed for the updates of the protection measures, through various communication channels (emergency hotline for communication with Occupational Physicians' team, dedicated e-mail account for questions regarding the pandemic and 24/7 telephone line for psychological support). Moreover the medical unit continued managing all the positive SARS – CoV -2 cases and their contacts according to the Management Protocol of SARS – CoV -2, which has been constructed. Furthermore, extra actions were launched for all employees:

- **Concerning ergonomics and the musculoskeletal health**: the Health & Safety Business Unit organized live webinars in order the employees to be informed about the ergonomics and the right posture during working.
- **Concerning safety**: Webinars and a digital live streaming event were organized for protection against earthquake and fire, trainings for Safe works in height and Use of Hand Tools.
- **Concerning health**: the Health & Safety Business Unit organized Webinars for First Aids and Prevention & Treatment of children and adolescents' accidents. Moreover, a digital conference about children with special needs was also organized: "Doman" method; for the purpose of sensitivity and information.
- **Concerning mental health & balance**: the Health & Safety Business Unit organized live webinars for the Workplace Management Crises in collaboration with specialized partners. The aim of these live webinars aimed self – improvement and maintenance of work life balance.
- **Concerning well-being**: A new dimension was given to actions and promotion of health and well-being, reshaping the current data according to the peculiarities of this period. In this context, the digital platform the Coach was introduced to the Company's employees. This new wellness platform enables the employees to choose the suitable exercises, through a wide range of options (e.g. empowerment, aerobic or gentle training/exercise, martial arts, meditation, dancing, etc.), according to their physical needs, mood etc. The services of the platform are available 24/7.
- **Concerning the pandemic**: a nationwide livestreaming digital conference for COVID – 19 with the participation of a distinguished professor of Health Policy, who analyzed the progression of the pandemic nationally and internationally. The employees had the opportunity to ask the professor questions relevant to COVID – 19 such as about the importance and need of vaccination for them, their children etc.
- **Concerning the social impact**: Three (3) rounds of voluntary blood donation were conducted, as it is established in the Group, respecting all the required measures for safety and health of the participants.

Throughout this period, the Company is aligned with the official, governmental guidelines and it adjusts properly its business functions (modification of the percentage of remote work, operational modification of stores in high exposure regions etc.). The pandemic disease is still part of our everyday life, and the Company, through its Health & Safety unit, continues to care and supervise the implementation of all necessary guidelines and protocols for the protection of all the associates and their families as well as the customers and the other stakeholders.

Compliance, Corruption, Bribery and Human Rights' risks

Compliance stands for a solid commitment to the principles of integrity, transparency, justice, professionalism, team spirit, and of respect to the rules, principles which are essential to govern the functions of the Company.

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

In order to avoid risks of non-compliance with the legislation in force as well as other legal consequences for the Company and its Employees, the Management has adopted and implemented a Compliance Management System (CMS), in the framework of which the Management has also adopted a Whistleblowing Process ("Tell Me") and the relevant communication channels.

Moreover, in the context of the System's implementation, OTE Group Codes and Compliance Policies have been adopted in order to cover important operations and procedures of the Company, including, inter alia, the Code of Conduct, the Code of Human Rights and Social Principles, the Diversity, Equity and Inclusion Policy, the Supplier Code of Conduct, the Policy on Avoiding Corruption and other Conflicts of Interest, the Anti-Fraud Policy, the Policy on Accepting and Granting of Benefits, the Donation Policy, the Sponsoring Policy, the Policy on Anti-Trust Law as well as the Policy on Insider Trading.

Failing to adopt and implement adequate and robust processes that prevent corruption, bribery and human rights issues and violation can result in harming OTE Group's reputation, thus possibly subsequently affecting its financial position as well as its employees' commitment and loyalty. Therefore, OTE Group recognizes corruption, bribery and human rights violations as an emerging risk, given the uptake of domestic and international regulation on these issues. As such, OTE Group has established effective policies and procedures (such as whistleblower procedures) for the prevention, identification and handling of possible cases.

Critical Enterprise Contracts and Business Resilience

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

OTE Group aims to ensure the maintenance and improvement of existing networks and installations, upgrade existing systems and adapt new technologies, in a manner that minimizes business interruption and contributes to business resilience, in order to provide customers with high quality and innovative services. In addition, OTE Group has adopted and implemented proactive and reactive mitigation measures in order to ensure the continuation of operations. A failure to deliver these high-value and complex services on a continuous and uninterrupted basis may lead to revenue reduction and increase of restoration costs (e.g. ICT disruptions, Network and IT infrastructure failures, etc.). Each of these events might have an adverse impact on the level of customer experience and satisfaction as well as on the company's reputation.

E. NON FINANCIAL REPORT

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

Sustainability is an integral component of OTE Group's business strategy and its Sustainability Principles are integrated into its operation.

Responsible Business

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

Employees

OTE Group provides a sustainable, efficient and technologically advanced working environment. It fosters a culture of growth, recognizes high productivity and offers equal and unlimited opportunities for development, while utilizing the potential of technology in education. The vision for an equal society for all and the values of Equality, Diversity and Inclusion, shape the Group's human resources policies and actions, contributing to the company's vision to create a better world for all. The Group encourages collaboration, open communication and the creation of a culture of innovation and growth, while putting in the center of its actions customer experience excellence. At the same time, the health, safety and well-being of its people remain a non-negotiable value for OTE Group. For this reason, it acts proactively, demonstrating competent reflexes, in order to quickly activate flexible response mechanisms in times of disruption (such as in the Covid-19 pandemic).

Customers

The Group connects people, within a world of unlimited digital possibilities, aiming to increase everyone's quality of life. It is the largest investor in new technologies and infrastructure in Greece and the largest technology company in the country. At the same time, it develops innovative products and services, which contribute to the sustainable development, with environmental and social benefits for all.

Society

OTE Group contributes to the development of digital skills of people of all ages, providing equal access to new technologies for all. OTE Group aims to make technology accessible to all, so as to reduce the digital divide and to gain equal access to the opportunities of the digital era. It conducts various social contribution and corporate volunteering initiatives, aiming to support vulnerable social groups, children, education, local communities, entrepreneurship, culture and sports.

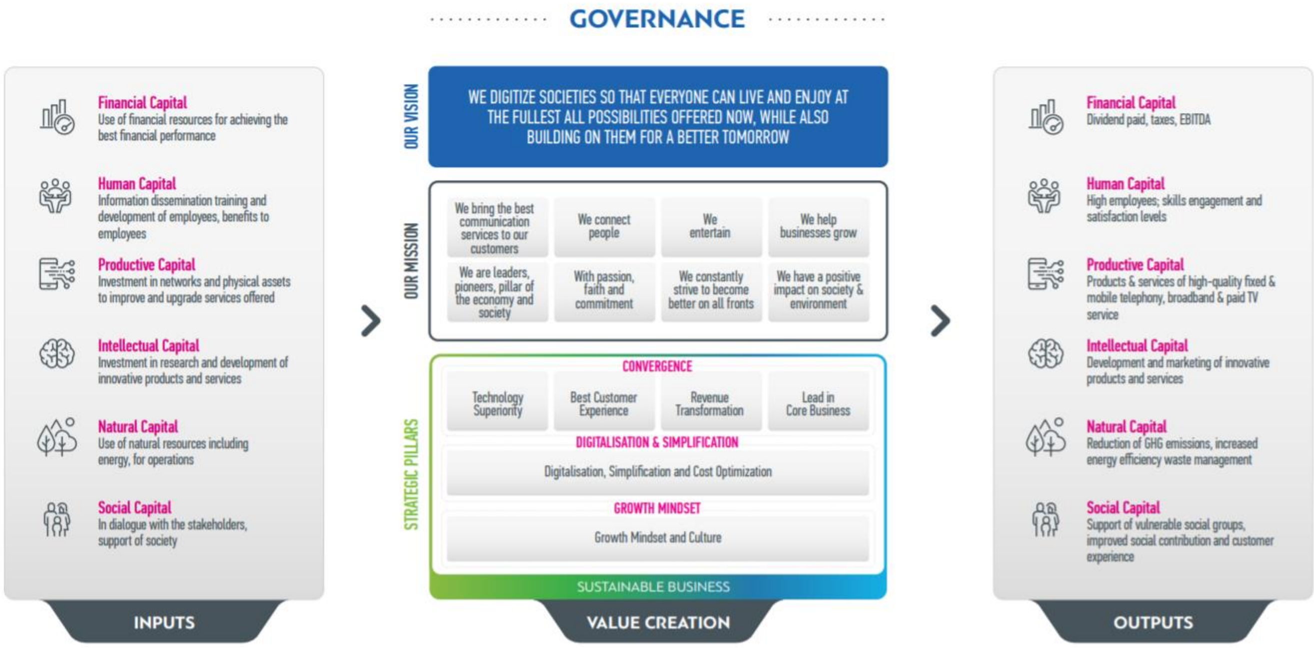
Climate and Environment

The Group aims for financial growth in accordance with environmental responsibility in all aspects of its performance. The most important objectives of the Group's environmental strategy, is its contribution to climate change and the continuous integration of the circular economy principles into its activities. The targets seek to minimize the environmental impact of its activities, on the development and provision of products and services, which allow the enhancement of productivity and protection of the environment in other sectors and on informing and raising awareness for its stakeholders.

Business model

OTE Group's business model aims to create value for its shareholders, its customers, the society, its employees and the environment. The Group continuously improves its products and services, offers new job opportunities, cooperates with a large number of suppliers, pays taxes to the state and contributes (financially and in kind) to society. In addition, it provides equal opportunities, facilitates access of vulnerable social groups to the digital world and takes measures to reduce its environmental footprint. At the same time, its products and services help customers reduce their environmental impact.

The Group's efficient operation and high competitiveness lead to positive economic results, a fact that allows it to reinvest in the business so as to create more value for all its stakeholders in the short, medium and long term.



Sustainability Governance

The governance structure, through which sustainability issues are embedded in the key business processes, is reflected in the current OTE Group Sustainability Policy.

The OTE Board of Directors (BoD) represents OTE's interests in sustainability issues regarding the entire Group and is responsible for its sustainability performance. Specifically, among others, the BoD approves the Sustainability strategy, approves Group-wide sustainability policies in response to important sustainability/ESG issues and significant strategic actions, monitors the Group's sustainability/ESG performance and the relevant risk management, identifies the stakeholders that are important to the Company, depending on its characteristics and strategy, and understands their collective interests and how they interact with its strategy. Binds and monitors the executive administration on matters relating to new technologies and environmental issues. Approves the annual Integrated Report.

The CEO of OTE proposes the Group's Sustainability strategy to the BoD and its amendments, proposes Group-wide sustainability policies in response to important sustainability/ ESG issues and significant strategic actions for submission to the BoD for approval, proposes to the BoD the annual Integrated Report, as well as the content of other publicly available sustainability/ESG reports- when required (eg non-financial report), oversees the implementation of the sustainability strategy and the Group's sustainability/ESG performance, and the overall sustainability/ESG issues for informing the BoD.

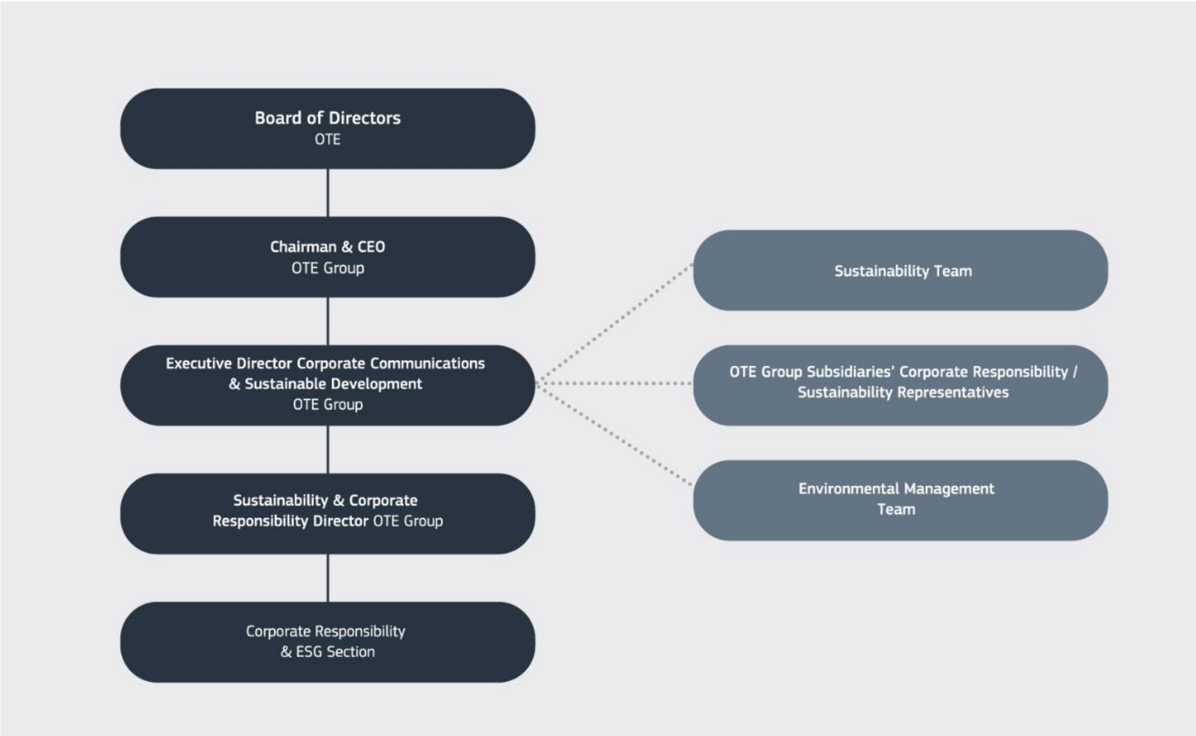
The Executive Director Corporate Communications & Sustainability OTE Group designs and contributes to the implementation and further development of the OTE Group's sustainability strategy and environmental strategy. Develops and implements measures to incorporate sustainability/ESG into the Group's business strategy, procedures and activities, as well as cooperates with the competent executives to efficiently implement the sustainability strategy and embed ESG criteria into the Group's operation and activities. Contributes to the identification of material sustainability issues, as well as collaborates and informs OTE's competent executives and- where applicable- executives from affiliate companies of the Group.

The Group Executives must integrate the BA and the ESG criteria in their areas of responsibility.

OTE Group subsidiaries shall integrate sustainability and ESG criteria into their business strategy, operations and activities. They are required to implement OTE Group's sustainability strategy, adhere to relevant standards and meet the Group's sustainability/ESG requirements and targets, at a corporate individual level.

OTE Group's Sustainability Team consists of representatives from several companies' business units. The Head of the team is the Executive Director Corporate Communications & Sustainability OTE Group. Among others the Sustainability Team has as goal the alignment of all the Company's business units and affiliates of the Group with the Group's sustainability strategy and the dissemination of the sustainability strategy and activities to the various business units of OTE and to the affiliates of the OTE Group.

Organization Structure



Systems and Policies

The Group has established and applies **a Compliance Management System** (CMS) and a **Risk Management System** (RMS). In the framework of the Systems' operation, relevant Codes, Policies and Processes have been adopted, defining the Group's approach to issues related to Compliance, Enterprise Risk Management, Human Rights and Sustainable Development. Both Systems are certified in accordance with relevant ISO standards.

In 2021:

a) 1. The following **Principles/Policies** of corporate code of conduct and compliance were amended at OTE Group level:

- The OTE Group Guiding Principles
- The OTE Group Policy on Avoiding Corruption and Other Conflicts of Interest
- The Policy on Insider Trading (as distinct policy for OTE and distinct for Cosmote)

2. The OTE Group Diversion, Equity and Inclusion Policy has been adopted.

b) **154** training courses regarding topics related to Compliance, Risk Management and Human Rights issues were held.

c) **Awareness Campaigns** were carried out, in all OTE Group companies, and in **collaboration with the Corporate Communication Business Unit**, **on the following topics: Submission of Compliance Statements, the OTE Group Guiding Principles, Anti-Corruption Day,** and in collaboration with the **Human Resources Business Unit** the campaigns for the **Adoption of the Policy for Diversity, Equity and Inclusion** in the OTE Group, as well as for the **International Human Rights Day,** were also carried out.

d) The **Group's risk culture** was enhanced, via awareness-raising actions (i.e. meetings, workshops/trainings, including eLearning on Risk Management, and distribution of material regarding the Risk Assessment Methodology, the Risk Appetite and the Risk Culture's Core Beliefs of the Group).

e) **Compliance Management System** (**CMS) Assessments** regarding the existence and the effectiveness of Compliance controls were conducted at OTE Group companies and a series of actions for the enhancement of CMS were drafted.

f) The annual **Compliance Risk Assessment** was conducted at OTE Group companies. A relevant Compliance Measure Plan will be implemented in 2022.

Information regarding the Compliance Management System and the Risk Management System is included in the following Section F. Corporate Governance Statement ("C. "Internal Control System").

Integrated Management System

The **Integrated Management System (IMS)** implemented at OTE Group Greece is based on a Corporate Process Model and its systematic assessment, documentation, and improvement.

The following certified management systems are implemented in the leading companies of the Group, according to the table below.

Company/Standard	OTE	COSMOTE	Cosmote Technical Services	GERMANOS	COSMOTE e-Value	OTE Globe	OTE Academy	Telekom Romania Mobile Communications
Integrated Management System, as per PAS99	√	√	√	√	-	-	-	-
Quality Management System, as per ISO 9001	√	√	√	√	√	-	√	√
Environmental Management System, as per ISO 14001	√	√	√	√	-	-	-	√
Occupational Health & Safety Management System, as per ISO 45001	√	√	√	√	-	-	-	√
Information Security Management System, as per ISO 27001	√	√	√	-	√	-	-	√
Business Continuity Management System, as per ISO 22301	√	√	√	-	-	-	-	√
Information Technology - Service Management, as per ISO 20000-1	√	√	-	-	-	-	-	-
Energy Management System, as per ISO 50001	√	√	-	-	-	-	-	-
Risk Management System, as per ISO 31000	√	√	√	-	-	-	-	√
Anti-bribery Management System, as per ISO 37001	√	√	√	√	-	-	-	√
Compliance Management System, as per 37301	√	√	√	√	-	-	-	√
General Requirements for the Competence of Testing and Calibration Laboratories, as per ISO 17025	-	√	-	-	-	-	-	-
Privacy Information Management System as per ISO 27701	√	√	√	-	-	-	-	-
Principles and Guidelines for Good Distribution Practice of Medical Devices acc. to Decision No. 1348/04	√	√	-	√	-	-	-	-
Industrial Safety Certification (EKBA) | Greek Legislation “Government Gazette B 336 - 16.03.2005”	√	√	-	-	-	-	-	-

The Integrated Management System for OTE and Cosmote also includes ISAE 3402 Type 2 Report (‘Assurance reports on controls at a service organization’) and ISAE 3000 Type 2 Report issued by an external Financial Auditor in accordance with International Standard on Assurance Engagements issued by the International Auditing and Assurance Standards Board. The purpose of these reports is to assist the Company in designing technical and organizational controls in favor of its customers, thus protecting information and data managed in order to provide ICT services.

- ISAE 3402 (SOC 1) focuses on the effectiveness of existing measures related to an organization's financial reporting, including IT General Controls
- ISAE 3000 (SOC 2) focuses on Information Security while requirements are determined by any of the five Trust Services Criteria (AICPA TSP section 100) on Security, Availability, Integrity, Confidentiality and Privacy.

Stakeholder Dialogue

OTE Group recognizes that its stakeholders have a direct impact and influence on its sustainable development and is engaged with their representatives without exclusions and discrimination. OTE Group has identified 9 primary stakeholder groups as presented as follows:

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

As part of its sustainability management approach, OTE Group has established strong communication channels with all stakeholders to actively engage with them, understand their expectations and help shape the Group's Sustainability Policy. OTE Group has established a three-tier engagement framework as part of its stakeholder dialogue, whereby three different methods of communication, i.e. Participation, Dialogue and Information, are employed depending on the type of stakeholder and the specificities of the issues that are most relevant to them.

The stakeholders' feedback is also utilized as an input in the Group's materiality analysis process. In this framework, the outcomes of the stakeholder dialogue contribute to the implementation of strategic actions and to the validation and improvement of the sustainability strategy of the OTE Group, which is approved by the OTE's Board of Directors, as defined in the OTE Group Sustainability Policy.

Materiality Analysis

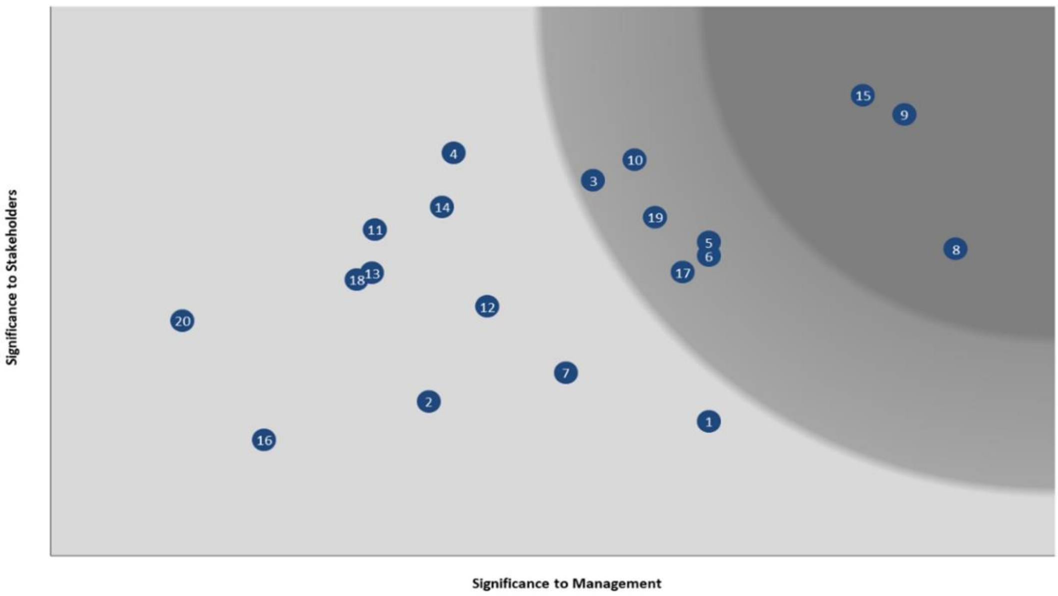
The OTE Group companies identify the most important issues of their sustainable development through the "Analysis of material issues" carried out in accordance with the Group's unified Enterprise Risk Management methodology.

In 2020, OTE Group conducted a materiality analysis through the participation of OTE Group's Senior Management and engagement of its stakeholders and as a result identified key risks and opportunities. The compliance risk assessment process was integrated in the materiality analysis process. OTE Group has merged its sustainability, compliance and risk management procedures, developing a holistic approach, according to best practices. Senior Management members took part in the evaluation by assessing the likelihood of occurrence and the impact of all the listed issues for OTE Group. In addition, stakeholders were invited to submit their opinions by rating each issue (using a 5-grade scale) through an online questionnaire. The aim of the questionnaire was to capture each issue's importance with respect to the stakeholder's decisions regarding OTE Group.

In order to ensure that the results of the materiality analysis reflect the current most important sustainability issues of the Group and since they are used in the planning of the Group's actions and strategy, as well as considering that the most important issues are included in the Group's risk map, they were re-evaluated in 2021, by the OTE Group Compliance, Enterprise Risks and Corporate Governance Committee (GRC Committee). Specifically, new developments in the internal and external environment triggered the process of re-evaluating the results of the materiality analysis in order to maintain its validity and dynamic nature in accordance to ISO31000 element of a "Dynamic" system.

All available data were evaluated in order to be used in the Group's operations planning and strategy. The key issues and their handling / mitigation were included in its risk map (see section "Risks and uncertainties for the next year").

More information on the OTE Group's response to the material issues are included in the annual OTE Group Integrated Report.



1 Economic performance
2 Governance and management
3 Ethical Business Practices
4 Human Rights
5 Fair Employment and Employee Management
6 Employee Training and Skills Development
7 Responsible Supply Chain
8 Business Continuity
9 Data Security and Privacy
10 Employee Health, Safety and Wellness
11 Digital Society
12 Products and Services for Sustainability
13 Safe and Responsible Use of Technology
14 Responsible Communication with Customers
15 Customer Service and Satisfaction
16 Community Engagement and Impact from the Group's Operations
17 Energy and Climate Change
18 Circular Economy
19 Electromagnetic Fields (EMF)
20 Other Environmental Aspects

OTE Group resilience and response to COVID-19

Business Model

In the midst of the financial and social difficulties that arose during the second year of the pandemic, and with a high sense of responsibility towards society and its people, OTE Group proceeded in 2021 to the implementation of a coordinated plan for this new reality, while implementing the state guidelines.

The Group's main priority, from the very first moment, remained the safeguarding of the health safety of its people, and their families, especially those with health issues, with emphasis on employees who work in the front line (shops & field technicians). At the same time, despite the adverse conditions created by the pandemic, the company's goal remains the uninterrupted operation of the telecommunications network and the continuous and seamless customer service.

When returning to the new normal, while ensuring business continuity and compliance with the safety measures in place, teleworking remained in 2021 at ~30%, where the nature of the role allowed it. For the employees who, due to their work role, continued to come into contact with customers (employees in stores and in the field), the Group took all the necessary protection measures and provided, at all times, the necessary equipment, such as protective masks and gloves, as well as special protective suits, when required.

Finally, both the Legal and the Data Security department, ensured the resolution of any issues that may arise regarding access to systems, network security and company data.

Employees

During the second year of the COVID-19 pandemic, OTE Group maintained strong reflexes, taking advantage of the mechanisms it had developed and implemented since the beginning of the health crisis, in order to safeguard the health, the safety and the well-being of its people.

Through various actions, the company maintained the appropriate working conditions and safeguarded the well-being of his people. Indicatively:

- Health & Safety department developed specialized programs, so as to provide updated and valid information, support, prevention and protection to all employees. For their most part, this programs were conducted digitally. The benefits were multiple, since all employees nationwide, as well as their family members, could participate.
- The company also provided improved digital learning programs, through digital learning platforms, offering unlimited and flexible participation to all OTE Group employees.
- Upgraded mobile packages were provided to all employees, with zero charges to all destinations.

The "COVID-19 OTE Group Crisis Management Team", which was created at the beginning of the pandemic, for the optimal coordination of all necessary actions during the health crisis, continued to operate in 2021. Furthermore, the company implemented an internal “COVID-19 Case Management Process”, so as to address all suspicious or positive COVID-19, which occurred within OTE Group. The aforementioned process is adapted according to the circumstances, taking into account the continuous changes in the epidemiological data (disease levels, vaccinations, mutations of the virus etc.).

The dedicated 24/7 Health & Safety hotline, which operated since the beginning of the pandemic in March 2020, received, throughout 2021, more than 21,500 calls from employees, nationwide.

Finally, OTE Group put special emphasis on continuous communication to all employees (through direct emails, posters, articles on the company’s intranet), with updated info for COVID-19.

Indicative Indices for 2021

In the following table, the indicative performance indicators for 2020 are depicted. The indicators have been selected taking into account the sustainability reporting guidelines of the Global Reporting Initiative.

Indices:	OTE	OTE Group[1]
Employees covered by collective bargaining agreements (%)[2]	94	96
Women employees (%)	39[3]	41[4]
Fatalities (number of employees)[5]	0	0
Number of employees injured[5]	5	61
Court convictions for corruption against the company or its employees in relation to their professional activities (number of convictions)	0	0
Social contribution (€)[6]	1,063,941	2,700,399
Electricity consumption (GWh)[7]	199.42	539.03
Direct and indirect (location-based) CO_2 emissions from energy (t)	102,314	267,168
Direct and indirect (market-based) CO_2 emissions from energy (t)	3,500	16,331
Recycling of phone devices and accessories (t)	2.28	16.47
EMF measurements (number of measurements)[8]	0	36
Suppliers evaluated (% of the annual procurement value) [9]	89	88[10]

[1] Data refer to the companies OTE, COSMOTE, GERMANOS, CTS, OTE Globe, OTE Academy, COSMOTE e-Value, and Telekom Romania Mobile Communications, which contribute approximately to 99% of OTE Group consolidated revenues, as presented in the section A. Financial and Operational Highlights of 2021.
[2] Refers to employees covered by Companies Collective Bargaining Agreements.
[3] The percentage refers to 1,000 women and who are permanently employed by OTE.
[4] The percentage refers to 4,550 women, who are permanently employed by OTE, COSMOTE, GERMANOS, CTS, OTE Globe, OTE Academy, COSMOTE e-Value, and Telecom Mobile Communications, which contribute about 99% of the consolidated income of OTE Group as presented in section A. Financial and Operational Highlights of 2021

[5] Fatal work accidents do not contain incidents from strictly natural causes.
[6] Including financial and in kind contribution.
[7] Energy consumption is calculated based on energy consumption records per installation for OTE, COSMOTE, GERMANOS, CTS, OTE Globe, OTEA cademy and COSMOTE e-Value, and energy consumption expenditure records per installation for Telekom Romania Mobile Communications.
[8] Ad hoc measurements conducted by independent institutions or national authorities and own laboratories.
[9] The percentage refers to the annual volume of supplies that was evaluated to the annual volume of supplies corresponding to suppliers that meet the criteria of the evaluation based on the company's process. Suppliers to be evaluated are selected on the basis of purchase orders issued within 12 months. The evaluation period covers the period from 1/10 of the previous year to 30/9 of the reference year. All suppliers are evaluated: (a) with orders worth more than Euro 2 , (b) providing important types of supply (i.e. products and services that have a significant effect on the products and services provided to customers) worth over Euro 500,000 (absolute amount), (c) of products / services related to OTE Group Integrated Management System. In addition, the Group evaluates certain suppliers who did not meet the above criteria but were proposed for evaluation by OTE Group Managers. Includes high value supplies, product and service supplies that affect the end products / services provided to customers, as well as high risk products as defined internally. Supplies from affiliates, merchant, interconnection, roaming supplies, and sponsorships-donations are excluded).
[10] Data refer to the companies OTE, COSMOTE, GERMANOS,COSMOTE e-Value and Telekom Romania Mobile Communications

Detailed elements of the Group's approach and the performance of its companies will be presented in the 2021 OTE Group Integrated Report (June 2022).

Taxonomy Related-Disclosures

The scope of the EU Taxonomy Regulation (EE) 2020/852 ("Regulation") is to establish a common set of criteria for determining whether an economic activity qualifies as environmentally sustainable.

It aims to create a common criteria and understanding on sustainable activities and investments in view of the EU Green Deal and the targets/ goals set. The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy.

The EU Taxonomy is a classification system for environmentally sustainable economic activities.
Currently, criteria have been established for the environmental goals of climate change mitigation and adaptation. The Regulation, among others, defines specific reporting requirements and this section provides information for OTE Group activities according to these requirements. The below consolidated disclosure are provided for the purposes of the simplified reporting requirements pursuant to Art. 10 (2) of the Art. 8 Delegated Act (Commission Delegated Regulation (EU) 2021/2178).

OTE Group offers a wide range of services: fixed and mobile telephony, broadband services, pay television and integrated ICT solutions.

Taxonomy-eligible economic activity means an economic activity that is described in the delegated acts supplementing the Taxonomy Regulation. Considering the activities defined in the Regulation for "the Information and Communication" economic activity sector, the taxonomy eligible activities of OTE Group fall under the category 8.1 (Data processing, hosting and related activities) for climate change mitigation and adaptation goals, and category 8.2 (Data-driven solutions for GHG emissions reductions) for the climate change mitigation goal.

In selecting solutions / services under the above-mentioned categories, emphasis has been given to the ones that have the potential for emissions reductions at the user side. Category 8.1 includes projects offering storage, management, control, transmission and processing of data through physical co-location data centers or cloud applications such as smart / digital office and "one email". The activities included in Category 8.2 are related to "Smart City" solutions offered for more efficient use of public lighting, parking control or "IoT" (Internet of Things) for fleet management and asset management.

It is noted that the Regulation does not include an activity related to telecom network operation and therefore OTE Group core business activity cannot be presented as a taxonomy eligible activity.

The below table presents the share of the Group's turnover, capital expenditure (Capex) and operating expenditures (Opex) for the reporting period 2021, which are associated with Taxonomy-eligible economic activities, in accordance with Art. 8 Taxonomy Regulation and Art. 10 (2) of the Art. 8 Delegated Act.

OTE Group 2021		Turnover		Capital Expenditure		Operating Expenditures	
		In Euro	%	In Euro	%	In Euro	%
OTE Group		**3,368.3**	**100%**	**665.0**	**100%**	**1,897.6**	**100%**
of which: taxonomy eligible economic activities	8.1. Data processing, hosting and related activities(1)	9.6	0.3%			6.5	0.3%
	8.2. Data-driven solutions for GHG emissions reductions	9.1	0.3%			3.6	0.2%
	Total	**18.7**	**0.6%**	**0.0**	**0%**	**10.1**	**0.5%**
of which: taxonomy non eligible economic activities		3,349.6	99.4%	665.0	100%	1,887.5	99.5%

Notes:
(1) T-Systems is covered by Deutsche Telekom Group relevant reporting. OTE Group reports on 8.1 due to national relevance.

The Group determined the Taxonomy-eligible KPIs in accordance with the legal requirements and describe its accounting policy in this regard as follows:

Turnover KPI: The proportion of Taxonomy-eligible economic activities in the total turnover has been calculated as the part of net turnover derived from services associated with Taxonomy-eligible economic activities (numerator) divided by the net turnover (denominator), both for the financial year 2021. The denominator of the turnover KPI is based on the consolidated net turnover in accordance with IAS 1.82(a). Specifically, the total amount of OTE Group's Turnover can be reconciled with "Total revenues" in the Income Statements (Consolidated and Separate) section of the Annual Financial Statements (Consolidated and Separate).

Capex KPI: It is defined as Taxonomy-eligible Capex (numerator) divided by total Capex (denominator). Total Capex consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments. It includes additions to fixed assets, intangible assets and right-of-use assets and additions resulting from business combinations. Taxonomy-eligible Capex is not applicable as these services are sold to third parties and are not used for own use.

The total amount of Capital Expenditure is determined based on the Consolidated Balance Sheet and result from the sum of the following key items in the "Notes to the annual financial statements as of December 31, 2021 and for the year then ended": The line "Additions and transfers" including the line "Disposal and transfers –cost" of categories "Construction in progress" and "Investment supplies" of "Property, plant and equipment" (Note 4), and the line "Additions" in "Leases" (Note 5), "Telecommunication licenses" (Note 7), and "Other intangible assets" (Note 8).

Opex KPI: This KPI is defined as Taxonomy-eligible Opex (numerator) divided by total Opex (denominator). The EU taxonomy's definition of relevant operating expenditures includes expenses for research and development, building refurbishment, maintenance and repair and other direct expenses relating to the day-to-day servicing of assets of property, plant and equipment. The related cost items can be found in various line items in the Income Statements (Consolidated and Separate) section of the Annual Financial Statements (Consolidated and Separate).
The total amount of OTE Group's Operating Expenditures is presented as "Total operating expenses before depreciation, amortization and impairment" in the Income Statements (Consolidated and Separate) section of the Annual Financial Statements (Consolidated and Separate).

The accounting policies related to the compilation of the table above are presented in the Note 3 "Significant Accounting Policies" of the Annual Financial Statements (Consolidated and Separate) as of December 31, 2021. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The Group uses various information systems and internal control checks to ensure a comprehensive accounting framework for revenue recognition. Revenue from customer contracts is recognized when the customer acquires control of the goods or services to a degree that reflects the price that the Group or the Company expects to be entitled to in respect of those goods or services.

This section is included for the first time in the Non-Financial Report, as foreseen by Regulation (EU) 2020/852. The information presented, follows the requirements defined by the Regulation and the delegated acts issued. The relevant guidance leaves room for interpretation and is evolving, and as a result OTE Group will monitor the developments and will adjust its approach regarding the assumptions and the methodology it applies.

F. CORPORATE GOVERNANCE STATEMENT

This Statement covers all of the principles and practices adopted by the Company in order to ensure its efficiency, the interests of shareholders and all other interested parties.
The structure of this Corporate Governance Statement, having taken into account art. 152 of Law 4548/2018, art. 1-24 of Law 4706/2020 and the 2021 Hellenic Corporate Governance Code (see below), focuses on the following topics:

By strengthening its procedures and structures, the Company ensures not only compliance with the regulatory framework, but also the development of corporate culture, based on the values of business ethics and on the protection of interests of the shareholders and other stakeholders.

As a company with financial instruments admitted to trading on the Athens Exchange, the Company duly complies with the legislation in force including Law 4706/2020 on corporate governance.

In compliance with article 17 of Law 4706/2020 and Decision 2/905/03-03-2021 of the Board of Directors of the Hellenic Capital Market Commission, regarding the obligation of companies with securities listed on a regulated market to adopt and implement a corporate governance code issued by a highly recognized organization, OTE's Board of Directors adopted, as of 17-07-2021, the 2021 Hellenic Corporate Governance Code (HCGC) issued by the Hellenic Corporate Governance Council (HCGC) in 2021.

The principles and practices followed by the Company are reflected in the Articles of Incorporation[1], the Internal Regulation of Operations, the OTE Group Code of Conduct[2] and in other regulations and/or policies of the Company regulating its operations as described here below.

A. Statement of compliance with the Corporate Governance Code

As of 17-7-2021, the Company implements the 2021 Hellenic Corporate Governance Code (HCGC) of the Hellenic Corporate Governance Council (HCGC), which can be found on the website
https://www.cosmote.gr/otegroup_company/investor_relations/corporate%20governance/eng/kwdikas_etairikis_diakivernisis_EN.pdf

B. Deviations from the Corporate Governance Code and explanations

On February 23, 2022, the following are mentioned as deviations:

1. In relation to the special practice of EKED which provides for the gradual replacement of the members of the Board of Directors, the following should be said: The practice followed by the General Meeting of the Shareholders is that the term of office of the members of the Board of Directors begins and ends at the same time. The aforementioned practice has been successfully implemented, without raising an issue of lack of administration. (Part A, Second Section, par. 2.3.2 of HCGC)

2. In relation to the special practice of the HCGC, which provides that both the individual and the Company's performance should be taken into account regarding the remuneration of the members of the Board of Directors, the following should be said: In accordance with the Company's policies in force, the executive members of the Board of Directors and the senior executives of the Company share a common set of goals, which is fully aligned with the strategy of the Company and covers

[1]https://www.cosmote.gr/otegroup_company/investor_relations/corporate%20governance/eng/%CE%9F%CE%A4%CE%95_ARTICLES_OF_INCORPORATIO_%209.6.2021_EN.pdf
[2]https://www.cosmote.gr/otegroup_company/about_us/otegroup/corporate_governance/OTEGroup_CodeOfConduct2017_14p_A4_EN_web.pdf

both financial and quality objectives (such as the customer's experience, the employees' satisfaction etc.). In this context, the variable remuneration of the executive members of the Board of Directors is directly related to the level of achievement of the aforesaid objectives. (Part A, Second Section, paragraph 2.4.5 of HCGC).

3. In relation to the special practices of the HCGC which provides that the Remuneration and Nominations Committee has the primary role in the planning and preparation of a succession plan for the members of the Board of Directors, of the Chief Executive Officer (CEO) and of the senior executives of the Company, the following should be said: The Board of Directors has already decided to assign the abovementioned competence, with respect to the CEO and the senior executives of the Company, to the Remuneration and Nominations Committee. The first implementation of the annual procedure for the preparation of a succession plan for the CEO and the senior executives with the participation of the Committee, is scheduled for the third quarter of 2022,. With respect to the succession of the members of the Board of Directors, there is no procedure for the prior and continuous engagement of the Remuneration and Nominations Committee, but in case there is a need to replace one or more members of the Board of Directors, the Committee is activated to find suitable candidates in accordance with the Company's Suitability Policy and the procedure set out in the Rules of Operation of the Committee. (Part A, Second Section, par.2.3.1, 2.3.3., 2.3.4., 2.3.7., 3.3.8.(third case) of HCGC)

4. In relation to the special practice of the HCGC which provides that the contracts of the executive members of the Board of Directors shall give to the Board of Directors the right to demand the return of all or part of the bonus awarded under specific circumstances, the following should be said: The Remuneration Policy for the members of the Board of Directors of the Company is being amended to include a term for the claw-back and postponement of payment of the variable remuneration of the executive members of the Board of Directors, according to article 111 of Law 4548/2018 (note that non-executive members do not receive variable remuneration). This amendment of the Remuneration Policy has been approved by the Remuneration and Nominations Committee and the Board of Directors and a relevant proposal shall be submitted to the Ordinary General Meeting of the Shareholders which will be held within 2022. Subsequently the relevant term shall be included in the contracts of the executive members of the Board of Directors. (Part A, Second Section, par. 2.4.14. of HCGC)

C. Internal Control System

The Company adopts and implements a corporate governance System, according to the provisions of the legislation in force, by taking into consideration the size, the nature, the range and the complexity of its activities. Among the other elements included in the corporate governance System is a sufficient and effective Internal Control System, including the risk management and compliance systems and the internal audit unit (see analytical description below under I, II, III and IV).

"Internal Control System" is defined as «the set of internal control mechanisms and procedures including risk management, internal audit and compliance that covers on a continuous basis every activity of the Company and contributes to its secure and efficient operation».

The Company applies an Internal Control System (hereinafter ICS) that covers its activities and contributes to its secure and effective operation. This system is based on the internationally recognized COSO framework (Committee of Sponsoring Organizations of the Treadway Commission).

I. Compliance Management System

Compliance of a company with the legal and regulatory framework is an essential obligation for responsible operation and a priority for the Management. Ensuring Company's compliance with applicable laws and regulations and bearing zero tolerance for corruption and bribery stands for OTE's solid commitment to the principles of integrity, transparency, fairness, professionalism, team spirit and respect for the rules; principles which are essential to govern the operation of the Group.

In this context, OTE as a Société Anonyme with securities listed on a regulated market, complies also with current legislation on corporate governance, incorporating regulations and compliance practices into its operations.

The main target of compliance is the introduction and application of appropriate and updated policies and procedures in order to achieve promptly the full and continuous compliance of the company to the respective from time to time applicable regulatory framework and have at any time a complete overview of the degree of achievement of the said target.

OTE Group has developed and applies, since May 2009, a Compliance Management System (CMS), regarding the compliance of all (personnel and management) with the legislation in force and with internal policies, aiming at avoiding risks of non-compliance with the legislation in force and other legal consequences for the Company and personnel – employees, executives and management. The effective implementation of the Compliance Management System safeguards the Company, Company's employees', customers', suppliers', partners' and shareholders' interests.

The key elements of the CMS are:

a) the prevention of misconduct along with compliance with the policies, in order for the Company and its employees to be protected from legal consequences due to misconduct. Additionally, the CMS contributes to reducing reputational risks for the Company and the Group. Prevention is achieved mainly through:

- the development of Compliance Policies and Procedures for OTE Group Companies.
- employees' training, aiming to inform them about the risks of corruption, fraud, misuse of personal data, manipulation of financial statements, disclosure of inside business information, etc.
- the conduct of a Compliance Risk Assessment annually, in cooperation with the business units, aiming at the identification and assessment of important risks and at the determination of necessary actions and measures for risks' controlling and mitigation.
- the communication channels that have been developed, so that employees can submit questions regarding the implementation of the Policies and the legislation, in case they are uncertain as to how they should handle issues that come up in their daily work.

b) the detection of compliance violations, the investigation thereat and the proposal of remedies and measures deemed necessary. In order to provide the possibility of filing a tip–off regarding violations of policies, regulations and of the legislation in force, the Company has established the Whistleblowing Policy and the relevant communication channels which are available on corporate website in order for employees or/and third parties (e.g. customers, suppliers, partners etc.) to report (eponymously or anonymously) inappropriate conduct or potential violations of company policies, regulations, and legislation in force.

In the framework of the CMS, specific Policies/Codes have been adopted by the Company and Group-wide describing the principles and rules that apply to OTE Group and specific procedures are followed. Specifically, among others, the following Policies/Codes have been adopted:

- OTE Regulation of Operations
- COSMOTE Regulation of Operations
- OTE Group Code of Conduct
- OTE Group Supplier Code of Conduct
- OTE Group Code of Human Rights and Social Principles
- OTE Group Diversity, Equity and Inclusion Policy
- OTE Group Code of Ethics for Senior Financial Officers
- Binding Corporate Rules Privacy (BCRP)
- OTE Group Whistleblowing Policy
- OTE Group Anti-Fraud Policy
- OTE Policy on Insider Trading
- COSMOTE Policy on Insider Trading
- OTE Group Policy on Avoiding Corruption and other Conflicts of Interest
- OTE Group Policy on Accepting and Granting of Benefits
- OTE Group Donation Policy
- OTE Group Sponsoring Policy
- OTE Group Event Policy
- OTE Group Policy on Avoiding Sexual Harassment within OTE Group
- OTE Group Policy on Anti-Trust Law
- OTE Group Policy on Employee Relations within OTE Group
- OTE Group Sustainability Policy
- OTE Group Policy on Concluding Transactions with Related Parties

The CMS has been certified for OTE, COSMOTE, COSMOTE TECHNICAL SERVICES (CTS) and GERMANOS according to the international standards ISO 37001:2016 (Anti-Bribery Management Systems) and ISO 37301:2021 (Compliance Management Systems), by the independent TUV AUSTRIA HELLAS S.A. Certification Body. Also, the CMS has been certified for TELEKOM ROMANIA MOBILE according to the international standards ISO 37001:2016 (Anti-Bribery Management Systems) and ISO 37301:2021 (Compliance Management Systems) by the independent TUV HELLAS (TUV NORD) S.A. Certification Body. Moreover, in 2021 OTE & COSMOTE were certified according to Assurance Standard 980 for the Compliance Management System (CMS) on Anti-Corruption they operate. These certificates confirm that the Group, in its day-to-day business, complies with current legislation, its Code of Conduct and its internal Policies.

Compliance Unit is responsible for the planning and adoption of the CMS System.

The effectiveness and the efficiency of the CMS are being supervised by the OTE Group Compliance, Enterprise Risks and Corporate Governance Committee, the Audit Committee and the Board of Directors.

II. Enterprise Risk Management System

According to the EU Directive 2006/43/EC as currently in force following its amendment by the EU Directive 2014/56/EU of the European Parliament and of the Council of April 16, 2014 on statutory audits of annual accounts and consolidated accounts (the latter was incorporated in national law 4449/2017 on statutory audit of annual and interim consolidated financial statements), the European Organizations FERMA (Federation of European Risk Management Associations) and ECIIA (European Confederation of Institutes of Internal Auditing) introduced a guidance about monitoring the effectiveness of Internal Control and Risk Management Systems, namely the "Three lines model". Part of this model, in the Second line in particular, is the business unit coming under the Executive Director Compliance, Enterprise Risk Management and Insurance OTE Group, which is responsible for the continuous development of the Early Warning, Compliance and Risk Management Systems, as well as adopting and applying standards to all Group companies, methodically and consistently. Its key goal is to safeguard the existence and long-term corporate success of the OTE Group companies.

Furthermore, according to Law 4706/2020 on corporate governance, the Corporate Governance System includes, inter alia, a sufficient and effective Internal Control System (ICS), including Risk Management and Compliance Management Systems. Moreover, the Decision No. 1/891/30.9.2020 of the Hellenic Capital Market Commission's BOD ("HCMC BoD"), as amended by Decision no. 2/917/17.6.2021 of the HCMC BoD, which concerns the Assessment of the Internal Control System, defines, inter alia, the conducting of periodic (i.e., every three years) or ad hoc evaluations of the Internal Control System, including the area of Risk Management. The evaluation of Risk Management includes the review of the Risk Identification and Risk Assessment process, the Risk Response process and the Risk Monitoring process. More specifically, the review focuses on i. the role and operation of the Risk Management Committee, ii. the work and responsibilities of the Risk Management Unit, iii. the implementation of appropriate and effective Policies, Procedures and Tools (e.g., the maintenance of risk records - "risk registers") to identify, analyze, control, manage and monitor enterprise risks. It is noted that the first evaluation of the ICS has to be completed by 31st March 2023 with reference date the 31st December 2022 and reference period as of the effective date of article 14 of Law 4706/2020 (i.e. as of 17-07-2021).

Under this framework, OTE Group has developed and applies an Enterprise Risk Management System that supports Management in strategic decision-making, through the identification, evaluation, communication and management of enterprise risks, including all strategic, operational mitigation monitoring measures used in risk management.

In the framework of the OTE Group ERM System, the following Policies have been adopted:

- Enterprise Risk and Insurance Management Policy
- Risk Appetite Statement
- Policy on Pensions and Risk Benefits

The OTE Group ERM System is based on the COSO ERM Framework and the ELOT ISO 31000:2018 "Risk Management - Guidelines" Standard, while its main objective is to safeguard the smooth operation and the future corporate success of OTE Group. The OTE Group ERM System is certified according to the aforementioned ISO 31000 Standard, in Greece for OTE, COSMOTE, and CTS and in Romania for TELEKOM ROMANIA MOBILE.

In this context, the OTE Group ERM System defines the strategy for monitoring, response and management of enterprise risks, in order to:

- Ensure that existing OTE Group risks are systematically identified, analyzed and evaluated and that information relevant to risks and corresponding opportunities is promptly communicated to the competent decision-making bodies.

- Record the OTE Group response to risk identification, analysis, communication and management, as well as evaluating mitigating alternatives.

In the direction of mitigation of risks and to the extent possible and economically viable, OTE Group takes out insurance cover for insurable corporate risks. Taking out insurance cover is an essential option for risk transfer to third parties for the purpose of protecting the Group's financial position.

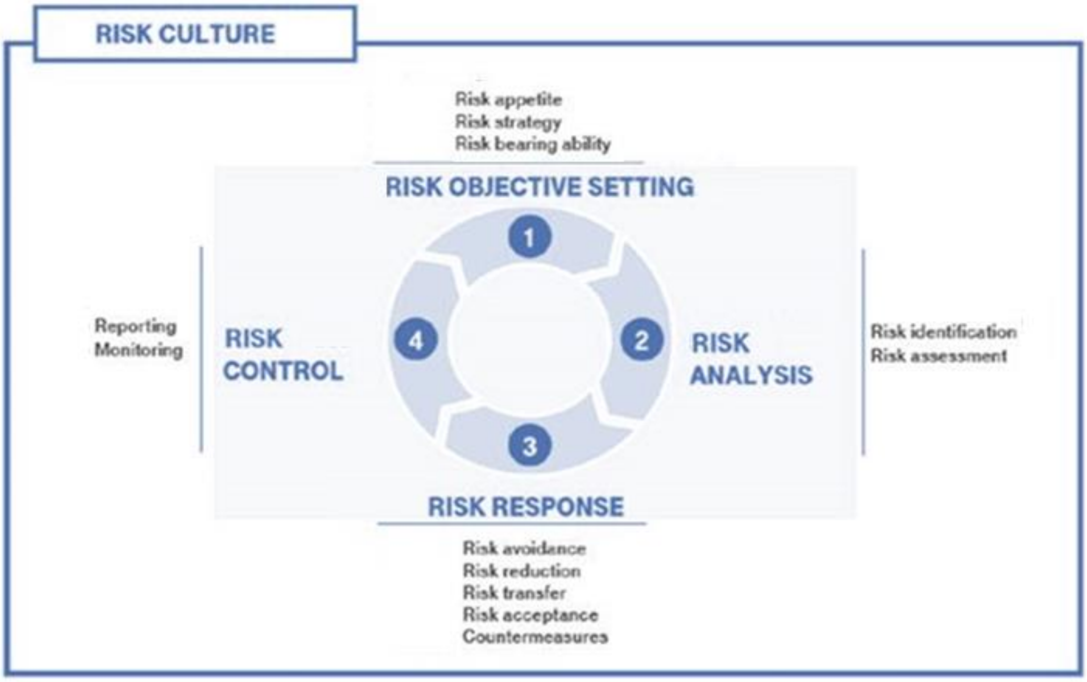
It is noted that OTE INSURANCE S.A. – a subsidiary of OTE S.A. – acts as an insurance broker for Group insurance management. It develops and implements solutions for the Group's operational risks using the appropriate insurance tools.

- Establish tolerance limits (thresholds) for each level of risk assessment and evaluation. In case these limits are exceeded, relevant reporting takes place.

- Implement a common methodology across the OTE Group Business Units and Subsidiary Companies for the identification, evaluation and management of enterprise risks.

In OTE Group, Risk Assessment is a structured process for risk identification, analysis, evaluation and management of enterprise risks, in order to ensure better informed decision making by the company's competent bodies and that appropriate mitigation has been developed to address these risks and monitor the implementation of relevant measures. In this context, a common Risk Assessment methodology is being applied to all risk assessments that are being performed by business units, with specific criteria for risk evaluation and assessment, in accordance with the requirements of the Standard ISO 31000 and based on the unified ERM OTE Group methodology. The results of all individual risk assessments performed by business units and Group subsidiaries are included in the OTE Group Corporate Risk Register, for the systematic analysis and monitoring of enterprise risks.

The OTE Group Risk Management Culture is illustrated in the following figure:



The Enterprise Risk Management (ERM) Department OTE Group monitors, facilitates and supports the implementation of effective risk management practices. The tasks of risk managers include the reporting and monitoring of the overall situation in the Group risk portfolio, as well as compliance with the OTE Group ERM methodology in all business units and group subsidiaries. In addition, OTE Group ERM is responsible for the maintenance and continuous monitoring of the OTE Group Corporate Risk Register, which is the central repository of all Group risks.

OTE Group ERM submits, through the Executive Director Compliance, Enterprise Risk Management and Insurance OTE Group, at least four (4) times a year or ad hoc when necessary, the OTE Group Enterprise Risk Management Report to the OTE Group Compliance, Enterprise Risks and Corporate Governance Committee for its review, regarding the completeness, accuracy and precision of the "OTE Group Top Risks Heat Map" content, and then its submission to the competent corporate bodies, namely the OTE Audit Committee and the OTE Board of Directors. The OTE Group Enterprise Risk Management Report, after thorough assessment and relevant consolidation, includes business units and Group subsidiaries reports, and provides a detailed description and review of corporate risks in the reporting period. Specifically, the report includes the risk description and any new developments, the probability of occurrence and the financial impact in case of the risk's occurrence, the respective risk owner(s), the responsible mitigation owner(s), as well as the status concerning the mitigation measures taken to address the risk.

The external auditors are entrusted with the duty to determine whether a risk monitoring system has been installed in accordance with the Greek and European auditing standards, and whether it is sufficient to meet the requirements that have been set. This determines whether the measures taken to identify and notify all potential risks early enough are sufficient, in order for the Management to be able to take all the appropriate measures. The external auditors also consider whether the risk management system, and the risks and opportunities arising from business developments, are accurately described in the OTE Group Enterprise Risk Management Report.

III. Internal Audit unit

The purpose of the Internal Audit Department (hereinafter "Internal Audit Department") is to monitor and improve the Company's operations and policies regarding the Internal Control System, which consists of the total set of audit mechanisms and processes covering in a continuous basis every activity conducted by OTE and contributes to its safe and efficient operation. In this context, the Internal Audit Department provides independent, objective assurance and consulting services designed to add value and improve the operations of the Company and of the consolidated subsidiaries of OTE Group. The Internal Audit Department helps the Group accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

The operation of the Internal Audit Department is governed by the applicable legislation, taking into account the Hellenic Corporate Governance Code, which has been adopted and implemented by the Company, as well as by the mandatory elements of the International Professional Practices Framework of The Institute of Internal Auditors.

Internal Audit is an independent organizational function within the Company, supervised by the Audit Committee. The Internal Audit Head is appointed by decision of the Board of Directors, following a proposal of the Audit Committee and is a sufficiently qualified and experienced individual under a full-time and exclusive employment, personally and functionally independent and objective when performing the relevant internal audit duties.

The Audit Committee, within the framework of the supervision of the Internal Audit Department, exercises the powers and responsibilities stipulated in the applicable legislation and in its Regulation of Operations.

The business units of the Internal Audit Department are established by decision of the competent corporate officer upon the recommendation of the Internal Audit Head with the consent of the Audit Committee.

The Internal Audit Head will have unrestricted access to, and communicate and interact directly with, the Board of Directors and the Audit Committee of the Company, including in private meetings without management present. Moreover, the Internal Audit Head has access to any organizational unit of the Company and receives any data or information required to fulfil the respective duties.

Furthermore, the Internal Audit Department is authorized to:

- Have full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any audit engagement, subject to accountability for confidentiality and safeguarding of records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- Obtain assistance from the necessary personnel of the Group, as well as other specialized services from within or outside the Group, in order to complete the engagement.

The Internal Audit Head will confirm to the Audit Committee, at least annually, the organizational independence of the Internal Audit Department.

As defined by the respective legislation, the Internal Audit Department has the duties and responsibilities to:

a) Review, audit and evaluate the implementation of Company's Regulation of Operations and the Internal Control System (mainly over the: i. adequacy and correctness of financial and non-financial reports, ii. risk management, iii. compliance and iv. corporate governance code adapted by the Company), the quality assurance mechanisms, the corporate governance mechanisms, as well as the adherence to commitments included in Company's prospectus and business plans regarding the use of funds raised from the stock market.

b) Issue internal audit reports towards the audited units, including issues referring to the previous paragraph (a), the relevant risks and the proposed improvement actions, if any. These internal audit reports include the auditees' perspectives, the agreed management actions (if any) or the management's acceptance of risk in cases for which no action is agreed, the audit scope limitations (if any), the final audit proposal and the level of implementation of the agreed management actions. The relevant reports are submitted quarterly to the Audit Committee.

c) Submit to the Audit Committee, on a quarterly basis, reports which include the most significant issues and the relevant proposals regarding the activities derive from (a) and (b) above. The Audit Committee submits and presents these reports together with its comments to the Board of Directors.

More specifically, the Internal Audit Department is responsible to:

- Draft the internal audit annual audit plan which is submitted to the Audit Committee for approval, along with any amendments thereto. In preparing the plan, priority is given to the issues identified during risk assessment.
- Implement the annual audit plan.
- Define the scope of the audits (on the plan) and the resources required for their execution, as well as apply the appropriate methodology to complete the annual audit plan with proficiency and due professional care.

- Ensure quality, accuracy and timely submission of audit reports to management.
- Issue written audit reports to management with regard to:
  - -The degree of compliance with various procedures.
  - -The sufficiency, operation and effectiveness of control points and the compliance with the provisions of laws governing its operation.
  - -The degree of implementation of management's guidelines and decisions.
- Evaluate the adequacy and effectiveness of the Company's existing Internal Control System (ICS) and make recommendations for potential improvements in the audit procedures, instituting new forms of control or adopt remedial measures if and when so required, in order to ensure the smooth and safe operation of the Company.
- Ensure that recommendations made by Internal Audit Department are implemented by conducting follow up audits to ascertain whether previous recommendations made to address or correct weaknesses or gaps have been adopted and to what degree, based on a timeline provided by the Company's management.
- Investigate potential cases of fraud and immediately inform the Company's management.
- Develop and implement a quality assurance program for Internal Audit Department's activities in accordance with applicable standards.

The Internal Audit Department will maintain a quality assurance and improvement program that covers all aspects of the Internal Audit Department. The program will include an evaluation of the Internal Audit Department's conformance with the law and the Standards and an evaluation of whether internal auditors apply The IIA's Code of Ethics. The program will also assess the efficiency and effectiveness of the Internal Audit Department and identify opportunities for improvement.

Internal Audit's operations are described in the Internal Audit Regulation of Operations which describes in detail, inter alia, the purpose of the Internal Audit unit, its organizational structure, the rights, duties and responsibilities, the internal auditing standards etc.

The Internal Audit Regulation of Operations is approved, enters into force and is amended by decision of the Board of Directors, upon recommendation of the Audit Committee.

The Internal Audit Head evaluates the sufficiency of the content of the Regulation of Operations and proposes to the Audit Committee any amendments or additions deemed necessary, in order to constantly ensure and enable the achievement of the Internal Audit Department's objectives.

IV Other Internal control mechanisms and procedures

OTE Group has established a standardized process for documenting and evaluating the drafting of financial information. The scope of this process is defined based on certain materiality levels (both quantitative and qualitative) to ensure that financial reporting risks are appropriately identified and assessed and internal control are designed and applied on a continuous basis by the management and the personnel. The process contains two types of controls: a) "Basic Principles" that provide the basic safeguards for financial reporting, compliance and operations and b) "Transaction level controls" that are focused on financial reporting risks.

Corporate Governance best principles and practices are embedded in the process which contributes to the effective and secure operation of the Company. Management tests and evaluates the internal control annually and provides a written assurance of the effectiveness of the system.

Other internal control mechanisms and procedures include the ones related to Company's control environment (i.e. the structures, policies and procedures that provide the basis for the development of an effective ICS as it provides the framework and structure for achieving the fundamental objectives of the ICS), the control mechanisms related to the prevention, detection and suppression of conflict of interest situations, to segregation of duties, to governance and security of Information Systems, to management and protection of personal data, to management of tip offs sent to the Company, to concluding transactions with related parties, as well as control mechanisms related to information and communication (the procedure of the development of the financial and non-financial information, as well as the procedures on critical internal and external communication of the Company).

The Board of Directors reviewed the Company's top risks, as well as its Internal Control System.

Furthermore, there are mechanisms that support the evaluations and review of the ICS performed by the Board of Directors. Indicatively, the Audit Committee, the OTE Group Compliance, Enterprise Risks and Corporate Governance Committee (OTE Group GRC Committee), as well as the Remuneration & Nomination Committee.

D. Board of Directors and Committees that consist of members of the Board of Directors – Remuneration of the Board Members/ Remuneration of executive Board Members - Other administrative, managerial or supervising corporate bodies or committees

1. Board of Directors (Suitability Policy of the members - Role - Composition - Operation)

1.1. The Board of Directors is the top administrative body of the Company. Its aim is to safeguard the general interests of the Company and ensure its operational efficiency.

The Suitability Policy of the members of the Board of Directors of the Company was prepared by the Board of Directors, following a proposal of the Remuneration and Nomination Committee, and approved by the Ordinary General Meeting of Shareholders of 09-06-2021, according to article 3 of Law 4706/2020 for the corporate governance and the Circular of the Hellenic Capital Market Commission no. 60/18.9.2020 ("Guidelines for the Suitability Policy of article 3 of L.4706/2020"), and was subsequently amended by decision of the General Meeting of Shareholders of 18-01-2022, following a proposal by the above competent bodies.

The Policy includes all the principles and criteria that are applied during the selection, replacement and renewal of the term of the members of the Board of Directors of the Company, in the context of the evaluation of individual and collective suitability and aims to ensure quality staffing, effective operation and fulfillment of the role of the Board of Directors, based on the general strategy and business pursuits of the Company, aiming at promoting the corporate interest.

The monitoring of the implementation of the Policy is a responsibility of the Board of Directors. The Remuneration and Nomination Committee, the Internal Audit unit as well as the organizational units related to the subject (such as Human Resources and / or Compliance and / or Legal Affairs) can provide an effective contribution in forming and monitoring the implementation of the Policy Suitability. The Company monitors the effectiveness of the Policy and conducts its periodic evaluation every three (3) years or when significant events or changes take place. The Remuneration and Nomination Committee also monitors the implementation of the Policy and recommends to the Board of Directors its amendment and the review of its planning and implementation, where and when appropriate.

1.2. Pursuant to the provisions of the Articles of Incorporation, as in force:
The Board of Directors consists of ten (10) members, following a resolution of the General Meeting of May 15, 2017 for the amendment of the relevant article of the Company's Articles of Incorporation. The members, which may be or not shareholders of the Company, are distinguished in executive and non-executive members; at least three (3) of the members of the Board must be independent. Each gender is represented on the Board of Directors at a rate of at least 25% of all its members. The members are elected by the General Meeting of shareholders, which also appoints the independent members, serving for a three (3) year term. Their term terminates at the completion of the Annual General Meeting of Shareholders of the year in which the three-year term has already been completed. The members can always be reelected and can be revoked any time by the General Meeting. In the event of resignation, death or any other reason of one or more than one members prior to the expiration of their term, the Board shall, with at least five (5) of the remaining members, present or represented, either elect substitute(s) for the remaining term of service of the member(s) being replaced and under the same capacity of executive, non-executive or independent members or, in case the number of the remaining Directors exceeds half of the members that existed before these events happened, continue the management of the business affairs and the representation of the Company without electing such substitute(s). If a member is elected from the Board of Directors in replacement of an independent member, then the elected member has to be independent as well. Any such election(s) are announced at the next General Meeting (Annual or extraordinary), which can replace the elected members, even if a relevant item has not been included in the agenda of said General Meeting. The actions of the replacing Directors, thus elected, are valid even if their election is not approved at the General Shareholders Meeting.

1.3. Composition of the Board of Directors during 2021
The members of the Board of Directors from **1/1/2021** until **31/12/2021** appear at the following table, as well as the capacity of each member as Executive, Non-Executive or Independent, as they were designated by the General Meeting of Shareholders or the Board of Directors:

Name	Capacity	Date of appointment and any re-appointment	End of Term
Michael Tsamaz	Chairman and CEO, Executive member	Appointment 3/11/2010 Re-appointment 9/6/2021 (the most recent)	2024
Eelco Blok	Vice-Chairman, Independent Non-Executive member	Appointment 12/6/2019 Re-appointment 9/6/2021	2024
Rodrigo Diehl	Non-Executive member	Appointment 14/10/2021	2024
Catherine de Dorlodot	Independent Non-Executive member	Appointment 9/6/2021	2024
Robert Hauber	Non-Executive member	Appointment 12/4/2017 Re-appointment 9/6/2021	2024
Dominique Leroy	Non-Executive member	Appointment 9/11/2020 Re-appointment 9/6/2021	2024
Kyra Orth	Non-Executive member	Appointment 12/6/2018 Re-appointment 9/6/2021	2024
Dimitrios Georgoutsos	Independent Non-Executive member	Appointment 10/9/2019 Re-appointment 9/6/2021	2024
Grigorios Zarifopoulos	Non-Executive member	Appointment 9/6/2021	2024
Charalampos Mazarakis	Executive member	Appointment 19/7/2012 Re-appointment 9/6/2021 (the most recent)	2024
Michael Wilkens	Non-Executive member	Appointment 12/6/2018 Re-appointment 9/6/2021	13/10/2021
Vasilios Vassalos	Non-Executive member	Appointment 10/9/2019	9/6/2021
Srinivasan Gopalan	Non-Executive member	Appointment 17/1/2017 Re-appointment 12/6/2018	11/1/2021

The changes to the composition of the Board of Directors during 2021 and until February 23, 2022 are summarized as follows:

- On 11/1/2021, following resignation of the Non-Executive member Mr. Srinivasan Gopalan, the Board of Directors resolved on the continuation of the management of the business affairs and representation of the Company by the remaining nine (9) Board members, without electing, at that time, a new member in replacement of the resigned one.
- On 9/6/2021 the Annual General Meeting of the Shareholders elected the members of the new 10member Board of Directors and designated among them three (3) Independent Non-Executive members.
- On 14/10/2021 the Board of Directors elected Mr. Rodrigo Diehl as a new Non-Executive member in replacement of the resigned member Mr. Michael Wilkens. Mr. Diehl was elected for the remainder of the tenure of the member he replaced, namely until the date of the Annual General Meeting of the Shareholders of the year 2024. Said replacement was announced at the Extraordinary General Meeting of the Company's shareholders held on January 18, 2022.

The CV's of those who served as members of the Board of Directors during the financial year 2021 and until February 23, 2022 appear here below; furthermore the CV's of the current members of the Board of Directors may be found on the Company's website: https://www.cosmote.gr/cs/otegroup/en/cv_ote.html

Michael Tsamaz *Chairman and Managing Director, Executive Member*
Mr. Michael Tsamaz heads OTE Group, the largest telecommunications provider in Greece and SE Europe, since November 2010. Under his leadership, OTE has been implementing a multilayered operational and financial restructuring strategy achieving its transformation from former Greek telecoms state monopoly into an efficient, integrated operator. He also leads OTE's mobile arm, COSMOTE, since 2007. COSMOTE, market leader in Greece, is today one of the best performing mobile operators in Europe.
Since 2001, Michael Tsamaz held several senior roles within OTE, overseeing the course of its international investments and served as CEO and BoD member for a number of OTE and COSMOTE international subsidiaries. He also served as BoD member of EE, UK. Mr. Tsamaz has been also Chairman of the Board of TELEKOM ROMANIA. Prior to his tenure at OTE Group, he held high ranking positions in Marketing, Sales and General Management for multinational companies such as Vodafone and Philip Morris. Mr. Tsamaz holds a degree in Business Administration from the University of New Brunswick, Canada.

Eelco Blok *Vice Chairman, Independent Non-executive member*
Mr. Eelco Blok has almost 35 years' telecommunications experience at Dutch-based landline and mobile telecommunications company, KPN, where he was CEO for seven years until April 2018.
He started his career in Finance at KPN before becoming responsible for several businesses including Carrier Services, Corporate Networks and Network Operations.
In 2006, he was appointed as member of the KPN Board of Management, where he was consecutively responsible for the Fixed Division, Business Market – Wholesale - Operations and Mobile International. He was appointed CEO in April 2011.
From 2011 to 2017, Mr. Blok was co-chairman of the Dutch National Cyber Security Council, an advisory body of the Dutch government. He was also a Director for the international association GSMA from 2017 to April 2018.
He is a member of the Supervisory Board of Signify, VolkerWessels and Fairphone, non-executive Director of Telstra and Advisor of Reggeborgh.
Mr. Blok received a graduate degree in Business Administration from Erasmus University Rotterdam and holds a Master in management from the University of Technology Delft and the Erasmus University Rotterdam.

Rodrigo Diehl, *Non-executive member*
Mr. Rodrigo Diehl, SVP Commercial Growth B2C Europe, has been responsible for the international consumer segment of Deutsche Telekom Europe since March 2021. He is Argentinean with German roots and can look back on a professional career of more than 20 years in the telecommunications and IT industry. From 2016 to 2021, he worked for the telecommunications company Millicom, first as Executive Vice President and Chief Strategy Officer and then as CEO of the Panama subsidiary Tigo. Prior to that, he was a partner at the management consultancy McKinsey.
He graduated (BA) with honors from the University of Buenos Aires and holds an MBA from Harvard Business School.

Catherine de Dorlodot, *Independent Non-executive member*
Mrs. Catherine de Dorlodot is a senior advisor accompanying organizations worldwide through GOVERN&LAW (www.governlaw.com), a boutique ethics and law firm composed of business executives promoting Integrity, Good Governance and Better Law, where she leads the pillar Governance. She also co-founded the Whistleblowing center (www.whistleblowing.center), "from human voice to business choice", offering whistleblowing expertise grounded in the legal, risk, audit, cyber-security and business experience.
Catherine de Dorlodot has over 22 years of experience in the telecomunication sector. She started her career as lawyer in Washington DC and Brussels. In 1996, she joined Proximus where she moved up to Legal Director, Internal Audit Director and finally held the position of Director Carrier and Wholesale Solutions from 2016 till 2018. During this time, she managed to turn around the division with a double-digit growth in customer and employee satisfaction, logically leading to a revenue growth.
Catherine de Dorlodot has an extensive Board experience, having been Board Member at Telindus International, Proximus subsidiaries and small and large non-profit organisations, including Board Coaching to Excellence, a network of directors promoting good governance in Belgian SME's through collective intelligence.
She holds a Master's in Law from UCLouvain in Belgium.

Robert Hauber *Non-executive member*
Dr. Robert Hauber studied at the University of Stuttgart, University of Mainz and at the University of Massachusetts. He holds a Master degree (Dipl. Kfm.) and a doctoral degree (Dr.) - both in business administration. He serves Deutsche Telekom since twenty years as a senior finance executive in several management positions. Before his career with Deutsche Telekom he worked for Hewlett Packard, Procter & Gamble and DaimlerChrysler, where he was involved in the merger between Daimler-Benz & Chrysler. During 2011-2016 he was Chief Financial Officer, Vice Chairman of the Executive Management Board and Member of the Board of Directors of Slovak Telekom. Since July 2016 Dr. Robert Hauber took over within Deutsche Telekom the position of CFO/Senior Vice President and Head of Performance Management of the Segment Europe. In addition to this role he is the Chairman of the Board of Directors of Magyar Telekom and Member of the Board of Directors of Deutsche Telekom Europe Holding.

Dominique Leroy, *Non-executive member*
Since November 2020, Dominique Leroy is a member of the Board of Management of Deutsche Telekom AG, responsible for the Board Area Europe.
Dominique Leroy has over 30 years of experience in the consumer goods and telecommunication sector. She started her career at Unilever where her last position was Managing Director for Belgium and Luxembourg. In 2011 she joined Proximus where she quickly became Head of the Consumer Market and held the position of CEO from 2014 till 2019. During this time, she managed to turn around the company with a continuous growth phase and a strong customer experience focus. In 2020, she was Advisor to Bain & Company.
Dominique Leroy has more than 10 years of Board experience, having been Board Member at Lotus Bakeries, Proximus, BICS, Royal Ahold Delhaize. She is currently Board Member at Compagnie de Saint-Gobain and T-Mobile US.
She holds a Master's in industrial engineering and Management from the Solvay Business School in Brussels.

Kyra Orth, *Non-executive member*
Mrs. Kyra Orth studied Law at the University of Augsburg and at the University at Bonn. She holds a Master degree in Law (Second State Law Examination). She serves Deutsche Telekom for 25 years as a senior human resources executive in several management positions. Before her career with Deutsche Telekom she worked for Bosch-Siemens Household Appliances (BSH) in the legal department.
Since July 2021 she assumed the position of Senior Vice President HR Europe of Deutsche Telekom AG and reports directly to the Boardmember Europe of Deutsche Telekom. From 2013 to June 2021 she held the position of Senior Vice President Top Executive Management of Deutsche Telekom AG. From April 2003 to December 2013 she served as Senior Vice President Group Executive Management at Deutsche Telekom AG and was a Member of the Compensation Committee of T-Mobile US, USA.
In addition to her role she is Member of the Supervisory Board of T-Systems International GmbH and Chairwoman of the Supervisory Board of T-Mobile Austria GmbH.

Dimitrios Georgoutsos, *Independent Non-executive member*
Mr. Dimitris Georgoutsos is Professor of Finance at the Athens University of Economics and Business. He has taught at the Trinity College of the University of Cambridge and the University of Essex, and has worked as an economist in the Bank of Greece. He has been a consultant in portfolio investment companies and employed in the Ministry of Finance as a member of a working group on taxation of financial instruments and stability of the banking sector. He has been an elected Council member at the Athens University of Economics and Business during 2013-2016. He specializes in the areas of Financial Risk Management and International Finance. He has published more than 30 articles in international academic journals and two books on Taxation of Financial Instruments and on Bank Management.
Mr. Georgoutsos is a graduate of the University of Athens (B.A. in Economics), the London School of Economics (M.Sc. in Economics) and the University of Essex (Ph.D. in Economics).

Grigorios Zarifopoulos, *Non-executive member*
Mr. Grigoris Zarifopoulos is the former Deputy Minister of Digital Governance of the Hellenic Republic, responsible for digital strategy and foreign direct investment in digital technology.
Before joining the Greek Government, Mr. Zarifopoulos was Google's Regional Director for Southeast Europe and Google's CEO for Greece, Bulgaria, Cyprus and Malta. Prior to Google, Mr. Zarifopoulos held the position of General Manager of Gap for Greece, Cyprus and the Balkan countries. He has also worked for IKEA Greece, McKinsey & Company management consulting firm in London and Athens, and Seagate Technology, the disk drive manufacturer in California, USA. He is currently advising companies on business strategy and digital transformation.
Mr. Zarifopoulos holds a Bachelor of Engineering degree in Mechanical Engineering from Imperial College-University of London, a Master of Science degree in Mechanical Engineering from Stanford University and a Master in Business Administration (MBA) from Kellogg School of Management-Northwestern University.

Charalampos Mazarakis, *Executive Member*
Mr. Charalampos Mazarakis, has over 25 years of professional experience, chiefly in senior management positions in Greece and abroad. Before joining OTE Group, in July 2012, as OTE Group General Financial
Director, he was Group Chief Financial Officer (CFO) of the National Bank of Greece, and from 2008 until 2010 Group Chief Financial Officer (CFO) and Member of the Group Executive Committee of TITAN Cement Company. Mr. Mazarakis served in various executive positions in Vodafone Group: Group Finance Director and BoD Member in Greece (1999-2006), CEO in Hungary (2006-2007), Chief Operating Officer and BoD Vice-Chairman (2007-2008). He held the position of Finance Director and Member of the BoD at Georgia Pacific-Delica in Greece (1997-1999), while prior to that, he worked as Financial Analysis Manager at Procter & Gamble, first in Athens and then as Financial Analysis Group Manager at the European Centre in Brussels. Mr Mazarakis holds a Bachelor's degree in Business Administration from the University of Piraeus (with distinction) and an MBA from the Fisher College of Business at The Ohio State University (Wielder Scholar), where he held the post of Teaching Assistant in Finance. He has been ranked among the 30 most distinguished Finance Managers of Europe under the age of 40 (CFO Europe magazine, 2002).

Michael Wilkens, *Non-executive member (until 13/10/2021)*
Mr. Michael Wilkens holds a BA (honors degree) Finance and Accounting from Hochschule Bremen and Leeds Metropolitan University. He joined Deutsche Telekom in 2001 and has since held various senior management positions in Finance, International Sales and Marketing; he worked in Germany, Austria, UK and Poland. He was appointed Senior Vice President Group Controlling (FP&A) in October 2013. Prior to his career at Deutsche Telekom, he held senior positions in finance of e-plus GmbH and debitel AG in Germany. He is a member of the Board of Directors of the French/German Joint Venture BUYIN and chairman of its finance committee, and a member of the BoD of T-Mobile US. Additionally, Mr. Wilkens is a member in PE-like governed Advisory Boards of T-Mobile Netherlands and Deutsche Telekom's Tower-Co business.

Vasilios Vassalos, *Non-executive member (until 9/6/2021)*
Mr. Vasilis Vassalos is a Professor of Informatics at the Athens University of Economics and Business. He is the author of over 70 research publications and two US patents and the Principal Investigator for many projects in the areas of Big Data Management, Medical ICT, Machine Learning, and Internet Technology.
Professor Vassalos' experience includes founding the software company Enosys Software (acquired by BEA Systems) and being the Chief Data Scientist for two international technology companies. He has been a member of the Board of Directors of the Observatory of the Greek Information Society, the Stakeholder Board of the FET Flagship «Human Brain Project» and the Scientific Committee on Telecommunications of the Ministry of Transport and Communications. For the past 15 years he has been advising, consulting and collaborating with the public sector and industry, and mentoring and investing in startups.
Professor Vassalos has been an Assistant Professor of Information Systems at the Stern School of Business in NYU, a Visiting Professor at EPFL and a Marie Curie Fellow and Visiting Professor at UCSD. He received a Diploma in Electrical and Computer Engineering from the National Technical University of Athens, and his MS and PhD in Computer Science from Stanford University.

Srinivasan (Srini) Gopalan, *Non-executive member (until 11/1/2021)*
Mr. Srini Gopalan has taken up the post of Managing Director of Telekom Deutschland GmbH on November 1, 2020.
From January 1, 2017 to October 31, 2020 Mr. Gopalan was responsible for the Europe segment as a member of the Board of Management of Deutsche Telekom AG. During this time, he drove the convergence of fixed and mobile communications in the European national companies and initiated the 5G roll out.
Mr. Gopalan was previously Consumer Director India at Bharti Airtel Ltd. where he was responsible for the consumer business in 23 different regions of India, which covered broadband connections and satellite TV in addition to mobile communications. His work focused on generating USPs through innovative offerings, which helped differentiate Airtel in a highly price sensitive market. Before joining Bharti Airtel, Srini Gopalan worked in the UK for over ten years – at first in a number of functions for Capital One, an American financial services provider, which he left as Managing Director UK in 2009. He then worked as Chief Marketing Officer at T-Mobile UK, where he was responsible for marketing and sales. He was part of the management team that led T-Mobile UK to the joint venture with Orange, Everything-Everywhere. After this, he served as Director Consumer Business Unit at Vodafone UK for three years. Srini Gopalan studied Business Administration at the renowned St. Stephen's College in New Delhi and later earned his MBA at IIM Ahmedabad, India's leading business school.

In addition, the CV of the Company's Secretary of the Board of Directors, Mr. Konstantinos Vogiatzis, is provided here below:

Konstantinos Vogiatzis - *Secretary of the Company's Board of Directors*
Mr. Konstantinos Vogiatzis has been working in the OTE Group since June 1998. From February 1999 he performs the duties of the Secretary of the Board of Directors of COSMOTE and other subsidiaries of the Group. In parallel with his duties as Secretary of the Board of Directors of COSMOTE and other subsidiaries, from June 1998 until June 2010 was the COSMOTE responsible for Roaming Agreements (retail and wholesale). From 1991 to 1996 he worked as a freelancer in various major Marine companies in New York. From 1/1/2017 he assumed the duties of the Secretary of the Board of Directors of OTE Group. Mr. Vogiatzis holds a Bachelor of Arts in Political Science and History and a Master of Arts in Government and Politics from St. John's University in New York.

The members of the Board of Directors have notified the Company on the following professional engagements (including significant non-executive commitments in companies or non-profit organizations/foundations).

MEMBERS	CORPORATE NAME	PROFESSIONAL ENGAGEMENT
Michael Tsamaz	COSMOTE - MOBILE TELECOMMUNICATIONS SINGLE MEMBER S.A.	CEO and Chairman of the BoD
	TELEKOM ROMANIA COMMUNICATIONS	Chairman of the BoD (until 30/9/2021)
	COSMOTE TV PRODUCTIONS	CEO and Chairman of the BoD
	OTE INTERNATIONAL INVESTMENTS LTD	Chairman of the BoD
	OTE INTERNATIONAL SOLUTIONS S.A. (OTEGLOBE)	Vice-Chairman of the BoD
	GREEK-AMERICAN COMMERCIAL CHAMBER	BoD member
	SEV (HELLENIC FEDERATION OF ENTERPRISES)	BoD member (as OTEGLOBE representative)
	ALBA Executive Development and Applied Research in Business Administration (non-profit Association)	BoD member
Eelco Blok	REGGEBORGH	Advisor
	TELSTRA	Non-Executive Director
	SIGNIFY	Member of the Supervisory Board
	VOLKER WESSELS	Member of the Supervisory Board
	POSTNL	Member of the Supervisory Board (until April 2021)
	FAIRPHONE	Member of the Supervisory Board
Rodrigo Diehl	DEUTSCHE TELEKOM AG	SVP Commercial Growth B2C Europe
	TELEKOM ROMANIA MOBILE COMMUNICATIONS S.A.	BoD Member (since 13/12/2021)
Catherine de Dorlodot	GOVERN&LAW	Senior Advisor
Robert Hauber	DEUTSCHE TELEKOM AG	CFO/Senior Vice President and Head of Performance Management of the Segment Europe
	MAGYAR TELEKOM NYRT	Chairman of the Board of Directors
	DT EUROPE HOLDING GMBH	BoD Member
	DEUTSCHE TELEKOM SERVICES EUROPE	Member of the Supervisory Board
Dominique Leroy	DEUTSCHE TELEKOM AG	Member of the Board of Management for Europe
	Compagnie de Saint-Gobain	BoD Member
	T-MOBILE US	BoD Member
Kyra Orth	DEUTSCHE TELEKOM AG	SVP HR Europe
	T-SYSTEMS INTERNATIONAL GMBH	Member of the Supervisory Board
	T-MOBILE AUSTRIA GMBH	Chairwoman of the Supervisory Board
Dimitrios Georgoutsos	Athens University of Economics and Business	Professor
Grigorios Zarifopoulos	-	-
Charalampos Mazarakis	COSMOTE - MOBILE TELECOMMUNICATIONS SINGLE MEMBER S.A.	BoD Member
	TELEKOM ROMANIA COMMUNICATIONS S.A.	BoD Member (until 30/9/2021)
	TELEKOM ROMANIA MOBILE COMMUNICATIONS S.A.	Chairman of the BoD
	OTE- ESTATE	Chairman of the BoD
	OTE PLC	BoD Member
	GERMANOS S.A.	BoD Member
	E-VALUE INTERNATIONAL S.A.	Chairman of the BoD
	COSMOTE PAYMENTS SINGLE MEMBER S.A.	BoD Member
	COSMOTE TV PRODUCTIONS	BoD Member
	COSMOTE TECHNICAL SOLUTIONS S.A.	BoD Member
	TAIL WIND Shipping Company	Chairman of the BoD-Executive member
Michael Wilkens	DEUTSCHE TELEKOM AG	Senior Vice President Group Controlling
	BUYIN SA/NV	BoD Member

MEMBERS	CORPORATE NAME	PROFESSIONAL ENGAGEMENT
	T-MOBILE NETHERLANDS	Member of the Supervisory Board
	T-MOBILE US	BoD Member
Vasilios Vassalos	Athens University of Economics and Business	Professor
Srinivasan Gopalan	DEUTSCHE TELEKOM AG	Member of the Board of Management for Germany
	Telekom Deutschland GmbH	Managing Director
	Deutsche Telekom Service GmbH	Chairman of the Supervisory Board
	Deutsche Telekom Technik GmbH	Chairman of the Supervisory Board

None of the Members of the Board of Directors of the Company (executive, non-executive and independent non-executive) holds a position on February 23, 2022, in Boards of Directors of more than five (5) listed companies and companies not affiliated with the Company, in total.

The Board of Directors, following a review of the fulfillment of the legal conditions for the designation of its non-executive members Mr. E. Blok, Mrs. C. de Dorlodot and Mr. D. Georgoutsos as independent, ascertains that they maintain their independence on February 23, 2022 according to article 9 of Law 4706/2020.

The members of the Board of Directors on December 31, 2021, held shares of OTE as follows:

BOARD MEMBERS	OTE SHARES
Michael Tsamaz	350,000
Eelco Blok	-
Rodrigo Diehl	-
Catherine de Dorlodot	-
Robert Hauber	-
Dominique Leroy	-
Kyra Orth	-
Dimitrios Georgoutsos	-
Grigorios Zarifopoulos	-
Charalampos Mazarakis	-

1.4. Powers of the Board of Directors, of the Chairman and of the Independent Vice-Chairman – Effectiveness evaluation

The Board of Directors, according to the Company's Articles of Incorporation [3] and as part of its responsibilities:

- Convenes Annual or Extraordinary General Meetings of shareholders and proposes on their agenda.
- Prepares and approves the Company's annual financial reports and submits them to the General Meeting of shareholders.
- Approves the Company's strategy and decides upon the establishment of subsidiaries or upon the Company's participation in the share capital of other companies (domestic or foreign) as well as the establishment of branches or offices (domestic or foreign).
- Is informed systematically on the course of the Company's business and the implementation of its plan with a view to protecting the Company's broader interests.
- Decides upon share capital increases through the issuance of new shares and convertible bonds, following the authorization granted by the General Meeting of shareholders.
- Decides upon the issue of convertible or exchangeable bonds.

The Board of Directors may delegate its powers to its members, Company's executives, third parties or Committees, determining the extent of such delegation, indicatively on the following, matters:

- financial issues,

[3] https://www.cosmote.gr/otegroup_company/investor_relations/corporate%20governance/eng/Articles_of_Incorporation_EGM_041220_EN.pdf

- related to subscribers, subscribers' complaints – requests,
- related to labour law, health and safety of the Company's employees, who are employed by the Company on any kind of contractual or project basis,
- related to personal data of the Company's personnel, on intellectual property matters in case intellectual property rights are infringed by creation of archives, saving, processing, transmitting or distribution of works of intellectual property without the permission of the creators through IT systems owned or used by the Company,
- related to compliance with personal data legislation and privacy of communications,
- related to compliance with market police orders regarding the products and/or services of the Company,
- related to the products and/or services of the Company and/or third parties provided through the Company's network,
- related to compliance with fire brigade legislation or with police orders or with any administrative order concerning the operation of the Company's shops and infrastructure, technical or not.

Finally, beyond the provisions of the law, the Articles of Incorporation provide for special matters, which cannot be further delegated as the decisions on these matters should necessarily be taken by the Board of Directors, with the required majority and quorum, as provided in the Articles of Incorporation.

The Chairman of the Board of Directors is responsible for the operation of the Board. In particular, the Chairman convenes the meetings of the Board of Directors, sets the agenda and chairs such meetings, coordinates the works of the Board of Directors, ensures that the minutes of the BoD meetings are kept, signs the minutes, issues copies or excerpts thereof and includes certain items in the agenda following a relevant request by the Independent Non-Executive Vice Chairman or two (2) members of the Board of Directors. The Chairman also signs the annual financial statements of the Company. In other respects the Chairman has the same rights and obligations as any other member of the Board of Directors, as well as those explicitly prescribed in Law, the Articles of Incorporation and the Regulation of Operations of the Board of Directors.

The Independent Non-Executive Vice Chairman of the Board replaces the Chairman in case of absence or impediment, in relation exclusively to his non-executive duties as Chairman of the Board of Directors (since the Chairman has executive duties exclusively in the context of his capacity as Chief Executive Officer), co-ordinates the co-operation between the non-executive and executive members of the Board of Directors and their effective communication, chairs the meetings of the non-executive members of the Board of Directors (without the presence of the executive members) whereby the performance of the executive members of the Board of Directors is evaluated, chairs the evaluation procedure of the Chairman by the Board of Directors, in collaboration with the Remuneration and Nomination Committee, and is at the disposal of the shareholders of the Company for meetings with them for corporate governance issues. The Independent Non-Executive Vice Chairman may also request the Chairman to include certain items in the agenda of the Board of Directors' meetings.

The Board of Directors shall meet whenever deemed necessary or upon request to the Chairman by at least two (2) members. Without prejudice to the relevant articles of the Articles of Incorporation on specific quorums and majorities on special matters, the Board of Directors is in quorum and convenes validly when half-plus-one of its members are present; nevertheless, the number of members present should not be less than three (3). Resolutions are reached by simple majority, unless otherwise provided by the legislation in force or by the Company's Articles of Incorporation.

The Board of Directors evaluates at least annually its effectiveness, the fulfillment of its duties as well as its Committees, a process headed by the Remuneration and Nomination Committee, which may entrust its support to this project to an independent body. In this context, the Remuneration and Nomination Committee of the Company assigned (December 2021) to the consulting company "Grant Thornton Business Solutions S.A.", which refers to the Remuneration and Nomination Committee, the task of providing advisory support to the Remuneration and Nomination Committee for the collective and individual evaluation of the Board of Directors of OTE S.A., including the evaluation of the Chairman and the Independent Vice-Chairman of the Board of Directors, the Secretary of the Board of Directors as well as the evaluation of the Committees of the Board of Directors, including the evaluation of the Chairman of each Committee. The evaluation process, which in particular will be carried out through questionnaires and interviews, is in progress and is expected to be completed within the first quarter of 2022, with the relevant decisions taken by the Board, taking into account any findings and corrective actions. It is noted that for the above assignment to the consulting company, the established procedures of the Company are applied.

1.5. The Regulation of Operations of the Board of Directors, which has been approved by the Board of Directors, regulates the details of the procedure followed on convening, meeting and deciding.

Concisely, according to the above Regulation, taking also into consideration the Articles of Incorporation, the Chairman is elected by the Board members and may also hold the position of the Managing Director (or Chief Executive Officer- CEO), however in this case, the Board of Directors appoints a Vice-Chairman from the non-executive members.

Today, Mr. Michael Tsamaz, executive member of the Board of Directors, has been assigned the duties of Chairman and CEO. The Vice-Chairman, Mr. Eelco Blok, is one of the Independent non-executive members of the Board of Directors by decision of the 69th Annual General Meeting of Shareholders.

1.6. During 2021 the Board of Directors held twenty one (21) meetings [including nine (9) minutes that were approved and signed via circulation in accordance with the provisions of paragraph 1, Article 94 of L. 4548/2018]. In principle, the Board of Directors meets once a month.

The attendance of each member of the Board of Directors during 2021, as per the above mentioned, appears in the following table:

Name	NUMBER OF MEETINGS DURING THE TERM	NUMBER OF MEETINGS BEING PRESENT	NUMBER OF MEETINGS BEING REPRESENTED
Michael Tsamaz	21	21	-
Eelco Blok	21	21	-
Rodrigo Diehl	5	5	-
Catherine de Dorlodot	14	14	-
Robert Hauber	21	18	3
Dominique Leroy	21	19	2
Kyra Orth	21	16	5
Dimitrios Georgoutsos	21	21	-
Grigorios Zarifopoulos	14	14	-
Charalampos Mazarakis	21	21	-
Michael Wilkens	15	11	4
Vasilios Vassalos	7	7	-
Srinivasan Gopalan	-	-	-

1.7. In accordance with the business practice, apart from the initial information that is provided to the new members of the Board of Directors after their election, the members of the Board of Directors are briefed on issues related to the Company, during the meetings of the Board of Directors or after the discussion of the items of the agenda, as well as whenever there is a need for an update through communication between the Chairman and the members (by relevant information memos).

Also, the Members are informed by the Executive Director Compliance, ERM and Insurance OTE Group business unit:
a. with the OTE Group Compliance Report on information about the planning and effectiveness of the operation of the Compliance Management System and the activities in its framework, including any deficiencies as well as for important compliance cases (cases/complaints) that come to the attention of the Company,
b. with the OTE Group Enterprise Risk Management Report on information about the overview of corporate risks that have been identified as important (evaluation, risk assessment, need for measures, characterization of risk trends, early warning function), the operation of the Enterprise Risk Management System as well as the activities carried out in its framework.

Furthermore, the members of the Board of Directors are informed by the Head of the Internal Audit business unit on issues under his competencies (here below under Part G "Internal control and risk management systems of the Company in relation to financial reporting process)" and the Data Protection Officer of OTE Group with respect to matters falling with the responsibility thereof.

Regarding the transactions of the Company and its subsidiaries with related parties, the approved by the Board of Directors "Policy for concluding transactions with related parties" is in force and applied from 01-01-2019 to the Company and its subsidiaries. According to it, the members of the Board of Directors are informed on a semi-annual basis by the Audit Committee, which is responsible for confirming the assessment of a transaction as "ordinary" or not, an assessment that is made by the Company's business units.

1.8. Board of Directors members' remuneration for their participation in the BoD meetings for year 2021

The 69th Annual General Meeting of the Company's shareholders -held on June 9, 2021- has determined that no change should be conferred upon the Directors' remuneration for their participation in the meetings of the Board of Directors as compared to the remuneration applied on December 31, 2020, i.e. Euro 4,800 (absolute amount) gross per month, regardless of the number of meetings. The same General Meeting also pre-approved the payment of this amount until the Annual General Meeting of Shareholders that will be held within the year 2022 and will proceed to their final determination.

The gross amount mentioned hereinabove:
i) Shall be subject to all lawful taxes (income tax, special solidarity levy, social security levy), as stipulated by the law from time to time and taking into account for their calculation the maximum amounts set by law.
ii) Shall not change in the event of amendment in the tax legislation or/ and in the social security legislation. In this case, the payable net amount may change accordingly.

Moreover, by resolution of the said General Meeting of the Company's shareholders, the Company covers:

A. the travel/ sojourn expenses of the members of the Board of Directors for their attendance at the meetings of the Board and its Committees, from and to the country of their permanent residence, provided that are not covered by their employers, as follows:
In the event of air transportation, the Company assumes the fare of "business class" ticket for flights with duration of more than four hours and the fare of "economy class" ticket for flights with duration of less than four hours.
The Company assumes the sojourn expenses, at the place where the meetings are held, for up to two overnight stays per transfer.

B. the travel/sojourn expenses of the members of the Board of Directors for their attendance at the meetings of the Board and its Committees, from and to the place of their permanent residence, provided that it is within the country but outside the prefecture of the Company's seat at a distance of more than one hundred and fifty (150) kilometers, and provided that these expenses are not covered by their employers, as follows:
In the event of air transportation, the Company assumes the fare of an "economy class" ticket.
The Company assumes the sojourn expenses of the abovementioned members, at the place where the meetings are held, for one overnight stay per travel.

In case the members of the Board of Directors are employed with the Company, they receive the compensation provided under their employment contract and are not eligible to the remuneration paid to the other members of the Board of Directors for the participation to the meetings of the Board of Directors.

It is noted that the 68th Annual General Meeting of OTE shareholders of June 24, 2020 approved the Remuneration Policy for the members of the Board of Directors (executive and non-executive, including the independent non-executive members) valid until 31-12-2023 (unless during this period the General Meeting decides to amend it or there is a substantial change in the conditions under which it was drawn up), in accordance with articles 110-111 of Law 4548/2018. The Board of Directors has already approved a proposal for the revision of the Remuneration Policy, which will be submitted for approval to the Ordinary General Meeting of Shareholders to be held within the year 2022.

Regarding the compensation of the members of the Board of Directors for their participation in the meetings of the Committees of the Board of Directors for the year 2021, see below paragraph 2.1 (Audit Committee) and 2.2 (Remuneration and Nomination Committee). With regard to the remuneration of the executive members of the Board of Directors for the year 2020, see below in paragraph 1.9.

1.9. Compensation of executive Members of the Board of Directors for year 2021

I. GENERAL INFORMATION

For the executive members of the Board of Directors (Managing Director and OTE Group Chief Financial Officer), and in line with the Remuneration Policy for the members of the Board of Directors, the following are implemented:

- The compensation and benefits policies of the Company for the level of the positions held by the above members of the Board of Directors, and
- The terms and conditions of their individual agreements (that have been approved by the General Meeting of the Company's shareholders). It is noted that with regards to agreement of the Managing Director, the expiration date is June 30th, 2024, whereas the employment agreement of OTE Group Chief Financial Officer is of indefinite time.

Compensation and benefits policies

The compensation structure for the executive members of the Board of Directors includes a fixed part and a variable part, as follows:

- The Annual Base Salary,
- The Annual Variable Reward which is mainly linked to the corporate performance within the year, and
- Voluntary Benefits (in the form of additional fringe benefits or long-term compensation elements) always according to the level of the positions in the organizational structure of the Company, the respective Company policies and terms and conditions of their individual agreements.

In particular:
The Annual Base Salary is the fixed part of the compensation of the executive members of the Board of Directors, which is defined in their individual contracts following the approval of the General Meeting of the Company's shareholders, and taking into consideration the level of their position in the organizational structure, as well as the market (salary) data for positions of comparable level.

The variable part of the annual compensation of the executive members of the Board of Directors is the Annual Variable Reward (annual performance bonus or annual short term incentive or special performance bonus) which is related to the set targets, for all levels of employees including the levels of the positions of the executives in the organizational structure of the Company. The Annual Variable Reward is provided to the Executive Members of the BoD, for the attainment of predefined quantitative and qualitative targets which are related to the performance of the Company, of OTE Group and/or of DT Group, and to the strategic corporate targets. Indicative performance criteria are the revenues, the EBITDA (financial targets), success factors related to specific products or services, the change management, the modernization / transformation of the Company, the loyalty / satisfaction of the customers and of the employees, the compliance with the guiding principles of corporate behavior and of leadership principles and other.
The relationship between the fixed and variable part of compensation is defined in the individual agreements of the executive members of the Board of Directors, with the fixed salaries constituting the largest part of the total (annual) compensation.

- According to the agreement of the Managing Director for the on target achievement (100%) of the predefined targets, the Annual Variable Reward (or Annual Short Term Incentive), starting with the payment for 2017 and thereafter, is calculated as a percentage of the Annual Total Target Cash for the achievement of targets [defined as the sum of the Annual Basic Salary plus the Total Annual Variable Reward for the Achievement of the Targets [(for target achievement at 100% - On Target)]. More specifically, the percentage of the Annual Variable Reward for the Achievement of the Targets (100% -On Target) is defined at a level of 37.58% and the Annual Basic Salary at a level of 62.42% of the Annual Total Target Cash (for 100% - On Target achievement). The maximum Annual Reward for the achievement of the predefined targets at a level of 150% or higher, could reach the 150% of 37.58% of the Annual Total Target Cash.
- According to the employment agreement of the OTE Group Chief Financial Officer, as in force for the year 2021, for on target achievement of the corporate targets (100%), the Annual Targeted Cash comprise of two parts: the Annual Base Salary and the Annual on Target Short Term Incentive that follow the standard proportion 65%-35%, respectively. For the achievement of the predefined targets at 150% level or higher the proportion of Annual Base Salary and Short-term incentive stands at 55%-45%, respectively.

Both for the Managing Director as well as the OTE Group Chief Financial Officer, any payment in relation to the above variable pay elements is approved by the Remuneration and Nomination Committee, the Board of Directors, and the General Meeting of the Company's shareholders.

It is noted that, according to a decision of the Board of Directors (June 2019), non-executive members of the Board meet, chaired by the non-executive Vice President of the Board, without the presence of executive members, in order to evaluate the performance of the executive members and to determine their remuneration, following a recommendation from the Remuneration and Nomination Committee.

In relation to the fringe benefits, the said executive members of the Board of Directors are covered by private health insurance plan (including their dependents), for life and disability, they participate in a private pension plan, use company car (with the respective coverages), and corporate mobile and fixed telephony programs, Internet and COSMOTE TV. They also have the opportunity to participate in the savings program for their children (Youth Account), as well as to participate in the Fund for providing financial support to the employees.

II. In relation to the Managing Director (MD), his contract provides for his participation in a rolling Long term Incentive Plan, in a Share Matching Plan as well as in the Repeated Performance Incentive for the 4-year period 2018-2021.

More explicitly, in relation to the plans in force for the year 2021:

A. Long term Incentive Plan

In December 2014, the extraordinary General Meeting of the Company's shareholders approved the amendment of the agreement of the Managing Director, among others, regarding the implementation of the Long Term Incentive Plan with effect from 01.01.2015. In particular:

The Managing Director participates starting from 2015 hereinafter in a rolling long term (four-year) incentive plan (Long term Incentive – LTI), which is linked to phantom shares.

The Long-Term Incentive (LTI) is an international global rolling incentive program for Deutsche Telekom Group executives and the participating Group companies. Its purpose is to enhance willingness of executives to take on entrepreneurial responsibility and, consequently, to increase the value of the Group and its subsidiaries in the medium-long term. Each program has a four-year horizon and is associated with achieving targets for specific success parameters, either financial or related to the Group's sustainability. The targets are set by the DTAG Supervisory Board and approved by the DTAG Board of Directors.

The underlying amount for the MD's participation, is calculated on the basis of the MD's Total Target Cash (defined as the sum of gross Annual Base Salary plus the Annual Short Term Incentive for the on-target achievement of the predefined annual targets) and is set at 33.33% of the MD's Total Target Cash of the current year. The relevant amount shall be converted at the beginning of each 4-year LTI into phantom Deutsche Telekom AG (DT) shares (phantom DT's shares) on the basis of the DT share price in the XETRA trading system (Basic Number of phantom shares). The Basic Number of phantom shares granted to the MD, corresponds to 100% achievement. Each year of the 4-year plan corresponds to ¼ of the Basic Number of phantom shares. Depending on the level of achievement of the targets for the success parameters annually (between 0% and 150%), the Annual Result for that year is defined. Phantom shares also receive dividends if dividends are paid to DT shareholders.

Following the end of the last year of each 4-year plan, the Board of Directors of Deutsche Telekom AG determines the final level of achievement of each year's plan targets. The competent bodies or committees of the Participating companies, including the Company, make the necessary decisions for their companies.
At the end of the total 4-year plan term of each plan, the four binding Annual Results plus the dividends granted (if any) are added together. The resulting total number of phantom shares is converted into a cash sum which is paid out to the Managing Director through payroll. The share price used as the basis for said conversion is determined on the basis of a specific reference period.

Based on the foregoing,

- The long term (4-year) incentive plan (LTI) that was initiated in 2017 and in which the Managing Director participated, has been completed in December 2020. The cash sum that corresponds to the total number of phantom shares for the whole 4-year period 2017-2020, was paid out to the Managing Director in July 2021, after approval by the competent corporate bodies (the Remuneration and Nomination Committee, the Board of Directors, and the General Meeting of the Company's shareholders).
- The long term (4-year) incentive plan (LTI) that was initiated in 2018 and in which the Managing Director participated, has been completed in December 2021. The cash sum that corresponds to the total number of phantom shares for the whole 4-year period 2018-2021, will be paid out to the Managing Director during 2022, after approval by the competent corporate bodies (the Remuneration and Nomination Committee, the Board of Directors, and the General Meeting of the Company's shareholders).
- Similarly, long-term (4-year) Incentive Programs (LTI) have been launched in 2019, 2020 and 2021 in which the Managing Director participates, which will be completed in December 2022, 2023 and 2024, respectively. The resulting variable amount will be paid within the years 2023, 2024 and 2025, respectively, after the approval of the relevant corporate bodies.

B. <u>Share Matching Plan</u>

In December 2014, in the framework of the previously mentioned approval by the extraordinary General Meeting of the Company's shareholders of the amendment of the agreement of the Managing Director, certain amendments were made, among others, regarding the implementation of the Share Matching Plan with effect from 01.01.2015. It is noted that:

For the years 2017 and 2018, in the framework of the Share Matching Plans that started during the referred years, the Managing Director has undertaken the obligation to invest in DT shares, a total amount corresponding per year to 33.3% of the actually gross Annual Performance Bonus (or Short Term Incentive Plan) paid up to the Managing Director for the respective previous year (Private Investment Obligation). It is noted that the calculated Private Investment Obligation is effected from the net Annual Performance Bonus sum paid to the Managing Director. It is noted that these shares will be held by the Managing Director for a period of four (4) years (Lock Up Period) from the respective date of purchase. At the end of the respective Lock Up Period, the Managing Director will be granted, for free, one additional share for each share that he bought under the Private Investment Obligation. The lock up period for the DT shares that the Managing Director bought during 2017 in the framework of Private Investment Obligation was concluded in 2021. Following approval by the competent corporate bodies, the Managing Director was granted the free matched shares that correspond to his Private Investment Obligation of year 2017 within 2021. During 2022, following the approval by the competent corporate bodies, the Managing Director will be granted the free matched shares that correspond to his Private Investment Obligation of year 2018.

C. On December 19, 2018, the extraordinary General Meeting of the Company's shareholders approved the amendment of the contract of the Managing Director regarding, among others, the following points:

C1. In relation to the Share Matching Plans started the year 2019 onwards, the Private Investment Obligation of the Managing Director in DT shares is defined at 10% (instead of 33.3%) of his actually paid gross Short Term Incentive for the precedent year. On top of the Private Investment Obligation, the Managing Director has the right, at his discretion, to perform a Private Voluntary Investment in DT shares. In any case, the maximum annual investment of the Managing Director in DT shares, including both the

Private Investment Obligation and the Private Voluntary Investment, is defined at 50% of the actually paid gross Short Term Incentive for the precedent year.

C2. For the year 2019 onwards, the Managing Director has the right to participate in the new incentive scheme "Repeated Performance Incentive"/"RPI", which is a four-year plan which honors repeated, extraordinary collective performance, measured by the overachievement of the specific target/KPI "EBITDA unadjusted". The four-year period of the specific plan begins in 2018 (which serves as the year of eligibility for the plan 2018-2021) and ends in 2021.

For the year 2020, Repeated Performance Incentive has been approved for the Managing Director by the competent corporate bodies (the Remuneration and Nomination Committee, the Board of Directors, and the General Meeting of the Company's shareholders) within 2021 and was paid out during 2021. As per year 2021, the Repeated Performance Incentive and its payment to the Managing Director will be submitted for approval by the competent corporate bodies within 2022.

III) Regarding the OTE Group Chief Financial Officer:

The General Meeting of the Company's shareholders of June 12, 2015, following a relevant resolution of the Company's Board of Directors, has approved the amendment of the employment agreement of the OTE Group Chief Financial Officer with the Company, in order for new rolling long term compensation programs, which are valid for 2015 (and henceforth, subject to the approval of the competent bodies of DTAG and OTE S.A.) for other executives of similar position levels, to be implemented also for the OTE Group Chief Financial Officer. In particular:

A. Long term Incentive Plan

A1. From the year 2015 started a long (4-year) incentive program (LTI), connected with phantom shares of DTAG and in which the executive was entitled to take part, if the result of the assessment of the annual individual performance of the employee for the previous year (2014) was level 3 (namely, fully meets all role expectations and grows with the role), 4 (namely, often exceeds role expectations) or 5 (namely, always exceeds role expectations by far) according to the Performance Evaluation Process.

The amount taken as the basis for employee participation (grant value), depends on the Total Target Cash (comprising of the Annual Base Salary and the Annual on Target Short Term Incentive, that is the Short (annual) Term Incentive for on target achievement of the collective targets (100%) and of an individual performance rating level "3") and is defined at 30% of the Total Target Cash of the OTE Group Chief Financial Officer of the current year. The relevant amount is converted at the beginning of the 4-year Long Term Incentive Program (LTI) in phantom shares of Deutsche Telekom AG (DT) (phantom DT's shares) based on the price the share of DT in the trading system XETRA (Basic Number).

The Basic Number of phantom shares is associated with four equally weighted success parameters of DT and / or Group DT. The target values of success parameters are defined at the beginning of the 4-year plan term. An interim value shall be determined for each annual tranche. The parameters of success reach levels (target achievement corridors) between 0 percent and 150 percent. The Basic Number of phantom DT shares to be granted to the OTE Group Chief Financial Officer corresponds to target achievement of 100 percent. The annual level of target achievement will be determined at the end of each year by DT and approved by the OTE Board of Directors. This level of target achievement will be multiplied on a proportional basis to the Base Number phantom shares granted to OTE Group Chief Financial Officer (25 per cent of the Basic Number per year). The number of phantom shares calculated with this method will then become final for OTE Group Chief Financial Officer as the final binding result for the specific year ("Annual Result").

At the end of the whole 4-year program, the four binding Annual Results will be added together including any dividends in case of dividends granting to DT shareholders. The sum of total phantom shares will be converted into cash, which will be paid through payroll to OTE Group Chief Financial Officer. The share price used as the basis for the conversion will be determined in a particular reporting period.

Based on the foregoing:

- The long term (4-year) incentive plan (LTI) that was initiated in 2017 and in which OTE Group Chief Financial Officer participates, has been completed in December 2020. The cash sum that corresponds to the total number of phantom shares for the whole 4-year period 2017-2020, was paid out to OTE Group Chief Financial Officer in July 2021, after approval by the competent corporate bodies (the Remuneration and Nomination Committee, the Board of Directors, and the General Meeting of the Company's shareholders).
- The long term (4-year) incentive plan (LTI) that was initiated in 2018 and in which OTE Group Chief Financial Officer participates, has been completed in December 2021. The cash sum that corresponds to the total number of phantom shares for the whole 4-year period 2018-2021, will be paid out to OTE Group Chief Financial Officer during 2022, after approval by the competent corporate bodies (the Remuneration and Nomination Committee, the Board of Directors, and the General Meeting of the Company's shareholders).

- Similarly, long-term (4-year) Incentive Programs (LTIs have been launched in 2019, 2020 and 2021 in which the Chief Financial Officer of OTE Group participates, which will be completed in December 2022, 2023 and 2024, respectively. The resulting variable amount will be paid within the years 2023, 2024 and 2025, respectively, after the approval of the relevant corporate bodies.

A2. On November 7, 2018 the Board of Directors of the Company, as well as the extraordinary General Meeting of the Company's shareholders in December 19, 2018 (since it was attached to the amendment contract of the Managing Director), approved the amended terms and conditions of the Long term Incentive plan (LTI) for the year 2019 and onwards. Among others, these terms include that the eligibility of the Executives for their participation in the plan is decoupled from their individual performance evaluation for the previous year, and from now on it is only connected with the achievement level of the corporate collective (common) targets and the Executives' Management Group.

B. Share Matching Plan

B1. The Share Matching Plan (SMP) in which OTE Group Financial Officer participates as of 01.01.2015, is a long term (four year) plan based on DTAG shares. The SMP program is a global, Group-wide compensation instrument of Deutsche Telekom Group. The scope of the SMP program is to enhance the willingness of executives for corporate responsibility, and therefore, the increase in shareholder value in the medium-long term.

In this frame, OTE Group Chief Financial Officer is entitled to participate in the Share Matching Plan (SMP) which is a voluntary benefit, and the executive's participation is a voluntary, if the evaluation result of the annual individual performance of the previous year is level 3, 4 or 5, according to the Performance Evaluation Process. OTE Group Chief Financial Officer undertakes to invest in shares of DTAG, an amount corresponding at least of 10% and a maximum of one third (33.3%) of the above mentioned gross amount of Short Term Incentive which will have been paid for the previous year 2014 (Voluntary Private Investment). The Voluntary Private Investment is calculated on the gross amount of the Short Term Incentive which will have been actually paid to OTE Group Chief Financial Officer for the previous year and it is performed out of the net payable amount, which, whenever necessary, is rounded upwards in order that an integer number of DTAG shares are purchased.
OTE Group Chief Financial Officer undertakes not to liquidate, sell, dispose, etc. the above shares for four (4) years from the date of purchase (Closed Period). At the end of the closed period, OTE Group Chief Financial Officer will receive free matched shares of DTAG, based on the formula: 1 free share to 1 (1:1), or 2 (1:2) or 3 (1:3) DTAG shares acquired under the Voluntary Private Investment, according to the level of his individual annual performance (level «5», «4», or «3», respectively).
The above are valid for the Share Matching Plans (SMP) that started during the years 2015-2018 and in which the OTE Group Financial Officer participated.

Based on the foregoing:

- The Share Matching Plan that was initiated in 2017 and in which the OTE Group Financial Officer participated, has been completed in June 2021. The free DT shares that corresponds to the investment for the whole 4-year period 6/2017-6/2021, was given to the OTE Group Financial Officer during July 2021, after approval by the competent corporate bodies.
- For the year 2018, under the respective Share Matching Plan that began this year, the Chief Financial Officer of OTE Group invested in DT shares, part of the Gross Annual Short Term Incentive in the framework of the voluntary private investment and in accordance with the terms of each plan. At the end of the Lock-up Period (in 2022), the Chief Financial Officer of OTE Group will receive one DT share free of charge for each share bought.

B2. On November 7, 2018 the Board of Directors of the Company, as well as the extraordinary General Meeting of the Company's shareholders in December 19, 2018 (since the SMP 2019 was attached to the amendment contract of the Managing Director), approved the amended terms and conditions of the Share Matching Plan (SMP) for the year 2019 and onwards. Among others, the terms include that (1) the eligibility of the Executives for their participation in the plan is decoupled from their individual performance evaluation for the previous year, and from now on it is only connected with the Executives' Management Group, (2) the amount of the personal investment is set between one tenth (10%) (minimum amount) and one half (50%) (maximum amount) of the target (100%) amount of the Short Term Incentive (STI) of the previous year, and (3) the matching ratio between the shares purchased as part of the personal investment and the free matching shares is amended and from now on it is linked only with the Executives' Management Group. For the OTE Group Financial Officer, the Matching Ratio of the free matched shares for the shares that are purchased in the framework of the voluntary private investment has been defined at 1:1 (one to one).

C. Spot Bonus

In December 2017 the Variable Payment Policy for Exceptional Individual Performance (Spot Bonus) was approved by OTE Board of Directors, with effect from 2018 onwards, aiming at rewarding exceptional individual performance and achievements. OTE Group Financial Officer is among the eligible executives for participation in the plan. For the years 2020 and 2021, there were no proposals submitted for Spot Bonus payment to Company executives of the Management Group 1 (MG1), to which the role of the OTE Group Financial Officer has been allocated

D. Repeated Performance Incentive
On November 7, 2018 the Board of Directors of the Company, approved, among others, the introduction of the incentive scheme "Repeated Performance Incentive" /"RPI", which is a four-year plan which honors repeated, extraordinary collective performance, measured by the overachievement of the specific target/KPI "EBITDA unadjusted". OTE Group Financial Officer is among the eligible executives for participation in the plan. The four-year period of the specific plan began in 2018 (which serves as the year of eligibility for the plan 2018-2021) and ends in 2021.

For the year 2020, Repeated Performance Incentive has been approved for the OTE Group Financial Officer by the competent corporate bodies (the Remuneration and Nomination Committee, the Board of Directors, and the General Meeting of the Company's shareholders) within 2021, and was paid outduring 2021. As per year 2021, the Repeated Performance Incentive and its payment to the OTE Group Financial Officer will be submitted for approval by the competent corporate bodies within 2022.

E. On December 18th, 2020 (meeting no 3129, item 7th), the Board of Directors of OTE S.A., approved the payment of an extraordinary variable reward (as Project Bonus), exclusively associated with the sale process of Telekom Romania (TKR) to executives and other experts/specialists of OTE SA and COSMOTE SA in Greece, which will have significantly contribute to the completion of TKR sale project. The payment was approved to be made, following the completion of the sale process of TKR. based on the level of achievement of specific success parameters and depending on the specific categorization of the participants. OTE Group Chief Financial Officer is among the eligible executives of OTE SA – COSMOTE SA in Greece. Provided that the sale process of TKR has been completed in October 2021, the respective payment of this extraordinary variable reward to the OTE Group Chief Financial Officer will be implemented within 2022, after the appropriate relative approvals by the competent corporate bodies.

F. At the Annual General Meeting of Shareholders that will take place in 2022 to approve the results of fiscal year 2021, the Board of Directors' Remuneration Report for the remuneration paid in fiscal year 2021, will be submitted in accordance with Article 112 of Law 4548/2018 and the Remuneration Policy.

1.10 (I) Management of conflicts of interest situations
The "Policy on Avoiding Corruption and other Conflicts of Interest, which the Company has adopted by decision of its Board of Directors, sets out that the Board members (executive, non-executive and independent non-executive) as well as any other person assigned with competences by the Board must take special care to avoid the occurrence of conflicts of interest, manage corporate affairs in order to promote the corporate interest, act independently and have a duty of loyalty to the Company.

In this context they:

a) are prohibited from pursuing their own interests when those are contrary to the Company's interests
b) must timely and adequately disclose to the other Board members:
   ba) their own interests that may arise from Company transactions within their remit, as well as any other conflict between their own interests and those of the Company or affiliated companies thereof arising from the performance of their duties.
   bb) any conflict between the Company's interests and those of their close family members.
   An adequate disclosure in the above cases (ba) and (bb) is considered to be one that includes a description of both the transaction and the own interests.
c) must maintain strict confidentiality regarding corporate affairs and Company secrets, which became known to them due to their capacity as Board Members.
d) must refrain from carrying out, on their own account or on behalf of third parties, actions that fall under the Company's purposes, without the authorization of the General Meeting of shareholders.

In the same context, the Board members shall disclose to the Board any participation in boards or other administrative bodies of other legal persons - entities of any character and object, as well as any other relationship and/or activity that they consider to be in conflict or may be in conflict with the Company's interests.

Candidates shall disclose their professional commitments of any kind to other companies, as well as to non-profit entities, before taking up their positions at the Board of the Company.

The Board shall ensure the effective management of any conflict of interest between its members and the Company and the protection of confidentiality of critical information that may affect Company's share price, image, operation and competitiveness.

The Board of Directors confirms to the General Meeting the fulfilment of the requirements of the candidates' independence that the BoD proposes for election, following a relevant proposal by the Remuneration & Nomination Committee to the Board of Directors and the conduct by the Company of at least an integrity check and a search in publicly accessible sources.
Moreover, the candidate independent non-executive Board members of the Company, prior to their election by the General Meeting of Shareholders, submit to the Chairman of the Company's Board of Directors a solemn statement that they fulfill the

requirements of independence and undertake the responsibility to immediately inform the Board of Directors, by submitting a new solemn statement, in case of any change of data regarding their person or the persons of their close family environment. Finally, they submit a solemn statement that has not been issued within one (1) year before or after their election respectively a final court decision of conviction that acknowledges their fault for a listed or for a non-listed societe anonyme's damages due to intercompany transactions.

The fulfilment of the legal requirements as to the classification of a member of the Board of Directors as an independent member is reviewed by the Board of Directors at least on an annual basis per fiscal year, and in any case prior to the publication of the annual financial report which includes the relevant assertion. In case that during the review of the fulfilment of the said requirements or in case that at any time it is ascertained that the requirements are not fulfilled any more as to an independent non-executive member, the Board of Directors proceeds with what is necessary for the replacement thereof.

The Company ensures that the members of the Boards of Directors and the CEO of OTE S.A. sign, on the day of their appointment and on an annual basis, Solemn Statements, by which they assume towards the Company responsibilities which derive from the application of the provisions of legislation governing the company as a Société Anonyme or companies with financial instruments admitted to trading on a regulated market as well as from the principles of good Corporate Governance, in accordance with the relevant provisions of the Regulation of Operations.

The members of the Board of Directors must immediately notify the Company of any change in their suitability conditions or in previous Solemn Statements made, including the issuance of a final court decision that acknowledges their fault for a listed or for a non-listed societe anonyme's damages due to intercompany transactions.

Also, the Board of Directors' Members as well as the Senior Financial Officers of the Company and the Group submit, on an annual basis, Statements regarding their knowledge and implementation of the current Code of Ethics for OTE Group Senior Financial Officers.
Moreover, the Company's Regulation of Operations provides for a procedure on the monitoring of a) the economic activities and transactions of the members of the Board of Directors and the persons carrying out managerial duties, with significant customers, domestic providers or suppliers of the Company, and b) their transactions (as well as the transactions of persons closely associated to the above mentioned persons) related to the Company's or Company's affiliated companies shares or debt instruments, on derivatives or other financial instruments linked to them, in accordance with Law 4706/2020 and Regulation 596/2014 of the European Parliament and of the Council.

In addition, there are provisions regarding the avoidance and the management by the Company of conflicts of interest situations in the Policies which are applied in the framework of operation of the Compliance Management System of OTE Group, such as the "OTE Group Code of Conduct", the "OTE Group Policy on Accepting and Granting of Benefits" and the "Policy on Insider Trading".

(II) Management of transactions with related parties
As of January 1, 2019, Law 4548/2018 includes certain provisions in relation to the transparency and oversight of transactions with affiliated entities (articles 99-101). Within this framework, OTE Group adopted the "Policy on concluding transactions with related parties", which describes the method with which the Company handles issues regarding transactions with Related Parties.

Moreover, regarding transactions with related parties, the Company's Board of Directors has adopted the "OTE Group Transfer Pricing Regulation", which defines the required internal procedures for the implementation and adherence to rules for the pricing and documenting of the intercompany transactions of the OTE Group companies and their affiliated companies. The Regulation sets the framework of procedures to be followed and the compliance with this Regulation is subject to internal and external audits. Responsible for the implementation of this Regulation are the business units in charge for tax issues and the units responsible for the drawing up of contracts with affiliated companies. Within the framework of the legislation in force, OTE Group companies through their corporate bodies, adopt this Regulation, in order for the relevant procedure of documentation and adherence to be followed.

(III) Education Policy

The Company, by decision of its Board of Directors, has adopted the "Education Policy for the members of the Board of Directors, the key management personnel, as well as the other executives of OTE S.A., especially those involved in internal audit, risk management, compliance and IT systems".

The Policy sets out the procedure followed by the Company for the induction training of the members of the Board of Directors and the other executives as mentioned above, as well as for the coverage of their educational needs.

(IV) Suitability Policy
As mentioned above, a "Suitability Policy for the Members of the Board of Directors of OTE S.A", has been adopted by the Company.

The Policy defines all the principles and criteria applied during the selection, replacement and renewal of the term of office of the members of the Board of Directors in the framework of the evaluation of the individual and collective suitability. The Policy aims at ensuring the adequate staffing, efficient operation and fulfillment of the role of the Board based on the Company's strategy and business goals in order to promote the corporate interest. In that context, the purpose of the Policy is, among others, to secure that the Board consists of fit and proper members who will ensure a sound administration for the benefit of the Company and all stakeholders.
More information regarding this Policy are included at the sections concerning the "Remuneration & Nomination Committee" and the "Diversity policy with respect to the administrative, managerial and oversight bodies corporate".

2. Board of Directors' Committees – Composition – Responsibilities - Remuneration – Evaluation of effectiveness

Two Committees operate in the Company, whose members are exclusively members of the Board of Directors. These are the Audit Committee and the Remuneration & Nomination Committee.

It is noted that by decision of the Board of Directors (July 2021) the Compensation & Human Resources Committee and the BoD Nomination Committee, which until then functioned as separate committees of the Board of Directors, were merged in a single committee, the Remuneration & Nomination Committee.

In particular:

2.1. The Audit Committee in accordance with the provisions of Article 44 of the Law 4449/2017 (Government Gazette A 7/24.01.2017 "Mandatory audit of the annual separate and consolidated financial statements, state oversight over the auditory profession and other provisions"), as in force, and following a resolution of the 69th Annual General Meeting of the Company's Shareholders held on June 9, 2021, is a Committee of the Board of Directors, which consists exclusively of members of the Board of Directors, whose term is the same as their term of office in the Board of Directors. The Audit Committee consists of three (3) members which in their entirety are Independent members of the Board of Directors. The members of the Audit Committee in their entirety have sufficient knowledge in the field of electronic communications, in which the Company mainly operates, whereas at least one member that has also proven knowledge and experience in accounting /auditing is always present at the meetings of the Committee which pertain to the approval of the financial statements.

The Audit Committee during 2021 consisted of the following members:

- Until 9/6/2021: Messrs. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Vasilios Vassalos (Member of the Committee - Non-executive BoD member) and Dimitrios Georgoutsos (Member of the Committee - Independent Non-executive BoD member).
- Since 9/6/2021: Messrs. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Dimitrios Georgoutsos (Member of the Committee - Independent Non-executive BoD member) and Mrs. Catherine de Dorlodot (Member of the Committee - Independent Non-executive BoD member).

For the fiscal year 2021, the 69th Annual General Meeting of the Company's shareholders -held on June 9, 2021 resolved that no change should be conferred upon the remuneration of the Chairman and the members of the Committee for their participation in the Committee meetings as compared to the remuneration given for the fiscal year 2020, i.e. as follows:
(a) Chairman: Euro 2,700 (absolute amount) gross per meeting.
(b) Members: Euro 2,200 (absolute amount) gross per meeting.

The gross amounts mentioned herein above:
i) Shall be subject to all lawful taxes (income tax, special solidarity and social security levies) as stipulated by the law from time to time and taking into account for their calculation the maximum amounts set by law.
ii) Shall not change in the event of amendment in the tax legislation and/or in the social security legislation. In this case, the payable, net amount may change accordingly.

The Audit Committee, according to the Regulation of its Operation[4], holds at least four (4) meetings every year.
The attendance of the Chairman and the members of the Audit Committee in the Committee meetings during 2021, which were fifteen (15) meetings in total, appears in the following table:

Name	NUMBER OF MEETINGS DURING THE TERM	NUMBER OF MEETINGS BEING PRESENT	NUMBER OF MEETINGS BEING REPRESENTED
Eelco Blok	15	15	-
Dimitrios Georgoutsos	15	15	-
Catherine de Dorlodot	10	10	-
Vasilios Vassalos	5	5	-

The framework for the operation of the Audit Committee is described in the Audit Committee Regulations, which have been approved by the Board of Directors and are amended by the Board of Directors at any time following a recommendation by the Audit Committee.

In brief, the objective of the Audit Committee is to support the Company's Board of Directors in the exercise of the latter's supervisory authorities and the fulfillment of the latter's obligations towards shareholders, the investment community and third parties, especially with regard to the financial reporting process.

In 2021, the Audit Committee dealt with issues, summarized as follows:

- Monitoring and appraisal of the adequacy, effectiveness and efficiency of the policies, procedures and safety nets in relation to both the Internal Audit System and the assessment of the risk management in relation to financial reporting.
- Approval and monitoring of the Company's Internal Audit business unit activities.
- Approval and monitoring of the activities of the Compliance, Enterprise Risk Management and Insurance business unit.
- Monitoring and evaluation of the process of compiling financial information, as well as of the statutory auditors' services.
- Assessment of the accuracy and consistency of the Financial Statements.
- Assurance of the statutory auditors' independence, in relation to the services provided by the latter to the companies of the OTE Group and approval of the budget for the statutory auditors' fees for the fiscal year 2021.
- Submission of a recommendation to the Board of Directors for the selection of an audit firm for the statutory audit of the financial statements for the fiscal year 2021.
- Submission of a justified recommendation to the Board of Directors regarding the preferred as well as the alternative option for the election of an audit firm for the statutory audit of the year 2022 following a relevant tender procedure, in accordance with Regulation (EU) 537/2014 and Article 44 of Law 4449/2017.
- Confirmation on whether the conditions for the assessment made by the competent Business Units for intended transactions of the Company with related parties as "ordinary", are fulfilled, based on the information provided to the Committee by the competent Business Units which are responsible for providing complete and accurate information to the Committee.
- Approval and oversight of activity of the Data Protection Officer of OTE Group.
- Provision of information to the Board of Directors and submission of proposals on issues falling within the context of the Committee's responsibilities.

Furthermore, within the context mentioned above, in 2021 the Audit Committee, dealt with the review and assessment of the completeness, accuracy and precision of the Periodic OTE Group Compliance Reports - which include, among others, information on the handling and the results thereof, of complaints and accusations – as well as the OTE Group Enterprise Risk Management Reports. The OTE Group Compliance Reports and the OTE Group Enterprise Risk Management Reports are submitted at first to the OTE Group Compliance, Enterprise Risks and Corporate Governance Committee, which reviews and assesses these Reports, and, subsequently, to the competent corporate bodies, i.e. the Audit Committee and the Board of Directors.

The Audit Committee has a frequent communication with the Internal Audit during the course of its operations. In this context, the Head of the Internal Audit business unit is invited and participates in most of the meetings of the Audit Committee, submits the annual plan of audits and periodic Reports for the implementation thereof.

In order to safeguard the independence of the certified auditors, which under the law falls within the responsibilities of the Audit Committee, the Board of Directors has adopted by a decision the "Policy on Commissioning the Services of Auditors". This Policy regulates the procedures of the Company and all companies of the Group which the Company controls and consolidates, with

[4] https://www.cosmote.gr/otegroup_company/investor_relations/corporate%20governance/AUDIT_COMMITTEE_REGULATIONS_EN.pdf

respect to the assignment of services to certified public accountants in accordance with applicable law. In particular, this Policy sets out the non-audit services which are allowed and those which are prohibited to be provided, the assignment and approval procedure for the provision of the allowed non-audit services, the maximum fees for such services and the monitoring of the Policy's implementation.

The certified public accountants are invited and participate in the meetings of the Audit Committee at the planning stage of the statutory audit and its implementation, as well as when the semi-annual and annual separate and consolidated financial statements are reviewed. Moreover, they participate in meetings of the Audit Committee without the Company management being present.

2.2. Remuneration and Nomination Committee

The Remuneration and Nomination Committee is a committee of the Board of Directors which was established in July 2021, in accordance with Law 4706/2020 on corporate governance and the Hellenic Corporate Governance Code 2021, following a decision of the Board of Directors of the Company for the unification of its two separate -until then- committees (namely, the Compensation & Human Resources Committee that was established in 2004 and the BoD Nomination Committee that was established in 2019) in a joint committee and delegating to this joint Committee both the responsibilities provided for in the legislation in force for the remuneration committee and those provided for the nomination committee.
The Remuneration and Nomination Committee has three members and consists exclusively of non-executive members of the Board of Directors, in their majority independent.
The Chairman and the members of the Committee are appointed by the Company's Board of Directors.

The purpose of the Remuneration and Nomination Committee is to provide support and assistance to the Board in its duties regarding:

- The remuneration of Board members and key management personnel of the Company, especially the head of the internal audit unit.
- Ensuring the adequate staffing and the appropriate succession and continuity of the Board in order to effectively fulfill its role for the benefit of the Company and all stakeholders.

The particular responsibilities of the Committee and the relevant procedures for the fulfilment of its aforementioned purpose, are described in its Regulation of Operations.[5]

The Remuneration and Nomination Committee consists of the following members: Mr. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Mrs. Catherine de Dorlodot (Member of the Committee - Independent Non-executive BoD member) and Mrs. Kyra Orth (Member of the Committee - Non-Executive BoD member).

For the fiscal year 2021, the Board of Directors, taking into account the decision of the 69th Annual General Meeting of the Company's shareholders -held on June 9, 2021- regarding the remuneration and the expenses of the members of the Board of Directors for their participation in the meetings of the Board of Directors and its Committees, determined the remuneration of the Chairman and the members of the unified Remuneration and Nomination Committee for their participation in the Committee meetings at the amount of Euro 1,100 (absolute amount) gross per meeting.

The gross amount mentioned hereinabove:
i) Shall be subject to all lawful taxes (income tax, special solidarity and social security levies) as stipulated by the law from time to time and taking into account for their calculation the maximum amounts set by law.
ii) Shall not change in the event of amendment in the tax legislation and/or in the social security legislation. In this case, the payable, net amount may change accordingly.
The Committee meets whenever it is deemed necessary by its Chairman or following a proposal of any member to its Chairman and in any case at least once a year.

The attendance of the Chairman and the members of the Remuneration and Nomination Committee in the Committee meetings during 2021 (following its establishment in July 2021), which were six (6) meetings in total, appears in the following table:

Name	NUMBER OF MEETINGS DURING THE TERM	NUMBER OF MEETINGS BEING PRESENT	NUMBER OF MEETINGS BEING REPRESENTED
Eelco Blok	6	6	-
Catherine de Dorlodot	6	6	-
Kyra Orth	6	5	1

[5] https://www.cosmote.gr/otegroup_company/investor_relations/corporate governance/eng/HR_COMMITEE_2021_EN.pdf

Within the framework of its responsibilities, the Committee during 2021 dealt with issues summarized as follows:

- Procedure for finding a candidate to fill the position of a non-executive member of the Board of Directors to replace a resigned non-executive member (in particular, determining the criteria of individual and collective suitability for filling the position in question and assignment to an external consultant to identify and evaluate executives, for the support of the Committee in its work, approval of the initial list of candidates and submission of a proposal to the Board of Directors regarding the predominant candidate).
- Approval of the assignment to an external consultant of the task of providing advisory support to the Remuneration and Nomination Committee for the evaluation of the Board of Directors and the Committees of the Board of Directors of the Company.
- Submission of a proposal to the Board of Directors for the revision of the Suitability Policy of the members of the Board of Directors of the Company.
- Submission of a proposal to the Board of Directors for the renewal of the term of the agreement entered into between the Company and the Managing Director.
- Submission of a proposal to the Board of Directors in relation to the remuneration of the Company's executives (calculation of legal indemnity).

As mentioned above, until July 2021 the following two Committees operated separately: the Compensation and Human Resources Committee and the Board of Directors Nomination Committee.

In particular:

I. Compensation and Human Resources Committee

The Compensation and Human Resources Committee was established on 21/7/2004 by decision of the Company's Board of Directors.

The Compensation and Human Resources Committee during 2021 consisted of the following members:

Until 11/1/2021: Mr. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Mr. Srinivasan Gopalan (Member of the Committee - Non-executive BoD member) and Mrs. Kyra Orth (Member of the Committee - Non-executive BoD member).

From 11/1/2021 until 9/6/2021: Mr. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Mrs. Dominique Leroy (Member of the Committee - Non-executive BoD member) and Mrs. Kyra Orth (Member of the Committee - Non-executive BoD member).

From 9/6/2021 until 14/7/2021: Mr. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Mrs. Catherine de Dorlodot (Member of the Committee - Independent Non-executive BoD member) and Mrs. Kyra Orth (Member of the Committee - Non-Executive BoD member).

According to the Regulation of its Operation, the Compensation and Human Resources Committee held at least two (2) meetings every year.

The attendance of the Chairman and the members of the Compensation and Human Resources Committee in the Committee meetings during 2021 (until 14/7), which were four (4) meetings in total, appears in the following table:

Name	NUMBER OF MEETINGS DURING THE TERM	NUMBER OF MEETINGS BEING PRESENT	NUMBER OF MEETINGS BEING REPRESENTED
Eelco Blok	4	4	-
Kyra Orth	4	3	1
Catherine de Dorlodot	1	1	-
Dominique Leroy	3	1	2
Srinivasan Gopalan	-	-	-

The framework for the operation of the Compensation and Human Resources Committee was described in the Regulation of its Operation, which was approved by the Board of Directors, and Board's decisions.

Concisely, the Committee, within the framework of its responsibilities, in 2021 (until 14/7) dealt, among others, with the issues below:

- Submitted proposals to the Board of Directors, inter alia, on issues of remuneration of the executive members of the Board of Directors and other executives (such as Head of Internal Audit, Head of Compliance).
- Also examined the annual Remuneration Report which the Board of Directors subsequently submitted for discussion to the 69th Annual General Meeting of Shareholders of 9-6-2021 in accordance with article 112 of law 4548/2018.

For the fiscal year 2021, the 69th Annual General Meeting of the Company's shareholders -held on June 9, 2021 determined that no change should be conferred upon the remuneration of the Chairman and the members of the Compensation and Human Resources Committee for their participation in the Committee meetings as compared to the remuneration applied for the fiscal year 2020, i.e. Euro 1,100 (absolute amount) gross per meeting.

The gross amount mentioned hereinabove:
i) Shall be subject to all lawful taxes (income tax, special solidarity and social security levies) as stipulated by the law from time to time and taking into account for their calculation the maximum amounts set by law.
ii) Shall not change in the event of amendment in the tax legislation and/or in the social security legislation. In this case, the payable, net amount may change accordingly.

II. Board of Directors Nomination Committee

The Board of Directors Nomination Committee (BoD Nomination Committee) was established on June 12, 2019 by decision of the Company's Board of Directors for the purpose of an effective and transparent procedure for the nomination of candidates as Independent non-executive members of the Board of Directors.

The main responsibilities of the BoD Nomination Committee, regarding the nomination of Independent non-executive members, included, among others, the following:

- The determination of the selection criteria for the members of the Board of Directors, taking into account the need for diversity, including gender balance.
- The periodic assessment of the size and composition of the Board of Directors.
- The evaluation of the existing balance of qualifications, knowledge, skills, and experience and, in light of this evaluation, the clear description of the role and capabilities required for filling in the vacancies.
- The process handling for nominee identification.
- The submission of proposals to the Board of Directors for the nomination of candidates on the basis of the corporate procedures.

The BoD Nomination Committee during 2021 consisted of the following members:

Until 11/1/2021: Mr. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Mr. Srinivasan Gopalan (Member of the Committee - Non-executive BoD member) and Mrs. Kyra Orth (Member of the Committee - Non-executive BoD member).

From 11/1/2021 until 9/6/2021: Mr. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Mrs. Dominique Leroy (Member of the Committee - Non-executive BoD member) and Mrs. Kyra Orth (Member of the Committee - Non-executive BoD member).
From 9/6/2021 until 14/7/2021: Mr. Eelco Blok (Chairman of the Committee – Vice-Chairman of the BoD, Independent Non-executive BoD member), Mrs. Catherine de Dorlodot (Member of the Committee - Independent Non-executive BoD member) and Mrs. Kyra Orth (Member of the Committee - Non-Executive BoD member).

The attendance of the Chairman and the members of the BoD Nomination Committee in the Committee meetings during 2021 (until 14/7), which were five (5) meetings in total, appears in the following table:

Name	NUMBER OF MEETINGS DURING THE TERM	NUMBER OF MEETINGS BEING PRESENT	NUMBER OF MEETINGS BEING REPRESENTED
Eelco Blok	5	5	-
Kyra Orth	5	4	1
Catherine de Dorlodot	1	1	-
Dominique Leroy	4	2	2
Srinivasan Gopalan	-	-	-

The Committee, within the framework of its responsibilities, in 2021 (until 14/7) dealt with the following issues:

- Submitted a proposal to the Board of Directors for the approval of the Suitability Policy for the members of the Board of Directors in accordance with L.4706/2020 and Circular No. 60/18.9.2020 of the Hellenic Capital Market Commission, which the Board of Directors subsequently submitted for discussion to the 69th Annual General Meeting of Shareholders held on 9-6-2021.
- Determined the procedure and criteria for finding a candidate for the position of independent non-executive member of the Board of Directors and member of the Audit Committee, assigned to an external consultant to identify candidates who meet the specified criteria and submitted a proposal to the Board of Directors regarding the predominant candidate for the position to be filled.

As regards the remuneration and expenses of the members of the Board of Directors for their participation in the meetings of the BoD Nomination Committee for the fiscal year 2021, the 69th Annual General Meeting of the Company's shareholders held on June 9, 2021, resolved that the same amounts shall be paid as those paid for the members' participation in the Compensation and Human Resources Committee (mentioned above under 2.2.I)

2.3. For the evaluation of the Committees of the Board of Directors see par. 1.4. above.

3. Other administrative, managerial or supervising corporate bodies or committees

3.1. OTE Group Management Meeting

By resolution of the Chairman of the Board of Directors and Managing Director, the OTE Group Management Meeting has been established and operates with primary mission to coordinate and ensure the necessary cohesion in the Company and its affiliated companies, the resolution of material issues regarding the current management and the examination and decision on any other matter entrusted to the Meeting either from the Board of Directors or the Managing Director of the Company. The Meeting takes place weekly, it is chaired by the Managing Director or his Deputy appointed by his decision.

The following executives participate in the Meeting, except for the Managing Director: the Legal Counsel - OTE Group Chief Legal and Regulatory Affairs Officer, the OTE Group Chief Financial Officer, the OTE Group Chief Information Technology Officer, the OTE Group Chief Human Resources Officer, the OTE Group Chief Technology and Operations Officer, the OTE Group Chief Strategy, Transformation and Wholesale Officer, the OTE Group Chief Marketing Officer Consumer Segment, the OTE Group Chief Commercial Officer Business Segment, the OTE Group Chief Customer Operations Officer, the Executive Director Corporate Communications & Sustainability OTE Group and the Executive Director B.U. COSMOTE TV. Furthermore, the Executive Director Technical Service and Implementation Fixed and Mobile participated until 1/6/2021.

Furthermore, in the Management Meeting participate, without voting rights, on a case by case basis, executives of the Group or third parties, depending on the issue under discussion and following an invitation of the Chairman of the Board. The Management Meeting operates in accordance with the Managing Director's decision for its formation and operation.

3.2. The CV's of the senior executives of the Company during the financial year 2021 and until February 23, 2022, appear here below. Furthermore, may be found on the Company's website:
https://www.cosmote.gr/cs/otegroup/en/do_ote.html

George Athanasopoulos, ***OTE Group Chief Information Technology Officer***
Mr. George Athanasopoulos is Chief Information Officer at OTE Group. Mr. Athanasopoulos joined OTE Group in 2002, as OTE Investments Information Systems Executive Director, while since September 2006 he held the position of Operations Executive Director in OTE Globe. Since October 2007, he has also been COSMOTE's Operations & IT Systems General Director. Before joining OTE Group, Mr. Athanasopoulos worked for Atos Origin as SE Europe Sales Support Regional Manager as well as for Vodafone Greece, as Deputy Manager for Business Systems.

Mr. Athanasopoulos holds a B.Sc. in Economics from the University of Athens (1991) and an M.Sc. in Computing from Cardiff University, UK (1993).

Panayiotis Gabrielides, *Chief Marketing Officer Consumer Segment OTE Group*
Mr. Panayiotis Gabrielides has more than 15 years of experience in Telecommunications and Marketing. He joined COSMOTE in 2003 and since then has taken various management positions in Consumer Marketing of fixed and mobile products and services. Prior to joining OTE Group, Mr. Gabrielides has worked as a Sales Executive in the Financial Information Systems industry, namely in the multinational companies Reuters and Dow Jones Markets.
Mr. Gabrielides holds a degree in Computer Engineering and Informatics from the University of Patras. In addition, he holds a Master of Science (MSc) degree in Data Communications, Networks and Distributed Systems from the University of London (UCL).

Stefanos Theocharopoulos, *OTE Group Chief Technology & Operations Officer*
Mr. Stefanos Theocharopoulos joined OTE Group in 2002. In April 2013, he assumed the newly-established position of OTE Group Chief Technology & Operations Officer. He was CEO of COSMOTE Romania since January 2008 and of Romtelecom since July 2011. He has also held the position of OTEGlobe Business Development Executive Director, OTE Investment Services Executive Technology Director, as well as BoD member in a number of OTE Group subsidiaries. Mr. Theocharopoulos holds a BEng in Electronic Engineering from Sussex University as well as an M.Sc. in Mobile & Satellite Communications from the University of Westminster.

Ioannis Konstantinidis, *OTE Group Chief Strategy, Transformation & Wholesale Officer*
Mr. Ioannis Konstantinidis has been OTE Group Chief Strategy, Transformation & Wholesale Officer since November 2015, having served as Chief Strategic Planning & Transformation Officer since June 2011. From 2000 until 2011 he held various senior managerial positions at OTEGlobe, an affiliated company of the OTE Group, among which the latest was the position of the Chief Operating Officer, responsible for all commercial and technology development and operations of the company. Today, besides his tasks at OTE, he is the Chairman of the Board of Directors of OTEGlobe, as well as Chairman of the Board of Directors of OTE Rural North & South. Prior to the OTE Group, he worked for Global One Hellas SA, where he was head of the Technical Department. He holds a degree in Electrical Engineering from the National Technical University of Athens, with a specialization in Telecommunications.

Charalampos Mazarakis, *OTE Group Chief Financial Officer*
Mr. Mazarakis has over 25 years of professional experience, chiefly in senior management positions in Greece and abroad. Before joining OTE Group, in July 2012, as OTE Group Chief Financial Officer, he was Group Chief Financial Officer (CFO) of the National Bank of Greece, and from 2008 until 2010 Group Chief Financial Officer (CFO) and Member of the Group Executive Committee of TITAN Group.
Mr. Mazarakis served in various executive positions in Vodafone Group: Group Finance Director and BoD Member in Greece (1999-2006), CEO in Hungary (2006-2007), Chief Operating Officer and BoD Vice-Chairman (2007-2008). He held the position of Finance Director and Member of the BoD at Georgia Pacific-Delica in Greece (1997-1999), while prior to that, he worked as Financial Analysis Manager at Procter & Gamble, first in Athens and then as Financial Analysis Group Manager at the European Headquarters in Brussels, Belgium.
Mr. Mazarakis holds a Bachelor's degree in Business Administration from the University of Piraeus (with distinction) and an MBA from the Fisher College of Business at The Ohio State University (Wielder Scholar), where he held the post of Teaching Assistant in Finance. He has been ranked among the 30 most distinguished Finance Managers of Europe under the age of 40 (CFO Europe magazine, 2002).

Eirini Nikolaidi, *General Counsel - OTE Group Chief Legal and Regulatory Affairs Officer*
Ms. Eirini Nikolaidi is the General Counsel and Chief Officer for Legal & Regulatory Affairs of OTE Group and joined the Group in 1996.
Ms. Nikolaidi is a member of the Executive Committees of OTE and COSMOTE, member of the Board of Directors of GERMANOS and Telekom Romania Mobile Communications, and member of the Supervisory Board and the Audit Committee of the Deutsche Telekom AG subsidiary in Croatia, Hrvatski Telekom d.d.
She holds a law degree from the University of Athens, as well as a master's degree (LLM) in International Business Law from the University of London (UCL), where she specialized, among others, in international finance and international trade law. She is a telecommunications expert and member of the Athens Bar Association.

Elena Papadopoulou, *OTE Group Chief Human Resources Officer*
Ms. Papapadopoulou has been OTE Group Chief Human Resources Officer since March 2015, having served as OTE Group Human Resources General Director since December 2011. She has been COSMOTE Human Resources General Director since 2008, while in October 2008, she had assumed the position of Human Resources Director of the company. Prior to joining COSMOTE, Ms. Papadopoulou had worked in the Financial Division of Shell Hellas S.A., wherefrom she transitioned to Kraft Foods International as Human Resources Manager. Over the following ten years she was Human Resources Director and member of the Management team of Mercedes Benz Hellas, P.N. Gerolymatos and Praktiker Hellas of the Metro Group.

Athanasios Stratos, ***Chief Customer Operations Officer OTE Group***
Athanasios (Tom) Stratos is the CEO of Cosmote e-Value in Greece (from 2009) and e-Value International in Romania. His visionary attitude, steadfast commitment to excellence and his perspective of having the customer at the heart of every decision, have led to the remarkable growth of the company under his leadership. He serves also as Chief Customer Operations Officer (CCOO) of OTE Group and as President & CEO Germanos – a pivotal member in leading the organization strategies through change, transformation, turnaround and growth. He joined the Group in 1998 and since then has occupied several senior managerial positions. Mr. Stratos has extensive experience in commercial, Sales and Service in the telecoms sector and Business Process Outsourcing, having worked in large companies in Greece and Canada.
Mr. Stratos holds a degree in Business Administration from Ryerson University in Toronto, Canada.

Grigoris Christopoulos, ***OTE Group Chief Commercial Officer Business Segment***
Grigoris Christopoulos brings with him more than 20 years of experience in Telecommunications and Sales. He joined OTE Group of companies in 2000 as a Sales Network Deputy Director at COSMOTE S.A. In the following years, Grigoris held various management positions, including Executive Sales Director at COSMOTE S.A., and Executive Sales Director Fixed & Mobile. In his previous position as Business Sales & Marketing Executive Director Fixed & Mobile, he accounted for the B2B strategic planning and implementation, as well as the transformation and consolidation of Fixed, Mobile and ICT convergence. Mr. Christopoulos holds a B.Sc. in Electrical Engineering from the Technical University of Patras, Greece.

Deppie Tzimea, ***Executive Director Corporate Communications & Sustainability OTE Group***
Deppie Tzimea is the OTE Group Corporate Communications & Sustainability Executive Director. She has been a member of the OTE Group's executive committee since 2001, when she joined the company as Director of Corporate Communications of the Group, reporting directly to the Chairman and CEO. Ms Tzimea oversaw the transformation of OTE's image into an extrovert and innovative customer-centric company, both internally and externally. She has contributed significantly to the integration of sustainability to the Group's business strategy, which led OTE Group to become one of the leading companies in the field of sustainable development, contributing to the economy, society and the environment. She was responsible for all OTE Group communications during the 2004 Olympic Games in Athens and has thorough knowledge and experience in all areas of communications including change management, crisis communications and advertising.
Before joining OTE, she held various senior executive positions in Marketing and Corporate Communications in the telecommunications industry (1995-2001). Prior to that, she was a Group Account Director at Adel Saatchi & Saatchi handling 18 national and international accounts.

Ms Tzimea, member of Chartered Institute of Public Relations (CIPR), holds a postgraduate degree in Communications and Public Relations from Stirling University and is a Political Sciences & Public Law graduate from the University of Athens Law School. She has completed her training on "High Impact Leadership" in Columbia Business School and on "Exponentially growing technologies" in Singularity University.

Dimitris Michalakis, ***Executive Director COSMOTE TV***
Mr. Dimitris Michalakis is COSMOTE TV Business Unit Executive Director at OTE Group since April 2013. He first joined COSMOTE TV in March 2012, as Commercial Director. Previously, he held various positions in OTE Group, as Product Management & Marketing Director of OTEGlobe (beginning 2006) and Marketing Manager of OTE International (May 2002). Prior to OTE Group, Mr. Michalakis was at Telestet (currently Wind Hellas) as Product Manager. He began his career at Philip Morris Hellas Marketing and Sales units.

Mr. Michalakis holds an MBA from the ALBA Business School and an MSc in Marketing & Communication from the Athens University of Economics and Business.
COSMOTE TV is OTE Group's pay TV service, currently holding the leading position in Greece, with 530,000 subscribers. COSMOTE TV is a fully blown broadcasting unit, packaging premium exclusive content through 15 COSMOTE branded channels (CINEMA, SPORT, HISTORY) and offering its linear and on demand services through DTH, IPTV and OTT .

Konstantinos Vasilopoulos, ***Executive Director Internal Auditor OTE Group***
Mr. Konstantinos Vasilopoulos holds the position of Executive Director Internal Audit OTE Group since June 2016. He has served at OTE Group since 2004 and from 2007 until 2016 he held the position of Accounting Director. Before joining OTE Group, he worked as external auditor for the audit firm Arthur Andersen (1997-2002) and as Finance Manager at ELYSEE S.A. of Syngelidis Group (2002-2004). Mr. Vasilopoulos holds a degree in Finance and Banking Management from the University of Piraeus.

Aristodimos Dimitriadis, ***Executive Director Compliance, ERM & Insurance OTE Group***
Mr. Aristodimos Dimitriadis assumed the position of Executive Director Compliance, ERM & Insurance OTE Group in November 2012. He has been a member of the executive team of Cosmote since 2005 and was Head of Internal Audit and Compliance for the COSMOTE Group. Prior to his employment with COSMOTE Group, he worked at KPMG and for many years in the banking sector, first at ABN AMRO and later at FBB-First Business Bank as Internal Audit Officer. He holds a BA in Economics and Politics and an MBA from Kent University, UK. He is a Certified Internal Auditor (CIA), a Certified Financial Services Auditor (CFSA), Certified

in Risk Management Assurance (CRMA) from the International Institute of Internal Auditors, Certified in Risk & Information Systems Control (CRISK), as well as a Certified Fraud Examiner (CFE) from Association of Certified Fraud Examiners. He also holds (ICA) International Advanced Certificate in Compliance & Financial Crime.

3.3 The senior executives of the Company on December 31, 2021, held shares of the Company as follows:

SENIOR EXECUTIVES	OTE SHARES
George Athanasopoulos	-
Panayiotis Gabrielides	-
Stefanos Theocharopoulos	30,000
Ioannis Konstantinidis	10
Charalampos Mazarakis	-
Eirini Nikolaidi	-
Elena Papadopoulou	-
Athanasios Stratos	1,600
Grigoris Christopoulos	-
Deppie Tzimea	6,000
Dimitris Michalakis	-
Konstantinos Vasilopoulos	6,000
Aristodimos Dimitriadis	15,130

3.4 OTE Group Compliance, Enterprise Risks and Corporate Governance Committee

By resolution of the Chairman of the Board of Directors and CEO, the OTE Group Compliance, Enterprise Risks and Corporate Governance Committee (GRC Committee) has been established with primary mission the support, the review and monitoring of the implementation of the Compliance and Risk Management Systems (CMS and RMS) and issues of Corporate Governance at OTE Group level.

In the aforementioned context, the Committee supports the competent executives of the Company on Compliance, Enterprise Risks and Corporate Governance issues, as well as on Human Rights issues, considers any relevant issues arising and proposes the issuance of relevant decisions and the adoption of relevant measures.

Indicatively, the Committee designates the strategic issues regarding Corporate Governance, Compliance, Enterprise Risks and Human Rights, keeping abreast of international best practices, monitors and reviews the implementation of programs for the effective operation of the Compliance Management (CMS), Enterprise Risk Management (RMS) and Corporate Governance Systems, as well as for the development of the Action Plan on Human Rights issues, supports business units in their risk analysis, ensuring efficient communication between employees and Management about the implementation of the RMS and CMS Programs. In addition, the Committee proposes the appropriate measures/procedures and policies to the competent corporate bodies to be approved on the issues of its competences and supports the design of the implementation of these measures. The Committee reviews the reports and the results of Compliance and Enterprise Risks procedures, assesses the completeness, accuracy and precision of the reports that are being submitted to the competent corporate bodies and submits, in its discretion, briefings/reports to the competent corporate bodies regarding Compliance, Enterprise Risks, Corporate Governance and Human Rights issues.

On February 23, 2022, members of the Committee are the Executive Director Compliance, Enterprise Risk Management and Insurance OTE Group (Committee's Chairman), the General Counsel - Chief Legal and Regulatory Affairs Officer OTE Group, the Chief Financial Officer OTE Group, the Chief Human Resources Officer OTE Group, the Chief Information Technology Officer OTE Group, the Executive Director Internal Audit OTE Group (without voting rights since 15.07.2021), the Executive Director Corporate Communications & Sustainability OTE Group, the Executive Director Business Security and Continuity OTE Group, the Mergers, Acquisitions & Investor Relations Director OTE Group and the Data Privacy Officer (DPO) OTE Group. The Committee's meetings may also attend, following the Chairman's invitation, other persons, officials or third parties, extraordinarily and without voting rights, if their presence is considered to be necessary for the discussion of the agenda items.

The Committee operates in accordance with the CEO's decision for its formation and operation and its Regulation of Operations, which is approved by the same decision.

3.5. Managing Director

The Company's Managing Director, is appointed by the Board of Directors, following the election by the General Meeting as a member of the Board. He is the chief executive officer of the Company, heads all the departments of the Company, directs their work, adopts the necessary decisions within the context of the provisions governing the operation of the Company, of the programs, the budgets and strategic plans approved by the Board. The Board of Directors at its discretion may delegate to the Managing Director, the authority and power, at his discretion to decide and represent the Company, either in person or by proxy on any matter pertaining to administration of the Company affairs other than: (i) the matters reserved to the General Meeting of the Shareholders or the Board of Directors as provided by Law 4548/2018 any other applicable legislation and the Company's Articles of Incorporation and (ii) the Special Matters pursuant Article 8 paragraph 4 of the Company's Articles of Incorporation.

The Managing Director represents the Company in courts, extrajudicial proceedings and before every Authority for every act, be it under his own authority or the authority of the Board of Directors, acting in person or by granting proxy rights to third persons to represent the Company.

E. General Meeting and Shareholders' Rights

1. General Meeting - Operation and Powers

According to Article 15 of the Company's Articles of Incorporation, the General Meeting of shareholders is the foremost body of the Company and has the right to resolve upon all matters concerning the Company unless otherwise specified in the Articles of Incorporation. Every fully paid-up share carries one vote at any General Meeting.

The General Meeting of shareholders is convened by the Board of Directors pursuant to the provisions of the Law and meets mandatorily at the registered office of the Company, or the region of another municipality within the prefecture of the Company's registered office, or another municipality neighboring the Company's registered office or in the region of the municipality where the Stock Exchange is located where its shares have been admitted to trading. Under article 18 of the Company's Articles of Incorporation, the Board of Directors may decide that the General Meeting will not convene physically, but exclusively through the shareholders' participation by distance, via electronic means, in accordance with the legal provisions.

The General Shareholders Meeting is convened annually once every financial year, the latest by the tenth (10^{th}) day of the ninth (9^{th}) month as of the end of the financial year. Additionally, the Board of Directors may call an extra Annual General Shareholders' Meeting anytime when deemed advisable. Furthermore, the Board of Directors has the obligation to call a General Meeting by the deadline and under the conditions of art. 119 par. 4 of Law 4548/2018 (i.e. if the total assets of the Company falls below ½ of the share capital). The same obligation have the auditors, in case the Board of Directors fail to call a General Meeting by the deadline stipulated by law.

The invitation of the Annual or extra Annual General Meeting of shareholders is drawn up and published pursuant to the legal provisions in force.

The General Meeting is in quorum and convenes validly on the issues of the agenda when at least twenty (20%) percent of its paid-in share capital is represented. In the event that such quorum is not reached during the first convocation a new repeated Meeting is held within twenty (20) days. The repeated Meeting is in quorum and convenes validly with the same agenda items, irrespectively of the percentage of the paid in share capital represented. The resolutions of the General Meeting are adopted upon an absolute majority of the votes represented at the Meeting.

Exceptionally, according to Article 20 of the Articles of Incorporation, the General Meeting is in quorum and convenes validly only if two thirds (2/3) of the paid-in share capital are represented, with respect to the following matters:
(a) Merger or dissolution of the Company.
(b) Increase or decrease of the share capital, with the exception of cases which are governed by different provisions under the law or the present Articles of Incorporation.
(c) Issuance of bond loans convertible to shares.
(d) Amendment of the manner of distribution of profits.
(e) Increase of the liability of shareholders.
(f) Limitation or cancellation of the preemption rights of existing shareholders in the event of increases of share capital in cash or contributions in kind.
(g) Amendment of the special majority of the Board of Directors provided in Article 6 paragraph 1 of the Articles of Incorporation (share capital increase and issuance of a bond loan by decision of the Board of Directors taken by a two-thirds majority of following relevant resolution of the General Meeting).
(h) Amendment of same Article 20 of the Company's Articles of Incorporation.

For the foregoing items, if a quorum of 2/3 is not reached at the first meeting, a repetitive meeting is called within twenty (20) days as of the first meeting. The repetitive meeting is in quorum if 1/5 of the paid-up share capital is represented thereat.

The resolutions on the above issues are adopted upon a majority of two thirds (2/3) of the votes represented at the meeting.

2. Participation of the Shareholders in the General Meeting

2.1. The terms and time limits for the participation of the shareholders in the General Meeting and the exercise of the voting rights are determined by the applicable legislation, i.e. Article 124 of Law 4548/2018 in combination with Article 14 of Law 4569/2018.

Specifically:

- Any natural person or legal entity, is entitled to participate in the General Meeting provided that he is a shareholder on the Record Date, i.e. at the beginning of the fifth (5th) day before the date of the initial meeting of the General Meeting.

- In case of an adjourned or repetitive meeting, the deadlines as set out in law (Article 124 of Law 4548/2018) apply.

- The shareholder capacity may be proved by any lawful means and in particular on the basis of information that the Company receives by the central securities depository (ATHEXCSD) if it provides shareholders' registration services or through the intermediaries in any other case

- The identification of the shareholder for his participation in the General Meeting and the exercise of the above rights does not require blocking of shares or any other similar processes that would restrict the possibility of sale and transfer of shares during the period between the Record Date and the date of meeting of the General Meeting.

  Also the shareholders' rights before the General Meeting are prescribed by applicable legislation, in particular Article 123 of Law 4548/2018. More specifically, according to Article 123 paragraphs 3, 4 and 5 of Law 4548/2018, the Company is obliged to post on its website as of the date of publication of the invitation for the General Meeting until the date of the General Meeting, apart from the said invitation including information required by law (Article 121 paragraph 4 of Law 4548/2018, i.e. among others, information relating to the procedure of voting by proxy, as well as information regarding the exercise of minority rights of Article 141 paragraphs 2, 3, 6 and 7 of Law 4548/2018), the forms of appointment and revocation of a proxy, draft resolutions for the agenda items and total number of shares and voting rights attaching thereto on the day of the invitation. If the online access to the documents for the appointment/ revocation of a proxy is impossible for technical reasons, the Company notes on its website the way a shareholder may acquire such documents in hard copies and sends those for free to any requesting shareholder.

2.2. The Shareholder may participate and vote in the General Meeting in person or by proxy, according to the provisions of the applicable legislation (Articles 124 and 128 of law 4548/2018). The appointment and the revocation of the appointment or replacement of a proxy shall be made in writing and shall be notified to the Company at least 48 hours before the initial General Meeting (Article 128 paragraph 4 of Law 4548/2018). A shareholder non-complying with said deadline shall participate at the General Meeting, unless the General Meeting refuses such participation for a major reason and justifies such refusal.

The proxy votes according to the shareholder's instructions, if such exist, however in case of the proxy's not complying with the instructions received, such non-compliance does not affect the validity of the General Meeting resolutions even if the proxy's vote was crucial for achieving majority.

The proxy is obliged to disclose to the Company, before the commencement of the General Meeting, any fact which might be useful to the shareholders in assessing whether the proxy might pursue any interest other than the interest of the represented shareholder (Article 128 of Law 4548/2018).

2.3. Under article 18 of the Company's Articles of Incorporation, the shareholders may participate by distance at the voting of the General Meeting to be conducted before the meeting, particularly by mail or through electronic means, according to a procedure stipulated by a decision of the Board of Directors and pursuant to the provisions of law.
Additionally, the shareholders may participate at the General Meeting by distance in real time, by audiovisual or other electronic means, without them being present at the place of the General Meeting. The procedure is decided by the Board of Directors pursuant to the provisions of law.

3. Minority Shareholders' Rights

Minority shareholders' rights and the exercise thereof are governed by applicable legislation, i.e. by Law 4548/2018 (particularly articles 141, 142 and 144).

4. Decisions of the General Meeting of the shareholders of OTE S.A. for important issues, during 2021

Apart of the share capital of the Company, approved the Remuneration Report of the Members of the BoD for the fiscal year 2020, pre-approved the payment of remuneration to the members of the Board of Directors and its Committees for the fiscal year 2021, granted a special permission for the drafting of contracts in accordance with the provisions of articles 97 par.3, 99 par. 1, 2 and 100 par.2 of L.4548/2018, elected a new ten – member BoD and appointed its independent members in accordance with the requirements of L. 4706/2020, determined the type, composition and term of the Audit Committee, approved a Suitability Policy for the members of the Board of Directors according to Law 4706/2020 and the Hellenic Capital Market Commission's Circular No. 60 / 18.09.2020 and granted a permission to the Members of the Board of Directors and the Officers of the Company in order to participate in boards of directors or in the management of OTE Group Companies that pursue same or similar objectives, in accordance with article 98 par. 1 of Law 4548/2018 and article 14 of the Company's Articles of Incorporation. Finally, cases of conflict of interests and contracts of the year 2020 that fall under article 99 of L. 4548/2018 (related party transactions) were disclosed to the Ordinary General Meeting, pursuant to article 97 par. 1 , case b of L. 4548/2018, and the Report of the OTE Audit Committee for the year 2020 was submitted.

F. Diversity policy with respect to the administrative, managerial and oversight bodies corporate

For OTE Group, the respect of diversity, that includes the core dimensions of gender and gender identity, age, nationality and ethnic origin, disability, religion and beliefs, political opinion, skills, sexual orientation, and identity, aims to contribute significantly to OTE Group's business success through recognition, appreciation, integration into business environment and utilization of individual diversity of our stakeholders.

For the respect and the defense of the above values, the Company adopted (in August 2021) and applies to all employees and the management of OTE and of the rest companies of OTE Group, the "OTE Group Diversity, Equity and Inclusion Policy" (the Policy), which defines the commitment of OTE Group to the above values. In this context, the Policy also applies and is implemented by the members of the Board of Directors of OTE., for whom it includes separate provisions in accordance with Law 4706/2020 on corporate governance, the Circular No. 60/18-09-2020 issued by the Hellenic Capital Market Commission and the Hellenic Corporate Governance Code 2021.

In particular, the Policy, inter alia, includes a reference on specific quantitative representation targets per gender to the Board of Directors of the Company (at least 25%) as well as a statement that the diversity criteria apply, in addition to the members of the Board of Directors, also to the top and senior managers with specific representation goals per gender (30%), as well as timelines for achieving them (3 years).

It is noted that references to the diversity of the members of the Board of Directors are also included in the current "Suitability Policy for the members of the Board of Directors of OTE S.A.", aiming at promoting an appropriate level of diversity in the Board and create a diverse group of members, in order to ensure, through a wide range of qualifications and skills when selecting Board members, pluralism and variety of views and experiences, aiming at right business decisions.

At the end of 2021, 31% of the Company's medium and upper level managers were women; the respective percentage in the high upper level managers was 21% and in OTE Group Management Board 21%.

The age of the medium and upper level managers was between 34 and 64 years (average age 47,7 years), of the high upper level managers between 46 and 61 years (average age 53.3 years) and of the members of OTE Group Management Board between 47 and 64 years (average age 55,8 years).

With respect to the professional and educational background, the medium and upper level managers are University graduates or above in a percentage of 71%, while in the high upper level managers and members of OTE Group Management Board the respective percentage is 88% and 100%. With respect to the professional background, the members of OTE Group Management Board have many years of experience in their field and in their majority have prior experience in major /multinational firms in Greece and abroad. A significant percentage of the medium and upper level managers come from the market, while high is the percentage of managers that have evolved within the Group.

In December 31, 2021, 30% of the Board of Directors is comprised by women (3 in total of 10 members). However, as per the age of the members of the Board of Directors, they range between 47 and 65 years of age with an average age of 56 years. As per their educational background all Board members hold University degrees either from Greek or from foreign Universities and the majority hold post-graduate degrees or/and doctoral degrees, in a variety of fields (financial, technical, business administration, political sciences, media studies etc.). Finally, all of the Board members have professional experience, either from their engagement in the market (private and international companies), or from public sector or academic positions.

G. MATERIAL TRANSACTIONS WITH RELATED PARTIES

OTE's related parties have been identified based on the requirements of IAS 24 "Related Party Disclosures".

The Group includes all entities which OTE controls, either directly or indirectly. Transactions and balances between companies in the Group are eliminated on consolidation.

DEUTSCHE TELEKOM AG is a 48.3% shareholder of OTE and consolidates OTE using the full consolidation method. Therefore, all companies included in the DEUTSCHE TELEKOM group are also considered related parties.

The Company purchases goods and services from these related parties, provides services and delivers goods to them. Furthermore, OTE grants and receives loans to and from these related parties and also receives and pays dividends.

OTE's sales and purchases with related parties are analyzed as follows:

	2021		2020	
	Sales OTE	Purchases OTE	Sales OTE	Purchases OTE
COSMOTE Group - Greece	61.4	151.5	83.5	134.7
COSMOTE TV PRODUCTIONS	-	6.5	-	6.3
COSMO-ONE	0.1	0.5	0.1	0.5
OTESAT-MARITEL	0.5	0.1	0.4	0.4
CTS	0.5	151.9	-	1.6
COSMOTE PAYMENTS	-	0.6	-	-
COSMOTE GLOBAL SOLUTIONS S.A.	-	0.4	-	-
OTE ESTATE	0.2	0.3	0.2	4.3
OTE GLOBE	8.1	36.9	9.2	37.0
OTE ACADEMY	-	3.3	-	1.6
TELEKOM ROMANIA (until the date of the disposal)	0.1	0.2	-	0.1
TELEKOM ROMANIA MOBILE	3.0	2.4	0.1	-
OTE RURAL NORTH	2.7	3.7	2.2	2.7
OTE RURAL SOUTH	3.6	5.5	3.0	4.4
DEUTSCHE TELEKOM group of companies (except for OTE Group)	8.6	7.3	17.9	5.8
TOTAL	**88.8**	**371.1**	**116.6**	**199.4**

Purchases of OTE from CTS include network construction services amounting to Euro 18.2 for 2021 (2020: Euro nil).

Purchases of OTE from related parties do not include an amount of Euro 35.6 related to lease expenses (2020: Euro 43.3).

The Group's sales and purchases with related parties which are not eliminated in the consolidation are analyzed as follows:

	2021		2020	
	Group's sales	Group's purchases	Group's sales	Group's purchases
DEUTSCHE TELEKOM group of companies (except for OTE Group)	35.6	51.6	42.1	49.7
TOTAL	**35.6**	**51.6**	**42.1**	**49.7**

Group's sales and purchases include an amount of Euro 4.6 and Euro 18.4, respectively, related to discontinued operations (2020: Euro 6.2 and Euro 18.1, respectively).

OTE's other operating income with its related parties is analyzed as follows:

	Other operating income OTE	
	2021	2020
COSMOTE Group - Greece	15.2	2.9
CTS	10.1	-
OTE ESTATE	0.3	0.7
OTE ACADEMY	0.2	0.2
OTE GLOBE	0.1	-
DEUTSCHE TELEKOM group of companies (except for OTE Group)	0.1	-
TOTAL	**26.0**	**3.8**

The Group's other operating income with its related parties which is not eliminated in the consolidation is analyzed as follows:

	Group's other operating income	
	2021	2020
DEUTSCHE TELEKOM group of companies (except for OTE Group)	0.1	-
TOTAL	**0.1**	**-**

OTE's financial activities with its related parties, which comprise interest on loans granted and received are analyzed as follows:

	2021		2020	
	Finance income OTE	Finance expense OTE	Finance income OTE	Finance expense OTE
OTE PLC	-	18.3	-	31.9
COSMOTE Group - Greece	0.1	-	0.2	-
OTE RURAL NORTH	0.1	-	0.5	-
OTE RURAL SOUTH	0.4	-	0.4	-
TOTAL	**0.6**	**18.3**	**1.1**	**31.9**

OTE's dividend income from its related parties is analyzed as follows:

	Dividend income OTE	
	2021	2020
COSMOTE	180.0	300.0
OTE INSURANCE	0.5	-
OTESAT-MARITEL	-	0.3
OTE ESTATE	20.4	30.7
TOTAL	**200.9**	**331.0**

Amounts owed to and by the related parties as a result of OTE's transactions with them, including dividends are analyzed as follows:

	31/12/2021		31/12/2020	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
COSMOTE Group - Greece	77.4	162.5	184.8	151.6
TELEKOM ROMANIA MOBILE	0.1	4.0	0.4	-
COSMOTE TV PRODUCTIONS	-	1.7	0.1	1.7
COSMO-ONE	-	0.1	-	-
OTESAT-MARITEL	4.5	-	5.1	0.2
CTS	13.2	33.1	-	0.5
COSMOTE PAYMENTS	0.5	0.2	-	-
COSMOTE GLOBAL SOLUTIONS S.A.	-	0.4	-	-
OTE ESTATE	1.8	0.5	1.8	0.2
OTE GLOBE	2.6	10.3	2.8	15.8
OTE ACADEMY	0.1	0.6	0.5	0.4
TELEKOM ROMANIA	-	-	1.6	-
OTE RURAL NORTH	0.9	0.1	0.5	-
OTE RURAL SOUTH	1.0	0.1	0.7	0.3
DEUTSCHE TELEKOM group of companies (except for OTE Group)	2.9	6.1	3.0	3.0
TOTAL	**105.0**	**219.7**	**201.3**	**173.7**

In 2021, amounts owed to OTE by COSMOTE Group – Greece include dividend receivable of Euro 40.0 (2020: Euro 150.0 by COSMOTE Group – Greece and Euro 0.9 by OTESAT - MARITEL, respectively).

OTE's lease liabilities to related parties are analyzed as follows:

	01/01/2021	Spin-off	Lease payments	New Contracts / Contract Modifications	Interest expense	31/12/2021
	Lease liabilities, opening balance					Lease liabilities, ending balance
OTE ESTATE	203.3	(37.1)	(31.7)	(2.2)	5.7	138.0
COSMOTE Group - Greece	6.3	(0.7)	(5.3)	(0.2)	0.1	0.2
OTE RURAL NORTH	0.6	-	(0.5)	0.6	0.1	0.8
OTE RURAL SOUTH	1.0	-	(1.0)	1.6	0.1	1.7
TOTAL	**211.2**	**(37.8)**	**(38.5)**	**(0.2)**	**6.0**	**140.7**

In addition, the Company's depreciation includes depreciation charge for the right-of-use assets in relation to lease agreements with related parties amounting to Euro 31.3 (2020: Euro 35.3).

Amounts owed to and by the related parties as a result of the Group's transactions with them, which are not eliminated in the consolidation, are analyzed as follows:

	31/12/2021		31/12/2020	
	Amounts owed to Group	Amounts owed by Group	Amounts owed to Group	Amounts owed by Group
DEUTSCHE TELEKOM group of companies (except for OTE Group)	8.5	348.4	10.3	357.9
TOTAL	**8.5**	**348.4**	**10.3**	**357.9**

Amounts owed by Group to DEUTSCHE TELEKOM group as of December 31, 2021 include an amount of Euro 300.0 (nominal amount) related to Notes issued by OTE PLC and subscribed partially or in full by DEUTSCHE TELEKOM AG (December 31, 2020: Euro 300.0 nominal amount). Interest expenses for the above Notes amount to Euro 2.5 (2020: Euro 2.8).

Amounts owed to and by OTE relating to loans granted and received, are analyzed as follows:

	31/12/2021		31/12/2020	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
OTE PLC	-	1,178.1	-	1,172.1
COSMOTE Group - Greece	-	-	0.1	-
OTE RURAL NORTH	6.1	-	6.1	-
OTE RURAL SOUTH	8.5	-	8.6	-
TOTAL	**14.6**	**1,178.1**	**14.8**	**1,172.1**

Amounts owed by OTE to OTE PLC relating to loans include interest payable amounting to Euro 6.3 (December 31, 2020: Euro 7.2).

Amounts owed to OTE by OTE RURAL NORTH and OTE RURAL SOUTH relating to loans include interest receivable amounting to Euro 0.1 as of December 31, 2021 (December 31, 2020: Euro 0.2).

Key Management Personnel and those closely related to them are defined as related parties in accordance with IAS 24 "Related Party Disclosures". Key management compensation comprises salaries and other short term benefits, termination benefits, post-employment benefits and other long term benefits (as defined in IAS 19 "Employee Benefits") and share based payments (as defined in IFRS 2 "Share-based Payment").

Fees to the members of the Board of Directors and OTE's key management personnel amounted to Euro 11.9 and Euro 10.2 for the years 2021 and 2020, respectively.

The main transactions between the Group companies are described below:

OTE GLOBE

OTE GLOBE provides international telephony services on behalf of OTE to international providers and invoices OTE with its fees. OTE GLOBE invoices OTE, and OTE invoices OTE GLOBE for the telecommunication traffic which passes through international networks of OTE GLOBE or international telephone networks of OTE as the case may be. In addition, the two entities have commercial transactions in relation to leased lines.

OTE ESTATE

OTE ESTATE earns income from leasing of buildings to OTE and its subsidiaries.

COSMOTE TV PRODUCTIONS

COSMOTE TV PRODUCTIONS invoices OTE for TV related services.

COSMO-ONE

COSMO-ONE invoices OTE and its subsidiaries for IT services.

OTESAT-MARITEL

OTE invoices OTESAT-MARITEL for the usage of OTE's facilities for INMARSAT services. OTESAT-MARITEL invoices OTE for fixed to mobile connection.

CTS

CTS provides services of technical field operations to OTE and its subsidiaries. OTE invoices CTS for the provision of shared services.

COSMOTE Group

OTE invoices COSMOTE Group (COSMOTE) for leased lines. COSMOTE Group invoices OTE with commissions in relation to sales made through the commercial channels of COSMOTE Group (GERMANOS). COSMOTE Group (COSMOTE E-VALUE) provides customer care and support services to OTE. OTE and COSMOTE Group (COSMOTE) have income and expenses for interconnection depending to which of the two entities' network the calls terminate, including international telephony traffic which passes through the two networks. OTE and COSMOTE Group have also revenues and expenses for other shared services, depending which of the entities provides the services.

OTE ACADEMY

OTE ACADEMY provides training services to the employees of OTE and its subsidiaries.

OTE PLC

OTE PLC grants / receives loans to / from OTE and its subsidiaries.

OTE RURAL NORTH

OTE invoices OTE RURAL NORTH for broadband infrastructure development and has granted loans to this entity. OTE RURAL NORTH provides wholesale broadband network services to OTE.

OTE RURAL SOUTH

OTE invoices OTE RURAL SOUTH for broadband infrastructure development and has granted loans to this entity. OTE RURAL SOUTH provides wholesale broadband network services to OTE.

DEUTSCHE TELEKOM group of companies

The Group has income and expenses which arise from transactions concerning incoming, outgoing and transit traffic to and from the network of the companies that belong to DEUTSCHE TELEKOM group, as well as other shared services.

H. CASES OF CONFLICT OF INTEREST AND AGREEMENTS OF THE FISCAL YEAR 2021 WHICH FALL UNDER ARTICLE 99 OF LAW N.4548/2018 (RELATED PARTY TRANSACTIONS)

1. Issues of the agenda of the Board of Directors of the Company, within the fiscal year 2021, on which members of the Board of Directors abstained because these issues concerned them personally (conflict of interest):

S/N	MEETING	ITEM NUMBER	ITEM TITLE	BoD MEMBER WHO ABSTAINED
1.	3133/18-3-2021	5th	Approval of the achievement level: (A) of the (specific) collective targets related to the Short Term Incentive (STI) for the year 2020, and (B) of the related to the Repeated Performance Incentive (RPI) target for the year 2020, for the executive members of the Board of Directors and the Executives of OTE Group in Greece (that belong to the Management Groups MG1-MG3 and are eligible for participation).	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
		6th	Implementation of the Agreements of the executive members of the Board of Directors of OTE S.A. (Managing Director – Chief Financial Officer OTE Group): Definition (a) of the Short Term Incentive (STI) for the year 2020 and (b) of the Repeated Performance Incentive (RPI) for the year 2020.	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
		9th	Approval of the achievement of the annual individual targets for the year 2020 for the Managing Director of OTE S.A. and for the Chief Financial Officer OTE Group, executive members of the OTE S.A. Board of Directors.	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
2.	3134/16-4-2021	7th	Identification of candidates as Independent Members for the Board of Directors of OTE S.A.	INDEPENDENT NON-EXECUTIVE MEMBERS: E. Blok D. Georgoutsos
		9th	Long Term Incentive 2017 Plan (LTI2017) – Approval of the total annual targets' achievement of all four years of LTI2017 Plan (for the executive members of OTE Board of Directors and the executives of the OTE Group who participated in LTI2017).	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
		10th	Definition of the 2021 (specific) corporate targets for the Short Term Incentive (STI) for the year 2021 (for the executive members of the OTE S.A. Board of Directors and the executives of OTE Group who belong to management groups MG1-MG3).	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis

		11th	Amendment of the Performance Management Process for Executives within Management Groups MG1, MG2, MG3, valid from 01/01/2021.	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
		12th	Definition of the annual individual targets for the year 2021 of the Managing Director of OTE S.A.	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
3.	3135/11-5-2021	11th	Granting of special permission, according to articles 97 par.3, 99 par.1, 2 and 100 par.2 of Law 4548/2018 for the continuation for the period 31.12.2021 until 31.12.2022 of the insurance coverage of Directors & Officers of OTE S.A. and its affiliated companies, against liabilities incurred in the exercise of their competences, duties and powers.	All BoD Members abstained and the issue was submitted to the General Meeting of the Shareholders to decide upon.
		18th	Long Term Incentive 2017 Plan (LTI 2017) and Share Matching Plan 2017 (SMP 2017) – Approval of the payment variable amounts of LTI 2017 and the grant of the free DTAG shares of SMP 2017 for the executive members of the OTE BoD: a) Managing Director & b) Chief Financial Officer OTE Group.	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
		19th	Long Term Incentive 2017 Plan (LTI 2017) and Share Matching Plan 2017 (SMP 2017) – Approval of the payment variable amounts of LTI 2017 and the grant of the free DTAG shares of SMP 2017 for the Executive Director Internal Audit OTE Group and the Executive Director of Compliance, ERM & Insurance OTE Group.	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
		20th	Implementation of the Employment Agreements of (A) Chief Technology & Operations Officer OTE Group and (B) Chief Commercial Officer Business Segment OTE Group, Members of COSMOTE S.A. Board of Directors, in the frame of their Secondment Agreements from COSMOTE S.A. to OTE S.A. – Long Term Incentive 2017 Plan (LTI2017) and Share Matching Plan 2017 (SMP 2017) – Approval of the payment variable amounts of LTI 2017 and the grant of the free DTAG shares of SMP 2017.	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis
4.	3136/19-5-2021	single item	Recommendation to the Ordinary General Shareholders' Meeting regarding the item for the election of new Board of Directors.	The current, at that time, Members of the BoD did not vote on their candidacy
5.	3147/11-11-2021	5th	Approval of extraordinary variable payment related to the retention of critical resources and the sale of the subsidiary company Telekom Romania Mobile Communications S.A. (TKRM) in Romania.	EXECUTIVE MEMBER: Ch. Mazarakis
6.	3149/14-12-2021	9th	Approval of the renewal of the term of the Agreement of the Managing Director of OTE S.A.	EXECUTIVE MEMBERS: M. Tsamaz Ch. Mazarakis

2. Issues of the agenda of the Board of Directors within the fiscal year 2021 that concern agreements that fall under article 99 (Transparency and monitoring of the related party transactions) of Law 4548/2018:

2.1. Meeting 3135/11-5-2021 (11th item) for the approval of the continuation of D&O insurance *("Granting of special permission, according to articles 97 par.3, 99 par.1, 2 and 100 par.2 of Law 4548/2018 for the continuation for the period 31.12.2021 until 31.12.2022 of the insurance coverage of Directors & Officers of OTE S.A. and its affiliated companies, against liabilities incurred in the exercise of their competences, duties and powers")*. It is noted that at the OTE BoD meeting held on the above mentioned issue, all BoD members (executive and non-executive) abstained from the discussion and voting because the issue concerned them personally. For this reason the issue was submitted to the Ordinary General Meeting of the Shareholders of OTE to decide upon. The permission that was granted by the General Meeting of the Shareholders of OTE on the above mentioned issue was announced to G.E.MI. on 01.07.2021 along with the relevant Assessment Report of the audit firm "Grant Thornton S.A. Chartered Accountants & Management Consultants" as to whether the above mentioned transaction was fair and reasonable for the Company and its shareholders who are not a related party.

2.2. Meeting 3147/11-11-2021 (3rd item) for the approval of the conclusion of agreements between companies of the OTE Group and companies of the Deutsche Telekom AG Group *["Grant of a special permission, pursuant to article 99 of Law 4548/2018, for the conclusion of: i) the separate services agreements ("Service Arrangements") between OTE S.A. (OTE) and Deutsche Telekom AG (DTAG) for the provision by the latter of specific services for the year 2022, under the approved "Framework Cooperation and Service Agreement", and ii) the respective transactions for the year 2022 between companies of OTE Group (COSMOTE S.A. / Telekom Romania Mobile Communications S.A.) and Deutsche Telekom AG (DTAG) and/or Telekom Deutschland GmbH (TD GmbH)"]*. It is noted that the permission that was granted by the OTE BoD for this issue was announced to G.E.MI. on 09.12.2021 along with the relevant Assessment Reports of the audit firm "Grant Thornton S.A. Chartered Accountants & Management Consultants" as to whether the above mentioned transactions were fair and reasonable for the Company and its shareholders who are not a related party. On 22.12.2021 the BoD announced to G.E.MI. its confirmation, pursuant to article 101 par. 2 of Law 4548/2018, for the inactive lapse of the 10-day period deadline which is provided for in article 100 par. 3 of said Law for the exercise by shareholders of the Company of the right to convene a General Meeting for said issue.

I. SIGNIFICANT EVENTS AFTER THE YEAR END

CANCELLATION OF OWN SHARES AND SHARE BUYBACK PROGRAM

The Extraordinary General Shareholders' Meeting on January 18, 2022 approved in accordance with article 49 of Law 4548/2018, the cancellation of 8,638,512 own shares, along with a reduction of the Company's share capital by Euro 24,446,988.96 (absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. 2.83 Euro (absolute amount)), and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation. The Company acquired these shares during the period from May 1, 2021 to November 30, 2021, at an average price of Euro 15.28 per share, within the framework of the Own Share Buy Back Program as approved by the General Shareholders' Meeting on 20/02/2020 (the "2020-2022 Buyback Program"). After completion of publicity formalities and following notification to the Corporate Actions Committee of the Athens Stock Exchange, the shares were canceled and delisted from the Athens Exchange as of February 22, 2022, when trading of the aforementioned shares on the ATHEX has ceased.

Within the framework of the Share Buyback Program and specifically during the period from March 5, 2021 to February 20, 2022, 14,435,076 treasury shares were acquired, out of which 2,225.380 were acquired during the period from January 1, 2022 to February 20, 2022. From these shares, the shares which have been acquired until November 30, 2021 have already been cancelled according to the decisions of the General Shareholders' Meeting, whereas those shares which have been acquired from December 1, 2021 and thereafter they will be cancelled in a following General Shareholders' Meeting.

Further to the foregoing, the Extraordinary General Shareholders' Meeting of January 18, 2022 approved a new Own Share Buyback Program for 24 months for up to 10% of the Company's outstanding shares, at a price range between Euro 1 and Euro 30 per share.

REVISED REMUNERATION POLICY

On February 23, 2022, the Board of Directors of OTE, approved the revised Shareholders Remuneration Policy as described in section A. FINANCIAL AND OPERATIONAL HIGHLIGHTS OF 2021

COSMOTE

Payment of principal installment under the Euro 150.0 term loan with EIB

On January 24, 2022, Cosmote paid principal installment of Euro 11.5 under the term loan with EIB, along with the accrued interest.

Fines of DPA against COSMOTE and OTE

In January 2022, DPA imposed fines on COSMOTE and OTE amounting to Euro 6.0 and Euro 3.3, respectively, related to an unauthorized file export from COSMOTE's system, as a result of a cyber-attack.

J. INFORMATION REGARDING ACQUIRED OWN SHARES IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 50 PARAGRAPH 2 OF LAW 4548/2018

- The Extraordinary General Shareholders' Meeting of February 20, 2020, approved an Own Share Buyback Program, with the aim to cancel them, of a 24-month term (hereinafter the "2020-2022 Buyback Program") , in the context of the Shareholders Remuneration Policy, approved by the Company's Board of Directors, and for the partial implementation thereof (i.e. on top of dividend distribution).

- During the first year of the 2020-2022 Buyback Program and particularly during the period between March 4, 2020 and January 28, 2021, 11,387,932 own shares of a nominal value of Euro 2.83 (absolute amount) per share were acquired, at an average execution price of Euro 12.20 (absolute amount) per share. More specifically, until October 31, 2020, 9,965,956 own shares had been acquired, while during the period from November 01, 2020 until January 28, 2021 an additional 1,421,976 own shares were acquired.

- The Extraordinary General Shareholders' Meeting of December 4, 2020, approved the cancellation of 9,965,956 own shares representing at that time 2.12% of the Company's share capital, along with a reduction of the Company's share capital by Euro 28,203,655.48 (absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. Euro 2.83 (absolute amount)), and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation.

- Following notification to the Corporate Actions Committee of the ATHEX and completion of publicity formalities, as per applicable legislation, such shares were canceled and delisted from the ATHEX on January 15, 2021, when trading of the aforementioned shares on the ATHEX has ceased.

- During the second year of the 2020-2022 Buyback Program and particularly during the period between March 5, 2021 and April 30, 2021, 2,047,524 own shares of a nominal value of Euro 2.83 (absolute amount) per share were acquired, at an average execution price of Euro 13.60 (absolute amount) per share.

- The Ordinary General Shareholders' Meeting of June 9, 2021, approved the cancellation of 3,469,500 own shares which had been acquired during the period from November 1, 2020 to April 30, 2021, (i.e.: 1,421,976 had been acquired from November 1, 2020 until January 28, 2021 and 2,047,524 had been acquired from March 5, 2021 until April 30, 2021), representing at that time 0.75% of the Company's share capital, along with a reduction of the Company's share capital by Euro 9,818,685 (absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. Euro 2.83 (absolute amount)), and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation.

- Following notification to the Corporate Actions Committee of the ATHEX and completion of lawful procedures, the aforementioned 3,469,500 shares were canceled and delisted from the ATHEX on July 19, 2021, when trading of the aforementioned shares on the ATHEX has ceased.

- During the second year of 2020-2022 Buyback Program and particularly during the period between May 1, 2021 and February 20, 2022, 12,387,552 own shares of a nominal value of 2.83 (absolute amount) per share were acquired, at an average execution price of Euro 15.73 per share. More specifically, until November 30, 2021 8,638,512 own shares had been acquired under the Program, while during the period from December 1, 2021 until February 20, 2022 an additional 3,749,040 own shares were acquired.

- The Extraordinary General Shareholders' Meeting of January 18, 2022, approved the cancellation of the above 8,638,512 own shares representing at that time 1.89% of the Company's share capital, along with a reduction of the Company's share capital by Euro 24,446,988.96 (absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. Euro 2.83 (absolute amount)), and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation.

- Following notification to the Corporate Actions Committee of the ATHEX and completion of lawful procedures, such shares were canceled and delisted from the ATHEX on February 22, 2022, when trading of the aforementioned shares on the ATHEX has ceased.

- Furthermore, the same Extraordinary General Shareholders' Meeting of January 18, 2022, approved an Own Share Buyback Program of a 24-month term (hereinafter the "2022-2024 Buyback Program"), in the context of the Shareholders Remuneration Policy, and for the partial implementation thereof (i.e. on top of dividend distribution).

- On February 23, 2022, the Company holds 3,749,040 own shares, with a nominal value of Euro 2.83 (absolute amount) per share, which represent 0.84% of the Company's share capital.

K. INFORMATION ACCORDING TO ARTICLE 4 par.7 OF LAW 3556/2007

(a) Share capital structure

According to the Company's share registry as of December 31, 2021 the Company's ownership was as follows:

Shareholders as of December 31, 2021	Number of shares	Percentage %
DEUTSCHE TELEKOM AG	220,567,676	48.3%
Hellenic State	4,901,507	1.1%
e-E.F.K.A.*	26,617,844	5.8%
Free float	194,489,921	42.6%
Treasury shares	10,162,172	2.2%
TOTAL	**456,739,120**	**100.0%**

** The stake of* e-E.F.K.A *includes 19,606,015 shares transferred by Hellenic Republic in 2009 (section (c) Significant direct or indirect investments).*

Following the approved cancellation of 8,638,512 own shares by the Extraordinary General Shareholders' Meeting of January 18, 2022, total number of outstanding shares amounts to 448,100,608.

All of the Company's shares are common, registered with voting rights and there are no special shareholder categories. The Company's shares are listed (dematerialized) on the Athens Exchange under the High Capitalization category. Until September 19, 2010, OTE ADRs (American Depositary Receipts) were also listed in the New York Stock Exchange. Following OTE's delisting from NYSE, OTE ADRs now trade in the US OTC (Over the Counter) market. OTE Global Depositary Receipts (GDRs) are also listed on London Stock Exchange.

Each share incorporates all rights and obligations as these derive from the Law 4548/2018 and the Company's Articles of Incorporation, the provisions of which, regarding the year in question, are in line with the provisions of the Law. Each share carries one vote in any General Meeting.
The allocation of the Company's net profits is being executed as provided by Law and the Company's Articles of Incorporation.

The General Meeting of shareholders maintains all its rights during liquidation. Shareholder's liability is limited to the nominal value of shares that they have in their possession. Shareholders' rights are the ones determined by the provisions of the law (i.e. Law 4548/2018).

(b) Restrictions in the transfer of the Company's shares

The Company's shares are intangible and freely traded on the Athens Exchange and are transferred according to the Law.

According to Article 49 par.1 of Law 4706/2020, the independent non-executive members of the Company's Board of Directors cannot, inter alia, possess directly or indirectly, both at their appointment, and during their term, a percentage of voting rights more than 0.5% of the paid-in share capital.

Under Article 19 of Regulation 596/2014 of the European Parliament and of the Council (as well as under the Commission Delegated Regulation 2016/522 and the Commission Implementing Regulation 2016/523), persons discharging managerial responsibilities as well as persons closely associated with them, are obliged to disclose their transactions relating to the Company's shares or debt instruments, or to derivatives or other financial instruments linked to them, conducted, directly or indirectly, for their own account, once a total amount of Euro 5,000 (absolute amount) has been reached in a calendar year (without netting).

The change of control may be subject to approval by the Competition Authorities in accordance with European and Greek merger control provisions.

(c) Significant direct or indirect investments

Significant ownership in the Company's share capital as of December 31, 2021, according to Law 3556/2007 as amended and in force, is as follows:

1. According to the notification of the May 31, 2018 (according to the provisions of Articles 9 to 11A of Law 3556/2007) by Hellenic Republic and Deutsche Telekom A.G. towards the Company, the Hellenic Republic held on such date directly 4,901,507 common registered shares of the Company with corresponding voting rights and indirectly, through the Digital Unified Social Insurance Fund (e-E.F.K.A.), 19,606,015 common registered shares of the Company with corresponding voting rights. DEUTSCHE TELEKOM A.G. held 220,567,676 common registered shares of OTE with the corresponding voting rights.

2. The 220,567,676 common registered shares of OTE that DEUTSCHE TELEKOM A.G. held on December 31, 2021 corresponded to 48.29% and on February 23, 2022 to 49.22% of OTE's share capital and voting rights (following the cancellation of own shares held by the Company).

3. The 4,901,507 common registered shares of OTE that the Hellenic Republic held on December 31, 2021 corresponded to 1.1% of OTE's share capital and voting rights, remaining approximately the same on February 23, 2022 (following the cancellation of own shares held by the Company).

4. In respect to e-E.F.K.A. participation:

   4.1. By virtue of an agreement dated March 4, 2009 between the Hellenic Republic and the "Social Security Fund-Single Employees Insurance Fund" (hereinafter "IKA-ETAM"), the Hellenic Republic transferred to IKA-ETAM 19,606,015 common registered shares of OTE with corresponding voting rights, which represent at that time a percentage of 4.0% of OTE's share capital or 4.29% of OTE's share capital and the corresponding voting rights at December 31, 2021.

   4.2. Under the foregoing agreement between the Hellenic Republic and IKA-ETAM, the latter undertakes the obligation to exercise the voting rights attaching to the shares owned by it, in the same way as the Hellenic Republic exercises them, providing a relevant mandate to the persons authorized, (hence it is obliged to coordinate with the Hellenic Republic when exercising these voting rights). Following the incorporation of IKA-ETAM into the Digital Unified Social Insurance Institution (e-E.F.K.A.) and pursuant to Law 4387/2016 (Article 70), the above shares have now been transferred to e-E.F.K.A. the latter being the universal successor of IKA-ETAM and the e-E.F.K.A. has been automatically subrogated to the rights and obligations of IKA-ETAM, therefore to the rights and obligations arising from the above agreement between the Hellenic Republic and IKA-ETAM.

   4.3. Following the incorporation to e-E.F.K.A. of other social security institutions and the cancellation of own shares, the percentage of direct participation of e-E.F.K.A. in the Company amounts to 5.83% as of December 2021 and on February 23, 2022 to 5.94% (following to cancellation of own shares held by the Company)

5. The foreign entity named Massachusetts Financial Services Company (MFS), according to its latests disclosures on June 25, 2021 and on January 13, 2022, to OTE S.A. pursuant to Law 3556/2007, notified that on June 23, 2021, held indirectly a percentage of 5.00% of the share capital of OTE S.A., which corresponded to 23,018,353 shares and same number of voting rights and on January 11, 2022 held indirectly a percentage of 4.97% of the share capital of OTE S.A., which corresponded to 22,707,496 shares and same number of voting rights.

6. As of December 31, 2021, the Company is not aware of any other Shareholder with significant direct or indirect investments in its paid-up share capital with the respective voting rights according to Law 3556/2007.

(d) Owners of shares that offer special control rights

There are no issued shares of the Company that offer special control rights.

(e) Restrictions on voting rights - Deadlines in exercising relating rights

There are no restrictions on voting rights according to the Company's Articles of Incorporation. Regarding restrictions deriving indirectly from shareholders agreements see below under paragraph (f).

(f) Shareholder agreements for restrictions in the transfer of shares or in exercising of voting rights

A. On May 14, 2008, an agreement was signed between the shareholders of the Company Hellenic Republic and DEUTSCHE TELEKOM A.G., which was ratified by Law 3676/2008. This agreement, as in force following its amendment on October 10, 2016, ratified by law 4429/2016, has been amended by virtue of an agreement between the Hellenic Republic, DEUTSCHE TELEKOM AG and the HRADF dated November 2, 2016, which has been approved by the decision with no. 259 of the Inter-Ministerial Committee of Restructurings and Privatizations. This agreement between the Hellenic Republic, DEUTSCHE TELEKOM AG and the HRADF provides for restrictions in the transfer of shares as well as in the exercise of voting rights regarding the shares held by the signatories of this agreement.

B. Following the completion, on May 30, 2018, of the sale of 24,507,520 common shares with corresponding voting rights from HRADF to Deutsche Telekom A.G. representing at that time 5% of the Company's share capital with corresponding voting rights and the elimination of HRADF's ownership in the Company's share capital, HRADF has ceased, as of such date, to be a party and is no longer bound to said agreement.

C. The transfer agreement dated March 4, 2009 and signed between the Hellenic Republic and IKA-ETAM, provides for restrictions on the transfer of shares (call option held by the Hellenic Republic, put option held by IKA-ETAM and right of first refusal of the Hellenic Republic). Also the same agreement provides for restrictions on the exercise of voting shares held by IKA-ETAM (obligation of IKA- ETAM to exercise its voting rights in coordination with the Hellenic Republic). Following the incorporation of IKA-ETAM into the Digital Unified Social Insurance Institution (e-E.F.K.A.) and pursuant to Law 4387/2016 (Article 70), the above shares have now been transferred to e-E.F.K.A., the latter being the universal successor of IKA-ETAM and the e-E.F.K.A. has automatically been subrogated to the rights and obligations of IKA-ETAM, therefore also to the rights and obligations arising from the above agreement between the Greek State and IKA-ETAM.

(g) Rules of appointment and replacement of members of the Board of Directors and amendment of the Company's Articles of Incorporation if they differ from the provisions of Law 4548/2018

According to the provisions in the Articles of Incorporation, the Board of Directors consists of ten (10) members and are elected by the General Meeting. The term of each Board member is three years and their service term commences on the day of the member's election by the General Meeting and terminates on the Annual General Meeting of the year when the three years from their election are completed.
In case of resignation, death or for any reason occurs derogation of one or more members before the end of their term, the remaining members of the Board of Directors, either elect – provided that at least five (5) members are present or represented- one or more replacements, or, in case the number of the remaining Directors exceeds half of the members that existed before these events happened, they continue to exercise the management or the representation of the Company, without having elected one or more replacements. If someone is elected by the Board of Directors as temporary member in someone else's position, this election is announced at the next General Meeting (regular or extraordinary), which has the authorization to replace the elected members even if this issue has not been included in the agenda of this General Meeting.

The members of the Board of Directors may always be re-elected and can be revoked anytime by the General Meeting of shareholders.

As per the Company's Articles of Incorporation, the amendment of article 20 thereof, dealing with items requiring increased quorum and majority percentages under applicable law, requires the same increased quorum/majority percentages (article 20, paragraph 1 point h of the Articles of Incorporation)

(h) Authority of the Board of Directors or some of its members for the issuance of new shares/share buy backs according to Law 4548/2018.

In accordance with article 6 of the Company's Articles of Incorporation, the General Meeting of shareholders, by virtue of a resolution may delegate to the Board of Directors the power to decide, by a majority of two thirds (2/3) of its members and within five (5) years from the date of the relevant resolution, on:
I. The increase of the share capital with the issuance of new shares. The amount of the increase may not exceed three times the amount of the share capital existing on the date of the delegation to the Board of Directors of the relevant power to increase the share capital.
II. The issuance of convertible bonds , up to an amount not exceeding three times the share capital existing on the date of the delegation to the Board of Directors of the relevant power to increase the share capital. After the exercise of the conversion rights, the share capital of the Company shall increase up to the amount provided for in the terms of the bond loan.

The above authorities of the Board of Directors may be renewed by the General Meeting for a period not exceeding five (5) years for each renewal.

There are no resolutions of the General Meeting of shareholders in force for the concession of the above authorities to the Board of Directors.

Following a resolution of the General Meeting of shareholders and pursuant to the regulations that are in force, the Company may acquire own shares corresponding to a maximum of 10% of its paid-up share capital. Such resolutions of the General Meeting are implemented by decisions either of the Board of Directors' or of the persons in which the Board of Directors has delegated such powers.

More detailed information regarding own shares having been acquired by the Company are provided above at respective Chapter J bearing title "INFORMATION REGARDING ACQUIRED OWN SHARES IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 50 paragraph 2 OF LAW 4548/2018"

(i) Significant Group's agreements that are in force and are amended/ terminated upon a change in control applicable to OTE or a Group subsidiary

DEBT - CREDIT FACILITIES

The Group has entered into various credit facilities in which a change of control clause applicable to OTE or a Group subsidiary is included. If the clause is activated the relevant company must proceed with certain actions in line with what is contractually stipulated.

The wording of the specific clause in each contract is as follows:

Global Medium Term-Note Programme

OTE PLC has established a Global Medium-Term Note ("GMTN") Programme, guaranteed by OTE. The notes that are issued under the GMTN Programme are traded in the secondary market and are listed in the Luxembourg Stock Exchange are the following:

- Euro 400.0 due 2022 Notes, and
- Euro 500.0 due 2026 Notes

Change of control clauses

The above Notes issued under the Global - Medium Term Note Programme include a change of control clause applicable to OTE which is triggered if an entity other than (i) DEUTSCHE TELEKOM AG, (ii) DEUTSCHE TELEKOM AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than DEUTSCHE TELEKOM AG) with credit rating equivalent or better than the credit rating of DEUTSCHE TELEKOM AG, gains the power to direct the management and policies of OTE, whether through voting rights, by contract or otherwise.

In accordance with the final terms of the Notes, in the event that the change of control clause is triggered, OTE PLC shall promptly give written notice to the bond holders who in turn shall have the option within 45 days to require OTE PLC to redeem the bonds (put option), at their principal amounts together with accrued interest up to the date of redemption.

Bank Loans

Euro 150.0 bilateral term loan with the European Investment Bank (EIB)

On July 10, 2017 COSMOTE signed, with the guarantee of OTE, the Euro 150.0 bilateral term loan with EIB. The EIB loan was fully drawn on January 23, 2018, has a tenor of 7 years with semi-annual repayment schedule and bears fixed interest rate of 2.805% p.a. The outstanding balance of the EIB Loan as of December 31, 2021 was Euro 80.7.

Euro 200.0 Revolving Credit Facility with National Bank of Greece and Alpha Bank SA

On July 24, 2020, OTE signed a Bond Loan Agreement, in the form of a committed Revolving Credit Facility, with the syndication of National Bank of Greece and Alpha Bank SA, of Euro 200.0 in total and tenor of 2 years. No drawdown had taken place up to December 31, 2021.

Change of Control Clauses

The above Bank Loans include a change of control clause applicable to OTE which is triggered if an entity other than (i) DEUTSCHE TELEKOM AG, (ii) DEUTSCHE TELEKOM AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than DEUTSCHE TELEKOM AG) with credit rating equivalent or better than the credit rating of DEUTSCHE TELEKOM AG, gains the power to direct the management and policies of OTE, whether through voting rights, by contract or otherwise.

In addition, the EIB Loan includes a change of control applicable to COSMOTE which is triggered if OTE (the Guarantor) ceases to control COSMOTE (the Borrower).

In the event that the clause is triggered in the Euro 150.0 bilateral term loan, the bank may at its option, by notice to COSMOTE, require the prepayment of the whole or any portion of the loan.

In the event that the clause is triggered in the Euro 200.0 Revolving Credit Facility, each bank may exercise its option to request mandatory prepayment of the outstanding bonds and cancellation of commitments.

Credit Facilities for Bank Guarantees

OTE and COSMOTE have signed Credit Facilities for the issuance of Bank Guarantees with international banks.

Change of Control Clauses

These Credit Facilities include change of control clauses which are similar to the change of control clause of the bank loans, and which are applicable to OTE and/or COSMOTE. If the clause is triggered, OTE and/or COSMOTE must proceed with repayment of any outstanding amounts under the relevant Credit Facility and provide cash cover for all guarantees issued under the relevant Credit Facility and OTE/Cosmote’s relevant entitlement to utilize the respective Credit Facilities will cease.

OTE – PROCUREMENT

1) a. Service Agreement (Project Term Sheet) for the IT Services provided by Deutsche Telekom IT GmbH for the new accounting standard (IFRS 15 Central Engine Solution) as a part of the already concluded Framework Agreement (Project Service Agreement-PSA) with T-Systems International GmbH (T-Systems) for the provision of IT services (IT /licensing and related interconnection services) by T-Systems International GmbH.

According to the PSA the right of immediate termination for good cause, e.g. change of control, infringement of intellectual property rights of a third party, shall remain unaffected. For the avoidance of doubt, change of control shall be understood to mean a change in the majority equity ownership or the voting majority of the other Party, either directly or indirectly, from the control currently existing at the time of execution of this Agreement.

b. Service Agreement (Project Term Sheet) for the provision of IT Services (INA) between OTE SA and Deutsche Telekom IT GmbH as a part of the already concluded Framework Agreement (Project Service Agreement- PSA) with T-Systems International GmbH (T-Systems) for the provision of IT services (IT /licensing and related interconnection services) by T-Systems International GmbH.
According to the PSA the right of immediate termination for good cause, e.g. change of control, infringement of intellectual property rights of a third party, shall remain unaffected. For the avoidance of doubt, change of control shall be understood to mean a change in the majority equity ownership or the voting majority of the other Party, either directly or indirectly, from the control currently existing at the time of execution of this Agreement.

2) Service Agreement (Project Term Sheet) between T-Systems Hungary Ltd and OTE S.A for the provision of Seamless Communication services through Cisco HCS Cloud Platform (SCPH). This Project Term Sheet is a part of the already concluded Framework Agreement (Project Service Agreement- PSA) with T-Systems Hungary Ltd for the provision of communication and IT services.
According to the PSA the right of immediate termination for good cause, e.g. change of control, infringement of intellectual property rights of a third party, shall remain unaffected. For the avoidance of doubt, change of control shall be understood to mean a change in the majority equity ownership or the voting majority of the other Party, either directly or indirectly, from the control currently existing at the time of execution of this Agreement.

3) Service Arrangement concerning the provision of IP Multimedia Subsystem (IMS) Shared Service Centre (SSC) Development and Support Services for Voice Over XX (VoXX) Multi-Media Telephony (MMTel) Application Server (AS), Media Resources Function (MRF), Authentication Proxy (AP), IP Short Message Gate Way (IP SMGW), NetAct and CAM under the Framework Cooperation and Service Agreement between OTE and Deutsche Telekom Pan-Net S.R.O.(Pan-net Slovakia):

(a) Within the frame of this agreement, change of control means that Deutsche Telekom AG no longer Controls the Service Provider and/or the Service Receiver. Control means the ability of Deutsche Telekom AG to exert, directly or indirectly, a controlling influence (by means of ownership, majority of voting right, contractual arrangement or otherwise) over an entity or person.

(b) In no event a change of control shall be considered as a basis to terminate the agreement. In such a case the parties will promptly inform each other about any change of control and will establish a transitional period of not more than 12 months on the terms of this agreement for the performing of the services described in the Service Arrangements.

4) Service Agreement between the company of DT Group under the name «Hrvatski Telekom d.d» (HT) and OTE for the provision of software services through interconnection with NEC Business Marketplace platform and relevant platform support services, in order business customers of OTE to order Microsoft Office 365 products (Cloud Office).

According to the Agreement each Party shall be entitled to terminate this Agreement with immediate effect in case of change of control or infringement of intellectual property rights of a third party. For the avoidance of doubt, change of control shall be understood to mean a change in the majority equity ownership or the voting majority of the other Party, either directly or indirectly, from the control currently existing at the time of execution of the Agreement.

5) Agreement on Intercompany Provision of Products and Services for the operation and maintenance service of SAP FC consolidation tool between OTE S.A. and DT Accounting GmbH ("DTA")

Either Party shall have the right to terminate the Agreement for good cause at any point during its term. In particular, good cause shall be deemed to exist, if shares of one of the Parties are transferred to third parties and this results in a change of control of this Party and/or DTAG is no longer the sole controlling company of the Contractor (DTA) or/and a shareholder of the Customer (OTE) of at least 40% (change of control). In this case a 1-month- prior notice shall be necessary with effect from the end of a given calendar month.

6) Service Arrangement- schedule to the framework cooperation & and service agreement between T- Mobile Polska and OTE S.A. concerning the provision of services by one of the parties to the other regarding digital and cloud services Hub services

According to the above agreement, change of control means a situation in which DT for whatever reason loses the ability to exert, directly or indirectly, a controlling influence (by means of majority ownership, majority of voting rights, contractual arrangement or otherwise) over TMPL or OTE S.A.. In the event of a Change Of Control this Agreement shall terminate automatically unless the Parties have, negotiating in good faith, agreed on continuing the Service provision for a transitional period under this Agreement.

7) Frame Agreement between Deloitte Business Solutions Societe Anonyme of Business Consultants and OTE S.A for the implementation and support services regarding the provision of configure, price and quote (CPQ) System.

According to clause 16.4 ii) of the above Framework Agreement: Either Party may terminate this Contract in whole or in part, with immediate effect upon written notice to the other Party if such Party determines that,... (ii) Circumstances change (including, without limitation, changes in ownership of the other Party or any of its affiliates) so that Deloitte's performance of any part of the Contract would be illegal or otherwise unlawful or in conflict with independence or professional rules. To this end, each Party is obliged to notify immediately any change of ownership to the other Party.

8) Agreement on Intercompany Provision of Products and Services within the framework of shared services between OTE S.A and DEUTSCHE Telekom Services Europe GmbH from 1-1-2018 and for an indefinite period.

According to art. 14.3, if shares of one of the Parties are transferred to third parties and/or the ownership of shares in one of the parties changes and/or DTAG is no longer the sole controlling company of the Contractor or/and a shareholder of OTE of at least 40% (change of control). In this case a 6 month prior notice shall be necessary with effect from the end of a given calendar month.

COSMOTE- PROCUREMENT

1) Service Agreement (Project Term Sheet) for the IT Services provided by Deutsche Telekom IT GmbH for the new accounting standard (IFRS 15 Central Engine Solution) as a part of the already concluded Framework Agreement (Project Service Agreement-

PSA) with T-Systems International GmbH (T-Systems) for the provision of IT services (IT /licensing and related interconnection services) by T-Systems International GmbH.

According to the PSA the right of immediate termination for good cause, e.g. change of control, infringement of intellectual property rights of a third party, shall remain unaffected. For the avoidance of doubt, change of control shall be understood to mean a change in the majority equity ownership or the voting majority of the other Party, either directly or indirectly, from the control currently existing at the time of execution of this Agreement.

2) Pan-net Service Agreement between COSMOTE Single Member SA, as the service provider, and Deutsche Telekom Pan-Net Greece EPE, as service receiver, under which the following Service Arrangements (SAs) are in place: (a) SA on infrastructure services (co-location and smart hands services) and (b) SA on human resources services..

According to the definitions and Article 14 of the Pan-net Service Agreement: “ in no event a change of control shall trigger a good cause for termination according to paragraph 14 (2). If (i) the Service Provider terminates this Agreement according to paragraph 14 (2), and (ii) a Change of Control has occurred within a timeframe of one year before the termination, and (iii) the services rendered by the Service Provider will last less than six months after the termination, the Parties shall agree on a reasonable transition period for provision of services which last at least 6 and no longer than 12 months beginning from the date of termination of this Agreement under (i) above. The terms of this Agreement for performing providing the Services shall remain in force during the transition period.”

3) Service Change Agreements to Pan Net VoXX Framework Agreement regarding the provisioning of (a) the VoXX MRF License extension in 2021 (1.90mio subs and 2.16mio subs), (b) the VoXX CR Cosmote Greece Camel Online Charging and (c) the VoXX CR Cosmote Greece HomeZone support between DTEH Holding GmbH as Service Provider and COSMOTE Mobile Communications Single- Member S.A as Service Receiver.

According to the Pan Net VoXX Framework Agreement:

Change of Control” means DTAG holds, directly or indirectly: (i) less than fifty per cent (<50%) of the capital and/or voting rights of the Service Provider or (ii) less than forty per cent (<40%) of the capital and/or voting rights of the Service Receiver.

In no event a Change of Control shall be considered as a basis to terminate the Agreement. In such a case the Parties will promptly inform each other about any Change of Control and will establish a transitional period of not more than 12 months on the Terms of this Agreement, unless otherwise provided for in Customer Facing Service Arrangements for the performing of the Services described in the latter.

4) Framework Agreement between COSMOTE and Deutsche Telekom Pan-Net Greece EPE for the provision by COSMOTE of services regarding Multi Value Added Services (“mVAS”):

(a) Within the frame of this agreement, change of control means “a change in the majority equity ownership or the voting majority of COSMOTE and/or Deutsche Telekom Pan-Net Greece EPE, either directly or indirectly, from the control currently existing at the time of execution of this Agreement”.

(b) In no event a change of control shall be considered as a basis to terminate the agreement. In such a case the parties will promptly inform each other about any change of control and will establish a transitional period of not more than 12 months on the terms of this agreement for the performing of the services (as described in the Service Arrangements).

5) Service Change Agreements to Pan Net mVAS Framework Agreement regarding the provisioning of: (a) the mVAS CR163 Integration of new Cloud vMSS with CoGr mVAS SMSC + MMSC, (b) the mVAS CR176 Cosmote Greece IPSMGW Capacity expansion and (c) the mVAS CR181 Cosmote Greece SMS Diameter AVPs Changes, by DTEH to COSMOTE Mobile Telecommunications Single-Member S.A.

According to the definitions and Article 17 of the Agreement: “In no event a Change of Control shall be considered as a basis to terminate the Agreement. In such a case the Parties will promptly inform each other about any Change of Control and will establish a transitional period of not more than 12 months on the terms of this Agreement for the performing of the Services described in the Customer Facing Service Arrangement.”

6) Framework Cooperation and Service Agreement between COSMOTE, as the service provider, and Deutsche Telekom Pan-Net Greece EPE, as the service receiver, for the provision of colocation in the frame of VoXX services

According to the definitions and Article 16: "In no event a Change of Control shall be considered as a basis to terminate the Agreement. In such a case the Parties will promptly inform each other about any Change of Control and will establish a transitional period of not more than 12 months on the terms of this Agreement for the performing of the Services described in the Service Arrangements."

7) Frame Agreement between Deloitte Business Solutions Societe Anonyme of Business Consultants and COSMOTE MOBILE TELECOMMUNICATIONS S.A for the implementation of BI/DW Big Data Analytics

According to clause 14.4 ii) of the above Framework Agreement: Either Party may terminate this Contract in whole or in part, with immediate effect upon written notice to the other Party if such Party determines that,... (ii) Circumstances change (including, without limitation, changes in ownership of the other Party or any of its affiliates) so that Deloitte's performance of any part of the Contract would be illegal or otherwise unlawful or in conflict with independence or professional rules. To this end, each Party is obliged to notify immediately any change of ownership to the other Party.

8) Agreement on Intercompany Provision of Products and Services within the framework of shared services between COSMOTE S.A and DEUTSCHE Telekom Services Europe GmbH from 1-1-2018 and for an indefinite period.

According to art. 14 par. 2 and 3, The agreement can be terminated for the first time by giving six months' notice with effect from the end of the calendar year 2018. After this period, it can be terminated by giving six months' notice with effect from the end of a given calendar year. This shall be without prejudice to the right to terminate the agreement with immediate effect for good cause. In particular, good cause shall be deemed to exist : ... if shares of one of the Parties are transferred to third parties and/or the ownership of shares in one of the parties changes and/or DTAG is no longer the sole controlling company of the Contractor or/and a shareholder of the Customer of at least 40% (change of control). In this case a 6 month prior notice shall be necessary with effect from the end of a given calendar month.

9) Annex 5.4 "Service Arrangement regarding EAN Engineering Services Center" to expand the scope of services and subsequently amend the remuneration, Annex 5.5 "Service Arrangement regarding Supplier SLA Consultation & Support Services", Annex 5.6 "IP & Transport Infrastructure Services Center" and Annex 5.7 "NT Strategy & Technology Innovation Competence Center" under the Framework Cooperation and Service Agreement concerning the Transport Technology & Certification Center / Provision of Services to DTAG by COSMOTE:

According to the above agreement, the right of immediate termination for good cause, e.g. change of control, infringement of intellectual property rights of a third party, remains unaffected hereby. For the avoidance of doubt, change of control shall be understood to mean a change in the majority equity ownership or the voting majority of the other Party, either directly or indirectly, from the control currently existing at the time of execution of this Agreement

10) **Service Arrangement** (CIT Franchise Model for SD Voice) under the Framework Cooperation and Service Agreement between DTEH and COSMOTE concerning the provision of Services by one of the Parties (the "Service Provider") to the other (the "Service Receiver"):

Change of Control: means a situation in which DTAG for whatever reason loses the ability to exert, directly or indirectly, a controlling influence (by means of majority ownership, majority of voting rights, contractual arrangement or otherwise) over the Service Provider and/or of the Service Receiver.

In no event a Change of Control shall trigger a good cause for termination according to Section 15 (2). If (i) the Service Provider terminates this Agreement according to Section 15 (2) and (ii) a Change of Control has occurred (iii) the Services rendered by the Service Provider will last less than 6 (six) months after the termination, the Parties shall agree on a reasonable transition period for provision of Services which shall last at least 6 (six) and no longer than 12 (twelve) months as of the date of termination according to Section 15 (2) or following the completion of the change of control. The terms of this Agreement for performing the Services shall remain as described in the Service Arrangement during the transition period.

11) Supplementary Agreement No. 2 to the Project Service Agreement for the Traffic Control System ("TCS") between Telekom Deutschland GmbH and Cosmote:

According to article 15 of the PSA, the right of immediate termination for good cause, e.g., change of control, infringement of intellectual property rights of a third party, shall remain unaffected. For the avoidance of doubt, change of control shall be understood to mean a change in the majority equity ownership or the voting majority of either Party, either directly either indirectly, from the control currently existing at the time of execution of this Agreement.

12) COOPERATION AND SERVICE AGREEMENT between "COSMOTE Mobile Telecommunications S.A." and "Deutsche Telekom AG" concerning the Provision of Services in Connection with TRI*M Customer Loyalty Survey 2021.
According to art. 13 (3) "The right of immediate termination for good cause, e.g. change of control, infringement of intellectual property rights of a third party, remains unaffected hereby. For the avoidance of doubt, change of control shall be understood to mean a change in the majority equity ownership or the voting majority of the other Party, either directly or indirectly, from the control currently existing at the time of execution of this Agreement".

INSURANCE AGREEMENTS

1) Directors and Officers Insurance Liability Policy (D&O Contract)
OTE SA has concluded with AIG Europe Limited a Directors and Officers Insurance Liability Policy (D&O Contract), which contains, inter alia, a "change of control" clause. In case that such an incident occurs, this shall constitute "risk increase", and hence the insurance cover provided under the said Policy will apply only to claims raised against Directors and Officers prior to the effective date of the "change of control".

2) All Risks Property Damage and Business Interruption Insurance Policy

OTE SA (policyholder) has concluded with ALLIANZ Hellas Insurance Company S.A. an All Risks Property Damage and Business Interruption Insurance Policy (hereinafter the "Policy"), providing coverage for OTE SA and all majority owned subsidiaries in Greece included in the consolidated balance sheet of OTE SA.
It is noted that the "Policy" is part of an international program, which consists of a Master Policy and Local Policies in the countries forming part of the program. A cancellation of the Master Policy also applies to this Policy.

3) OTE SA has concluded with AXA Insurance Company SA an Insurance Liability Policy (hereinafter the "Policy"), providing coverage for liability due to arise as a result of potential bodily injury or material damage caused to third parties. It is noted that in accordance with the Policy's definitions, as "co-insured" companies are defined all OTE SA's subsidiaries in Greece which are owned by OTE SA with share 50% at a minimum. The possession by OTE SA of the said percentage constitutes criterion for the continuation of the provision of the insurance coverage to OTE SA's subsidiaries under the Policy. In particular this shall be interpreted to mean that should OTE SA's possession of the said percentage is diminished below 50% then this will result in the cease of the insurance coverage provided to the subsidiary company under the Policy.

COMMERCIAL AGREEMENTS

OTE or OTE Group companies have entered into various commercial agreements in which a change of control clause applicable to OTE or OTE Group companies is included. The most significant of them are the following:

- Agreements with UEFA for the rights of Champions League and Europa League 2018 – 2021 championships and for 2021 – 2024 (including new UEFA Europa Conference League)

In 2017 OTE concluded agreements with UEFA for the rights of Champions League and Europa League 2018 – 2021 championships. In 2020, it has been decided to extend the rights for Champions League, Europa League and to acquire the rights for the new Europa Conference League from 2021 until 2024. In case of a substantial change in the direct or indirect ownership or control of OTE which in the reasonable opinion of UEFA adversely affects the ability of OTE to perform its obligations under the agreements or is detrimental to the interests of UEFA, UEFA may terminate the agreements with immediate effect.

- Agreement (Broadcast rights agreement) with ATP Media Operations Limited (ATP Media) for the acquisition of championships rights ATP Masters 1000 and ATP Finals 2021 - 2023

OTE concluded an agreement with ATP Media Operations Limited (ATP Media) for the rights of ATP Masters 1000 and ATP Finals 2021 - 2023 championships. In case of a change of control of OTE, ATP may terminate the agreement.

- Agreement (Broadcast rights agreement) with ATP Tour INC. (ATP) and ATP Media Operations Limited (ATP Media) for the acquisition of tennis championships rights ATP 500, ATP 250 Pool, Next Gen ATP Finals and ATP World Tour Magazine show 2021 - 2023

OTE concluded an agreement with ATP Tour INC. (ATP) and ATP Media Operations Limited (ATP Media) for the rights of ATP 500, ATP 250 Pool, Next Gen ATP Finals and ATP World Tour Magazine show 2021 - 2023 tennis championship. In case of a change of control of OTE, ATP may terminate the agreement.

- Agreement (Distribution agreement) with NBA Properties Inc. (NBAP) for the acquisition of NBA (National Basketball Association) rights 2021 -2023

In 2021 OTE concluded an agreement with NBAP for the acquisition of rights of NBA Seasons 2021 until 2023 (with NBAP's unilateral extension option for 2024 and 2025). Any change in the controlling ownership or effective management control of Distributor will be deemed an assignment requiring NBAP's prior written consent and in case of noncompliance will be void.

- Agreement (Channels License Agreement) with Fox Networks Group UK Limited for the acquisition of media rights for the Fox Channels

In 2017 OTE concluded an agreement with companies of Twenty-First Century Fox Telecommunications International, Inc. group of companies for the acquisition of media rights of the Fox Channels until 30-09-2021. In case of a change of control of OTE, Fox may terminate the agreement.

- Agreement (Channel Distribution Agreement) with BBC Studios Distribution Limited for the distribution of the channel BBC Earth

In 2017 OTE concluded an agreement with BBC Studios Distribution Limited for the distribution of the channel BBC Earth until 30-09-2020 and extended later until 30-09-2023. In case of a material change in the business or in the ownership of OTE or any person or body corporate otherwise assumes control of OTE and in the reasonable opinion of BBC such change shall adversely affect the business or reputation of BBC or the Channel(s), BBC may terminate the agreement.

- Agreement (Output License Agreement for Pay TV and SVOD rights) with BBC Studios Distribution Limited

In 2021 OTE concluded an agreement with BBC Studios Distribution Limited for the acquisition of media rights (Output License Agreement for Pay TV and SVOD rights) until 30-09-2024. BBCS shall have the right to terminate all or part of this Agreement with immediate effect, in the event that there is a material change in the ownership [meaning that any person or body corporate (excluding current shareholders as at the date of this Agreement) acquires in aggregate more than 50% of shares in Licensee or otherwise assumes control of Licensee] of the Licensee and in the reasonable opinion of BBCS such change shall adversely affect the business or reputation of BBCS, the BBC or the Channel(s).

- Agreement (Channel Distribution Agreement) with Viasat World Limited for the distribution of the channels VIASAT EXPLORE SD and VIASAT NATURE SD and HD

OTE concluded an agreement with Viasat World Limited for the distribution of the channels VIASAT EXPLORE SD and VIASAT NATURE SD and HD for 2020 - 2023. In case of a change of control of Operator (OTE) or Network, Viasat may terminate the agreement.

- Agreement (Output deal) with Universal Studios Limited

In 2017 OTE concluded an agreement with Universal Studios Limited for the acquisition of media rights until 30-06-2021. In case of a change of control of OTE, Universal may terminate the agreement.

- Agreement (Pay television license agreement for Video on Demand Service) with Universal Studios International L.T.D.

In 2017 OTE concluded an agreement with Universal Studios International L.T.D for the acquisition of media rights transmitted via the Video on Demand Service until 30-06-2021 and extended later until 30-09-2021. In case of a change of control of OTE, Universal may terminate the agreement.

- Agreement (Output license agreement for Pay TV and SVOD rights) with Paramount Pictures International Limited (PPIL), CBS International Television B.V. (CINBV), WVI Films B.V, (WVI), CBS Broadcast International B.V. (CBI), CBS-CSI International B.V. (CBS-CSI) and Showtime Distribution B.V. (Showtime)

In 2021 OTE concluded an agreement with Paramount Pictures International Limited (PPIL), CBS International Television B.V. (CINBV), WVI Films B.V, (WVI), CBS Broadcast International B.V. (CBI), CBS-CSI International B.V. (CBS-CSI) and Showtime Distribution B.V. (Showtime) (herein collectively "Licensor") for the acquisition of media rights for Pay TV and SVOD services until

31-07-2025. Licensor may, at its option, terminate this agreement in the event of a business combination or a change of control of OTE or the licensed service.

- Agreement (Digital distribution license agreement for Video on Demand Service) with Paramount Pictures International Limited

OTE concluded an agreement with Paramount Pictures International Limited for the acquisition of media rights transmitted via the Video on Demand Service until 15-11-2021. In case of a change of control of OTE, Universal may terminate the agreement.

- Agreement (Channels License Agreement) with Walt Disney Company Limited for the acquisition of media rights for the Disney Channels Fox, Fox Life, National Geographic, National Geographic Wild, Baby TV, Disney Channel and Disney Junior

In 2021 OTE concluded an agreement with Walt Disney Company Limited for the acquisition of media rights of the Disney Channels Fox, Fox Life, National Geographic, National Geographic Wild, Baby TV, Disney Channel and Disney Junior until 31-1-2024, with both parties having the option for renewal until 31-1-2025. In case of a change of control of OTE, Disney may terminate the agreement.

- Agreement (Transactional Video-on-Demand and Pay-per-View License Agreement) with Walt Disney Company Limited

In 2021 OTE concluded an agreement with Walt Disney Company Limited for the acquisition of media rights transmitted via the Video on Demand Service until 30-09-2023. In case of a change of control of OTE, Disney may terminate the agreement.

- Agreement (Pay TV and Catch-up SVOD rights Package License Agreement) with Walt Disney Company Italia

OTE concluded an agreement with Walt Disney Company Italia for the acquisition of media rights (Pay TV and catch-up SVOD rights) until 31-10-2023. In 2021 OTE concluded with Walt Disney Company Italia an amendment of the agreement. In case of a change of control of OTE, Disney may terminate the agreement.

- Agreement (Pay TV License Agreement) with Walt Disney Company Italia for the acquisition of rights for Academy Awards ceremonies (“OSCARS”)

In 2021 OTE concluded an agreement with Walt Disney Company Italia for the acquisition of the rights for Academy Awards full ceremonies (“OSCARS”) in 2021 and 2022. In case of a change of control of OTE, Disney may terminate the agreement.

- Agreement (Transmission Rights Agreement) with ERT for the acquisition of rights to transmit Formula 1 via the pay TV Service of Cosmote TV.

In 2021 OTE concluded an agreement with Hellenic Broadcasting Corporation S.A. (or ERT) for the acquisition of media rights for FORMULA 1 until 31-12-2021. In case of a change of control of OTE, ERT may terminate the agreement.

- OTE, following a Public Open International Tender by “Information Society S.A.” (KTP SA), was selected as a Private Partnership (PP) for the Project "Development of Broadband Infrastructure in Rural “White” Areas" of Greek Territory and Infrastructure Exploitation and Development Services via Public Private Partnership" at zones 1 and 3. In accordance with the tender requirements, OTE established the special purpose company (SPV) “OTE RURAL NORTH”, which signed with KTP SA a partnership contract regarding the implementation of the above project at zone 1 and the special purpose company (SPV) “OTE RURAL SOUTH”, which signed with KTP SA a partnership contract regarding the implementation of the above project at zone 3. Both partnership contracts contain a term according to which the written consent of KTP SA is required for a change in each of these SPV shareholding structure. In case of shares transfer or for any other act by which the rights of vote are transferred, the written consent of KTP SA is required.

- Agreement with CCBMS (on behalf of the Coca-Cola group in Europe)

In 2015 OTE has concluded a significant services agreement with CCBMS Gmbh (on behalf of the Coca-Cola group in Europe) concerning the provision by OTE of outsourced Data Center services to the Coca-Cola group until 30.09.2024. This agreement includes terms according to which the client (CCBMS Gmbh) has the right to terminate the agreement in the event of a change of control of OTE.

- Agreement with CCBMS Gmbh (on behalf of Coca –Cola group in Europe)

In 2017 OTE has concluded an agreement with CCBMS Gmbh concerning the provision by OTE of "First Level IT Support Services" to the Coca-Cola group for 5 years. This agreement includes terms according to which the client (CCBMS Gmbh) has the right to terminate the agreement in the event of a change of control of OTE. The total estimated fee amounts to Euro 11,000,000 (absolute amount).

- Agreement with T- Mobile Austria

In 2017 OTE has concluded an agreement with T- Mobile Austria concerning the provision of ICT "Central onEmail Collaboration Services" by OTE for 5 years. The client has the right to terminate the agreement in the event of a change of control of OTE.

- Agreement with T-Mobile Netherlands (1)

In 2017 OTE succeeded Cosmote in the contract, with T- Mobile Netherlands concerning the provision of ICT "BSCS Managed Services (Layer 1 – 4)" by OTE until August 31, 2020. The client has the right to terminate the agreement in the event of a change of control of OTE unless such change of control takes place within the DT Group.

- Agreement with T-Mobile Netherlands (2)

In 2017 OTE has concluded an agreement with T-Mobile Netherlands for the provision of "ERP Operations Services" until 30/06/2022. The total estimated fee amounts to Euro 1,900,000 (absolute amount). The client has the right to terminate the agreement in the event of a change of control of OTE unless such change of control takes place within DT Group.

OTHER AGREEMENTS

During 2021, pursuant to the procurement procedures of European agencies and organizations, OTE S.A has been awarded with the contracts listed below, all providing that contracting authority has the right to terminate the contract any time, if a change to the contractor's legal, financial, technical, organizational or ownership situation is likely to substantially affect the implementation the contract.

- The framework service contract dated as of 14-6-2021, concluded with the **EUROPEAN COMMISSION**, for the provision of networking, network security, audio and video telecommunication solutions as well as the provision of relevant maintenance against a maximum budgeted fee of Euro 639,475,000 (absolute amount) for a twelve-year (12) term. OTE S.A participates in this contract as a member of the association of companies "OTE A.E. – Uni Systems Information Technology Systems Commercial SMSA – Cancom Public BV/SRL" with 50%."
- The amendment dated as of 31.08.2021 of the framework service contract dated as of 22-1-2020, concluded with the **EUROPEAN CHEMICALS AGENCY**, for the provision of Managed IT workplace services, against a maximum budgeted fee of Euro 3,150,000 (absolute amount) for a two-year (2) term.
- The framework service contract dated as of 28-7-2021, concluded with the **EUROPEAN PATENT ORGANIZATION**, for the provision of standard ICT hardware and related standard services for a five year (5) term.

OTE SUBSIDIARIES

OTESAT-Maritel

There is a "change of control" clause included in the main Agreements which have been signed between OTESAT-Maritel and Inmarsat for INMARSAT Satellite Products and services. According to this term, Inmarsat have the right to terminate the agreement in case of change of shares control of OTESAT-Maritel. These are Agreements where OTESAT-Maritel is enable to resell Inmarsat "Fleet Xpress" and "Fleet Broadband" products and services. These Agreements have been signed on November 7, 2016 and July 1, 2017 and in their terms and conditions it is not included a total fee amount for services/ products, but only a price list according to its prices OTESAT-Maritel can resell such Inmarsat services and products to OTESAT-Maritel's customers. A "change of control" clause included in an Agreement which has been signed between OTESAT-Maritel and Inmarsat that regards a new version of the necessary equipment for the provision of Inmarsat 's Fleet Xpress service. This Agreement has been signed on June 7, 2018. A change of control" clause is also included in the 23.12.2020 Inmarsat Agreement for the provision of "government" services.

There is a "change of control" clause included in the Agreement which has been signed on February 11, 2019 between OTESAT-Maritel and Orolia B.V., which is a supplier of bridge equipment. According to this Orolia B.V. reserves the right to terminate the Agreement in case of change of OTESAT-Maritel's shares control change.

TELEKOM ROMANIA MOBILE

- Brand License Agreement dated 30th September 2014 between DT – Telekom Romania Mobile

Scope of the Agreement: DT granted to TKR/TKRM/ the limited, non-exclusive, personal, non-transferable and royalty-bearing license to use the Licensed Trademarks for the Licensed Services and the Licensed Products in the Territory

All above agreements include the below change of control clause:

"Each Party may terminate this Agreement for cause with immediate effect at any time by giving written notice if:
(A) the Licensor ceases to have a dominating shareholder's position, with regard to the Licensee in accordance with Section 17 AktG or in accordance with the applicable national laws granting no less protection to the Licensor;"

- Telekom Romania Mobile contract with Accenture for the IT outsourcing services dated 30th May 2020

Client may terminate this Agreement in whole but not in part in case of a Change of Control of Accenture whereby the party acquiring Control is a competitor of the Client, has a low credit rating, does not meet Client's compliance criteria for its suppliers or would negatively affect the reputation of Client, and provided such notice is sent within two (2) months after the Change of Control has been announced.

OTE'S CREDIT EVALUATION

OTE's credit rating as of December 31, 2021 was BBB by Standard & Poor's.

(j) Compensating agreements with Board of Directors members or personnel in case of resignation/unfair dismissal or service employment termination due to a public offer

The Company has not entered into any agreements with the members of the Board of Directors or its personnel to compensate these persons, in case they are forced to resign or dismissed unfairly or their services or employment are terminated due to a public offer for the acquisition of its shares.

L. ALTERNATIVE PERFORMANCE MEASURES (APMs)

The Group uses certain Alternative Performance Measures ("APMs") in making financial, operating and planning decisions as well as in evaluating and reporting its performance. These APMs provide additional insights and understanding to the Group's underlying operating and financial performance, financial condition and cash flow. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable IFRS line items.

Definitions and reconciliations of Alternative Performance Measures ("APMs")

Alternative Performance Measures ("APMs")

In discussing the performance of the Group, Alternative Performance Measures ("APMs") are used such as: EBITDA and the respective margin %, Net Debt, CapEx and Free Cash Flow. The definitions and the calculations of these are presented in this section below.

Furthermore "Adjusted" measures are used such as: Adjusted EBITDA and the respective margin %, Adjusted Net Debt, Adjusted CapEx, and Adjusted Free Cash Flow. These are calculated by deducting from the performance measures deriving from directly reconcilable amounts of the annual Financial Statements, the impact of costs or payments related to voluntary leave schemes, costs or payments for restructuring plans and non-recurring litigations and Spectrum acquisitions.

Costs or payments related to Voluntary Leave Schemes

Costs or payments related to Voluntary Leave Schemes comprise the exit incentives provided to employees and the contributions to the social security fund to exit/retire employees before conventional retirement age. These costs are included within the income statement as well as within the cash flow statement lines "costs related to voluntary leave schemes" and "payment for voluntary leave schemes". However, they are excluded from the adjusted results in order for the user to obtain a better understanding of the Group's operating and financial performance achieved from ongoing activity.

Costs or payments related to other restructuring plans and non-recurring litigations

Other restructuring costs and non-recurring litigations comprise non-ongoing activity related costs arising from significant changes in the way the Group conducts business and non-recurring legal expenses. These costs are included in the Group's income statement, while the payment of these expenses is included in the cash flow statement. However, they are excluded from the adjusted results in order for the user to obtain a better understanding of the Group's operating and financial performance achieved from ongoing activity.

Spectrum acquisition payments

Spectrum payments comprise the amounts paid to acquire rights (licenses) through auctions run by the National Regulator to transmit signals over specific bands of the electromagnetic spectrum. As those payments are of significant size and of irregular timing, it is a common industry practice to be excluded for the calculation of the Adjusted Free Cash Flow and Adjusted Capital Expenditure (CapEx) in order to facilitate comparability with industry peers.

Net Debt

Net Debt is an APM used by management to evaluate the Group's capital structure and leverage. Net Debt is defined as short-term borrowings plus long-term borrowings plus short-term portion of long-term borrowings less cash and cash equivalents as illustrated in the table below. Following the adoption of IFRS 16 financial liabilities related to leases are included in the calculation of net debt from 2019 onwards.

Adjusted Net Debt

Adjusted Net Debt is used by management to evaluate the Group's capital structure and leverage defined as Net Debt including other financial assets as they are highly liquidity assets. The calculations are described in the table below:

OTE Group	31/12/2021	31/12/2020	+/- %
Long-term borrowings	753.7	974.8	-22.7%
Short-term portion of long-term borrowings	397.3	23.1	-
Short-term borrowings	-	205.9	-100.0%
Lease liabilities (long-term portion)	189.2	290.6	-34.9%
Lease liabilities (short-term portion)	71.7	61.2	+17.2%
Cash and cash equivalents	(630.7)	(516.2)	+22.2%
Net Debt	**781.2**	**1,039.4**	**-24.8%**
Other financial assets	(5.6)	(5.4)	+3.7%
Adjusted Net Debt	**775.6**	**1,034.0**	**-25.0%**

Net Debt and Adjusted Net Debt excluding leases

Net Debt and Adjusted Net Debt excluding leases are used by management to evaluate the Group's capital structure and leverage excluding financial liabilities related to leases, for comparability purposes with prior years. They are defined as Net Debt and Adjusted Net Debt (described above) deducting financial liabilities related to leases as described below:

OTE Group	31/12/2021	31/12/2020	+/- %
Net Debt	**781.2**	**1,039.4**	**-24.8%**
Lease liabilities (long-term portion)	(189.2)	(290.6)	-34.9%
Lease liabilities (short-term portion)	(71.7)	(61.2)	+17.2%
Net Debt (excluding leases)	**520.3**	**687.6**	**-24.3%**
Other financial assets	(5.6)	(5.4)	+3.7%
Adjusted Net Debt (excluding leases)	**514.7**	**682.2**	**-24.6%**

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)

EBITDA is intended to provide useful information to analyze the Group's operating performance. EBITDA is defined as total revenues plus other operating income less total operating expenses before depreciation, amortization and impairment, as illustrated in the table below. EBITDA margin (%) is defined as EBITDA divided by total revenues.

Adjusted EBITDA (Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations)

Adjusted EBITDA is intended to provide useful information to analyze the Group's operating performance excluding the impact of costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations. Adjusted EBITDA is defined as

EBITDA adding back costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, as illustrated in the table below. Adjusted EBITDA margin (%) is defined as Adjusted EBITDA divided by total revenues.

OTE Group	2021	2020	+/- %
Total Revenues	3,368.3	3,258.9	+3.4%
Other Operating Income	9.2	10.4	-11.5%
Total operating expenses before depreciation, amortization and impairment	(1,897.6)	(2,104.7)	-9.8%
EBITDA	**1,479.9**	**1,164.6**	**+27.1%**
margin %	*43.9%*	*35.7%*	*+8.2pp*
Costs related to voluntary leave schemes	(121.8)	132.6	-191.9%
Other restructuring and non-recurring litigations	23.6	13.5	+74.8%
Adjusted EBITDA	**1,381.7**	**1,310.7**	**+5.4%**
margin %	*41.0%*	*40.2%*	*+0.8pp*

EBITDA After Lease (AL) (Earnings before Interest, Taxes, Depreciation and Amortization after Lease)

EBITDA After Lease (AL) is intended to provide useful information to analyze the Group's operating performance. EBITDA After Lease (AL) is defined as EBITDA deducting the depreciation and interest expense of leases, as illustrated in the table below. EBITDA After Lease (AL) margin (%) is defined as EBITDA After Lease (AL) divided by total revenues.

Adjusted EBITDA After Lease (AL) (Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations After Lease)

Adjusted EBITDA After Lease (AL) is intended to provide useful information to analyze the Group's operating performance. Adjusted EBITDA After Lease (AL) is defined as EBITDA After Lease (AL) adding back costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, as illustrated in the table below. Adjusted EBITDA After Lease (AL) margin (%) is defined as Adjusted EBITDA After Lease (AL) divided by total revenues.

OTE Group	2021	2020	+/- %
EBITDA	**1,479.9**	**1,164.6**	**+27.1%**
margin %	*43.9%*	*35.7%*	*+8.2pp*
Depreciation of lessee use rights to leased assets	(70.4)	(68.1)	+3.4%
Interest expense on leases	(15.4)	(19.0)	-18.9%
EBITDA After Lease (AL)	**1,394.1**	**1,077.5**	**+29.4%**
margin %	*41.4%*	*33.1%*	*+8.3pp*
Costs related to voluntary leave schemes	(121.8)	132.6	-191.9%
Other restructuring costs and non-recurring litigations	23.6	13.5	+74.8%
Adjusted EBITDA After Lease (AL)	**1,295.9**	**1,223.6**	**+5.9%**
margin %	*38.5%*	*37.5%*	*+1.0pp*

Greece	2021	2020	+/- %
EBITDA	**1,432.5**	**1,126.4**	**+27.2%**
margin %	*46.5%*	*38.3%*	*+8.2pp*
Depreciation of lessee use rights to leased assets	(51.1)	(52.2)	-2.1%
Interest expense on leases	(13.6)	(17.1)	-20.5%
EBITDA After Lease (AL)	**1,367.8**	**1,057.1**	**+29.4%**
margin %	*44.4%*	*36.0%*	*+8.4pp*
Costs related to voluntary leave schemes	(122.6)	132.3	-192.7%
Other restructuring costs and non-recurring litigations	20.2	9.7	+108.2%
Adjusted EBITDA After Lease (AL)	**1,265.4**	**1,199.1**	**+5.5%**
margin %	*41.1%*	*40.8%*	*+0.3pp*

Romania Mobile	2021	2020	+/- %
EBITDA	**47.5**	**38.4**	**+23.7%**
margin %	*15.1%*	*11.0%*	*+4.1pp*
Depreciation of lessee use rights to leased assets	(19.4)	(16.1)	+20.5%
Interest expense on leases	(1.8)	(1.9)	-5.3%
EBITDA After Lease (AL)	**26.3**	**20.4**	**+28.9%**
margin %	*8.3%*	*5.8%*	*+2.5pp*
Costs related to voluntary leave schemes	0.8	0.3	+166.7%
Other restructuring costs and non-recurring litigations	3.4	3.8	-10.5%
Adjusted EBITDA After Lease (AL)	**30.5**	**24.5**	**+24.5%**
margin %	*9.7%*	*7.0%*	*+2.7pp*

Adjusted profit to owners of the parent

Adjusted Profit for the period attributable to owners of the parent is intended to provide useful information to analyze the Group's net profitability excluding the impact of significant non-recurring or irregularly recorded items in order to facilitate comparability with previous ongoing performance. Adjusted Profit for the period (attributable to owners of the parent) is calculated by adding back to the Profit of the period (attributable to owners of the parent) the impact upon it of the following items: costs related to voluntary leave schemes, net impact from impairments and write offs, reassessment of deferred tax, reversal of provision related to assets sales, other restructuring costs, non-recurring litigation expenses, gains / losses from disposal of subsidiaries, effect of changes to tax rate, tax effect from deductible investment losses and intercompany dividends and tax effect from deductible provisions of prior years, as illustrated in the table below:

OTE Group - After Tax impact	2021	2020	+/- %
Profit to owners of the Parent from continuing operations (reported)	**487.0**	**263.4**	**+84.9%**
Costs related to voluntary leave schemes	(94.9)	100.8	-194.1%
Other restructuring & non-recurring litigations	23.1	13.0	+77.7%
Loss from the sale of investment	50.9	-	-
Reversal of provision related to Assets Sales	-	(7.4)	-100.0%
Net Impact from Impairments	-	148.2	-100.0%
Tax effect from deductible investment losses	-	(107.0)	-100.0%
Effect due to change in the income tax rates	26.3	-	-
Adjusted Profit to owners of the parent	**492.4**	**411.0**	**+19.8%**

Capital expenditure (CAPEX) and adjusted capital expenditure

Capital expenditure is defined as payments for purchase of property plant and equipment and intangible assets. The Group uses capital expenditure as an APM to ensure that the cash spending is in line with its overall strategy for the use of cash. Adjusted capital expenditure is calculated by excluding from Capital expenditure, spectrum payments as illustrated in the table below:

OTE Group	2021	2020	+/- %
Purchase of property plant and equipment and intangible assets - CAPEX	(586.0)	(667.8)	-12.2%
Spectrum Payments	27.0	123.5	-78.1%
Adjusted CAPEX	**(559.0)**	**(544.3)**	**+2.7%**

Free Cash Flow (FCF)

Free Cash Flow is an APM used by the Group and is defined as cash generated by operating activities (excluding net cash flows from operating activities of discontinued operations), after payments for purchase of property plant and equipment and intangible assets (CAPEX) and adding the interest received. Free Cash Flow is intended to measure the cash generation from the Group's business, based on operating activities, including the efficient use of working capital and taking into account its payments for purchases of property plant and equipment and intangible assets. The Group presents Free Cash Flow because it believes the measure assists users of the financial accounts in understanding the Group's cash generating performance as well as availability for debt repayment, dividend distribution and own reserves.

Free Cash Flow After Lease (AL)

Free Cash Flow After Lease is defined as Free Cash Flow adding the lease repayments.

OTE Group	2021	2020	+/- %
Net cash flows from operating activities	1,224.2	1,247.9	-1.9%
Minus: Net cash flows from operating activities of discontinued operations	86.7	105.8	-18.1%
Interest received	1.0	1.7	-41.2%
Purchase of property, plant, equipment & intangible assets	(586.0)	(667.8)	-12.2%
Free Cash Flow	**552.5**	**476.0**	**+16.1%**
Lease repayments	(70.0)	(63.5)	+10.2%
Free Cash Flow After Lease (AL)	**482.5**	**412.5**	**+17.0%**

Adjusted Free Cash Flow

Adjusted Free Cash Flow facilitates comparability of Cash Flow generation with industry peers. Adjusted Free Cash Flow is useful in connection with discussions with the investment analyst community and debt rating agencies. Adjusted Free Cash Flow is calculated by excluding from the Free Cash Flow (defined earlier) the payments related to voluntary leave schemes, other restructuring plans and non-recurring litigation expenses and spectrum.

Adjusted Free Cash Flow After Lease (AL)

Adjusted Free Cash Flow After Lease is defined as Adjusted Free Cash Flow adding the lease repayments.

OTE Group	2021	2020	+/- %
Free Cash Flow	**552.5**	**476.0**	**+16.1%**
Payment for voluntary leave schemes	56.3	109.1	-48.4%
Payment for restructuring costs and non-recurring litigations	24.3	10.8	+125.0%
Spectrum payments	27.0	123.5	-78.1%
Adjusted Free Cash Flow	**660.1**	**719.4**	**-8.2%**
Lease repayments	(70.0)	(63.5)	+10.2%
Adjusted Free Cash Flow After Lease (AL)	**590.1**	**655.9**	**-10.0%**

Maroussi, February 23, 2022

Michael Tsamaz
Chairman and Managing Director

Charalampos Mazarakis
Board Member

II. AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

[Translation from the original text in Greek]

Independent auditor's report

To the Shareholders of "HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A."

Report on the audit of the separate and consolidated financial statements

Our opinion

We have audited the separate and consolidated financial statements of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (Company or/and Group) which comprise the separate and consolidated statement of financial position as of 31 December 2021, the separate and consolidated income statements, statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2021, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Company and its subsidiaries, in the period from 1 January 2021 to 31 December 2021 during the year ended as at 31 December 2021, are disclosed in the Note 32 "Audit and other fees" to the separate and consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the Key audit matter
Revenue recognition **(separate and consolidated financial statements)** We focused on this area due to the volume of transactions, the complexity of the IT systems and the variety of services, products and tariffs offered. The Group has various IT Systems and internal controls in place to ensure a robust revenue recognition framework. In addition, certain assumptions and estimates are made by Management in applying the requirements of IFRS 15 "Revenue from contracts with customers". Further information on revenue recognition is included in Note 3.26 "Significant Accounting Policies – Revenue from contracts with customers".	We assessed the consistency of the application of the Group's accounting policies in respect of revenue from contracts with customers for the different sources of revenues. Our audit approach included the following key procedures: • We tested the IT environment of systems supporting material revenue streams, covering the processes of ordering, provision of services, billing and rating. Our procedures also included an assessment of the controls environment and the internal controls relating to change management and restricted access over these IT systems. • We tested internal controls in relation to transactions recorded and transferred across systems, from their initial capturing through their recording in the general ledger. • We tested internal controls over the algorithmic calculations supporting estimates regarding revenue recognition. • We tested internal controls in respect of the accounting entries required by IFRS 15 and assessed the design and internal controls of the IT systems that support those accounting entries.

Key audit matter	How our audit addressed the Key audit matter
	• We reviewed revenue invoices on a sample basis and recalculated the amount of revenue based on pricelists and data. Based on our work, no exceptions were noted in respect of revenue recognition, as described in Note 3.26 to the financial statements.
Impairment assessment of goodwill (consolidated financial statements) The Group presents in its consolidated statement of financial position, at 31 December 2021, goodwill of €376.6 mn (Note 6 “Goodwill” to the financial statements) . Goodwill is allocated to the CGU: Group Cosmote Greece (mobile telecommunications Greece) and is tested for impairment at least on an annual basis. Furthermore, within 2020, a share purchase agreement was signed for the sale of Telekom Romania (fixed telecommunications Romania), that was disposed of on 30 September 2021. Therefore the operations of Telekom Romania as of 31 December 2020 and the 2021 disposal date, were treated as discontinued operations. We focused on this area given that it requires judgement on the part of Management about the future results of the CGU and the discount rates applied to future cash flow forecasts. Management has determined the recoverable amount of the CGU as the higher of fair value less costs to sell and value-in-use. Management’s judgements relate to such variables as average rate of revenue increase and future operating profit before financial and investing activities, depreciation, amortization and impairment. Details on the assumptions used are included in Notes 6 “Goodwill”, to the financial statements. Based on the result of the impairment testing for the year ended 31 December 2021 no impairment losses were identified with respect to the goodwill presented in the Group’s financial statements. (Notes: 2 “Basis of Preparation”, 3 ”Significant Accounting Policies”, and 6 “Goodwill” to the financial statements).	We evaluated Management’s overall impairment testing process, including assessing the process by which the impairment testing models are reviewed and approved. The key assumptions assessed included, revenue and margin trends, estimated capital expenditure on network assets, and discount rates. We discussed extensively with Management the suitability of the impairment models and reasonableness of the assumptions, by: • Benchmarking key assumptions in Management’s valuations models with industry trends and with assumptions made in the prior years. • Testing the mathematical accuracy of the cash flow models and agreed relevant data to approved business plans. • Assessing the reliability of Management’s forecast through a review of actual performance against previous forecasts. • Reviewing discount rate calculations. We validated the appropriateness of the related disclosures included in Notes: 2 “Basis of Preparation”, 3 “Significant Accounting Policies”, 6 “Goodwill”, to the financial statements. Based on our procedures, we noted no exceptions and consider Management’s key assumptions to be within a reasonable range.

Key audit matter	How our audit addressed the Key audit matter
Impairment assessment of investments in subsidiaries (separate financial statements)	
At 31 December 2021, the Company had investments in subsidiaries of €3,158.8 mn, which are accounted for at cost adjusted for any impairment where necessary (Note 9 “Investments” to the financial statements). The significant investments in subsidiaries comprise Cosmote (€2,763.3 mn) that owns the Group’s mobile operations in Greece and Telekom Romania Mobile (€178,6 mn). The remaining investments in subsidiaries amounting to €216,8 mn in total, concern various entities that relate to the Group’s Greek based operations, as well as its Greek real estate entity, OTE Estate. We focused on this area because the same facts that are described in the key audit matter relating to “Impairment assessment of goodwill” have an impact on the above investments in subsidiaries. At 31 December 2021 no impairment indications were identified with respect to the Company’s investments. (Notes: 3.1 “Significant Accounting Policies – Basis of Consolidation and Investments” and 9 “Investments”, to the financial statements).	The impairment evaluation with respect to the Company’s significant investments, was based on the procedures described in the key audit matter relating to “Impairment assessment of goodwill”. Following the completion of the procedures applicable to the consolidated financial statements, we assessed the analysis prepared by Management whereby the CGU recoverable amounts were matched to the relevant investments in subsidiaries to which they relate. From our assessment of the impairment testing procedures on investments performed by Management we noted no exceptions and consider Management’s key assumptions to be within a reasonable range. Furthermore, we also validated the appropriateness of the related disclosures included in Note 9 “Investments” to the financial statements.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Statements of Members of the Board of Directors and the Report of the Board of Directors (but does not include the financial statements and our auditor’s report thereon), which we obtained prior to the date of this auditor’s report, and the “2021 OTE Group Sustainability Report”, which is expected to be made available to us after 23/02/2022.

Our opinion on the separate and consolidated financial statements does not cover the Other Information and except to the extent otherwise, explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Report of the Board of Directors includes the disclosures required by Law 4548/2018 and the Corporate Governance Statement required by article 152 of Law 4548/2018 has been prepared.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Report of the Board of Directors for the year ended at 31 December 2021 is consistent with the separate and consolidated financial statements.

- The Report of the Board of Directors has been prepared in accordance with the legal requirements of articles 150,151,153 and 154 of Law 4548/2018,

- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 152 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and Group, "HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.", and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Report of the Board of Directors and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

When we read the "2021 OTE Group Sustainability Report", if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, depending on the case, to proceed in further action in compliance with relevant legislation.

Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the Board of Directors is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and Group's financial reporting process.

Auditor’s responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error , and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s and Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s and Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company and Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company as provided by Article 11 of EU Regulation 537/2014.

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 23 June 2011. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 11 years.

3. Operating Regulation

The Company has an Operating Regulation in accordance with the content provided by the provisions of article 14 of Law 4706/2020.

4. Assurance Report on the European Single Electronic Format

We have examined the digital files of the Company, which were compiled in accordance with the European Single Electronic Format (ESEF) defined by the Commission Delegated Regulation (EU) 2019/815, as amended by Regulation (EU) 2020/1989 (hereinafter "ESEF Regulation"), and which include the company and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML format "ELPUFM0XZRZO4LFXW404-2021-12-31-el.html", as well as the provided XBRL file "ELPUFM0XZRZO4LFXW404-2021-12-31-el" with the appropriate marking up, on the aforementioned consolidated financial statements.

Regulatory framework

The digital files of the European Unified Electronic Format (ESEF) are compiled in accordance with ESEF Regulation and 2020 / C 379/01 Interpretative Communication of the European Commission of 10 November 2020, as provided by Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter "ESEF Regulatory Framework").

In summary, this Framework includes the following requirements:

- All annual financial reports should be prepared in XHTML format.
- For consolidated financial statements in accordance with International Financial Reporting Standards, the financial information stated in the Income Statement, Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows should be marked-up with XBRL 'tags', according to the ESEF Taxonomy, as in force. The technical specifications for ESEF, including the relevant classification, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework are suitable criteria for formulating a reasonable assurance conclusion.

Responsibilities of the management and those charged with governance

The Management is responsible for the preparation and submission of the standalone and consolidated financial statements of the Company and the Group, for the year ended December 31, 2021, in accordance with the requirements set by the ESEF Regulatory Framework, as well as for those internal controls that Management identifies as necessary, to enable the compilation of digital files free of material error due to either fraud or error.

Auditor's responsibilities

Our responsibility is to plan and carry out this assurance work, in accordance with no. 214/4 / 11.02.2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines in relation to the work and the assurance report of the Certified Public Accountants on the European Single Electronic Format (ESEF) of issuers with securities listed on a regulated market in Greece" as issued by the Board of Certified Auditors on 14/02/2022 (hereinafter "ESEF Guidelines"), providing reasonable assurance that the standalone and consolidated financial statements of the Company and the Group prepared by the Management in accordance with ESEF comply in all material respects with the applicable ESEF Regulatory Framework.

Our work was carried out in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standard Board for Accountants (IESBA Code), which has been transposed into Greek Law and in addition we have fulfilled the ethical responsibilities of independence, according to Law 4449/2017 and the Regulation (EU) 537/2014.

The assurance work we conducted is limited to the procedures provided by the ESEF Guidelines and was carried out in accordance with International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information". Reasonable assurance is a high level of assurance, but it is not a guarantee that this work will always detect a material misstatement regarding non-compliance with the requirements of the ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, we conclude that the standalone and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML file format "ELPUFM0XZRZO4LFXW404-2021-12-31-el.html", as well as the provided XBRL file "ELPUFM0XZRZO4LFXW404-2021-12-31-el.zip" with the appropriate marking up, on the aforementioned consolidated financial statements have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

Athens, 23 February 2022
The Certified Auditor Accountant

PricewaterhouseCoopers S.A.
Certified Auditors - Accountants
268, Kifissias Avenue
152 32 Halandri
SOEL Reg. No 113

Fotis Smirnis
SOEL Reg. No 52861

IV. ANNUAL FINANCIAL STATEMENTS

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

GROUP OF COMPANIES

ANNUAL FINANCIAL STATEMENTS (CONSOLIDATED AND SEPARATE)
AS OF DECEMBER 31, 2021

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
as adopted by the European Union

(TRANSLATED FROM THE GREEK ORIGINAL)

The Annual Financial Statements presented on pages 108-181, were approved by the Board of Directors on February 23, 2022 and are signed by:

Chairman & Managing Director	Board Member & OTE Group Chief Financial Officer	Executive Director Financial Operations OTE Group	Accounting Director
Michael Tsamaz	Charalampos Mazarakis	George Mavrakis	Anastasios Kapenis

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.
REGISTRATION No 001037501000
99, KIFISSIAS AVE–151 24 MAROUSSI ATHENS, GREECE

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ANNUAL FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND FOR THE YEAR THEN ENDED

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND FOR THE YEAR THEN ENDED

STATEMENTS OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE)

		GROUP		COMPANY	
(Amounts in millions of Euro)	Notes	2021	2020	2021	2020
ASSETS					
Non-current assets					
Property, plant and equipment	4	2,080.3	2,060.6	1,250.2	1,250.3
Right-of-use assets	5	264.7	362.1	150.2	235.5
Goodwill	6	376.6	376.6	-	-
Telecommunication licenses	7	348.9	361.0	1.7	2.5
Other intangible assets	8	387.7	408.0	275.5	282.3
Investments	9	0.1	0.1	3,158.8	3,083.8
Loans to pension funds	20	68.6	72.3	68.6	72.3
Deferred tax assets	23	197.9	364.0	22.7	185.4
Contract costs	22	24.3	24.6	9.8	5.5
Other non-current assets	10	75.9	75.7	45.8	72.4
Total non-current assets		**3,825.0**	**4,105.0**	**4,983.3**	**5,190.0**
Current assets					
Inventories	11	38.0	26.9	5.0	7.6
Trade receivables	12	504.4	433.1	304.1	250.4
Other financial assets	13	5.6	5.4	3.0	2.8
Contract assets	22	34.6	28.7	3.4	0.4
Other current assets	14	176.9	143.8	164.8	251.2
Restricted cash		1.8	2.3	-	-
Cash and cash equivalents	15	630.7	516.2	274.0	105.5
Total current assets		**1,392.0**	**1,156.4**	**754.3**	**617.9**
Assets of disposal group classified as held for sale	9	-	606.5	-	148.7
TOTAL ASSETS		**5,217.0**	**5,867.9**	**5,737.6**	**5,956.6**
EQUITY AND LIABILITIES					
Equity attributable to owners of the Parent					
Share capital	16	1,292.6	1,330.6	1,292.6	1,330.6
Share premium	16	462.6	476.4	462.6	476.4
Treasury shares	16	(157.1)	(132.2)	(157.1)	(132.2)
Statutory reserve	17	440.7	440.7	440.7	440.7
Foreign exchange and other reserves	17	(168.6)	(201.6)	(32.8)	(27.9)
Changes in non-controlling interests		(3,314.1)	(3,314.1)	-	-
Retained earnings	17	3,414.4	3,396.0	1,192.6	1,171.6
Total equity attributable to owners of the Parent		**1,970.5**	**1,995.8**	**3,198.6**	**3,259.2**
Non-controlling interests	9	1.7	144.0	-	-
Total equity		**1,972.2**	**2,139.8**	**3,198.6**	**3,259.2**
Non-current liabilities					
Long-term borrowings	19	753.7	974.8	797.6	894.1
Provision for staff retirement indemnities	20	139.9	145.7	50.8	120.1
Provision for youth account	20	98.4	109.2	98.4	109.2
Contract liabilities	22	33.2	25.4	48.2	44.1
Lease liabilities	5	189.2	290.6	126.5	195.3
Deferred tax liabilities	23	3.3	9.8	-	-
Other non-current liabilities	21	89.3	107.8	115.8	141.1
Total non-current liabilities		**1,307.0**	**1,663.3**	**1,237.3**	**1,503.9**
Current liabilities					
Trade accounts payable		818.5	719.8	468.2	371.5
Short-term borrowings	19	-	205.9	-	270.8
Short-term portion of long-term borrowings	19	397.3	23.1	374.2	-
Income tax payable	23	44.0	76.2	7.9	7.9
Contract liabilities	22	118.4	121.8	76.7	74.3
Lease liabilities	5	71.7	61.2	25.3	44.8
Provision for voluntary leave schemes	20	-	178.9	-	178.9
Dividends payable	18	2.3	2.2	2.3	2.1
Other current liabilities	24	485.6	364.5	347.1	243.2
Total current liabilities		**1,937.8**	**1,753.6**	**1,301.7**	**1,193.5**
Liabilities of disposal group classified as held for sale	9	-	311.2	-	-
TOTAL EQUITY AND LIABILITIES		**5,217.0**	**5,867.9**	**5,737.6**	**5,956.6**

INCOME STATEMENTS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro except per share data)	Notes	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
Revenue					
Fixed business:					
Retail services revenues		950.8	938.1	948.2	938.2
Wholesale services revenues		585.3	574.1	339.6	330.5
Other revenues		293.9	294.0	264.4	258.3
Total revenues from fixed business		**1,830.0**	**1,806.2**	**1,552.2**	**1,527.0**
Mobile business:					
Service revenues		1,172.2	1,138.8	-	-
Handset revenues		270.1	229.6	1.7	22.9
Other revenues		24.3	18.9	-	-
Total revenues from mobile business		**1,466.6**	**1,387.3**	**1.7**	**22.9**
Miscellaneous other revenues		**71.7**	**65.4**	**46.8**	**64.4**
Total revenues		**3,368.3**	**3,258.9**	**1,600.7**	**1,614.3**
Other operating income	25	**9.2**	**10.4**	**28.9**	**8.7**
Operating expenses					
Interconnection and roaming costs		(447.1)	(437.9)	(89.2)	(82.8)
Provision for expected credit losses	12	(67.6)	(78.1)	(26.0)	(27.5)
Personnel costs		(430.6)	(481.3)	(91.2)	(242.0)
Costs related to voluntary leave schemes	20	121.8	(132.6)	129.9	(117.8)
Commission costs		(85.0)	(77.8)	(47.4)	(24.2)
Merchandise costs		(325.0)	(305.5)	(57.9)	(78.7)
Maintenance and repairs		(74.1)	(68.7)	(38.8)	(36.5)
Marketing		(66.0)	(63.5)	(18.9)	(21.2)
Other operating expenses, out of which:		(524.0)	(459.3)	(541.3)	(342.5)
Facility and other lease related costs		*(107.7)*	*(95.4)*	*(62.6)*	*(57.9)*
Third party fees and services		*(177.6)*	*(164.5)*	*(343.1)*	*(193.8)*
Other taxes and regulatory charges		*(73.6)*	*(64.2)*	*(33.6)*	*(23.2)*
Construction cost network		*(0.2)*	*(0.3)*	-	-
Other sundry operating expenses		*(164.9)*	*(134.9)*	*(102.0)*	*(67.6)*
Total operating expenses before depreciation, amortization and impairment		**(1,897.6)**	**(2,104.7)**	**(780.8)**	**(973.2)**
Operating profit before financial and investing activities, depreciation, amortization and impairment		**1,479.9**	**1,164.6**	**848.8**	**649.8**
Depreciation, amortization and impairment	4,5,7,8	(667.6)	(833.2)	(364.8)	(363.0)
Operating profit before financial and investing activities		**812.3**	**331.4**	**484.0**	**286.8**
Income and expense from financial and investing activities					
Interest and related expenses		(45.0)	(56.2)	(30.9)	(47.6)
Interest income		1.0	1.7	1.1	2.2
Foreign exchange differences, net		1.5	(3.6)	1.7	(1.0)
Dividend income	9	-	-	200.9	331.0
Gains / (losses) from investments and other financial assets - Impairment	9,13	(50.4)	9.8	42.5	(90.4)
Total profit / (loss) from financial and investing activities		**(92.9)**	**(48.3)**	**215.3**	**194.2**
Profit before tax		**719.4**	**283.1**	**699.3**	**481.0**
Income tax	23	(233.6)	(45.9)	(135.6)	31.1
Profit for the year from continuing operations		**485.8**	**237.2**	**563.7**	**512.1**
Profit from discontinued operations	9	103.9	138.5	-	-
Profit for the year		**589.7**	**375.7**	**563.7**	**512.1**
Attributable to:					
Owners of the parent		**557.6**	**359.9**	**563.7**	**512.1**
From continuing operations		*487.0*	*263.4*	563.7	512.1
From discontinued operations		*70.6*	*96.5*	-	-
Non-controlling interests		**32.1**	**15.8**	-	-
Profit for the year		**589.7**	**375.7**	**563.7**	**512.1**
Earnings per share attributable to owners of the parent from continuing operations					
Basic earnings per share	26	1.0720	0.5659	-	-
Diluted earnings per share	26	1.0720	0.5659	-	-
Total basic earnings per share attributable to owners of the parent	26	1.2274	0.7732	-	-

STATEMENTS OF COMPREHENSIVE INCOME (CONSOLIDATED AND SEPARATE)

		GROUP		COMPANY	
(Amounts in millions of Euro)	Notes	2021	2020	2021	2020
Profit for the year		589.7	375.7	563.7	512.1
Other comprehensive income: **Items that will not be reclassified subsequently to profit or loss**					
Actuarial gains / (losses)	20	(6.2)	(10.0)	(5.2)	(7.3)
Deferred taxes on actuarial gains / (losses)		1.3	2.3	1.1	1.8
Deferred taxes on actuarial gains / (losses) due to change in tax rate		(0.8)	-	(0.8)	-
Total items that will not be reclassified subsequently to profit or loss		(5.7)	(7.7)	(4.9)	(5.5)
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation		(4.2)	(9.3)	-	-
Total items that may be reclassified subsequently to profit or loss		(4.2)	(9.3)	-	-
Reclassification of foreign currency translation reserve related to operations disposed	9	41.9	-	-	-
Other comprehensive income / (loss) for the year		32.0	(17.0)	(4.9)	(5.5)
Total comprehensive income for the year		621.7	358.7	558.8	506.6
Attributable to:					
Owners of the parent		590.6	345.8	558.8	506.6
Non-controlling interests		31.1	12.9	-	-
		621.7	358.7	558.8	506.6
Total comprehensive income attributable to owners of the parent arises from:					
Continuing operations		520.7	251.8	558.8	506.6
Discontinued operations	9	69.9	94.0	-	-
		590.6	345.8	558.8	506.6

STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

	Attributed to equity holders of the parent									
(Amounts in millions of Euro)	Share capital	Share premium	Treasury shares	Statutory reserve	Foreign exchange and other reserves	Changes in non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at January 1, 2020	1,358.2	486.6	(110.3)	415.1	(187.5)	(3,314.1)	3,404.0	2,052.0	131.1	2,183.1
Profit for the year	-	-	-	-	-	-	359.9	**359.9**	15.8	**375.7**
Other comprehensive income / (loss)	-	-	-	-	(14.1)	-	-	**(14.1)**	(2.9)	**(17.0)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**-**	**(14.1)**	**-**	**359.9**	**345.8**	**12.9**	**358.7**
Cancellation of treasury shares	(27.6)	(10.0)	121.3	-	-	-	(83.7)	**-**	-	**-**
Dividend distribution	-	-	-	-	-	-	(258.6)	**(258.6)**	-	**(258.6)**
Transfer to statutory reserve	-	-	-	25.6	-	-	(25.6)	**-**	-	**-**
Acquisition of treasury shares	-	-	(143.2)	-	-	-	-	**(143.2)**	-	**(143.2)**
Share option plans	-	(0.2)	-	-	-	-	-	**(0.2)**	-	**(0.2)**
Balance as at December 31, 2020	**1,330.6**	**476.4**	**(132.2)**	**440.7**	**(201.6)**	**(3,314.1)**	**3,396.0**	**1,995.8**	**144.0**	**2,139.8**
Balance as at January 1, 2021	**1,330.6**	**476.4**	**(132.2)**	**440.7**	**(201.6)**	**(3,314.1)**	**3,396.0**	**1,995.8**	**144.0**	**2,139.8**
Profit for the year	-	-	-	-	-	-	557.6	**557.6**	32.1	**589.7**
Other comprehensive income / (loss)	-	-	-	-	33.0	-	-	**33.0**	(1.0)	**32.0**
Total comprehensive income	**-**	**-**	**-**	**-**	**33.0**	**-**	**557.6**	**590.6**	**31.1**	**621.7**
Cancellation of treasury shares (Note 16)	(38.0)	(13.6)	168.1	-	-	-	(116.5)	**-**	-	**-**
Net change of participation in subsidiaries (Note 9)	-	-	-	-	-	-	3.5	**3.5**	(173.4)	**(169.9)**
Dividend distribution (Note 18)	-	-	-	-	-	-	(426.2)	**(426.2)**	-	**(426.2)**
Acquisition of treasury shares (Note 16)	-	-	(193.0)	-	-	-	-	**(193.0)**	-	**(193.0)**
Share option plans	-	(0.2)	-	-	-	-	-	**(0.2)**	-	**(0.2)**
Balance as at December 31, 2021	**1,292.6**	**462.6**	**(157.1)**	**440.7**	**(168.6)**	**(3,314.1)**	**3,414.4**	**1,970.5**	**1.7**	**1,972.2**

STATEMENT OF CHANGES IN EQUITY (SEPARATE)

(Amounts in millions of Euro)	Share capital	Share premium	Treasury shares	Statutory reserve	Foreign exchange and other reserves	Retained earnings	Total equity
Balance as at January 1, 2020	1,358.2	486.6	(110.3)	415.1	(22.4)	1,027.4	3,154.6
Profit for the year	-	-	-	-	-	512.1	**512.1**
Other comprehensive income / (loss)	-	-	-	-	(5.5)	-	**(5.5)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**-**	**(5.5)**	**512.1**	**506.6**
Cancellation of treasury shares	(27.6)	(10.0)	121.3	-	-	(83.7)	**-**
Transfer to statutory reserve	-	-	-	25.6	-	(25.6)	**-**
Dividend distribution	-	-	-	-	-	(258.6)	**(258.6)**
Acquisition of treasury shares	-	-	(143.2)	-	-	-	**(143.2)**
Share option plans	-	(0.2)	-	-	-	-	**(0.2)**
Balance as at December 31, 2020	**1,330.6**	**476.4**	**(132.2)**	**440.7**	**(27.9)**	**1,171.6**	**3,259.2**
Balance as at January 1, 2021	**1,330.6**	**476.4**	**(132.2)**	**440.7**	**(27.9)**	**1,171.6**	**3,259.2**
Profit for the year	-	-	-	-	-	563.7	**563.7**
Other comprehensive income / (loss)	-	-	-	-	(4.9)	-	**(4.9)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**-**	**(4.9)**	**563.7**	**558.8**
Cancellation of treasury shares (Note 16)	(38.0)	(13.6)	168.1	-	-	(116.5)	**-**
Dividend distribution (Note 18)	-	-	-	-	-	(426.2)	**(426.2)**
Acquisition of treasury shares (Note 16)	-	-	(193.0)	-	-	-	**(193.0)**
Share option plans	-	(0.2)	-	-	-	-	**(0.2)**
Balance as at December 31, 2021	**1,292.6**	**462.6**	**(157.1)**	**440.7**	**(32.8)**	**1,192.6**	**3,198.6**

STATEMENTS OF CASH FLOWS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	Notes	GROUP 2021	GROUP 2020	COMPANY 2021	COMPANY 2020
Cash flows from operating activities					
Profit before tax		719.4	283.1	699.3	481.0
Adjustments for:					
Depreciation, amortization and impairment	4,5,7,8	667.6	833.2	364.8	363.0
Costs related to voluntary leave schemes	20	(121.8)	132.6	(129.9)	117.8
Provision for staff retirement indemnities	20	(5.0)	3.0	5.6	1.7
Provision for youth account	20	(1.7)	1.3	(1.7)	1.3
Foreign exchange differences, net		(1.5)	3.6	(1.7)	1.0
Interest income		(1.0)	(1.7)	(1.1)	(2.2)
Dividend income	9	-	-	(200.9)	(331.0)
(Gains) / losses from investments and other financial assets – Impairment	9,13	50.4	(9.8)	(42.5)	90.4
Interest and related expenses		45.0	56.2	30.9	47.6
Working capital adjustments:					
Decrease / (increase) in inventories		(11.3)	10.2	(1.7)	1.0
Decrease / (increase) in receivables		(66.6)	54.5	(71.0)	35.1
(Decrease) / increase in liabilities (except borrowings)		89.2	51.3	64.0	(29.9)
Plus /(Minus):					
Payment for voluntary leave schemes	20	(56.3)	(109.1)	(44.6)	(94.7)
Payment of staff retirement indemnities and youth account, net of employees' contributions	20	(10.3)	(12.4)	(9.7)	(11.6)
Interest and related expenses paid (except leases)		(27.7)	(46.7)	(24.0)	(43.7)
Interest paid for leases	5	(15.4)	(19.0)	(6.4)	(13.4)
Income tax paid		(115.5)	(88.2)	(7.3)	(74.6)
Net cash flows from operating activities of discontinued operations		86.7	105.8	-	-
Net cash flows from operating activities		**1,224.2**	**1,247.9**	**622.1**	**538.8**
Cash flows from investing activities					
Return of capital invested in subsidiary	9	-	-	1.0	0.4
Investment in subsidiaries	9	-	-	(61.9)	(4.0)
Sale or maturity of financial assets	13	0.3	0.3	-	-
Repayment of loans receivable	20	7.2	7.2	7.2	7.2
Loans granted to subsidiary		-	-	-	(6.0)
Repayment of loans granted to subsidiary		-	-	-	6.2
Purchase of property, plant and equipment and intangible assets		(586.0)	(667.8)	(317.5)	(338.9)
Proceeds from disposal of subsidiaries / investments	9	288.3	-	288.3	-
Cash and cash equivalents of subsidiaries disposed	9	(89.3)	-	-	-
Movement in restricted cash		0.5	(0.1)	-	-
Interest received		1.0	1.7	1.1	2.2
Dividends received	28	-	-	311.8	260.7
Net cash flows from investing activities of discontinued operations		(57.5)	(71.4)	-	-
Net cash flows from / (used in) investing activities		**(435.5)**	**(730.1)**	**230.0**	**(72.2)**
Cash flows from financing activities					
Acquisition of treasury shares	16	(190.3)	(142.3)	(190.3)	(142.3)
Proceeds from loans granted and issued	19	350.0	367.4	451.5	420.8
Repayment of loans	19	(404.4)	(874.3)	(446.2)	(894.6)
Lease repayments	5	(70.0)	(63.5)	(37.2)	(47.7)
Dividends paid to Company's owners	18	(426.1)	(257.9)	(426.0)	(257.9)
Net cash flows from financing activities of discontinued operations		(5.7)	(13.2)	-	-
Net cash flows used in financing activities		**(746.5)**	**(983.8)**	**(648.2)**	**(921.7)**
Net increase / (decrease) in cash and cash equivalents		**42.2**	**(466.0)**	**203.9**	**(455.1)**
Cash and cash equivalents, at the beginning of the year		**516.2**	**1,058.3**	**105.5**	**560.6**
Net foreign exchange differences		(1.0)	(2.8)	-	-
Transfer to sectors	9	-	-	(35.4)	-
Cash and cash equivalents of disposal group classified as held for sale		73.3	(73.3)	-	-
Cash and cash equivalents, at the end of the year	15	**630.7**	**516.2**	**274.0**	**105.5**

1. CORPORATE INFORMATION

Hellenic Telecommunications Organization S.A. ("Company", "OTE" or "parent"), was incorporated as a société anonyme in Athens, Greece in 1949, and is listed in the Greek General Commercial Registry (Γ.Ε.ΜΗ.) with the unique number 001037501000. The registered office is located at 99 Kifissias Avenue – 151 24 Maroussi Athens, Greece, and the website is www.cosmote.gr. The Company is listed on the Athens Exchange. Until September 19, 2010, OTE ADRs (American Depositary Receipts) were also listed on the New York Stock Exchange. Following OTE's delisting from NYSE, OTE ADRs now trade in the US OTC (Over the Counter) market. OTE GDRs (Global Depositary Receipts) are also listed on the London Stock Exchange.

OTE's principal activities are the provision of telecommunications and related services.

Effective from February 6, 2009, the financial statements are included in the consolidated financial statements of DEUTSCHE TELEKOM AG (full consolidation method), which has its registered office in Germany and as of December 31, 2021 holds a 48.3% interest in OTE (Note 16).

The OTE Group ("Group") includes other than the parent Company, all the entities which OTE controls directly or indirectly. The financial statements of the consolidated non-listed entities, which cumulatively represent more than 3.0% of the consolidated total revenues, or consolidated total assets, or consolidated total net profit excluding non-controlling interest, will be available, upon respective approvals, in the parent Company's website,
https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_ etairiwn_omilou.html.

The Annual Consolidated and Separate Financial Statements ("financial statements") as of December 31, 2021 and for the year then ended, were approved for issuance by the Board of Directors on February 23, 2022, and are subject to the final approval of OTE's General Assembly.

The total numbers of Group and Company employees as of December 31, 2021 and 2020 is as follows:

	GROUP	COMPANY
December 31, 2021	11,453	2,557
December 31, 2020	16,291	7,211

Group number of employees as of December 31, 2020 includes 3,792 employees of TELEKOM ROMANIA, classified as held for sale.

In the context of the spin-off process, finalized on January 4, 2021, approximately 4,100 employees of OTE were transferred to the absorbing subsidiaries of the Group (see relevant section below).

The consolidated financial statements include the financial statements of OTE and the following subsidiaries which OTE controls directly or indirectly:

ENTITY NAME	LINE OF BUSINESS	COUNTRY	GROUP's OWNERSHIP INTEREST	
			2021	2020
COSMOTE MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE")	Mobile telecommunications services	Greece	100.00%	100.00%
OTE INTERNATIONAL INVESTMENTS LTD	Investment holding entity	Cyprus	-	100.00%
COSMO-ONE HELLAS MARKET SITE S.A. ("COSMO-ONE")	E-commerce services	Greece	61.74%	61.74%
OTE PLC	Financing services	U.K.	100.00%	100.00%
OTESAT-MARITEL S.A. ("OTESAT-MARITEL")	Satellite telecommunications services	Greece	94.09%	94.09%
COSMOTE TECHNICAL SERVICES S.A. ("CTS")	Technical support services	Greece	100.00%	100.00%
OTE ESTATE S.A. ("OTE ESTATE")	Real estate	Greece	100.00%	100.00%
OTE INTERNATIONAL SOLUTIONS S.A. ("OTE GLOBE")	Wholesale telephony services	Greece	100.00%	100.00%
OTE INSURANCE AGENCY S.A. ("OTE INSURANCE")	Insurance brokerage services	Greece	100.00%	100.00%
OTE ACADEMY S.A. ("OTE ACADEMY")	Training services	Greece	100.00%	100.00%
TELEKOM ROMANIA COMMUNICATIONS S.A. ("TELEKOM ROMANIA")	Fixed and mobile telecommunications services	Romania	-	54.01%
NEXTGEN COMMUNICATIONS SRL ("NEXTGEN")	Telecommunications services	Romania	-	54.01%

ENTITY NAME	LINE OF BUSINESS	COUNTRY	GROUP's OWNERSHIP INTEREST	
			2021	2020
TELEKOM ROMANIA MOBILE COMMUNICATIONS S.A. (“TELEKOM ROMANIA MOBILE”)	Mobile telecommunications services	Romania	100.00%	86.20%
GERMANOS S.A. (“GERMANOS”)	Retail services	Greece	100.00%	100.00%
COSMOTE E-VALUE	Marketing services	Greece	100.00%	100.00%
MOBILBEEEP LTD	Retail services	Greece	100.00%	100.00%
COSMOTE TV PRODUCTIONS	TV productions and services	Greece	100.00%	100.00%
E-VALUE DEBTORS AWARENESS ONE PERSON LTD (“E-VALUE LTD”)	Overdue accounts management	Greece	100.00%	100.00%
COSMOHOLDING INTERNATIONAL B.V.	Investment holding entity	Netherlands	100.00%	100.00%
E-VALUE INTERNATIONAL S.A.	Marketing services	Romania	100.00%	100.00%
OTE RURAL NORTH SPECIAL PURPOSE DEVELOPMENT AND MANAGEMENT OF BROADBAND INFRASTRUCTURE S.A. (“OTE RURAL NORTH”)	Wholesale broadband and infrastructure services	Greece	100.00%	100.00%
OTE RURAL SOUTH SPECIAL PURPOSE DEVELOPMENT AND MANAGEMENT OF BROADBAND INFRASTRUCTURE S.A. (“OTE RURAL SOUTH ”)	Wholesale broadband and infrastructure services	Greece	100.00%	100.00%
COSMOTE PAYMENTS - ELECTRONIC MONEY SERVICES S.A. (“COSMOTE PAYMENTS”)	Electronic money services	Greece	100.00%	100.00%
COSMOTE GLOBAL SOLUTIONS S.A.	ICT services	Belgium	100.00%	100.00%

AGREEMENT FOR THE SALE OF TELEKOM ROMANIA

On November 9, 2020 the Group announced that it has entered into an agreement to sell to Orange Romania, its 54.01% stake in TELEKOM ROMANIA.

On September 30, 2021, the transaction was completed for a total consideration of Euro 295.6.

AGREEMENT FOR THE SPIN-OFF OF THE BUSINESS SECTORS CUSTOMER SERVICE, SHOPS AND TECHNICAL FIELD OPERATIONS

On December 4, 2020 the Extraordinary General Meetings of Shareholders of OTE and COSMOTE approved the Draft Demergers Agreement through spin-off of the business sectors of Customer Service, Shops and Technical Field Operations and their absorption by the Group’s subsidiaries COSMOTE E-VALUE, GERMANOS and CTS, respectively.

The spin-off procedure has been completed on January 4, 2021 upon registration in the Greek General Commercial Registry (Γ.Ε.ΜΗ.).

Following the completion of the spin-off process, the shareholders’ structure of the entities COSMOTE E-VALUE, GERMANOS and CTS has changed, with no effect on the Group’s ownership interest.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”).

The financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss, which have been measured at fair values in accordance with IFRS.

The financial statements have been prepared based on a going concern basis.

The financial statements are presented in millions of Euro, except when otherwise indicated.

Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make estimates and judgments that affect the reported amount of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities included in the financial statements. On an ongoing basis, management evaluates its estimates and judgements, including those related to legal contingencies, allowance for expected credit losses, the estimated useful life of non-financial assets, impairment of property, plant and equipment, impairment of goodwill, impairment of intangible assets, impairment of investments, reserve for staff retirement indemnities and youth account, recognition of revenues and expenses and income taxes. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the bases for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details on impairment testing are disclosed in Note 6.

Provision for income taxes

The provision for income taxes in accordance with IAS 12 "Income taxes", are the amounts expected to be paid to the taxation authorities and includes provision for current income taxes reported and the potential additional tax that may be imposed as a result of audits by the taxation authorities. Group entities are subject to income taxes in various jurisdictions and significant management judgment is required in determining provision for income taxes. Actual income taxes could vary from these estimates due to future changes in income tax law, significant changes in the jurisdictions in which the Group and the Company operate, or unpredicted results from the final determination of each year's liability by tax authorities. These changes could have a significant impact on the Group's and the Company's financial position. Where the actual additional taxes payable are different from the amounts that were initially recorded, these differences will impact the income tax and deferred tax provisions in the period in which such a determination is made. Further details are provided in Note 23.

Deferred tax assets and liabilities

Deferred income tax assets and liabilities have been provided for the tax effects of temporary differences between the carrying amount and tax base of such assets and liabilities, using enacted tax rates in effect in the years in which the differences are expected to reverse. Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused losses can be utilized. The Group and the Company have considered future taxable income and followed ongoing feasible and prudent tax planning strategy in the assessment of the recoverability of deferred tax assets. The accounting estimate related to deferred tax assets requires management to make assumptions regarding the timing of future events, including the probability of expected future taxable income and available tax planning opportunities. Further details are provided in Note 23.

Provision for expected credit losses of trade receivables and contract assets

The Group and the Company apply the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables and contract assets.

The Group and the Company establish allowance for expected credit losses sufficient to cover reasonably estimable loss for these accounts. Because of the number of accounts, it is not practical to review the collectability of each account; therefore, at each reporting date all accounts receivable are assessed based on historical trends, statistical information, future expectations regarding suspended or cancelled customers, reactivation rates for suspended or cancelled customers and collection rates for amounts due from cancelled customers. Domestic and international operators are examined and assessed on an individual basis. The balance of such allowance for expected credit losses is adjusted by recording a charge to the income statement of the reporting period. Any amount written off with respect to customer account balances is charged against the existing allowance for expected credit losses. Additional details are provided in Note 12 and Note 30.

Post retirement and other defined benefit plans

Staff Retirement Indemnities and Youth Account obligations are calculated at the discounted present value of the future retirement benefits and benefits to children of employees deemed to have accrued at year-end. Retirement and Youth Account obligations are calculated on the basis of financial and actuarial assumptions that require management to make assumptions regarding discount rates, pay increases, withdrawal rates, mortality and disability rates, retirement ages and other factors. Changes in these key assumptions can have a significant impact on the obligation and pension costs for the period. Net pension costs for the period consist of the present value of benefits earned in the year, interest costs on the benefits obligation, prior service costs and actuarial gains or losses. The Staff Retirement Indemnities and Youth Account benefit obligations are not funded. Due to the long term nature of these defined benefit plans, these assumptions are subject to a significant degree of uncertainty. Further details are provided in Note 20.

Estimating the useful life of non-financial assets

The Group and the Company must estimate the useful life of property, plant and equipment and intangible assets recognized at acquisition or as a result of a business combination. These estimates are revisited at least on an annual basis taking into account new developments and market conditions.

Contingent liabilities and provisions

The Group and the Company are currently involved in various claims and legal proceedings. Periodically, the Group and the Company review the status of each significant matter and assess potential financial exposure, based on the advice of legal counsel. If the potential loss from any claim or legal proceeding is considered probable and the amount can be reliably estimated, the Group and the Company recognize a provision for the estimated loss. Significant judgment is required in both the determination of probability and the determination as to whether an exposure is reasonably estimable. As additional information becomes available, the Group and the Company reassess the potential liability related to pending claims and litigation and may revise assessments of the probability of an unfavorable outcome and the related estimate of potential loss. Such revisions in the estimates of the potential liabilities could have a material impact on the Group's or the Company's financial position and results of operations.

Impairment of property, plant and equipment

The determination of impairment of property, plant and equipment involves the use of estimates that include, but are not limited to, the cause, timing and amount of the impairment. Impairment is based on a large number of factors, such as changes in current competitive conditions, expectations of growth in the telecommunications industry, increased cost of capital, the future availability of financing, technological obsolescence, discontinuance of services, current replacement costs, prices paid in comparable transactions and other changes in circumstances that indicate an impairment exists. The recoverable amount is typically determined using a discounted cash flow method. The identification of impairment indicators, as well as the estimation of future cash flows and the determination of fair values for assets (or groups of assets) require management to make significant judgments concerning the identification and validation of impairment indicators, expected cash flows, applicable discount rates, useful lives and residual values.

Determining the lease term of contracts with renewal and termination options – Accounting by lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group and the Company have certain lease contracts that include extension and termination options and apply judgement in evaluating whether it is reasonably certain to exercise or not to exercise the option to renew or terminate the lease. For this purpose, all relevant factors that create an economic incentive to exercise either the renewal or termination are considered. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that are within their control and affect their ability to exercise or not to exercise the option to renew or to terminate a lease (e.g. construction of significant leasehold improvements or significant customization to the leased asset, ability to replace the leased assets without significant cost or business disruption). Additional details are provided in Note 5.

Leases - Estimating the incremental borrowing rate

The Group and the Company cannot readily determine the interest rate implicit in the lease, therefore, they use the Group's incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group's IBR is determined by using maturity-related risk-free interest rates which are increased with the Group's derived credit spread and adjusted with a liquidity risk premium. Therefore, the Group estimates the IBR using observable inputs where available and make certain estimations and adjustments where no observable inputs are available.

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after January 1, 2021.

<u>Standards and Interpretations effective for the current financial year</u>

- **IFRS 16 (Amendment) "Covid-19-Related rent concessions"**: The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications.

- **IFRS 4 (Amendment) "Extension of the temporary exemption from applying IFRS 9"**: The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 'Insurance Contracts' from applying IFRS 9 'Financial Instruments', so that entities would be required to apply IFRS 9 for annual periods beginning on or after January 1, 2023.

- **IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) "Interest rate benchmark reform – Phase 2":** These amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for the change in its hedging relationships and the information it should disclose.

Standards and Interpretations effective for subsequent periods

A number of new standards and amendments to standards and interpretations are effective for subsequent periods and have not been applied in preparing these consolidated and separate financial statements. The Group is currently investigating the impact of the new standards and amendments on its financial statements.

- IFRS 16 (Amendment) "Covid-19-Related rent concessions" (effective for annual periods beginning on or after April 1, 2021): The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before June 30, 2022.

- IFRS 17 "Insurance contracts" and Amendments to IFRS 17 (effective for annual periods beginning on or after January 1, 2023): IFRS 17 has been issued in May 2017 and, along with the amendments to IFRS 17 issued in June 2020, supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost.

- IAS 16 (Amendment) "Property, plant and equipment – Proceeds before intended use" (effective for annual periods beginning on or after January 1, 2022): The amendment prohibits an entity from deducting from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities.

- IAS 37 (Amendment) "Onerous contracts – Cost of fulfilling a contract" (effective for annual periods beginning on or after January 1, 2022): The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

- IFRS 3 (Amendment) "Reference to the Conceptual Framework" (effective for annual periods beginning on or after January 1, 2022): The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

- IAS 1 (Amendment) "Classification of liabilities as current or non-current" (effective for annual periods beginning on or after January 1, 2023): The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

- IAS 1 (Amendments) "Presentation of Financial Statements" and IFRS Practice Statement 2 "Disclosure of Accounting policies" (effective for annual periods beginning on or after January 1, 2023): The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments have not yet been endorsed by the EU.

- IAS 8 (Amendments) "Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods beginning on or after January, 1 2023): The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments have not yet been endorsed by the EU.

- IAS 12 (Amendments) "Deferred tax related to Assets and Liabilities arising from a Single Transaction" (effective for annual periods beginning on or after January 1, 2023): The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.

- IFRS 17 (Amendment) "Initial Application of IFRS 17 and IFRS 9 – Comparative Information" (effective for annual periods beginning on or after January 1, 2023): The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. The amendment has not yet been endorsed by the EU.

Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after January 1, 2022):

- IFRS 9 "Financial instruments": The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

- IFRS 16 "Leases": The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied for the preparation of the financial statements are as follows:

1. Basis of Consolidation and Investments

Subsidiaries

The consolidated financial statements are comprised of the financial statements of the Company and all subsidiaries controlled by the Company directly or indirectly. Control exists when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss. Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration are recognized in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The financial statements of the subsidiaries are prepared as of the same reporting period as the parent company, using consistent accounting policies. All intercompany balances, transactions and any intercompany profit or loss are eliminated in the consolidated financial statements.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in change of control are accounted for as equity transactions. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interest are also recorded in equity. In the consolidated statement of financial position an amount of Euro 3,314.1 has been recognized at the acquisition date of non-controlling interest.

Disposal of subsidiaries

When the Group disposes of or ceases to have control or any retained interest in the subsidiary, it is remeasured to its fair value at the date of disposal or when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that subsidiary are reclassified to profit or loss.

Associates

Associates are those entities in which the Group has significant influence upon, but not control over their financial and operating strategy, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates in which the Group has significant influence are accounted for using the equity method of accounting. Under this method, the investment is initially recognized at cost and is adjusted to recognize the investor's share of the profit or loss after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of post-acquisition profit or loss is recognized in the income statement and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income.

Gains or losses from transactions with associates are eliminated to the extent of the interest in the associate. Dividends received from associates are eliminated against the carrying value of the investment. The associate's value is adjusted for any accumulated impairment loss. When the Group's share of losses exceeds the carrying amount of the investment, the carrying value of the investment is reduced to nil and recognition of further losses is discontinued, except to the extent the Group has created obligations or has made payments on behalf of the associate.

Transactions between companies under common control

Transactions between companies under common control are excluded from the scope of IFRS 3. Therefore the Group (implementing the guidance of IAS 8 "Accounting policies, changes in accounting estimates and errors" for similar cases) accounts for such transactions using a method like "predecessor accounting". Based on this principle, the Group consolidates the book values of the combined entities (without revaluation to fair values). The financial statements of the Group or the new entity after the transaction are prepared on the basis as if the new structure was in effect since the beginning of the first period which is presented in the financial statements and consequently the comparative figures are adjusted. The difference between the purchase price and the book value of the percentage of the net assets acquired is recognized directly in equity.

In the separate financial statements, investments in subsidiaries and associates are accounted for at cost adjusted for any impairment where necessary.

2. Foreign Currency Translation

OTE's functional and presentation currency is the Euro. Transactions involving other currencies are translated into Euro at the exchange rates, ruling on the date of the transactions. At the reporting date, monetary assets and liabilities, which are denominated in foreign currencies, are retranslated at the exchange rates at that date. Gains or losses resulting from foreign currency translation are recognized in the income statement.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the exchange rate at the date of the initial transaction. Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the exchange rates at the date that the fair value was determined. The foreign currency differences arising from the change in the fair value of these items are recognized in the income statement or directly in other comprehensive income depending on the underlying item.

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). Assets and liabilities of entities that have a functional currency different from the presentation currency, including goodwill and the fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition, are translated into Euro using exchange rates ruling at the reporting date. Revenues and expenses are translated at rates prevailing at the date of the transaction. All resulting foreign exchange differences are recognized in other comprehensive income and are reclassified in the income statement on the disposal of the foreign operation.

3. Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests and the acquisition date fair value of any previous equity interest held over the fair value of the identifiable net assets acquired. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

4. Telecommunication licenses
Telecommunication licenses are recognized at historical cost. These licenses have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over their useful life, being between 1 and 25 years.

5. Other intangible assets
Intangible assets acquired separately are recognized at historical cost, while those acquired from a business combination are recognized at fair value on the date of acquisition. Subsequently, they are carried at cost less accumulated amortization and accumulated impairment losses. All intangible assets have a finite useful life and are amortized on a straight-line basis over their useful life. The useful life of intangible assets is reviewed on an annual basis, and adjustments, where applicable, are made prospectively.

The main categories of intangible assets are as follows:
Brand name: Recognized on acquisition of GERMANOS group during 2006. The brand name was initially determined to have an indefinite useful life. During 2008, the useful life was reassessed and it was determined to be 15 years from the end of October 2008.
Franchise agreements: Recognized on acquisition of GERMANOS group. These agreements have a useful economic life of 20 years.
Software: The useful economic life is 1 to 10 years.
TV broadcasting rights: The useful economic life is 1 to 4 years.
Concession rights: 15 years and 18 years (Note 3, paragraph 31).

6. Property, Plant and Equipment
Items of property, plant and equipment are measured at historical cost, net of subsidies received, plus interest costs incurred during periods of construction, less accumulated depreciation and any impairment in value.

Subsidies are presented as a reduction of the cost of property, plant and equipment and are recognized in the income statement over the estimated life of the assets through reduced depreciation expense.

Construction in progress is recorded as part of property, plant and equipment and depreciation on the self constructed assets commences when the asset is available for use. The cost of self-constructed assets includes the cost of materials, direct labor costs, borrowing costs capitalized and relevant general overhead costs. Investment supplies comprise of assets to be utilized in the construction of assets.

The present value of the expected retirement costs, for a relevant asset, is included in the cost of the respective asset if the recognition criteria for a provision are met and are depreciated accordingly.

Repairs and maintenance costs are expensed as incurred. The cost and related accumulated depreciation of assets retired or sold are removed from the corresponding accounts at the time of sale or retirement, and any gain or loss is recognized in the income statement.

When significant parts of the property, plant and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation.

Investment property consists of all property held to earn rentals or for capital appreciation and not used in the production or for administrative purposes. Investment property is measured using the cost model.

Depreciation is recognized on a straight-line basis over the estimated useful lives of property, plant and equipment, which are periodically reviewed. The estimated useful lives and the respective rates are as follows:

	Estimated Useful Life	Depreciation Rates
Buildings – building installations	1 - 50 years	2.0% – 100.0%
Telecommunication equipment and installations:		
Telecommunications line network	8 – 36 years	2.8% – 12.5%
Switching equipment	3 – 10 years	10.0% – 33.3%
Transmission equipment	4 – 10 years	10.0% – 25.0%
Broadband distribution network	2.5 – 8 years	12.5% – 40.0%
Radio equipment	5 – 15 years	6.7% – 20.0%
Other telecommunications equipment	4 – 15 years	6.7% – 25.0%
Miscellaneous other technical equipment and machinery	1 – 16 years	6.3% – 100.0%
Network buildings	10 – 18 years	5.6% – 10.0%
Transportation means	2 – 11 years	9.1% – 50.0%
Fixtures and furniture	1 – 16 years	6.3% – 100.0%

7. Non- current Assets Held for Sale

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. Immediately before the initial classification of a non-current asset (or a disposal group) as held for sale, the asset (or the assets and liabilities included in the disposal group) is measured in accordance with the applicable IFRS. Non-current assets (or disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and any possible resulting impairment losses are recognized in the income statement. Any subsequent increase in fair value is recognized, but not in excess of the cumulative impairment loss which was previously recognized. While a non-current asset (or non-current assets that are included in a disposal group) is classified as held for sale, it is not depreciated or amortized.

8. Impairment of Non - Financial Assets (excluding goodwill)

The carrying values of the Group's or the Company's non-financial assets are tested for impairment, when there are indications that their carrying amount is not recoverable. In such cases, the recoverable amount is estimated and if the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognized in the income statement. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. In measuring value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset. If an asset does not generate cash flows individually, the recoverable amount is determined for the cash generating unit to which the asset belongs. At each reporting date the Group and the Company assess whether there is an indication that an impairment loss recognized in prior periods may no longer exist. If any such indication exists, the Group and the Company estimate the recoverable amount of that asset and the impairment loss is reversed, increasing the carrying amount of the asset to its recoverable amount, to the extent that the recoverable amount does not exceed the carrying value of the asset that would have been determined (net of amortization or depreciation), if no impairment loss had been recognized for the asset in prior years.

9. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and subsequent measurement of financial assets

The financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model within which the financial asset is held.

With the exception of trade receivables, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are initially measured at the transaction price determined under IFRS 15 "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI criterion and is performed at an instrument level.

For the purpose of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income
- Financial assets at fair value through profit or loss.

The Group and the Company hold no assets at fair value through other comprehensive income as of December 31, 2021.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. This category includes all financial assets of the Group, except for the investments in mutual funds which are measured at fair value through profit or loss (FVPL).

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the income statement. Gains or losses arising from changes in the fair value are recognized in the income statement within “Gains / (losses) from investments and other financial assets - Impairment”.

The fair values of quoted investments are based on quoted market bid prices. For investments where there is no quoted market price, fair value is determined using valuation techniques, unless the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, where the entity is precluded from measuring these investments at fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the settlement date (i.e. the date that the asset is transferred or delivered to the Group or the Company).

Impairment of financial assets

The Group and the Company assess at each reporting date, whether a financial asset or group of financial assets is impaired and recognize, if necessary, an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, contract assets and lease receivable the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognize a loss allowance based on lifetime ECLs at each reporting date.

To measure the expected credit loss in relation to trade receivables, the Group has established a provision matrix relying on aging analysis, which is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Further details on trade receivable are disclosed in Note 3, paragraph 13.

The expected credit loss in relation to contract assets, is measured based on the expected early contract termination rate, the penalty for early termination and its collectability rate.

For all other Group’s financial assets at amortized cost, the general approach is applied. These assets are considered to have low credit risk and any loss allowance is therefore limited to 12 months’ expected losses.

Derecognition of financial assets

A financial asset (or, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group or the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; or
- the Group or the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group or the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group or the Company also recognize an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group or the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Initial recognition and subsequent measurement of financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For the purpose of subsequent measurement, financial liabilities are classified as financial liabilities at amortised cost or financial liabilities at fair value through profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability. The difference in the respective carrying amounts is recognized in the income statement.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position only when the Group or the Company has a legally enforceable right to set off the recognized amounts and intends either to settle such asset and liability on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

10. Derivative Financial Instruments and Hedging Instruments

Derivative financial instruments include interest rate swaps, currency swaps and other derivative instruments.

Derivatives and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value based on quoted market prices, if available, or based on valuation techniques such as discounted cash flows. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

For hedge accounting purposes, hedges are classified either as fair value hedges, where the exposure to changes in the fair value of a recognized asset or liability is being hedged, or as a cash flow hedge, where the exposure to variability in cash flows associated with a specifically identified risk which may be directly related to the recognized asset or liability is being hedged. When hedge accounting is applied, at the inception of the hedge there is formal documentation which includes identification of the hedging instrument, the hedged item, the hedging relationship, the nature of the risk being hedged and the risk strategy.

In a fair value hedge, the change in the fair value of a hedging instrument is recognized in the income statement. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the income statement.

In a cash flow hedge, the effective portion of the gain or loss on the hedging instrument is recognized in other comprehensive income in a cash flow hedge reserve, while any ineffective portion is recognized immediately in the income statement. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

11. Financial Guarantee Contracts

Financial guarantee contracts issued by the Group or the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of the loss allowance determined in accordance with IFRS 9 “Financial Instruments” and the amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the principles of IFRS 15 “Revenue from contracts with customers”.

12. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost is based on the weighted average cost method, where the average is calculated at the end of the period. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. When there is any subsequent increase of the net realizable value of inventories that have been previously written-down, the amount of the write-down is reversed.

13. Trade Receivables and Allowance for Expected Credit Losses

A receivable represents the Group's or the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Trade receivables are initially recognized at their fair value which is equal to the transaction amount. Subsequently they are measured at amortized cost, less an allowance for expected credit losses (ECLs) based on lifetime ECLs at each reporting period. At each reporting date, trade receivables are either assessed individually for debtors such as other providers or collectively based on historical trends, statistical information and forward looking factors and a provision for the probable and reasonably estimated loss for these accounts is recorded. The balance of such allowance for expected credit losses is adjusted by recording a charge to the income statement at each reporting period. Any customer account balances written-off are charged against the existing allowance for expected credit losses.

14. Cash and Cash Equivalents - Restricted Cash

For purposes of the cash flow statement, time deposits are considered to be cash and cash equivalents. Restricted cash is cash not available for immediate use. Such cash cannot be used by a company until a certain point or event in the future. In cases when restricted cash is expected to be used within one year after the reporting date, it is classified as a current asset. However, if restricted cash is not expected to be used within one year after the reporting date, it is classified as a non-current asset. Restricted cash is not included in line "Cash and cash equivalents".

15. Current and Deferred Income Tax

Income tax for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current income tax is measured on the taxable income for the year using enacted or substantively enacted tax rates at the reporting date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided on all temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

Deferred tax liabilities are recognized for all taxable temporary differences except:

- where the deferred tax liability arises from the initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of temporary differences associated with investment in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of temporary differences associated with investment in subsidiaries and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

16. Share Capital

Ordinary shares are classified as equity. Share capital issuance costs, net of related tax, are reflected as a deduction from Share Premium.

17. Treasury Shares

Treasury shares consist of OTE's own equity shares, which are reacquired and not cancelled. Treasury shares do not reduce the number of shares issued but reduce the number of shares in circulation. Treasury shares are recognized at cost as a deduction from equity. Upon derecognition, the cost of the treasury share reduces the Share Capital and Share Premium and any difference is charged to Retained Earnings.

18. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Accounting by lessee

The Group applies a single recognition and measurement approach for all leases (including short-term leases and leases of low-value assets). The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Group and the Company recognize right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets.

If ownership of the leased asset is transferred to the Group or the Company at the end of the lease term or its cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The Group and the Company have lease contracts for land and buildings (used as offices, retail shops, network sites), telecom equipment and machinery, vehicles and other equipment used in their operations. The lease contracts may contain both lease and non-lease components. The Group has elected not to separate non-lease components from lease components, and instead to account for each lease component and any associated non-lease components as a single combined lease component.
The right-of-use assets are also subject to impairment, as described in the accounting policy "8. Impairment of Non - Financial Assets (excluding goodwill)".

ii. Lease liabilities

At the commencement date of the lease, the Group and the Company recognize lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group or the Company and payments of penalties for terminating the lease, if the lease term reflects the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group and the Company use the Group's incremental borrowing rate because the interest rate implicit in the lease is not readily determinable.
After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced through the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a reassessment or modification of the lease contract.

Accounting by lessor

Leases in which the lessor does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Lease income on operating leases is recognized over the term of the lease on a straight-line basis.

A lease that transfers substantially all of the risks and rewards incidental to ownership of the leased item is classified as finance lease.

The lessor in a finance lease derecognizes the leased asset and recognizes a receivable in the amount of the net investment in the lease. The lease receivable is discounted using the effective interest method and the carrying amount is adjusted accordingly. Lease receivable is increased to reflect the accretion of interest and reduced through the lease proceeds made.

Subleases

When the Group is the intermediate lessor in a sublease agreement it classifies the sublease as finance lease or operating lease by reference to the right-of-use asset arising from the head lease and account for the head lease and the sublease as two different contracts. When the sublease is classified as finance lease, the right-of-use asset related to the head lease is derecognized and a lease receivable is recognized.

Several lease contracts for retail shops are subleased by the Group to third parties and most of them have been classified as finance leases, taking into consideration the lease term of the sublease in relation to the respective lease term of the head lease.

Details for the Group's and the Company's leases are included in Note 5.

19. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they incur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

20. Borrowings

All loans and borrowings are initially recognized at fair value, net of direct costs associated with the borrowing. After initial recognition, borrowings are measured at amortized cost. Gains and losses are recognized in the income statement over the period of the borrowings using the effective interest method.

21. Provisions

Provisions are recognized when the Group or the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase of the provision due to the passage of time is recognized as a borrowing cost. Provisions are reviewed at each reporting date, and if it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, they are reversed. Provisions are used only for expenditures for which they were originally recognized. No provisions are recognized for future operating losses. Contingent assets and contingent liabilities are not recognized.

22. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

23. Employee Benefits

The Group operates various post-employment schemes including both defined contribution and defined benefit plans and other long-term benefit plans. For a description of the various plans refer to Note 20.

Defined Contribution Plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay any further amounts if the fund does not hold sufficient assets to pay benefits relating to service in the current and prior periods. Obligations for contributions to defined contribution plans are recognized as an expense as incurred.

Defined Benefit Plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. These obligations are calculated annually by independent actuaries using the Projected Unit Credit Method. The discount rate used is the yield of high quality European corporate bonds with maturity that approximates the term of the related obligation.

The current service cost of the defined benefit plan, recognized in the income statement in personnel costs, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the income statement. Actuarial gains or losses are recognized directly in other comprehensive income in the period in which they occur and are not reclassified to income statement in a subsequent period.

Other long-term employee benefits

The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans with the exception of the actuarial gains and losses being recognized in the income statement. These obligations are valued annually by independent actuaries.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

24. Marketing

All marketing costs are expensed as incurred.

25. Research and Development Costs

Research costs are expensed as incurred. Development costs which do not fulfil the criteria for recognition as an asset are expensed as incurred.

26. Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group or the Company expects to be entitled in exchange for those goods or services.

The Group is in the business of providing telecommunication services. Revenues from telecommunication services primarily consist of network services fees, connection fees, usage charges and sales of handsets and accessories.

The Group recognises revenue from fixed and mobile network services over time because the customer simultaneously receives and consumes the benefits provided by the Group. Revenues from connection fees, which generally do not meet the criteria to be recognized as a separate performance obligation, are recognized over the contract period.

Revenues from the sale of telecommunication equipment (e.g. mobile handsets and accessories) are recognized at a point in time, upon delivery of the equipment as it generally constitutes separate performance obligation.

The services and the telecommunication equipment are sold on their own in separately identified contracts with customers or together as a bundled package of goods and services. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Each performance obligation is accounted for separately. The Group uses the portfolio approach to combine contracts for the purposes of revenue recognition, rather than to account for each contract separately.

In the case of multiple-element arrangements with subsidized products delivered in advance (e.g., mobile contract bundled together with the sale of handset), revenues from the subsidized product delivered in advance are recognized upon delivery (at a point in time), while revenues from the provision of services are recognized over the period in which the services are rendered.

When the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Group presents the contract as a contract asset, excluding any amounts presented as a receivable. A contract asset is the Group's right to consideration in exchange for goods or services that the entity has transferred to a customer.

Contract assets will be typically recovered between 12 to 24-month service contracts period which defines the normal operating cycle and is also frequently used at the Group. As a result, any contract asset recognized under a multiple-element arrangement will be also recovered in the entity's normal operating cycle and is presented as current in the statement of financial position.

Contract assets' development for the Group is essentially the result of:

- the earlier recognition of revenues in the case of multiple-element arrangements with subsidized products delivered in advance, based on these components' relative stand-alone selling price within the contract,
- subsidized installation fees which are treated as separate performance obligation and therefore, the Group allocated the total consideration to each performance obligation of the contract (in proportion to its stand-alone selling price),
- in the case of sales through dealers, of contracts with subsidized products (or services) that are delivered in advance (e.g. mobile telephony contract plus handset), the subsidy cost to dealers is recognized against service revenues during the relative contract period.

The incremental costs of obtaining or fulfilling a contract are recognized as an asset when incurred and expensed over the period in which the corresponding benefit is received. These capitalized contract costs share characteristics of an intangible asset as they mainly represent acquisition costs of customer relationships. Therefore, the Group concluded to present, in accordance with the treatment of other fixed assets, all capitalized contract costs as non-current in the statement of financial position.
In general, incremental costs of obtaining or fulfilling a contract at Group level refer to:

- sales commissions to third-party dealers (indirect distribution channel),
- sales commissions to employees (direct distribution channel) and
- costs incurred to fulfil performance obligations under a contract once it is obtained, but before transferring goods or services to the customer.

Amortizations of contract costs are respectively presented as operating expenses in the income statement, i.e. either as “commission costs”, “personnel costs” or “other sundry operating expenses”.

When customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made or the payment is due (whichever is earlier). For the Group, contract liabilities are primarily the result of access fees charged to the customer in advance, unused airtime, contract liabilities from network Indefeasible Rights of Use (IRUs) and contract liabilities’ balances for connection fees. Some of the Group’s contract liabilities will be settled within a “regular” 12 to 24-month service contract and are also tied to a defined operating cycle. However, other might be settled over a period exceeding the “regular” 12 to 24-month service contract term. Therefore, the Group has concluded that the more prudent approach is to present:

- the amount of Contract liabilities expected to be settled within 12 months as current and
- the amount of Contract liabilities expected to be settled after more than 12 months as non-current.

27. Earnings per Share

Basic earnings per share are computed by dividing the profit for the year attributable to owners of the parent by the weighted average number of shares outstanding during each year. The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares bought back or issued during the year multiplied by a time-weighting factor. Diluted earnings per share are computed by dividing the profit for the year attributable to owners of the parent by the weighted average number of shares outstanding during the year adjusted for the impact of share-based payments.

28. Operating Segments

Operating segments are determined based on the Group’s legal structure and business activities, in line with the review performed by the Group’s chief operating decision makers. The reportable segments are determined using the quantitative thresholds required by IFRS 8. Information for operating segments that do not constitute reportable segments is combined and disclosed in the “Other” category. The accounting policies of the segments are the same with those followed for the preparation of the financial statements. Management evaluates segment performance based on (a) Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, (b) operating profit / (loss) before financial and investing activities and (c) profit / (loss) for the year.

29. Dividend distribution

Dividends declared to the shareholders are recognized as a liability in the period they are approved by the General Assembly of shareholders.

30. Share-Based Payment Transactions

Certain employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (“equity settled transactions”). The cost of equity settled transactions is measured by reference to the fair value at the date on which they are granted. The fair value is determined at the grant date, using an appropriate pricing model, and is allocated over the period in which the conditions are fulfilled. The cost of equity settled transactions is recognized, together with a corresponding increase to equity over the vesting period.

Where the terms of an equity settled transaction awards are modified, the minimum expense recognized is the expense as if terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

31. Service concession arrangements

The Group’s service concession arrangements relate to the assignment of the development and operation of public broadband networks (the “Concessions”) by a public sector entity (the “Grantor”). Each concession relates to a specified area in Greece and Romania and is undertaken by Group’s subsidiaries (the “Operator(s)”) which have been separately granted for each concessions. The Grantor specifies the services that can be offered by the Group and the pricing of those services is regulated. The Grantor also controls the broadband network infrastructure which must be returned to the Grantor at the end of the arrangement. The operating period in Greece and Romania is 15 and 18 years, respectively.

Under this arrangement the Group recognises an intangible asset and a financial asset.

Intangible asset

The intangible asset corresponds to the right granted by the Grantor to the Operator to charge the telecommunication providers for using the infrastructure. It is included within “Other intangible assets”. Concession assets are capitalized on the basis of the cost of capital expenditure incurred in respect of the concession, net of subsidies received from the Grantor and including borrowing costs on qualifying capital expenditure. Subsequent to initial recognition, concession assets are measured at cost less accumulated amortization and impairment losses. Concession assets are amortized over their estimated useful life which is the concession period during which they are available for use.

Financial asset (Guaranteed receipt from Grantor)

The financial asset is recognized to the extent of an unconditional right to receive cash from or at the direction of the Grantor for the development of the infrastructure. Financial assets resulting from the concession are recorded in the consolidated statement of financial position under “Other current assets”. Financial assets recognized as a result of the concession are measured at fair value upon initial recognition. Subsequent to initial recognition they are accounted for at amortized cost in accordance with IFRS 9 “Financial instruments”.

Construction or upgrade of a public service infrastructure

Revenues from construction contracts are recognized over time using the input method in accordance with IFRS 15 “Revenue from contracts with customers”. The Group measures the progress towards completion of the promised performance obligations on the basis of the percentage of total costs incurred at the reporting date.

The construction cost is recognized in the income statement under “Construction cost network” while the respective revenue is included in “Miscellaneous other revenues”.

Operation services

After the construction period, revenue from the operation of the infrastructure is recognized in accordance with the relevant standards, depending on the nature of the good or service provided.

Contractual obligations to maintain and restore the infrastructure

After the construction period, the contractual obligations to maintain or restore the infrastructure is accounted for in accordance with IAS 37 “Provisions, contingent liabilities and contingent assets”.

32. Reclassifications

Certain reclassifications have been made to prior year balances to conform to current year classifications. In addition certain reclassifications have been made within the Notes for comparability purposes. These reclassifications did not have any impact on the Group‘s or the Company’s equity or income statement. Further details of the nature of these reclassifications are disclosed in Note 31.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is analyzed as follows:

GROUP	LAND	BUILDINGS	TELECOM EQUIPMENT	FIXTURES, FURNITURE & TRANSPORTATION	CONSTRUCTION IN PROGRESS	INVESTMENT SUPPLIES	TOTAL
31/12/2019							
Cost	42.4	919.7	12,699.4	503.6	289.2	53.5	14,507.8
Accumulated depreciation	-	(649.6)	(11,114.8)	(402.1)	-	-	(12,166.5)
Net book value 31/12/2019	**42.4**	**270.1**	**1,584.6**	**101.5**	**289.2**	**53.5**	**2,341.3**
Additions and transfers	-	9.1	417.7	20.0	280.5	71.4	798.7
Disposals and transfers - cost	(0.5)	(55.8)	(1,189.9)	(18.6)	(360.0)	(66.3)	(1,691.1)
Disposals and transfers - accumulated depreciation	-	51.2	1,189.9	18.3	-	-	1,259.4
Transfers due to reversal of Purchase Price Allocation - TELEKOM ROMANIA	-	(90.8)	128.3	(37.5)	-	-	-
Exchange differences - cost	-	(7.0)	(77.3)	(1.6)	(1.3)	(0.4)	(87.6)
Exchange differences - accumulated depreciation	-	6.2	74.8	1.6	-	-	82.6
Depreciation charge for the year - impairment	(7.7)	(29.9)	(333.4)	(20.9)	-	(9.7)	(401.6)
Discontinued operations - cost	(2.0)	(346.2)	(3,448.2)	(83.4)	(42.6)	(11.8)	(3,934.2)
Discontinued operations - accumulated depreciation	-	305.1	3,311.1	76.9	-	-	3,693.1
Net book value 31/12/2020	**32.2**	**112.0**	**1,657.6**	**56.3**	**165.8**	**36.7**	**2,060.6**
31/12/2020							
Cost	39.9	666.5	10,898.0	438.5	165.8	36.7	12,245.4
Accumulated depreciation	(7.7)	(554.5)	(9,240.4)	(382.2)	-	-	(10,184.8)
Net book value 31/12/2020	**32.2**	**112.0**	**1,657.6**	**56.3**	**165.8**	**36.7**	**2,060.6**
Additions and transfers	-	5.5	331.3	13.3	272.7	70.7	693.5
Disposals and transfers - cost	-	(2.5)	(702.6)	(3.5)	(248.6)	(60.7)	(1,017.9)
Disposals and transfers - accumulated depreciation	-	2.5	702.0	3.5	-	-	708.0
Exchange differences - cost	-	(0.1)	(14.8)	(0.1)	(0.3)	-	(15.3)
Exchange differences - accumulated depreciation	-	0.1	13.4	0.1	-	-	13.6
Reallocation of impairment	(1.6)	1.6	-	-	-	-	-
Depreciation charge for the year - impairment	-	(18.7)	(324.5)	(17.9)	-	(1.1)	(362.2)
Net book value 31/12/2021	**30.6**	**100.4**	**1,662.4**	**51.7**	**189.6**	**45.6**	**2,080.3**
31/12/2021							
Cost	39.9	669.4	10,511.9	448.2	189.6	45.6	11,904.6
Accumulated depreciation	(9.3)	(569.0)	(8,849.5)	(396.5)	-	-	(9,824.3)
Net book value 31/12/2021	**30.6**	**100.4**	**1,662.4**	**51.7**	**189.6**	**45.6**	**2,080.3**

There are no restrictions on title on property, plant and equipment.

Property, plant and equipment includes investment property of Euro 17.7 as of December 31, 2021 (December 31, 2020: Euro 19.9), the fair value of which amounts to Euro 176.7 (December 31, 2020: Euro 172.6). The fair value of the investment property is based on valuation methods and assumptions which, to a significant extent, are not based on observable market data (Level 3 of IFRS 13 - Fair Value hierarchy).

Borrowing costs capitalized during the year ended December 31, 2021 and 2020 by the Group as part of the cost of qualifying assets amount to Euro 2.2 and Euro 3.5, respectively. The amounts were calculated based on an average rate of capitalization which was 1.5% and 2.1% for the year ended December 31, 2021 and 2020, respectively.

COMPANY	BUILDINGS	TELECOM EQUIPMENT	FIXTURES, FURNITURE & TRANSPORTATION	CONSTRUCTION IN PROGRESS	INVESTMENT SUPPLIES	TOTAL
31/12/2019						
Cost	111.8	8,011.8	131.7	126.3	43.6	8,425.2
Accumulated depreciation	(81.0)	(6,963.0)	(102.3)	-	-	(7,146.3)
Net book value 31/12/2019	**30.8**	**1,048.8**	**29.4**	**126.3**	**43.6**	**1,278.9**
Additions and transfers	3.6	206.2	5.0	103.6	54.8	373.2
Disposals and transfers - cost	(0.1)	(1,019.2)	(3.7)	(164.1)	(52.0)	(1,239.1)
Disposals and transfers - accumulated depreciation	0.1	1,019.2	3.7	-	-	1,023.0
Depreciation charge for the year - impairment	(4.6)	(164.7)	(6.7)	-	(9.7)	(185.7)
Net book value 31/12/2020	**29.8**	**1,090.3**	**27.7**	**65.8**	**36.7**	**1,250.3**
31/12/2020						
Cost	115.3	7,198.8	133.0	65.8	36.7	7,549.6
Accumulated depreciation	(85.5)	(6,108.5)	(105.3)	-	-	(6,299.3)
Net book value 31/12/2020	**29.8**	**1,090.3**	**27.7**	**65.8**	**36.7**	**1,250.3**
Spin-off, cost (Note 9)	(21.1)	(47.4)	(17.6)	-	-	(86.1)
Spin-off, accumulated depreciation (Note 9)	20.2	43.5	16.0	-	-	79.7
Additions and transfers	3.2	175.0	4.5	102.6	70.7	356.0
Disposals and transfers - cost	-	(618.1)	(0.5)	(112.7)	(60.7)	(792.0)
Disposals and transfers - accumulated depreciation	-	618.1	0.5	-	-	618.6
Depreciation charge for the year - impairment	(3.9)	(164.7)	(6.6)	-	(1.1)	(176.3)
Net book value 31/12/2021	**28.2**	**1,096.7**	**24.0**	**55.7**	**45.6**	**1,250.2**
31/12/2021						
Cost	97.4	6,708.3	119.4	55.7	45.6	7,026.4
Accumulated depreciation	(69.2)	(5,611.6)	(95.4)	-	-	(5,776.2)
Net book value 31/12/2021	**28.2**	**1,096.7**	**24.0**	**55.7**	**45.6**	**1,250.2**

There are no restrictions on title on property, plant and equipment.

Borrowing costs capitalized during the year ended December 31, 2021 and 2020 by OTE as part of the cost of qualifying assets amount to Euro 2.2 and Euro 3.5, respectively. The amounts were calculated based on an average rate of capitalization which was 1.5% and 2.1% for the year ended December 31, 2021 and 2020, respectively.

5. LEASES

Right-of-use assets are analyzed as follows:

GROUP	LAND AND BUILDINGS	TELECOM EQUIPMENT AND MACHINERY	TRANSPORTATION AND OTHER EQUIPMENT	TOTAL
31/12/2019				
Cost	392.4	71.2	38.2	501.8
Accumulated depreciation	(62.7)	(9.1)	(11.4)	(83.2)
Net book value 31/12/2019	**329.7**	**62.1**	**26.8**	**418.6**
Additions	48.2	13.3	6.9	68.4
Reductions - cost	(11.5)	(0.8)	(1.9)	(14.2)
Reductions - accumulated depreciation	2.9	0.2	0.7	3.8
Exchange differences - cost	(1.7)	(0.2)	(0.3)	(2.2)
Exchange differences - accumulated depreciation	0.6	0.1	0.1	0.8
Depreciation charge for the year	(56.3)	(8.9)	(11.3)	(76.5)
Discontinued operations - cost	(27.3)	(17.2)	(10.5)	(55.0)
Discontinued operations - accumulated depreciation	10.9	3.0	4.5	18.4
Net book value 31/12/2020	**295.5**	**51.6**	**15.0**	**362.1**
31/12/2020				
Cost	400.1	66.3	32.4	498.8
Accumulated depreciation	(104.6)	(14.7)	(17.4)	(136.7)
Net book value 31/12/2020	**295.5**	**51.6**	**15.0**	**362.1**
Additions	61.4	4.6	12.1	78.1
Reductions - cost	(108.0)	(0.7)	(3.7)	(112.4)
Reductions - accumulated depreciation	5.5	0.3	2.2	8.0
Exchange differences - cost	(1.3)	-	-	(1.3)
Exchange differences - accumulated depreciation	0.6	-	-	0.6
Depreciation charge for the year	(55.9)	(6.2)	(8.3)	(70.4)
Net book value 31/12/2021	**197.8**	**49.6**	**17.3**	**264.7**
31/12/2021				
Cost	352.2	70.2	40.8	463.2
Accumulated depreciation	(154.4)	(20.6)	(23.5)	(198.5)
Net book value 31/12/2021	**197.8**	**49.6**	**17.3**	**264.7**

In 2021, regarding the lease arrangement for one of the Group’s offices there was a reassessment of the lease term period covered by a termination option based on current facts and circumstances. As a result, an amount of Euro 95.8 was recognized as a reduction in the Group’s lease liabilities and right-of-use assets.

COMPANY	LAND AND BUILDINGS	TELECOM EQUIPMENT AND MACHINERY	TRANSPORTATION AND OTHER EQUIPMENT	TOTAL
31/12/2019				
Cost	279.2	16.7	21.8	317.7
Accumulated depreciation	(37.2)	(4.1)	(6.0)	(47.3)
Net book value 31/12/2019	**242.0**	**12.6**	**15.8**	**270.4**
Additions	14.0	2.6	1.5	18.1
Reductions - cost	(5.4)	(0.1)	(0.5)	(6.0)
Reductions - accumulated depreciation	0.7	0.1	0.2	1.0
Depreciation charge for the year	(37.7)	(4.4)	(5.9)	(48.0)
Net book value 31/12/2020	**213.6**	**10.8**	**11.1**	**235.5**
31/12/2020				
Cost	287.8	19.2	22.8	329.8
Accumulated depreciation	(74.2)	(8.4)	(11.7)	(94.3)
Net book value 31/12/2020	**213.6**	**10.8**	**11.1**	**235.5**
Spin-off, cost (Note 9)	(54.1)	-	(15.5)	(69.6)
Spin-off, accumulated depreciation (Note 9)	9.7	-	7.5	17.2
Additions	0.8	2.0	2.9	5.7
Reductions - cost	(2.8)	-	(0.7)	(3.5)
Reductions - accumulated depreciation	0.2	-	0.6	0.8
Depreciation charge for the year	(31.2)	(3.2)	(1.5)	(35.9)
Net book value 31/12/2021	**136.2**	**9.6**	**4.4**	**150.2**
31/12/2021				
Cost	231.7	21.2	9.5	262.4
Accumulated depreciation	(95.5)	(11.6)	(5.1)	(112.2)
Net book value 31/12/2021	**136.2**	**9.6**	**4.4**	**150.2**

The Company's depreciation charge for the year includes an amount of Euro 31.3 (2020: Euro 35.3) in relation to lease agreements with related parties.

The consolidated and separate statement of financial position includes the following amounts related to lease liabilities:

	GROUP		COMPANY	
	2021	2020	2021	2020
Lease liabilities (long-term portion)	189.2	290.6	126.5	195.3
Lease liabilities (short-term portion)	71.7	61.2	25.3	44.8
Total lease liabilities	**260.9**	**351.8**	**151.8**	**240.1**

The Group's and the Company's interest expense on lease liabilities amounts to Euro 15.4 (2020: Euro 19.0) and Euro 6.4 (2020: Euro 13.4), respectively. The Company's interest expense includes an amount of Euro 6.0 (2020: Euro 11.9) in relation to interest expense on lease liabilities to related parties.

The Group's and the Company's total cash outflows for leases in 2021 amount to Euro 85.4 (2020: Euro 82.5) and Euro 43.6 (2020: Euro 61.1), respectively.

The maturity analysis of lease liabilities is analyzed in Note 30.

The Group and the Company have certain lease contracts that include extension options. Most of these options have not been included in the lease liability because it is not reasonably certain that the leases will be extended.

Subleases – Lease receivables

There are several sublease arrangements, where the Group acts as intermediate lessor and these agreements have been classified as finance leases. The relevant amount for these subleases recognized as finance leases was Euro 4.6 for the year 2021 (2020: Euro 3.1).

The long-term portion of finance lease receivables for the Group and the Company is included in the line "Other non-current assets", while the short-term portion is included in the line "Other current assets".

Finance lease receivables are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Lease receivables (long-term portion)	15.2	14.0	0.2	0.2
Lease receivables (short-term portion)	3.9	3.4	0.2	0.1
Total lease receivables	**19.1**	**17.4**	**0.4**	**0.3**

Interest revenue on finance lease receivables amounts to Euro 0.8 for the Group (2020: Euro 0.9) and Euro nil for the Company (2020: Euro nil).

6. GOODWILL

Goodwill as of December 31, 2021 amounted to Euro 376.6 (December 31, 2020: Euro 376.6).

Goodwill relates to the mobile telecommunication business of the Group in Greece, defined as the cash generating unit (COSMOTE Group - Greece) for which impairment testing is performed.

The recoverable amount of the cash generating unit COSMOTE Group - Greece is determined using the value in use method. The value in use is determined based on the projected cash flows derived from four years updated plan approved by management, with these cash flows initially projected over ten years and then to perpetuity.

The ten years' planning horizon selected, reflects the assumptions for short- to medium-term market developments and is selected to achieve a steady state in the business outlook that is necessary for calculating the perpetual annuity. This steady state can only be established based on this planning horizon, in particular due to long investment cycles in the telecommunication industry and the investments planned and expected in the long run to acquire and extend the rights of spectrum use.

For the projection of cash flows beyond a ten years period, a growth rate of 1% was assumed (December 31, 2020: 2%).

The key assumptions used by management in projecting cash flows as part of the impairment test of goodwill are the following:

- Risk-free rate: The risk free rate was determined on the basis of external figures derived from the relevant active market of the country.
- Budgeted profit margin: Budgeted operating profit before financial and investing activities and operating profit before financial and investing activities, depreciation, amortization and impairment were based on actual historical experience from the last few years adjusted to take into consideration expected variances in operating profitability.

The basic assumptions used are consistent with independent external sources of information.

The basic assumptions used in determining the value in use of the COSMOTE Group- Greece, taking also into consideration the current market conditions, are as follows:

Assumptions	2021	2020
Discount rate, weighted average	5.9%	6.2%
Average rate of revenue increase	0.0%	0.7%
Operating profit before financial and investing activities, depreciation, amortization and impairment, margin (10 years' range)	40.9% - 43.5%	40.2% - 43.4%

Based on the result of the impairment test as of December 31, 2021, no impairment losses were identified in the recorded amount of goodwill for COSMOTE Group - Greece.

As of December 31, 2021, the recoverable amount for this cash generating unit when compared to the respective carrying value indicates that significant headroom exists and any material change in the assumptions used would not result in the reduction of the carrying value of goodwill.

If the growth rate for the projection of cash flows beyond ten years period assumed in the impairment test was 0.5% lower, the recoverable amount for this cash generating unit when compared to the respective carrying value, would indicate that significant headroom exists. If the discount rate assumed in the impairment test was 1.0% higher, the recoverable amount for this cash generating unit when compared to the respective carrying value, would indicate that significant headroom exists.

7. TELECOMMUNICATION LICENSES

Telecommunication licenses comprise of licenses acquired primarily for the Group's mobile operations.

The movement of telecommunication licenses is as follows:

GROUP	2021	2020
December 31		
Cost	1,026.3	973.4
Accumulated amortization	(665.3)	(589.8)
Net book value December 31	**361.0**	**383.6**
Additions	25.0	125.5
Other movements, cost	-	9.2
Exchange differences, cost	(4.6)	(6.5)
Exchange differences, accumulated amortization	4.6	4.2
Amortization charge for the year - impairment	(37.1)	(146.9)
Write-offs, cost	-	(5.6)
Write-offs, accumulated amortization	-	5.6
Discontinued operations – cost	-	(69.7)
Discontinued operations - accumulated amortization	-	61.6
Net book value December 31	**348.9**	**361.0**
December 31		
Cost	1,046.7	1,026.3
Accumulated amortization	(697.8)	(665.3)
Net book value December 31	**348.9**	**361.0**

On November 15, 2021, TELEKOM ROMANIA MOBILE extended the rights of spectrum use for an amount of Euro 25.0. The respective spectrum rights have a duration of ten years starting from January 2022.

COMPANY	2021	2020
December 31		
Cost	13.1	12.6
Accumulated amortization	(10.6)	(9.8)
Net book value December 31	**2.5**	**2.8**
Additions	-	0.5
Amortization charge for the year	(0.8)	(0.8)
Net book value December 31	**1.7**	**2.5**
December 31		
Cost	13.1	13.1
Accumulated amortization	(11.4)	(10.6)
Net book value December 31	**1.7**	**2.5**

8. OTHER INTANGIBLE ASSETS

Other intangible assets are analyzed as follows:

GROUP	SOFTWARE	TV RIGHTS	BRAND NAME	OTHER	TOTAL
31/12/2019					
Cost	1,051.0	463.9	314.7	133.1	1,962.7
Accumulated amortization	(915.7)	(337.3)	(234.3)	(107.5)	(1,594.8)
Net book value 31/12/2019	**135.3**	**126.6**	**80.4**	**25.6**	**367.9**
Additions	81.1	169.2	-	0.5	250.8
Disposals and write-offs, cost	(3.2)	(66.1)	-	-	(69.3)
Disposals and write-offs, accumulated amortization	3.2	66.1	-	-	69.3
Other movements, cost	6.0	-	-	-	6.0
Other movements, accumulated amortization	(6.0)	-	-	-	(6.0)
Exchange differences, cost	(1.6)	(2.2)	-	-	(3.8)
Exchange differences, accumulated amortization	1.5	2.1	-	-	3.6
Amortization charge for the year - impairment	(68.4)	(94.1)	(21.0)	(3.6)	(187.1)
Discontinued operations, cost	(65.0)	(143.3)	-	(8.8)	(217.1)
Discontinued operations, accumulated amortization	61.5	123.4	-	8.8	193.7
Net book value 31/12/2020	**144.4**	**181.7**	**59.4**	**22.5**	**408.0**
Cost	1,068.3	421.5	314.7	124.8	1,929.3
Accumulated amortization	(923.9)	(239.8)	(255.3)	(102.3)	(1,521.3)
Net book value 31/12/2020	**144.4**	**181.7**	**59.4**	**22.5**	**408.0**
Additions	91.7	85.5	-	0.5	177.7
Disposals and write-offs, cost	(4.5)	(137.7)	-	-	(142.2)
Disposals and write-offs, accumulated amortization	4.5	137.7	-	-	142.2
Exchange differences, cost	(0.6)	-	-	0.1	(0.5)
Exchange differences, accumulated amortization	0.5	-	-	(0.1)	0.4
Amortization charge for the year - impairment	(67.3)	(106.0)	(21.0)	(3.6)	(197.9)
Net book value 31/12/2021	**168.7**	**161.2**	**38.4**	**19.4**	**387.7**
Cost	1,154.9	369.3	314.7	125.4	1,964.3
Accumulated amortization	(986.2)	(208.1)	(276.3)	(106.0)	(1,576.6)
Net book value 31/12/2021	**168.7**	**161.2**	**38.4**	**19.4**	**387.7**

COMPANY	SOFTWARE	TV RIGHTS	TOTAL
31/12/2019			
Cost	488.5	343.4	831.9
Accumulated amortization	(404.1)	(218.9)	(623.0)
Net book value 31/12/2019	**84.4**	**124.5**	**208.9**
Additions	57.7	144.2	201.9
Disposals and write-offs, cost	-	(66.1)	(66.1)
Disposals and write-offs, accumulated amortization	-	66.1	66.1
Amortization charge for the year	(41.5)	(87.0)	(128.5)
Net book value 31/12/2020	**100.6**	**181.7**	**282.3**
31/12/2020			
Cost	546.2	421.5	967.7
Accumulated amortization	(445.6)	(239.8)	(685.4)
Net book value 31/12/2020	**100.6**	**181.7**	**282.3**
Spin-off, cost (Note 9)	(13.7)	-	(13.7)
Spin-off, accumulated depreciation (Note 9)	10.0	-	10.0
Additions	63.2	85.5	148.7
Disposals and write-offs, cost	-	(137.7)	(137.7)
Disposals and write-offs, accumulated amortization	-	137.7	137.7
Amortization charge for the year	(45.8)	(106.0)	(151.8)
Net book value 31/12/2021	**114.3**	**161.2**	**275.5**
Cost	595.7	369.3	965.0
Accumulated amortization	(481.4)	(208.1)	(689.5)
Net book value 31/12/2021	**114.3**	**161.2**	**275.5**

There are no intangible assets with indefinite useful life as of December 31, 2021 and 2020.

TV PRODUCTIONS ELIGIBLE FOR GOVERNMENT GRANTS

By the decision No. ΥΨηΔ 25/11/2021 - Α.Π.41916 ΕΞ 2021 (in relation to Chapter D of law 4487/2017), the investment plan titled "OI AORATOI" was approved, as eligible for government grant. The total budget of the eligible expenditure amounts to Euro 576,000 (absolute amount).

By the decision No. ΥΨηΔ 08/04/2021 - Α.Π.10447 ΕΞ 2021 - 8937 ΕΞ 2021-26/03/2021 (in relation to Chapter D of law 4487/2017), the investment plan titled "H GENIA TOY '30 - LOGOTEHNES" was approved, as eligible for government grant. The total budget of the eligible expenditure amounts to Euro 420,315 (absolute amount).

By the decision No.ΥΨηΔ 18/02/2021 - Α.Π.4465 ΕΞ 2021 - 3654 ΕΞ 2021-09/02/2021 (in relation to Chapter D of law 4487/2017), the investment plan titled "ARHAIA ELLINIKA MISTIRIA" was approved, as eligible for government grant. The total budget of the eligible expenditure amounts to Euro 147,999 (absolute amount).

The government grants 40% of the total eligible expenditure budget, amounting to Euro 230,400 (absolute amount) for the investment plan titled "OI AORATOI", Euro 168,126 (absolute amount) for the investment plan titled "H GENIA TOY '30 - LOGOTEHNES" and Euro 59,199.60 (absolute amount) for the investment plan titled "ARHAIA ELLINIKA MISTIRIA".

The amount of the government grants will be fully determined after the implementation of the investment plans and the completion of the audit of the investment plans.

9. INVESTMENTS

Investments are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
(a) Investments in subsidiaries	-	-	3,158.7	3,083.7
(b) Other investments	0.1	0.1	0.1	0.1
TOTAL	**0.1**	**0.1**	**3,158.8**	**3,083.8**

(a) Investments in subsidiaries are analyzed as follows:

COMPANY	OTE's direct ownership interest	Country of incorporation	2021	2020
COSMOTE	100.00%	Greece	2,763.3	2,763.4
COSMOTE PAYMENTS	100.00%	Greece	4.4	4.4
COSMOTE TV PRODUCTIONS	100.00%	Greece	3.8	3.8
COSMO-ONE	30.87%	Greece	0.5	0.5
OTE SAT- MARITEL	94.08%	Greece	4.6	4.6
OTE PLC	100.00%	U.K.	0.1	0.1
CTS	85.54%	Greece	12.8	8.2
OTE ESTATE	100.00%	Greece	72.6	72.6
OTE GLOBE	100.00%	Greece	102.2	102.2
OTE INSURANCE	99.90%	Greece	0.1	0.1
OTE ACADEMY	100.00%	Greece	3.2	0.2
OTE RURAL NORTH	100.00%	Greece	1.8	1.8
OTE RURAL SOUTH	100.00%	Greece	2.2	2.2
GERMANOS	4.39%	Greece	6.4	-
COSMOTE E-VALUE	7.17%	Greece	2.1	-
TELEKOM ROMANIA MOBILE	100.00%	Romania	178.6	119.6
TOTAL			**3,158.7**	**3,083.7**

The acquisition cost and the accumulated impairment losses consisting the carrying value of the Company's investments in subsidiaries as of December 31, 2021 are as follows:

COMPANY	Acquisition cost	Accumulated impairment losses	Carrying value 2021
COSMOTE	3,515.9	(752.6)	2,763.3
COSMOTE PAYMENTS	4.4	-	4.4
COSMOTE TV PRODUCTIONS	3.8	-	3.8
COSMO-ONE	3.2	(2.7)	0.5
OTESAT-MARITEL	5.1	(0.5)	4.6
OTE PLC	0.1	-	0.1
CTS	12.8	-	12.8
OTE ESTATE	188.7	(116.1)	72.6
OTE GLOBE	102.2	-	102.2
OTE INSURANCE	0.1	-	0.1
OTE ACADEMY	12.4	(9.2)	3.2
OTE RURAL NORTH	1.8	-	1.8
OTE RURAL SOUTH	2.2	-	2.2
GERMANOS	6.4	-	6.4
COSMOTE E-VALUE	2.1	-	2.1
TELEKOM ROMANIA MOBILE	859.0	(680.4)	178.6
TOTAL	**4,720.2**	**(1,561.5)**	**3,158.7**

The movement of investments in subsidiaries is as follows:

COMPANY	2021
Carrying value January 1	**3,083.7**
Subsidiaries' share option plans (COSMOTE)	(0.1)
Subsidiaries' share option plans (TELEKOM ROMANIA MOBILE)	0.1
Participation in subsidiary (OTE ACADEMY)	3.0
Return of capital invested in subsidiary (GERMANOS)	(1.0)
Participation in subsidiary (TELEKOM ROMANIA MOBILE)	58.9
Participation in subsidiaries due to spin-off	14.1
Carrying value December 31	**3,158.7**

DIVIDEND INCOME

The dividend income is analyzed as follows:

COMPANY	2021	2020
COSMOTE	180.0	300.0
OTE INSURANCE	0.5	-
OTE SAT- MARITEL	-	0.3
OTE ESTATE	20.4	30.7
TOTAL	**200.9**	**331.0**

COMPANY'S PARTICIPATION IN OTE ACADEMY

In March 2021 the Board of Directors of OTE and the General Assembly of OTE ACADEMY respectively, decided the share capital increase of OTE ACADEMY for an amount of Euro 3.0. The respective transaction was executed in April 2021.

GERMANOS SHARE CAPITAL REDUCTION

In May 2021 the Extraordinary Meeting of Shareholders of GERMANOS approved the reduction of the company's share capital by Euro 22.4. The amount of Euro 1.0 attributable to OTE, was received in June 2021.

COMPANY'S PARTICIPATION IN TELEKOM ROMANIA MOBILE

On September 9, 2021, in compliance with the requirement set by the European Commission ("EC") for the regulatory approval of the sale of TELEKOM ROMANIA, the acquisition by the Company of a 30.00% ownership interest of TELEKOM ROMANIA in TELEKOM ROMANIA MOBILE was completed, for a total consideration of Euro 58.9.

AGREEMENT FOR THE SPIN-OFF OF THE BUSINESS SECTORS CUSTOMER SERVICE, SHOPS AND TECHNICAL FIELD OPERATIONS

On December 4, 2020 the Extraordinary General Meetings of Shareholders of OTE and COSMOTE approved the Draft Demergers Agreement through spin-off of the business sectors of Customer Service, Shops and Technical Field Operations and their absorption by the Group's subsidiaries COSMOTE E-VALUE, GERMANOS and CTS, respectively.

The spin-off procedure was completed on January 4, 2021 upon registration in the General Commercial Registry (Γ.Ε.ΜΗ.).
In the context of the spin-off process, the shareholders' structure of the entities COSMOTE E-VALUE, GERMANOS and CTS has changed, with no effect on the Group's ownership interest.

Following the completion of the process, the assets and liabilities, as they have been formed on January 4, 2021 were transferred from OTE to the Group's subsidiaries COSMOTE E-VALUE, GERMANOS and CTS, as follows:

Balances at the spin-off date (January 4, 2021)	OTE	COSMOTE E-VALUE (Customer Service)	GERMANOS (Shops)	CTS (Technical Field Operations)
Assets				
Property, plant and equipment	(6.4)	-	2.4	4.0
Right-of-use assets	(52.4)	5.3	21.0	26.1
Other intangible assets	(3.7)	1.9	0.2	1.6
Investments	14.1	-	-	-
Deferred tax assets	(22.6)	2.1	5.5	15.0
Other non-current assets	(26.6)	3.0	4.0	19.6
Total non-current assets	**(97.6)**	**12.3**	**33.1**	**66.3**
Inventories	(4.3)	-	4.3	-
Trade receivables	(7.7)	-	7.7	-
Other current assets	(0.5)	-	0.1	0.4
Cash and cash equivalents	(35.4)	5.0	0.4	30.0
Total current assets	**(47.9)**	**5.0**	**12.5**	**30.4**
Total Assets	**(145.5)**	**17.3**	**45.6**	**96.7**
Liabilities				
Provision for staff retirement indemnities	(75.7)	7.5	12.2	56.0
Lease liabilities	(42.6)	4.5	17.8	20.3
Other non-current liabilities	(0.2)	-	-	0.2
Total non-current liabilities	**(118.5)**	**12.0**	**30.0**	**76.5**
Trade payables	(7.4)	1.4	2.9	3.1
Lease liabilities	(12.1)	1.0	4.2	6.9
Provision for voluntary leave schemes	(0.9)	-	-	0.9
Other current liabilities	(7.4)	0.5	2.6	4.3
Total current liabilities	**(27.8)**	**2.9**	**9.7**	**15.2**
Total Liabilities	**(146.3)**	**14.9**	**39.7**	**91.7**
(Receivables) / Payables at the spin-off	**0.8**	**0.3**	**(1.5)**	**0.4**
Net assets	**-**	**2.1**	**7.4**	**4.6**

In the frame of the spin-off, approximately 4,100 employees were transferred from OTE to the absorbing subsidiaries. The line "Provision for staff retirement indemnities" includes the accrued respective provision in relation to these employees. In addition, the amounts included in the line "Other non-current assets" mainly refer to loans granted to these employees against the accrued indemnity payable upon retirement, as well as miscellaneous loans to personnel.

"Right-of-use assets" incorporate space leased (mainly buildings, shops and vehicles), necessary for operational purposes of the sectors. Finally, the line "(Receivables) / Payables at the spin-off" arises from the changes in net assets of the sectors between June 30, 2020 (date of the Accounting Statements) and January 4, 2021 when the spin-off process was concluded, upon registration in the General Commercial Registry (Γ.Ε.ΜΗ.).

AGREEMENT FOR THE SALE OF TELEKOM ROMANIA

On November 9, 2020 the Group announced that it has entered into an agreement to sell to Orange Romania, its 54.01% stake in TELEKOM ROMANIA.

On September 30, 2021, the transaction was completed for a total consideration of Euro 295.6.

The operations of this disposal group represented a separate area of operations for the Group (mainly fixed and mobile telecommunication services in Romania) and a separate cash generating unit. As a result, its operations for the year 2020 and 2021 (as of the date of the disposal), have been treated as discontinued operations. Furthermore, in the cash flow statement, the cash flows from the operating, investing and financing activities of this disposal group have been separated from the rest cash flows of the Group and reported as single line items under each activity.

Condensed income statements of the disposal group classified as discontinued operations for the periods presented are included in the table below:

	TELEKOM ROMANIA	
	01/01/2021-30/09/2021	2020
Retail service revenues	147.8	216.4
Wholesale services revenues	101.9	151.2
Other revenues	63.3	92.5
Total revenues from fixed business	**313.0**	**460.1**
Mobile service revenues	43.1	51.5
Handset revenues	10.4	27.5
Other revenues	0.9	1.3
Total revenues from mobile business	**54.4**	**80.3**
Miscellaneous other revenues	**31.9**	**67.8**
Total external revenues	**399.3**	**608.2**
Intragroup revenues	17.4	24.3
Total revenues	**416.7**	**632.5**
Other operating income	25.7	33.5
Total operating expenses before depreciation, amortization and impairment	(380.2)	(607.6)
Operating profit before financial and investing activities, depreciation, amortization and impairment	**62.2**	**58.4**
Depreciation, amortization and impairment	-	21.1
Operating profit before financial and investing activities	**62.2**	**79.5**
Total loss from financial and investing activities	**(1.7)**	**(8.1)**
Profit before tax	**60.5**	**71.4**
Income tax	0.5	(0.2)
Net profit	**61.0**	**71.2**
Other comprehensive loss after tax	(1.4)	(4.5)
Total comprehensive profit after tax	**59.6**	**66.7**

On a stand-alone level of TELEKOM ROMANIA, following the transfer of the 30.00% ownership interest in TELEKOM ROMANIA MOBILE to OTE, an amount of Euro 58.9 has equally increased net assets sold.

Certain significant commercial transactions (MVNO agreement and handset sales) that existed between TELEKOM ROMANIA and TELEKOM ROMANIA MOBILE have been also classified as discontinued operations in the income statement and the statement of cash flows. The net profit for the period classified as discontinued operations related to the above transactions, amounted for 2021 (as of the date of the disposal) to Euro 42.9 (2020: Euro 67.3).

The assets and liabilities of TELEKOM ROMANIA and OTE INTERNATIONAL INVESTMENTS LTD, as at the date of disposal were as follows:

TELEKOM ROMANIA	30/09/2021
Assets	
Non-current assets	377.9
Cash and cash equivalents	89.0
Other current assets	164.7
Total Assets	**631.6**
Liabilities	
Non-current liabilities	49.8
Current liabilities	212.3
Total Liabilities	**262.1**
Net assets sold	**369.5**

OTE INTERNATIONAL INVESTMENTS LTD	30/09/2021
Cash and cash equivalents	0.3
Net assets sold	**0.3**

EFFECT FROM THE SALE OF TELEKOM ROMANIA AT GROUP LEVEL

The effect from the sale of TELEKOM ROMANIA in the consolidated financial statements is analyzed as follows:

Selling price	295.6
Disposal expenses, price adjustments and other provisions (Note 24)	(104.7)
Group's share in TELEKOM ROMANIA's net assets sold (54.01%)	(199.6)
Group's share in OTE INTERNATIONAL INVESTMENTS LTD's net assets sold (100.00%)	(0.3)
Loss from the sale of investment before reclassification of foreign currency translation reserve	**(9.0)**
Reclassification of foreign currency translation reserve	(41.9)
Loss from the sale of investment in the consolidated income statement (before tax)	**(50.9)**

Selling price	295.6
Less settled disposal expenses and price adjustments (Note 24)	(7.3)
Inflow from the sale of investment	**288.3**
Less cash and cash equivalents disposed	(89.3)
Net inflow from the sale of investment in the consolidated statement of cash flows	**199.0**

EFFECT FROM THE SALE OF TELEKOM ROMANIA AT COMPANY LEVEL

The transaction was executed through the sale of OTE's interest in OTE INTERNATIONAL INVESTMENTS LTD. Therefore, the above described transaction has also affected the separate financial statements. The effect from the transaction in the separate financial statements is analyzed as follows:

Selling price	295.6
Disposal expenses, price adjustments and other provisions (Note 24)	(104.7)
Carrying value of the investment in OTE INTERNATIONAL INVESTMENTS LTD	(148.6)
Reversal of impairment due to sale of investment (before tax)	**42.3**

Selling price	295.6
Less settled disposal expenses and price adjustments (Note 24)	(7.3)
Net inflow from the sale of investment in the separate statement of cash flows	**288.3**

NON-CONTROLLING INTERESTS

Following the acquisition by OTE of the ownership interest that TELEKOM ROMANIA held in TELEKOM ROMANIA MOBILE, as well as the completion of the sale of TELEKOM ROMANIA, the Group's non-controlling interests amount to Euro 1.7 as of December 31, 2021 (December 31, 2020: Euro 144.0).

10. OTHER NON-CURRENT ASSETS

Other non-current assets are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Loans and advances to employees	34.6	35.1	8.3	34.5
Guarantees	6.9	7.2	0.3	0.5
Other advanced payments / prepayments	0.1	0.2	-	-
Loans to group companies (Note 28)	-	-	14.5	14.5
Long-term receivables from ICT projects	17.1	17.3	17.1	17.3
Other receivables from related parties (Note 28)	-	-	5.4	5.4
Lease receivables (Note 5)	15.2	14.0	0.2	0.2
Other	2.0	1.9	-	-
TOTAL	**75.9**	**75.7**	**45.8**	**72.4**

Loans and advances to employees are comprised mainly of loans to employees with service period exceeding 25 years against the accrued indemnity payable to them upon retirement, granted by the Company and by the Group (for employees transferred due to spin-off process, entitled to the benefit). The interest rate on these loans is 0.65% and 1.02% for 2021 and 2020, respectively.

Following the conclusion of the spin-off process in the beginning of 2021, an amount of Euro 26.4 related to the line "Loans and advances to employees" and an amount of Euro 0.2 related to the line "Guarantees" have been transferred by the Company to the absorbing subsidiaries of the Group (Note 9).

11. INVENTORIES

Inventories are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Merchandise	36.2	22.7	4.4	6.8
Other materials	1.8	4.2	0.6	0.8
TOTAL	**38.0**	**26.9**	**5.0**	**7.6**

12. TRADE RECEIVABLES

Trade receivables are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Subscribers / Customers	1,190.1	1,163.5	624.5	598.1
Due from related parties (Note 28)	8.2	7.4	57.9	43.6
Unbilled revenue	131.0	74.5	66.3	36.6
	1,329.3	**1,245.4**	**748.7**	**678.3**
Less:				
Provision for expected credit losses	(824.9)	(812.3)	(444.6)	(427.9)
TOTAL	**504.4**	**433.1**	**304.1**	**250.4**

The movement in the provision for expected credit losses is as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Balance at January 1	(812.3)	(955.2)	(427.9)	(525.6)
Charge for the year	(64.9)	(99.8)	(26.0)	(27.5)
Write-offs	51.5	151.2	9.3	125.2
Transfer to disposal group classified as held for sale	-	89.4	-	-
Foreign exchange differences	0.8	2.1	-	-
Balance at December 31	**(824.9)**	**(812.3)**	**(444.6)**	**(427.9)**

In 2021, for the Group, the consolidated income statement line "Provision for expected credit losses" includes also charges related to the impairment of contract assets, amounted to Euro 2.7 (2020: Euro 2.4).

The aging analysis of trade receivables is as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Not impaired and not past due	421.4	354.3	274.3	215.9
Not impaired and past due:				
Up to 30 days	40.7	38.2	13.1	18.4
Between 31 and 180 days	27.2	29.1	10.8	14.6
Between 181 and 360 days	7.4	9.8	4.7	0.3
More than 360 days	7.7	1.7	1.2	1.2
TOTAL	**504.4**	**433.1**	**304.1**	**250.4**

13. OTHER FINANCIAL ASSETS

Other financial assets are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Financial assets at fair value through profit or loss	5.6	5.4	3.0	2.8
	5.6	**5.4**	**3.0**	**2.8**

The movement of other financial assets is analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Balance at January 1	5.4	5.7	2.8	5.8
Transfer to other non-current assets	-	-	-	(2.8)
Sale or maturity of financial assets	(0.3)	(0.3)	-	-
Repayment of loans granted to subsidiary	-	-	-	(6.2)
Loans granted to subsidiary	-	-	-	6.0
Fair value adjustments through profit or loss	0.5	-	0.2	-
Balance at December 31	**5.6**	**5.4**	**3.0**	**2.8**

14. OTHER CURRENT ASSETS

Other current assets are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Loans to Auxiliary fund, short-term portion (Note 20)	7.0	7.0	7.0	7.0
Due from OTE Leasing customers (Note 29)	25.5	25.5	25.5	25.5
Loans and advances to employees	2.8	2.2	1.2	1.3
Income tax receivable (Note 23)	41.8	32.0	36.7	24.6
Other prepayments	50.2	28.8	29.5	19.0
Receivable from dividends (Note 28)	-	-	40.0	150.9
Guaranteed receipt from Grantor (Financial asset model)	0.5	4.2	-	-
Other receivables from taxes not relating to income tax	14.8	10.8	2.0	2.1
Other receivables from related parties (Note 28)	0.3	1.1	1.8	1.7
Lease receivables (Note 5)	3.9	3.4	0.2	0.1
Other	30.1	28.8	20.9	19.0
TOTAL	**176.9**	**143.8**	**164.8**	**251.2**

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Cash in hand	6.1	6.0	4.1	4.5
Short-term bank deposits	624.6	510.2	269.9	101.0
TOTAL	630.7	516.2	274.0	105.5

16. SHARE CAPITAL – SHARE PREMIUM – TREASURY SHARES

The Extraordinary General Meeting of Shareholders of December 4, 2020 approved the cancellation of 9,965,956 treasury shares, together with the corresponding reduction in the Company's share capital of Euro 28.2. On January 12, 2021, following notification to the Corporate Actions Committee of the Athens Stock Exchange and the completion of other legal and regulatory procedures, the aforementioned 9,965,956 shares were cancelled and delisted from the Athens Stock Exchange effective from January 15, 2021.

The Ordinary General Meeting of Shareholders of June 9, 2021 approved the cancellation of 3,469,500 treasury shares, together with the corresponding reduction in the Company's share capital of Euro 9.8. On July 14, 2021, following notification to the Corporate Actions Committee of the Athens Stock Exchange and the completion of other legal and regulatory procedures, the aforementioned 3,469,500 shares were cancelled and delisted from the Athens Stock Exchange effective from July 19, 2021.

Following the above cancellations of treasury shares, OTE's share capital as of December 31, 2021 amounted to Euro 1,292.6 (December 31, 2020: Euro 1,330.6) divided into 456,739,120 registered shares, with a nominal value of Euro 2.83 (absolute amount) per share.

Furthermore, as a result of the aforementioned cancellations of treasury shares, a reduction of Euro 13.6 and Euro 116.5 was recognized in share premium and retained earnings, respectively.

The share premium as of December 31, 2021 amounted to Euro 462.6 (December 31, 2020: Euro 476.4).

Within the framework of the Share Buyback Program, during the period from January 1, 2021 to December 31, 2021 OTE acquired 12,771,239 treasury shares amounting to Euro 193.0.

The following is an analysis of the ownership of OTE's shares as of December 31, 2021:

Shareholder	Number of shares	Percentage %
DEUTSCHE TELEKOM AG	220,567,676	48.3%
Hellenic State	4,901,507	1.1%
e-E.F.K.A.	26,617,844	5.8%
Free float	194,489,921	42.6%
Treasury shares	10,162,172	2.2%
TOTAL	456,739,120	100.0%

The stake of e-E.F.K.A includes 19,606,015 shares transferred by Hellenic State in 2009.

The movement of the treasury shares is presented in the table below:

	Number of shares	Amount
Treasury shares as at January 1, 2021	**10,826,389**	**132.2**
Treasury shares acquired during the year	12,771,239	193.0
Cancellation of treasury shares	(13,435,456)	(168.1)
Treasury shares as at December 31, 2021	**10,162,172**	**157.1**

The Extraordinary General Shareholders' Meeting on January 18, 2022 approved the cancellation of 8,638,512 own shares, together with corresponding reduction of the Company's share capital by Euro 24.4. On February 17, 2022, following notification to the Corporate Actions Committee of the Athens Stock Exchange and the completion of other legal and regulatory procedures, the aforementioned 8,638,512 shares were cancelled and delisted from the Athens Stock Exchange effective from February 22, 2022.

17. STATUTORY RESERVE – FOREIGN EXCHANGE AND OTHER RESERVES - RETAINED EARNINGS

Under Greek Corporate Law, entities are required to transfer on an annual basis a minimum of five percent of their annual profit (after income taxes) to a statutory reserve, until such reserve equals one-third of the issued share capital. As of December 31, 2021 and 2020, statutory reserve amounted to Euro 440.7.

On December 31, 2021, as a result of the share capital reduction due to cancellations of treasury shares in years 2019, 2020 and 2021, the statutory reserve exceeds one-third of the issued share capital.

The analysis of foreign exchange and other reserves is as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Foreign currency translation	(133.1)	(171.8)	-	-
Cumulative amount of actuarial losses recognized in equity	(51.0)	(44.8)	(47.5)	(42.3)
Deferred taxes on cumulative amount of actuarial losses recognized in equity	15.5	15.0	14.7	14.4
TOTAL	(168.6)	(201.6)	(32.8)	(27.9)

Retained earnings include undistributed taxed profits as well as untaxed and specially taxed reserves which, upon distribution, will be subject to income tax. The retained earnings for the Group and the Company as of December 31, 2021 amounted to Euro 3,414.4 and Euro 1,192.6, respectively (December 31, 2020: Euro 3,396.0 and Euro 1,171.6, respectively).

18. DIVIDENDS

On June 9, 2021, the General Assembly of OTE's Shareholders approved the distribution of dividend of a total amount of Euro 312.9 or Euro 0.687878 (in absolute amount) per share.

On October 14, 2021, following the completion of TELEKOM ROMANIA's sale, the Board of Directors of OTE approved the distribution of an extraordinary dividend of a total amount of Euro 113.3 or Euro 0.252068 (absolute amount) per share.

The amount of dividends payable for the Group and the Company as of December 31, 2021 amounted to Euro 2.3 (December 31, 2020: Euro 2.2 and Euro 2.1, respectively).

On February 23, 2022, the Board of Directors approved the revised Shareholders Remuneration Policy. The Policy has been defined as follows:

Provided the external and the macroeconomic environment remain stable, the Company intends to distribute to its shareholders, through a combination of dividend payout and Share Buyback Programs (whereby acquired shares will be cancelled), between 70% and 100% of net free cash flow generated every year. In the coming years, the total shareholders remuneration payout will be split by 50% between dividends and share buybacks.

The Board will examine the use of any cash flow reserves which may be accumulated in the medium term, together with past surpluses.

The implementation of the revised Shareholders Remuneration Policy will start in 2022 and will take into account the net free cash flow projections for the current year, i.e. 2022, as the basis for calculating the aggregate shareholder payout. In the same way, the Remuneration Policy will be applied in the forthcoming years, i.e. the basis for calculating total shareholders' remuneration in 2023 will take into account the projections of net free cash flow for 2023 and so on.

Based on the current projection for 2022, the net free cash flow is estimated to reach approximately the amount of Euro 600.0. The total Shareholder Remuneration amount (dividends and share buy backs) will reach approximately Euro 500.0.

For the part of the Shareholder remuneration corresponding to dividend distribution, it is proposed that a dividend of Euro 0.558 (in absolute amount) per share or a total amount of Euro 250.0 be distributed from intragroup dividends and prior years' earnings. It is noted that the amount of Euro 0.558 (in absolute amount) per share corresponds to 448,100,608 shares into which the share capital of the Company is divided following the cancellation of 8,638,512 own shares according to the relevant decision of the Extraordinary General Meeting of Shareholders on January 18, 2022.

It is noted that the dividend that will be approved by General Shareholders Meeting that will take place in 2022 and will correspond to own shares that will be owned by the Company at the ex-dividend date, will increase the dividend of the other shareholders according to the law.

It is further noted that, the remaining amount, i.e. approximately Euro 250.0 (amount to vary within a 3% range depending on market conditions and execution) or approximately 50% of the total amount to be allocated under the Shareholders Remuneration for 2022, will be used for the buyback of Company's shares under the Share Buyback Program as approved by the Extraordinary General Shareholders' Meeting held on January 18, 2022.

This proposed distribution will be subject to the pronouncements of the law 4548/2018 and the prevailing tax legislation.

19. LONG-TERM AND SHORT–TERM BORROWINGS

LONG – TERM BORROWINGS

GROUP

Long-term borrowings are analyzed as follows:

GROUP	2021	2020
(a) Bank loans	80.7	103.8
(b) Global Medium-Term Note Programme ("GMTN") of OTE PLC	1,070.3	894.1
Total long-term debt	**1,151.0**	**997.9**
Short-term portion of long-term debt	(397.3)	(23.1)
Long-term borrowings	**753.7**	**974.8**

(a) Bank Loans

Euro 150.0 bilateral term loan with the European Investment Bank (EIB)

On July 10, 2017 COSMOTE signed, with the guarantee of OTE, the Euro 150.0 bilateral term loan with EIB. The EIB loan was fully drawn on January 23, 2018, has a tenor of 7 years with semi-annual repayment schedule and bears fixed interest rate of 2.805% p.a.. The outstanding balance of the EIB Loan as of December 31, 2021 was Euro 80.7.

Euro 200.0 Revolving Credit Facility with National Bank of Greece ("NBG") and Alpha Bank SA ("Alpha")

On July 24, 2020, OTE signed a Loan Agreement, in the form of a committed Revolving Credit Facility, with the syndication of National Bank of Greece and Alpha Bank SA, of Euro 200.0 in total and tenor of 2 years. No drawdown had taken place up to December 31, 2021.

Change of Control Clauses

The above bank loans include a change of control clause applicable to OTE which is triggered if an entity other than (i) DEUTSCHE TELEKOM AG, (ii) DEUTSCHE TELEKOM AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than DEUTSCHE TELEKOM AG) with credit rating equivalent or better than the credit rating of DEUTSCHE TELEKOM AG, gains the power to direct the management and policies of OTE, whether through voting rights, by contract or otherwise.

In addition, the EIB Loan includes a change of control applicable to COSMOTE which is triggered if OTE (the Guarantor) ceases to control COSMOTE (the Borrower).

In the event that the clause is triggered in the Euro 150.0 bilateral term loan, the bank may at its option, by notice to COSMOTE, require the prepayment of the whole or any portion of the loan.

In the event that the clause is triggered in the Euro 200.0 Revolving Credit Facility, each bank may exercise its option to request mandatory prepayment of the outstanding bonds and cancellation of commitments.

Financial Covenants

The above Bank Loans include two financial covenants based on loan specific definitions, tested on a semi-annual basis at Group level, namely:

(a) The ratio of consolidated operating profit before financial and investing activities, depreciation, amortization and impairment and costs related to voluntary leave schemes ("consolidated pro-forma EBITDA") to consolidated net interest expense should exceed 4.5:1 at all times, and
(b) The ratio of consolidated net debt to consolidated pro-forma EBITDA should not exceed 2.5:1 at all times.

In the EIB Loan, the above covenants apply also at COSMOTE level, on an annual basis.

(b) Global Medium Term-Note Programme

OTE PLC has established a Global Medium-Term Note ("GMTN") Programme, guaranteed by OTE. The notes that are issued under the GMTN Programme and traded in the secondary market, are listed in the Luxembourg Stock Exchange.

Repayment of Notes under the Global Medium-Term Note Programme

In the second half of 2021, OTE PLC bought back and cancelled Notes of Euro 25.4 under the Euro 400.0 Notes due in July 2022. As a result, as of December 31, 2021 the outstanding nominal amount of the Notes was Euro 374.6.

Change of control clauses

The Notes issued under the Global - Medium Term Note Programme include a change of control clause applicable to OTE which is triggered if an entity other than (i) DEUTSCHE TELEKOM AG, (ii) DEUTSCHE TELEKOM AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than DEUTSCHE TELEKOM AG) with credit rating equivalent or better than the credit rating of DEUTSCHE TELEKOM AG, gains the power to direct the management and policies of OTE, whether through voting rights, by contract or otherwise.

In accordance with the final terms of the Notes, in the event that the change of control clause is triggered, OTE PLC shall promptly give written notice to the bond holders who in turn shall have the option within 45 days to require OTE PLC to redeem the bonds (put option), at their principal amounts together with accrued interest.

The analysis of the Group's long-term debt is as follows:

Description	Rate	Maturity	2020		2021				
			Outstanding nominal value	Book value	New loans	Repayments/ Prepayments	Amortization of expenses	Outstanding nominal value	Book value
a) Bank loans									
EIB loan Euro 150.0	2.805%	23/01/2025	103.8	103.8	-	(23.1)	-	80.7	80.7
b) Global Medium-Term Programme of OTE PLC									
Euro 400.0 Notes	2.375%	18/07/2022	400.0	398.8	-	(25.4)	0.8	374.6	374.2
Euro 500.0 Notes	0.875%	24/09/2026	500.0	495.3	-	-	0.8	500.0	496.1
Euro 200.0 Notes	0.627%	12/05/2028	-	-	200.0	-	-	200.0	200.0
			1,003.8	**997.9**	**200.0**	**(48.5)**	**1.6**	**1,155.3**	**1,151.0**

DEUTSCHE TELEKOM AG participated on September 2019 in the issuance of the Euro 500.0 Notes by OTE PLC under the GMTN Programme, covering a nominal amount of Euro 100.0 out of the total amount.

The Euro 200.0 7-year Notes which were issued on May 14, 2021 by OTE PLC under the GMTN Programme, were fully subscribed by DEUTSCHE TELEKOM AG.

For the Group, as of December 31, 2021, the short-term portion of long term debt amounts to Euro 397.3 consisting of Euro 23.1 related to the EIB loan and of Euro 374.2 related to OTE PLC Notes (December 31, 2020 Euro 23.1 related to EIB loan).

Cost of debt

The weighted average cost of debt of the Group's long-term borrowings in Euro, for the years ended December 31, 2021 and 2020 was approximately 1.6% and 2.2%, respectively.

COMPANY

COMPANY	2021	2020
Intragroup loans	1,171.8	894.1
Total long-term debt	**1,171.8**	**894.1**
Short-term portion of long-term borrowings	(374.2)	-
Long-term borrowings	**797.6**	**894.1**

The outstanding balance of intragroup loans for the Company refers to loans granted by OTE PLC.

The analysis of the Company's long-term debt is as follows:

Description	Maturity	2020		2021				
		Outstanding nominal value	Book value	New loans	Repayments/Prepayments	Amortization of expenses	Outstanding nominal value	Book value
Intragroup loans (OTE PLC)								
Euro 400.0 bond loan	18/07/2022	400.0	398.8	-	(25.4)	0.8	374.6	374.2
Euro 101.5 bond loan	15/06/2023	-	-	101.5	-	-	101.5	101.5
Euro 500.0 bond loan	24/09/2026	500.0	495.3	-	-	0.8	500.0	496.1
Euro 200.0 bond loan	12/05/2028	-	-	200.0	-	-	200.0	200.0
		900.0	**894.1**	**301.5**	**(25.4)**	**1.6**	**1,176.1**	**1,171.8**

For the Company, as of December 31, 2021, the short-term portion of long term borrowings amounts to Euro 374.2 (December 31, 2020 Euro nil).

SHORT – TERM BORROWINGS

GROUP

The Group's outstanding balance of short-term borrowings as of December 31, 2021 amounted to Euro nil (December 31, 2020: Euro 205.9).

The analysis of short- term borrowings is as follows:

Description	Maturity date	2020	2021		
		Book value	New loans	Repayments/ Prepayments	Book value
a) Bank loans					
TELEKOM ROMANIA MOBILE credit facility	13/03/2021	5.9	-	(5.9)	-
b) Global Medium-Term Programme of OTE PLC					
Euro 200.0 Notes	10/06/2021	200.0	-	(200.0)	-
Euro 150.0 Notes	12/11/2021	-	150.0	(150.0)	-
		205.9	**150.0**	**(355.9)**	**-**

The Euro 200.0 Notes which were issued on June 18, 2020 by OTE PLC under the GMTN Programme and were fully subscribed by DEUTSCHE TELEKOM AG, were fully repaid on June 10, 2021.

The Euro 150.0 Notes which were issued on May 14, 2021 by OTE PLC under the GMTN Programme and were fully subscribed by DEUTSCHE TELEKOM AG, were fully repaid on November 12, 2021.

COMPANY

The outstanding balance of short-term borrowings as of December 31, 2021 for the Company amounted to Euro nil (December 31, 2020: Euro 270.8).

The analysis of short- term borrowings is as follows:

Description	Maturity date	2020	2021		
		Book value	New loans	Repayments/Prepayments	Book value
Intragroup loans (OTE PLC)					
Euro 200.0 bond loan	10/06/2021	200.0	-	(200.0)	-
Euro 70.8 bond loan	17/06/2021	70.8	-	(70.8)	-
Euro 150.0 bond loan	12/11/2021	-	150.0	(150.0)	-
		270.8	**150.0**	**(420.8)**	**-**

20. PROVISIONS FOR PENSIONS, STAFF RETIREMENT INDEMNITIES AND OTHER EMPLOYEE BENEFITS

OTE employees are covered by various pension, medical and other benefit plans as summarized below:

Defined Contribution Plans:

(a) Main pension fund

The TAP-OTE Fund, was the main fund providing pension and medical benefits to OTE employees. Pursuant to law 2843/2000, any deficits incurred by TAP-OTE are covered by the Greek State.

As a result of law 3655/2008, the pension segment of TAP-OTE was incorporated into IKA-ETAM (the main social security of Greece) from August 1, 2008, with a gradual reduction of contributions from TAP-OTE to those of IKA, which commenced in 2013 and was expected to conclude in 2022 in equal installments per year. At the same time, the medical segment of TAP-OTE was incorporated from October 1, 2008 into TAYTEKO.

Furthermore, according to law 3655/2008 (article 2, paragraph 8) the deficits of the pension segments which were incorporated into IKA-ETAM are covered by the Greek State.

Finally, as a result of law 4387/2016 (article 53) IKA-ETAM was incorporated from January 1, 2017 into E.F.K.A. (later renamed as e-E.F.K.A), with a gradual reduction of the pension segments contributions (article 38, paragraph 4), which commenced in January 1, 2017 and was concluded in January 1, 2020 in equal installments per year.

Employer's contributions to pension funds for the year 2021 amounted to Euro 72.7 for the Group and Euro 21.2 for the Company (2020: Euro 86.8 and Euro 58.4, respectively) and are included in "Personnel costs" in the income statement.

(b) Auxiliary pension fund

The Auxiliary Fund Lump-Sum Payment segment provides members with a lump-sum benefit upon retirement or death. Law 2084/1992 has fixed minimum contributions and maximum benefits, after 35 years of service, for new entrants from 1993. As a result of law 3655/2008, the two segments of the Auxiliary fund (the Lump – Sum Payment segment and the Additional Pension segment) were incorporated from October 1, 2008 into TAYTEKO.

Furthermore, as a result of law 4052/2012 (article 36, paragraph 1), the Additional Pension segment was incorporated into ETEA.

Subsequently, as a result of law 4387/2016 (articles 74 and 75) ETEA was renamed as ETEAEP and the Lump-Sum Payment segment of TAYTEKO was incorporated from May 12, 2016 into ETEAEP.

Finally, based on law 4670/2020 (article 1) the ETEAEP (the Additional Pension segment and the Lump – Sum Payment segment) was incorporated from March 1, 2020 into e-E.F.K.A..

OTE does not have a legal obligation to cover any future deficiencies of these funds and, according to management, neither does it voluntarily intend to cover such possible deficiencies.

Loans to pension funds

Loans to pension funds are analyzed as follows:

GROUP and COMPANY	2021	2020
Interest bearing loan to Auxiliary Pension Fund (law 3371/2005)	65.5	69.3
Interest-free loan to Auxiliary Pension Fund (law 3762/2009)	10.1	10.0
TOTAL	75.6	79.3
Short-term portion (Note 14)	7.0	7.0
Long-term portion	68.6	72.3

Loans to pension funds are reflected in the financial statements at amortized cost, having been discounted, using appropriate Greek market rates, on initial recognition to their present values. Based on law 3371/2005 and the provisions of the related Ministerial Decision, OTE should grant an interest bearing loan to the Auxiliary Pension Fund in order to cover the Lump-Sum payments due to participants of the 2005 Voluntary Leave Scheme. The total amount granted was Euro 189.3, repayable in 21 years including a two year grace period, meaning that the repayment started on October 1, 2008 through monthly installments. In 2015, due to liquidity problems of Auxiliary Pension Fund, an agreement was reached resulting in an extension of the loan maturity for 7 years. The loan bears contractual interest at 0.29%. At the date of the contractual commitment and after the restructuring, the loan was discounted to its present value. During 2021, an amount of Euro 2.7 was unwinded (2020: Euro 2.8).

Furthermore, based on law 3762/2009, OTE was required to grant an interest-free long-term loan to the Auxiliary Pension Fund for the Lump-Sum payments due to participants of the 2009 Voluntary Leave Scheme. The respective loan agreement was signed in June 2010 for a nominal amount of Euro 30.0, being an interest free loan with duration of 22 years. In 2015, due to liquidity problems of Auxiliary Pension Fund, an agreement was reached resulting in an extension of the loan maturity for 3.8 years. At the date of the contractual commitment and after the restructuring, the loan was discounted to its present value. During 2021, an amount of Euro 0.8 was unwinded (2020: Euro 0.8).

These loans are exposed to credit risk related to the debt servicing capacity of the pension fund.

Defined Benefit Plans

(a) Provision for Staff Retirement Indemnities

Under Greek labor law, employees are entitled to termination payments in the event of dismissal or retirement with the amount of payment varying in relation to the employee's compensation, length of service and manner of termination (dismissal or retirement). Employees who resign (except those who resign with the consent of the employer, either with over fifteen years of service or when they meet the age limit set by the insurance fund) or are dismissed due to criminal offence are not entitled to termination payments. The indemnity payable in case of retirement is equal to 40% of the amount which would be payable upon dismissal. Since March 2018 based on the new Collective Labor Agreement ("CLA") for OTE employees, the benefit to be provided on retirement is calculated as follows:

a) For employees joined OTE prior to June 10, 1999, the indemnity is equal to the lesser amount between 100% of the maximum liability and Euro 0.03 (annually adjusted according to the inflation rate) plus 9 months' salary.
b) For employees joined OTE from June 10, 1999 until July 14, 2005, the indemnity is equal to the lesser amount between 100% of the maximum liability and Euro 0.03 (annually adjusted according to the inflation rate) plus 7 months' salary.
c) For employees who joined OTE from July 15, 2005, the indemnity payable will be equal to 40% of the indemnity as provided in law 4093/2012.

Employees with service period exceeding 25 years are entitled to draw loans against the indemnity payable to them upon retirement.

In the last quarter of 2021, new CLAs were signed for the employees of the Group's subsidiaries COSMOTE E-VALUE, GERMANOS and CTS, amending, among others, the indemnity payable in case of retirement.

According to the new CLAs, for employees transferred from OTE in the frame of the spin-off process, who had joined OTE prior to June 10, 1999 and have reached 25 years of service as of October 31, 2021, the benefit to be provided on retirement is equal to the lesser amount between 100% of the maximum liability and Euro 0.03 (annually adjusted according to the inflation rate) plus 9 months' salary. In case that the indemnity payable according to legal provisions prevails, the legal indemnity is provided. For the rest of employees, the indemnity payable will be equal to 40% of the indemnity as provided in law 4093/2012.

As result of the change in benefit due to the new CLAs, a reversal of Euro 13.3 was recognized in the consolidated income statement and is included in the line "Personnel costs" and in the consolidated statement of financial position in the line "Provision for staff retirement indemnities".

The provision for staff retirement indemnity is reflected in the financial statements in accordance with IAS 19 "Employee Benefits" and is based on an independent actuarial study.

In May 2021 an agenda decision was published by the IFRIC in relation to IAS 19 "employee benefits" and more specifically to how the applicable principles and requirements in IFRS Standards apply on attributing benefits to periods of service based on a specific fact pattern of a defined benefit plan.

IFRIC concluded that, for the defined benefit plan with the fact pattern illustrated in the agenda decision, the entity attributes retirement benefit to each year in which an employee renders service, in the last years of the period in which the retirement benefit is capped (16 years of service), until the retirement age.

Following the publication of the IFRIC agenda decision, a technical committee was established in Greece between the Foundation of the Institute of Certified Public Accountants (SOEL) and qualified actuaries ("Technical Committee") to form a consultation paper that would examine the prevalent benefit practices in the Greek market and would be used as a basis for applying the specific decision in Greece.

The main outcome of the Technical Committee's guidelines is that the Greek market provides for a variety of benefit practices that may diverge from the fact pattern illustrated in the agenda decision, since benefit payments may be provided in other cases of exit, apart from normal retirement.

The Group indemnities' policy provides for a fact pattern that differs from that assumed in the IFRIC agenda decision. According to the Technical Committee's consultation paper, in these cases benefits are attributed over the first years of employment until the period when the retirement benefit is capped.

The amount of the staff retirement indemnity expense recognized in the consolidated and separate income statement is analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Current service cost	4.3	5.0	1.6	3.7
Change in benefit (CLAs)	(13.3)	-	-	-
Recognition of past service cost, settlement, curtailment	4.0	(1.8)	4.0	(2.0)
P&L effect recorded in "Personnel costs"	**(5.0)**	**3.2**	**5.6**	**1.7**
P&L effect recorded in "Interest and related expenses"	1.2	2.3	0.3	1.6
Total P&L effect	**(3.8)**	**5.5**	**5.9**	**3.3**

Changes in the defined benefit obligation for staff retirement indemnities are as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Defined benefit obligation - beginning of the year	145.7	186.7	120.1	152.3
Current service cost	4.3	5.0	1.6	3.7
Change in benefit (CLAs)	(13.3)	-	-	-
Recognition of past service cost, settlement, curtailment	4.0	(1.8)	4.0	(2.0)
Interest cost	1.2	2.3	0.3	1.6
Actuarial losses	3.6	11.1	2.6	8.4
Usage of provision for voluntary leave schemes participants	(4.4)	(44.8)	(1.5)	(42.9)
Benefits paid	(1.2)	(1.9)	(0.6)	(1.0)
Spin-off (Note 9)	-	-	(75.7)	-
Transfer to disposal group classified as held for sale	-	(10.9)	-	-
Defined benefit obligation - end of the year	**139.9**	**145.7**	**50.8**	**120.1**

The underlying assumptions of the actuarial valuation of the staff retirement indemnities for the Group and the Company are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Discount rate	1.02% - 3.8%	0.78% - 3.1%	1.1%	0.78 %
Assumed rate of future salary changes	0.0% - 2.0%	1.0% - 2.5%	0.0%-1.0%	1.0%
Inflation rate	1.5% - 2.5%	1.5% - 2.5%	1.5%	1.5%

If the discount rate used in the valuation was 1% higher, then the defined benefit obligation for staff retirement indemnities for the Group and the Company would decrease by about 11.6% and 11.2%, respectively. If the discount rate used in the valuation was 1% lower, then the defined benefit obligation for staff retirement indemnities for the Group and the Company would increase by about 13.7% and 13.2%, respectively. If the rate for salary increases was 0.5% higher, then the defined benefit obligation for staff retirement indemnities for the Group and the Company would increase by about 5.8% and 4.6%, respectively. If the rate for salary increases was 0.5% lower, then the defined benefit obligation for staff retirement indemnities for the Group and the Company would decrease by about 5.4% and 4.3%, respectively. The average duration of the liabilities in respect of the staff retirement indemnities for the Group as at the valuation date is equal to 12.6 years and for the Company is equal to 12.7 years. The benefit payments expected to take place in 2022 for the Group and the Company amount to Euro 2.5 and Euro 1.0, respectively.

(b) Youth account

The youth account provides OTE’s employees' children a lump-sum payment generally when they reach the age of 25. The lump-sum payment is made up of employees' contributions, interest thereon and OTE's contribution which for the period up to November 6, 2011 can reach up to an amount of 10 times the maximum between the average salary of OTE employees or the result of 86 times the daily wage salary of the unskilled worker, depending on the number of years of contributions. For the period after November 7, 2011, following the amendment of the program, OTE’s contribution can reach up to an amount of 3 times the maximum between the average salary of OTE employees or the result of 86 times the daily wage salary of the unskilled worker depending on the number of years of the employee’s contributions and the amount of these contributions. The provision for benefits under the youth account is based on an independent actuarial study. The total actuarial liability is split into two parts: one is treated as “post employment employee benefit” and the other as “other long-term employee benefit”. The part of the total youth account liability that is being classified as “other long-term employee benefit” relates to employees who will still be active employees of the Company at the time when their children will be eligible for the lump-sum benefit. The remaining part of the liability is being classified as “post employment benefit”.

The amount of the youth account expense recognized in the consolidated and separate income statement is analyzed as follows:

GROUP and COMPANY	2021			2020		
	Post employment benefit	Other long-term benefit	TOTAL	Post employment benefit	Other long-term benefit	TOTAL
Current service cost	1.1	1.1	2.2	1.2	1.2	2.4
Recognition of past service cost, settlement, curtailment	(2.3)	-	(2.3)	-	-	-
Actuarial gains	-	(1.6)	(1.6)	-	(1.1)	(1.1)
P&L effect recorded in "Personnel costs"	**(1.2)**	**(0.5)**	**(1.7)**	**1.2**	**0.1**	**1.3**
P&L effect recorded in "Interest and related expenses"	0.1	-	0.1	0.2	0.1	0.3
Total P&L effect	**(1.1)**	**(0.5)**	**(1.6)**	**1.4**	**0.2**	**1.6**

Changes in the defined benefit obligation regarding the youth account are as follows:

GROUP and COMPANY	2021			2020		
	Post employment benefit	Other long-term benefit	TOTAL	Post employment benefit	Other long-term benefit	TOTAL
Defined benefit obligation - beginning of the year	36.9	19.6	**56.5**	43.9	22.7	**66.6**
Current service cost	1.1	1.1	**2.2**	1.2	1.2	**2.4**
Recognition of past service cost, settlement, curtailment	(2.3)	-	**(2.3)**	-	-	-
Interest cost	0.1	-	**0.1**	0.2	0.1	**0.3**
Transfer due to spin-off	9.7	(9.7)	-	-	-	-
Actuarial (gains) / losses	2.6	(1.6)	**1.0**	(1.1)	(1.1)	**(2.2)**
Benefits paid	(6.5)	(2.6)	**(9.1)**	(7.3)	(3.3)	**(10.6)**
Defined benefit obligation - end of the year	**41.6**	**6.8**	**48.4**	**36.9**	**19.6**	**56.5**
Employee's accumulated contributions			**50.0**			**52.7**
Provision for youth account			**98.4**			**109.2**

Following the spin-off (Note 9), employees transferred to the subsidiaries of the Group were no longer entitled to the continuation of the youth account benefit plan with the contribution of OTE. Therefore, an amount of Euro 9.7 was transferred from the part of the youth account liability classified as "other long-term employee benefit" to the part of the liability classified as "post employment benefit".

The underlying assumptions of the actuarial valuation of the youth account are as follows:

GROUP and COMPANY	2021	2020
Discount rate	0.67%	0.35%
Assumed rate of future salary changes	1.0%	1.0%
Inflation rate	1.5%	1.5%

If the discount rate used in the valuation was 1% higher, then the defined benefit obligation for youth account would decrease by about 4.3%. If the discount rate used in the valuation was 1% lower, then the defined benefit obligation for youth account would increase by about 4.8%. If the rate for salary increases was 0.5% higher, then the defined benefit obligation for youth account would increase by about 1.6%. If the rate for salary increases was 0.5% lower, then the defined benefit obligation for youth account would decrease by about 1.6%. The average duration of the liabilities in respect of the youth account as at the valuation date is equal to 5.6 years. The benefit payments expected to take place in 2022 for the Company amount to Euro 8.2.

Risks

The above mentioned plans are unfunded and therefore no plan assets exist and hence asset volatility or similar risks (e.g. low returns, asset concentration etc.) do not exist. The risks associated with the existing plans relate to the actuarial assumptions that are used in determining the liability, that must be reflected in the financial statements, and comprise potential changes in bond yields, which determine the discount rate, and assumptions relating to the inflation rate, employees' withdrawal rate and the rate of future salary increase that may affect the future cash flows of the plans.

Voluntary Leave Schemes

OTE voluntary leave schemes

In 2021, OTE implemented voluntary leave schemes, the respective cost of which amounted to Euro 3.6 (2020: Euro 117.8). In addition during 2021, a provision regarding the IKA-ETAM legal case of Euro 133.5 has been reversed (see section "IKA-ETAM" below).

Group voluntary leave schemes

Group companies applied voluntary leave schemes, the total cost of which is as follows:

GROUP	2021	2020
OTE	3.6	117.8
COSMOTE Group - Greece	2.8	12.6
TELEKOM ROMANIA MOBILE	0.8	0.3
OTHER	4.5	1.9
Costs related to voluntary leave schemes	**11.7**	**132.6**
Reversal of provision - IKA ETAM case (OTE)	**(133.5)**	**-**
Total effect from voluntary leave schemes	**(121.8)**	**132.6**

Amounts paid during 2021, in relation to voluntary leave schemes were Euro 56.3 for the Group and Euro 44.6 for the Company (2020: Euro 109.1 and Euro 94.7, respectively).

IKA-ETAM

Based on article 3 of the F/10051/27177/2174 Ministerial Decision issued in March 2010, the additional financial burden of the Pension Sector of IKA-ETAM, the Auxiliary Insurance Sector of TAYTEKO for OTE personnel and the Medical Segment of TAYTEKO as derives from articles 2 and 4 of the CLA signed between OTE and OME-OTE on July 20, 2005, should be paid for by OTE. The amount of this additional financial burden would be determined by an actuarial study that would be performed by the Directorate of Actuarial Studies of the General Secretariat for Social Security in conjunction with the Directorate of Actuarial Studies and Statistics of IKA-ETAM.

By its letters dated January 21, 2011 and October 21, 2011, the Ministry notified OTE of the completion of the actuarial studies and handed over to OTE a copy of such actuarial studies. The additional financial burden that the above mentioned actuarial studies state that incurred based on law 3371/2005 and law 3762/2009 amounted to Euro 129.8 and Euro 3.7, respectively. OTE had provided for these amounts in its financial statements of 2010 and 2011, respectively.

On May 11, 2010, OTE filed an appeal against this Ministerial Decision before the Administrative Court of First Instance of Athens, requesting the annulment of article 3 as based on its assessment, it was in contravention with article 34 of law 3762/2009 and consequently, there were valid grounds for the annulment of this article. The hearing took place on October 6, 2017 and the court declared itself incompetent and referred the case to the Council of State.

On November 13, 2017 the Council of State decided to return the case to the Administrative Court of First Instance of Athens. The hearing took place on October 4, 2018 and a decision was issued, which accepted OTE's appeal. The opponent filed an appeal against this decision before the Administrative Court of Second Instance. The hearing took place on September 17, 2020 and a decision was issued, which rejected the opponent's appeal. The Hellenic Republic decided not to file a petition before the Administrative Supreme Court and therefore the case is fully closed.

In the consolidated and separate income statement of 2021 in the line "Costs related to voluntary leave schemes", an amount of Euro 133.5 is included, relating to the reversal of the provision regarding the case.

21. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Asset retirement obligation	11.0	9.9	-	-
Deferred revenue	1.8	2.5	1.8	2.5
Long-term liabilities to related parties (Note 28)	-	-	45.3	49.7
Liability for TV broadcasting rights	63.0	83.2	63.0	83.2
Other	13.5	12.2	5.7	5.7
TOTAL	**89.3**	**107.8**	**115.8**	**141.1**

For the Company, long-term liabilities to related parties consist of lease network agreements in which the Company acts as lessor.

22. CONTRACT BALANCES

The following table provides information about contract costs, contract assets and contract liabilities from contracts with customers:

	GROUP		COMPANY	
	2021	2020	2021	2020
Contract costs (short-term portion)	19.1	19.6	6.0	3.3
Contract costs (long-term portion)	5.2	5.0	3.8	2.2
Total contract costs	**24.3**	**24.6**	**9.8**	**5.5**
Contract assets (short-term portion)	19.3	15.1	2.2	0.4
Contract assets (long-term portion)	15.3	13.6	1.2	-
Total contract assets	**34.6**	**28.7**	**3.4**	**0.4**
Total assets	**58.9**	**53.3**	**13.2**	**5.9**
Contract liabilities (short-term portion)	118.4	121.8	76.7	74.3
Contract liabilities (long-term portion)	33.2	25.4	48.2	44.1
Total liabilities	**151.6**	**147.2**	**124.9**	**118.4**

The revenue recognized in the current reporting period that was included in the contract liability balance at the beginning of the period amounts to Euro 121.8 for the Group and Euro 74.3 for the Company.

The part of the transaction allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the current reporting period and will be recognized as revenues in the future periods (2022 and onwards) amounts to Euro 151.6 for the Group and Euro 124.9 for the Company.

23. INCOME TAXES – DEFERRED TAXES

According to law 4799/2021, the corporate income tax rate in Greece is reduced from 24% to 22% for fiscal years 2021 onwards.

The corporate income tax rate in Romania is 16%.

From January 1, 2014 and onwards, intragroup dividends distributed within the EU are exempt from both income tax, as well as withholding tax provided that, among other conditions, the parent entity holds a minimum participation of 10% for at least two consecutive years.

Based on law 4646/2019 as amended by law 4876/2021, from January 01, 2020, the capital gains from the sale of shares of companies established in EU countries will be exempt from income tax in Greece, provided that the seller holds a minimum participation of 10% for at least two consecutive years.

Greek tax regulations and related clauses are subject to interpretation by the tax authorities and administrative courts of law. Tax returns are filed annually. The profits or losses declared for tax purposes remain provisional until the tax authorities examine the returns and the records of the taxpayer and a final assessment is issued. In accordance with the Greek tax legislation (article 36 of law 4174/2013) in force and the respective Ministerial Decisions issued, the Greek tax authorities may impose additional taxes and penalties following a tax audit, within the applicable statute of limitations which in principle is five years as from the end of the following fiscal year within which the relevant tax return should have been submitted. Based on the above, the right of the tax authorities to impose additional income taxes for the fiscal years up to 2015 (inclusive) is considered in principle and under the general rules as time-barred.

From the financial year 2011 and onwards, the tax returns are subject to the audit tax certificate process (as described below). Net operating losses which are tax deductible, can be carried forward against taxable profits for a period of five years from the year they are generated.

Under Greek tax regulations, an 80% income tax advance calculated on each year's current income tax liability is paid to the tax authorities. Such advance is then netted off with the following year's income tax liability. Any excess advance amounts are refunded to the companies following a tax examination. For year 2021, the income tax advance was set at 70%.

Tax compliance report

From the financial year 2011 and onwards, Greek Société Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements are subject to the "Tax compliance report" process as provided for by paragraph 5 of Article 82 of law 2238/1994 and article 65a of law 4174/2013. This "Tax compliance report" is issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon completion of the tax audit, the statutory auditor or audit firm issues to the entity a "Tax compliance report" which is subsequently submitted electronically to the Ministry of Finance, by the statutory auditor or audit firm.

For the Greek companies of the Group that are subject to the above process, the "Tax compliance report" for the years 2011 till 2020, has been issued and submitted with no substantial adjustments with respect to the tax expense and corresponding tax provision as reflected in the respective annual financial statements.

It is noted that based on the tax legislation in force (Circular POL 1006/2016), the companies that have obtained a "Tax compliance report" without any reservations for infringements of the tax law, are not exempt from tax audit. In effect, the tax authorities retain the right to audit them within the applicable statute of limitations as described above.

The tax audit for the financial year 2021 is being performed by PricewaterhouseCoopers S.A.. Upon completion of the tax audit, management does not expect that significant additional tax liabilities will arise, in excess of those provided for and disclosed in the financial statements.

Unaudited tax years

Taking into account the "Tax compliance report" described above (where applicable), the table below presents the years for which the tax audit has not been performed / completed:

ENTITY	Open Tax Years
OTE	2021
COSMOTE	2021
COSMO-ONE	2021
OTE PLC	2018 - 2021
OTESAT-MARITEL	2021
CTS	2021
OTE ESTATE	2021
OTE GLOBE	2021
OTE INSURANCE	2021
OTE ACADEMY	2021
COSMOTE TV PRODUCTIONS	2021
TELEKOM ROMANIA MOBILE	2017 - 2021
GERMANOS	2021
COSMOTE E-VALUE	2021
MOBILBEEEP LTD	2016 - 2021
E-VALUE LTD	2021
COSMOHOLDING INTERNATIONAL B.V.	2014 - 2021
E-VALUE INTERNATIONAL S.A.	2016 - 2021
OTE RURAL NORTH	2016 - 2017, 2021

ENTITY	Open Tax Years
OTE RURAL SOUTH	2016 - 2017, 2021
COSMOTE PAYMENTS	2018 - 2021
COSMOTE GLOBAL SOLUTIONS S.A.	2018 - 2021

- Within 2020 COSMOTE received a tax audit notification for year 2018. The audit is in progress.
- TELEMOBIL S.A. (ZAPP), GERMANOS TELECOM ROMANIA S.A. and SUNLIGHT ROMANIA S.R.L FILIALA were absorbed in 2017 by TELEKOM ROMANIA MOBILE. The companies have not been audited for 2016 and 2017.

The Group and the Company have established provisions for open tax cases or unaudited years.

The major components of income tax expense for the years ended December 31, 2021 and 2020 are as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Current income tax	73.5	134.1	(4.8)	55.1
Deferred income tax – Effect due to change in the income tax rates	26.3	-	12.8	-
Deferred income tax	133.8	(88.2)	127.6	(86.2)
Total income tax expense / (income)	**233.6**	**45.9**	**135.6**	**(31.1)**

A reconciliation between the income tax expense and the accounting profit before tax multiplied by tax rates in force in Greece (2021: 22%, 2020: 24%) is as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Profit before tax	**719.4**	**283.1**	**699.3**	**481.0**
Statutory tax rate	22%	24%	22%	24%
Tax at statutory rate	**158.3**	**67.9**	**153.8**	**115.4**
Non-taxable and specially taxed income	-	-	(44.2)	(79.4)
Effect of different tax rates in foreign countries	-	14.8	-	-
Effect of changes to tax rates	26.3	-	12.8	-
Expenses non-deductible for tax purposes	34.6	39.4	21.5	18.2
Impairment loss in investments	-	-	-	21.7
Losses in relation to investments for which no deferred tax asset was previously recognized	1.0	(107.0)	1.0	(107.0)
Impairment losses for which no deferred tax asset is recognized	-	25.6	-	-
Reversal of impairment in investment due to sale of subsidiary	-	-	(9.3)	-
Reclassification of foreign currency translation reserve	9.2	-	-	-
Tax losses and other items for which no deferred tax asset is recognized	-	3.8	-	-
Other	4.2	1.4	-	-
Income tax	**233.6**	**45.9**	**135.6**	**(31.1)**

Income tax payable for the Group and the Company as of December 31, 2021 amounted to Euro 44.0 and Euro 7.9, respectively (December 31, 2020: Euro 76.2 and Euro 7.9, respectively).

Income tax receivable for the Group and the Company as of December 31, 2021 amounted to Euro 41.8 and Euro 36.7, respectively (December 31, 2020: Euro 32.0 and Euro 24.6, respectively) and is recorded under “Other current assets” (Note 14).

In 2021, the Company in accordance with the law 3905/2010, formed a non-taxable reserve of Euro 142,527.25 (absolute amount) which relates to the Company’s obligation to invest in cinema film production.

Deferred taxes are analyzed as follows:

	Statement of financial position		Income statement	
GROUP	2021	2020	2021	2020
Voluntary leave schemes	2.0	34.9	(32.9)	1.0
Staff retirement indemnities	30.4	34.3	(4.2)	(10.3)
Youth account	10.7	13.6	(3.1)	(2.1)
Employee benefits	7.5	9.5	(2.0)	(1.4)
Property, plant and equipment / Leases	115.5	123.2	(7.7)	4.7
Provisions	78.8	93.7	(14.9)	(11.6)
Tax losses	29.9	30.3	(0.4)	(4.8)
Deferred income	16.3	17.1	(0.8)	0.4
Loss in investment to subsidiary	2.0	107.0	(105.0)	107.0
Other	10.5	12.0	(1.5)	1.5
Deferred tax asset (before offset)	**303.6**	**475.6**		
Offset of deferred tax liabilities	(105.7)	(111.6)		
Deferred tax asset (after offset)	**197.9**	**364.0**		
Property, plant and equipment	(66.1)	(69.4)	3.3	(2.8)
Capitalized interest	(8.5)	(10.2)	1.7	0.8
Fair value adjustment on acquisition of subsidiaries	(12.8)	(19.7)	6.9	5.9
Other	(21.6)	(22.1)	0.5	(0.1)
Deferred tax liabilities (before offset)	**(109.0)**	**(121.4)**		
To be offset against deferred tax asset	105.7	111.6		
Deferred tax liabilities (after offset)	**(3.3)**	**(9.8)**		
Deferred tax income / (expense)			**(160.1)**	**88.2**
Deferred tax assets, net	**194.6**	**354.2**		

A deferred tax asset has been recognized to the Group, for tax losses that are related to the Group's entities in Romania and Greece. Based on management's assessment, these carried forward tax losses will be fully utilised in the foreseeable future, considering the future expected performance of these operations.

	Statement of financial position		Spin-off process	Income statement	
COMPANY	2021	2020		2021	2020
Voluntary leave schemes	1.9	34.9	(0.2)	(32.8)	1.0
Staff retirement indemnities	10.8	28.5	(18.2)	0.4	(9.8)
Youth account	10.7	13.6	-	(3.1)	(2.1)
Employee benefits	6.9	9.4	(0.9)	(1.6)	(1.4)
Leases	2.3	2.6	(0.5)	0.2	1.0
Provisions	57.9	64.4	(1.0)	(5.5)	(6.4)
Tax losses	4.2	-	-	4.2	-
Deferred income	2.1	2.1	-	-	0.5
Loss in investment to subsidiary	2.0	107.0	-	(105.0)	107.0
Deferred tax assets (before offset)	**98.8**	**262.5**	**(20.8)**		
Offset of deferred tax liabilities	(76.1)	(77.1)	-		
Deferred tax assets (after offset)	**22.7**	**185.4**	**(20.8)**		
Property, plant and equipment	(57.7)	(58.1)	(1.8)	2.2	(3.3)
Capitalized interest	(8.5)	(10.2)	-	1.7	0.8
Other	(9.9)	(8.8)	-	(1.1)	(1.1)
Deferred tax liabilities (before offset)	**(76.1)**	**(77.1)**	**(1.8)**		
To be offset against deferred tax assets	76.1	77.1			
Deferred tax liabilities (after offset)	**-**	**-**	**(22.6)**		
Deferred tax income / (expense)				**(140.4)**	**86.2**
Deferred tax assets, net	**22.7**	**185.4**			

The movement in deferred tax of the Group and the Company is as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Deferred tax asset (net) – beginning of the year	354.2	263.7	185.4	97.4
Deferred tax charged to the income statement	(160.1)	88.2	(140.4)	86.2
Deferred tax through other comprehensive income	0.5	2.3	0.3	1.8
Spin-off process (Note 9)	-	-	(22.6)	-
Deferred tax asset (net) - end of the year	**194.6**	**354.2**	**22.7**	**185.4**

The recoverability of deferred tax is analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Deferred tax assets (before offset) to be recovered:				
After more than 12 months	261.7	326.7	77.0	141.5
Within 12 months	41.9	148.9	21.8	121.0
Deferred tax liabilities (before offset) to be recovered:				
After more than 12 months	(90.7)	(102.7)	(69.4)	(70.2)
Within 12 months	(18.3)	(18.7)	(6.7)	(6.9)
Deferred tax asset (net)	**194.6**	**354.2**	**22.7**	**185.4**

The Group does not recognize deferred tax asset on the following accumulated tax losses of its entities, due to the uncertainty of the timing of available taxable profits against which these losses could be offset. The accumulated tax losses expire as follows:

GROUP	Amount
2022	0.1
2023	1.1
2024	0.8
2025	0.4
TOTAL	2.4

24. OTHER CURRENT LIABILITIES

Other current liabilities are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Employer contributions	18.2	23.1	5.3	15.8
Payroll	58.2	50.9	20.4	22.2
Other taxes - duties	59.5	65.8	26.9	33.1
Interest payable	7.3	8.1	6.6	7.4
Provisions for litigation and other risks	187.3	160.7	146.8	118.5
Customer advances / deferred revenue	19.5	18.7	15.1	15.9
Provisions related to the disposal of assets / subsidiaries (Note 9)	97.2	-	97.2	-
Other	38.4	37.2	28.8	30.3
TOTAL	485.6	364.5	347.1	243.2

The movement in the provision for litigation and other risks is as follows:

a) provision for litigation:

	GROUP		COMPANY	
	2021	2020	2021	2020
Balance at January 1	145.6	127.5	106.1	110.0
Addition during the year	41.2	28.1	38.0	3.1
Utilized	(4.8)	(3.7)	(2.8)	(3.7)
Unused amounts reversed	(6.0)	(6.3)	(3.0)	(3.3)
Balance at December 31	**176.0**	**145.6**	**138.3**	**106.1**

b) provision for other risks:

	GROUP		COMPANY	
	2021	2020	2021	2020
Balance at January 1	15.1	19.2	12.4	11.3
Addition during the year	1.0	8.4	-	7.5
Utilized	(4.8)	(7.2)	(3.9)	(4.9)
Unused amounts reversed	-	(2.6)	-	(1.5)
Transfer to disposal group classified as held for sale	-	(2.7)	-	-
Balance at December 31	**11.3**	**15.1**	**8.5**	**12.4**

25. OTHER OPERATING INCOME

Other operating income is analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Gain from disposal of property, plant and equipment	0.4	2.6	0.1	2.5
Income from subsidies	2.7	1.3	1.5	0.6
Income from related parties (Note 28)	0.1	-	26.0	3.8
Other	6.0	6.5	1.3	1.8
TOTAL	**9.2**	**10.4**	**28.9**	**8.7**

26. EARNINGS PER SHARE

Earnings per share (after income taxes) are calculated by dividing the profit attributable to the owners of the parent by the weighted average number of ordinary shares outstanding during the year. The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period. Diluted earnings per share incorporates stock options (if any) for which the average share price for the year is in excess of the exercise price of the stock option and which create a dilutive effect. As of December 31, 2021 and 2020 there was no dilution effect.

Earnings per share are analyzed as follows:

GROUP	2021	2020
Profit attributable to owners of the parent	**557.6**	**359.9**
Profit for the year from continuing operations (attributable to owners of the parent)	487.0	263.4
Profit for the year from discontinued operations (attributable to owners of the parent)	70.6	96.5
Weighted average number of shares for basic earnings per share	454,298,720	465,449,807
Weighted average number of shares adjusted for the effect of dilutions	454,298,720	465,449,807
Basic earnings per share	**1.2274**	**0.7732**
From continuing operations	1.0720	0.5659
From discontinued operations	0.1554	0.2073
Diluted earnings per share	**1.2274**	**0.7732**
From continuing operations	1.0720	0.5659
From discontinued operations	0.1554	0.2073

(Earnings per share are in absolute amounts)

27. OPERATING SEGMENT INFORMATION

The following information is provided for the reportable segments, which are separately disclosed in the financial statements and which are regularly reviewed by the Group's chief operating decision makers. Segments were determined based on the Group's legal structure and business activities.

Using quantitative thresholds OTE, COSMOTE Group – Greece and TELEKOM ROMANIA MOBILE have been determined to be reportable segments. Information about operating segments that do not constitute reportable segments has been combined and disclosed in an "Other" category. This category comprises all the other operations of the Group, the most material of which relate to the Group's real estate subsidiary, OTE ESTATE, the Group's international carrier, OTE GLOBE, the Group's financing subsidiary, OTE PLC, as well as the Group's technical field operations subsidiary, CTS. The types of services provided by the reportable segments are as follows:

- OTE is a provider of fixed-line services, internet access services, ICT services and TV services in Greece.
- COSMOTE Group is a provider of mobile telecommunications, retail operations (shops) and customer services.
- TELEKOM ROMANIA MOBILE is a provider of mobile telecommunications services in Romania.

Accounting policies of the operating segments are the same as those followed for the preparation of the financial statements. Intersegment revenues are generally reported at values that approximate third-party selling prices. Management evaluates segment performance based on operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations; operating profit / (loss) before financial and investing activities and profit / (loss) for the year.

Segment information and reconciliation to the Group's consolidated figures are as follows:

2021	OTE	COSMOTE Group – Greece	TELEKOM ROMANIA MOBILE	OTHER	TOTAL	Elim.	GROUP
Retail services revenues (fixed business)	946.9	3.9	-	-	950.8	-	950.8
Service revenues (mobile business)	-	953.5	218.7	-	1,172.2	-	1,172.2
Revenue from the sale of goods and merchandise	4.4	235.0	59.1	4.4	302.9	-	302.9
Revenues from the use of assets	158.5	-	2.3	3.2	164.0	-	164.0
Other revenues	410.7	15.9	21.2	330.6	778.4	-	778.4
External revenue	**1,520.5**	**1,208.3**	**301.3**	**338.2**	**3,368.3**	-	**3,368.3**
Revenues from discontinued operations	0.1	2.5	14.0	0.4	17.0	(17.0)	-
Intersegment revenue	80.1	159.7	0.2	273.9	513.9	(513.9)	-
Total revenue	**1,600.7**	**1,370.5**	**315.5**	**612.5**	**3,899.2**	**(530.9)**	**3,368.3**
Operating profit before financial and investing activities, depreciation, amortization and impairment	848.8	560.3	47.5	88.3	1,544.9	(65.0)	1,479.9
Costs related to voluntary leave schemes	129.9	(2.8)	(0.8)	(4.5)	121.8	-	121.8
Other restructuring costs and non-recurring litigations	(18.0)	(2.2)	(3.4)	-	(23.6)	-	(23.6)
Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations	736.9	565.3	51.7	92.8	1,446.7	(65.0)	1,381.7
Depreciation, amortization and impairment	(364.8)	(275.1)	(42.3)	(42.4)	(724.6)	57.0	(667.6)
Operating profit / (loss) before financial and investing activities	484.0	285.2	5.2	45.9	820.3	(8.0)	812.3
Dividend income	200.9	-	-	-	200.9	(200.9)	-
Interest income	1.1	0.3	0.2	18.6	20.2	(19.2)	1.0
Interest and related expenses	(30.9)	(20.6)	(3.4)	(20.4)	(75.3)	30.3	(45.0)
Income tax	(135.6)	(71.9)	(7.9)	(17.8)	(233.2)	(0.4)	(233.6)
Profit / (loss) for the year from continuing operations	563.7	193.7	(7.5)	27.3	777.2	(291.4)	485.8
Purchase of property, plant and equipment and intangible assets	317.5	169.6	69.2	29.7	586.0	-	586.0

2021	OTE	COSMOTE Group – Greece	TELEKOM ROMANIA MOBILE	OTHER	TOTAL	Elim.	GROUP
Segment assets	2,578.9	2,173.3	436.1	1,868.1	7,056.4	(1,839.4)	5,217.0
Segment liabilities	2,539.0	910.4	206.4	1,428.4	5,084.2	(1,839.4)	3,244.8

2020	OTE	COSMOTE Group – Greece	TELEKOM ROMANIA MOBILE	OTHER	TOTAL	Elim.	GROUP
Retail services revenues (fixed business)	936.1	2.0	-	-	938.1	-	938.1
Service revenues (mobile business)	-	913.5	225.3	-	1,138.8	-	1,138.8
Revenue from the sale of goods and merchandise	26.9	153.1	87.4	2.7	270.1	-	270.1
Revenues from the use of assets	169.6	-	2.4	3.2	175.2	-	175.2
Other revenues	383.0	11.6	15.5	326.6	736.7	-	736.7
External revenue	**1,515.6**	**1,080.2**	**330.6**	**332.5**	**3,258.9**	-	**3,258.9**
Revenues from discontinued operations	-	3.8	19.5	0.6	23.9	(23.9)	-
Intersegment revenue	98.7	132.8	0.3	118.3	350.1	(350.1)	-
Total revenues	**1,614.3**	**1,216.8**	**350.4**	**451.4**	**3,632.9**	**(374.0)**	**3,258.9**
Operating profit before financial and investing activities, depreciation, amortization and impairment	649.8	478.3	38.4	65.0	1,231.5	(66.9)	1,164.6
Costs related to voluntary leave schemes	(117.8)	(12.6)	(0.3)	(1.9)	(132.6)	-	(132.6)
Other restructuring costs and non-recurring litigations	(9.7)	-	(3.8)	-	(13.5)	-	(13.5)
Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations	777.3	490.9	42.5	66.9	1,377.6	(66.9)	1,310.7
Depreciation, amortization and impairment	(363.0)	(270.4)	(220.7)	(35.4)	(889.5)	56.3	(833.2)
Operating profit / (loss) before financial and investing activities	286.8	207.9	(182.3)	29.6	342.0	(10.6)	331.4
Dividend income	331.0	-	-	-	331.0	(331.0)	-
Interest income	2.2	0.5	0.4	31.9	35.0	(33.3)	1.7
Interest and related expenses	(47.6)	(23.5)	(2.3)	(33.3)	(106.7)	50.5	(56.2)
Income tax	31.1	(61.2)	(6.7)	(8.0)	(44.8)	(1.1)	(45.9)
Profit / (loss) for the year from continuing operations	512.1	132.7	(191.4)	18.9	472.3	(235.1)	237.2
Purchase of property, plant and equipment and intangible assets	338.9	255.9	54.1	18.9	667.8	-	667.8

2020	OTE	COSMOTE Group – Greece	TELEKOM ROMANIA MOBILE	OTHER	TOTAL	Elim.	GROUP
Segment assets from continuing operations	2,722.6	2,391.7	362.1	1,727.5	7,203.9	(1,942.5)	5,261.4
Segment liabilities from continuing operations	2,697.4	1,143.9	207.5	1,310.6	5,359.4	(1,942.5)	3,416.9

Transactions between the segments are eliminated in the context of consolidation and the eliminated amounts are included in the column eliminations. The segment assets shown in “Other” include loans and interest receivable by OTE PLC of an amount of Euro 1,183.5 (2020: Euro 1,177.6) which is eliminated at Group level.

GEOGRAPHIC INFORMATION

Geographic information for the Group's revenues, operating profit before financial and investing activities, depreciation, amortization and impairment and operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations is as follows:

2021	GREECE	ROMANIA	Elim.	TOTAL
Total revenues	3,078.1	315.5	(25.3)	3,368.3
Operating profit before financial and investing activities, depreciation, amortization and impairment	1,432.5	47.5	(0.1)	1,479.9
Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations	1,330.1	51.7	(0.1)	1,381.7

2020	GREECE	ROMANIA	Elim.	TOTAL
Total revenues	2,939.7	350.4	(31.2)	3,258.9
Operating profit before financial and investing activities, depreciation, amortization and impairment	1,126.4	38.4	(0.2)	1,164.6
Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations	1,268.4	42.5	(0.2)	1,310.7

28. RELATED PARTY DISCLOSURES

OTE's related parties have been identified based on the requirements of IAS 24 "Related Party Disclosures".

The Group includes all entities which OTE controls, either directly or indirectly (Note 1). Transactions and balances between companies in the Group are eliminated on consolidation.

DEUTSCHE TELEKOM AG is a 48.3% shareholder of OTE and consolidates OTE using the full consolidation method. Therefore, all companies included in the DEUTSCHE TELEKOM group are also considered related parties.

The Company purchases goods and services from these related parties, provides services and delivers goods to them. Furthermore, OTE grants and receives loans to and from these related parties and also receives and pays dividends.

OTE's sales and purchases with related parties are analyzed as follows:

	2021		2020	
	Sales OTE	Purchases OTE	Sales OTE	Purchases OTE
COSMOTE Group - Greece	61.4	151.5	83.5	134.7
COSMOTE TV PRODUCTIONS	-	6.5	-	6.3
COSMO-ONE	0.1	0.5	0.1	0.5
OTESAT-MARITEL	0.5	0.1	0.4	0.4
CTS	0.5	151.9	-	1.6
COSMOTE PAYMENTS	-	0.6	-	-
COSMOTE GLOBAL SOLUTIONS S.A.	-	0.4	-	-
OTE ESTATE	0.2	0.3	0.2	4.3
OTE GLOBE	8.1	36.9	9.2	37.0
OTE ACADEMY	-	3.3	-	1.6
TELEKOM ROMANIA (until the date of the disposal)	0.1	0.2	-	0.1
TELEKOM ROMANIA MOBILE	3.0	2.4	0.1	-
OTE RURAL NORTH	2.7	3.7	2.2	2.7
OTE RURAL SOUTH	3.6	5.5	3.0	4.4
DEUTSCHE TELEKOM group of companies (except for OTE Group)	8.6	7.3	17.9	5.8
TOTAL	**88.8**	**371.1**	**116.6**	**199.4**

Purchases of OTE from CTS include network construction services amounting to Euro 18.2 for 2021 (2020: Euro nil).

Purchases of OTE from related parties do not include an amount of Euro 35.6 related to lease expenses (2020: Euro 43.3).

The Group's sales and purchases with related parties which are not eliminated in the consolidation are analyzed as follows:

	2021		2020	
	Group's sales	Group's purchases	Group's sales	Group's purchases
DEUTSCHE TELEKOM group of companies (except for OTE Group)	35.6	51.6	42.1	49.7
TOTAL	**35.6**	**51.6**	**42.1**	**49.7**

Group's sales and purchases include an amount of Euro 4.6 and Euro 18.4, respectively, related to discontinued operations (2020: Euro 6.2 and Euro 18.1, respectively).

OTE's other operating income with its related parties is analyzed as follows:

	Other operating income OTE	
	2021	2020
COSMOTE Group - Greece	15.2	2.9
CTS	10.1	-
OTE ESTATE	0.3	0.7
OTE ACADEMY	0.2	0.2
OTE GLOBE	0.1	-
DEUTSCHE TELEKOM group of companies (except for OTE Group)	0.1	-
TOTAL	**26.0**	**3.8**

The Group's other operating income with its related parties which is not eliminated in the consolidation is analyzed as follows:

	Group's other operating income	
	2021	2020
DEUTSCHE TELEKOM group of companies (except for OTE Group)	0.1	-
TOTAL	0.1	-

OTE's financial activities with its related parties, which comprise interest on loans granted and received are analyzed as follows:

	2021		2020	
	Finance income OTE	Finance expense OTE	Finance income OTE	Finance expense OTE
OTE PLC	-	18.3	-	31.9
COSMOTE Group - Greece	0.1	-	0.2	-
OTE RURAL NORTH	0.1	-	0.5	-
OTE RURAL SOUTH	0.4	-	0.4	-
TOTAL	0.6	18.3	1.1	31.9

OTE's dividend income from its related parties is analyzed as follows:

	Dividend income OTE	
	2021	2020
COSMOTE	180.0	300.0
OTE INSURANCE	0.5	-
OTESAT-MARITEL	-	0.3
OTE ESTATE	20.4	30.7
TOTAL	200.9	331.0

Amounts owed to and by the related parties as a result of OTE's transactions with them, including dividends are analyzed as follows:

	31/12/2021		31/12/2020	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
COSMOTE Group - Greece	77.4	162.5	184.8	151.6
TELEKOM ROMANIA MOBILE	0.1	4.0	0.4	-
COSMOTE TV PRODUCTIONS	-	1.7	0.1	1.7
COSMO-ONE	-	0.1	-	-
OTESAT-MARITEL	4.5	-	5.1	0.2
CTS	13.2	33.1	-	0.5
COSMOTE PAYMENTS	0.5	0.2	-	-
COSMOTE GLOBAL SOLUTIONS S.A.	-	0.4	-	-
OTE ESTATE	1.8	0.5	1.8	0.2
OTE GLOBE	2.6	10.3	2.8	15.8
OTE ACADEMY	0.1	0.6	0.5	0.4
TELEKOM ROMANIA	-	-	1.6	-
OTE RURAL NORTH	0.9	0.1	0.5	-
OTE RURAL SOUTH	1.0	0.1	0.7	0.3
DEUTSCHE TELEKOM group of companies (except for OTE Group)	2.9	6.1	3.0	3.0
TOTAL	105.0	219.7	201.3	173.7

In 2021, amounts owed to OTE by COSMOTE Group – Greece include dividend receivable of Euro 40.0 (2020: Euro 150.0 by COSMOTE Group – Greece and Euro 0.9 by OTESAT - MARITEL, respectively).

OTE's lease liabilities to related parties are analyzed as follows:

	01/01/2021					31/12/2021
	Lease liabilities, opening balance	Spin-off	Lease payments	New Contracts / Contract Modifications	Interest expense	Lease liabilities, ending balance
OTE ESTATE	203.3	(37.1)	(31.7)	(2.2)	5.7	138.0
COSMOTE Group - Greece	6.3	(0.7)	(5.3)	(0.2)	0.1	0.2
OTE RURAL NORTH	0.6	-	(0.5)	0.6	0.1	0.8
OTE RURAL SOUTH	1.0	-	(1.0)	1.6	0.1	1.7
TOTAL	**211.2**	**(37.8)**	**(38.5)**	**(0.2)**	**6.0**	**140.7**

In addition, the Company's depreciation includes depreciation charge for the right-of-use assets in relation to lease agreements with related parties amounting to Euro 31.3 (2020: Euro 35.3).

Amounts owed to and by the related parties as a result of the Group's transactions with them, which are not eliminated in the consolidation, are analyzed as follows:

	31/12/2021		31/12/2020	
	Amounts owed to Group	Amounts owed by Group	Amounts owed to Group	Amounts owed by Group
DEUTSCHE TELEKOM group of companies (except for OTE Group)	8.5	348.4	10.3	357.9
TOTAL	**8.5**	**348.4**	**10.3**	**357.9**

Amounts owed by Group to DEUTSCHE TELEKOM group as of December 31, 2021 include an amount of Euro 300.0 (nominal amount) related to Notes issued by OTE PLC (Note 19) and subscribed partially or in full by DEUTSCHE TELEKOM AG (December 31, 2020: Euro 300.0 nominal amount). Interest expenses for the above Notes amount to Euro 2.5 (2020: Euro 2.8).
Amounts owed to and by OTE relating to loans granted and received, are analyzed as follows:

	31/12/2021		31/12/2020	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
OTE PLC	-	1,178.1	-	1,172.1
COSMOTE Group - Greece	-	-	0.1	-
OTE RURAL NORTH	6.1	-	6.1	-
OTE RURAL SOUTH	8.5	-	8.6	-
TOTAL	**14.6**	**1,178.1**	**14.8**	**1,172.1**

Amounts owed by OTE to OTE PLC relating to loans include interest payable amounting to Euro 6.3 (December 31, 2020: Euro 7.2).

Amounts owed to OTE by OTE RURAL NORTH and OTE RURAL SOUTH relating to loans include interest receivable amounting to Euro 0.1 as of December 31, 2021 (December 31, 2020: Euro 0.2).

Key Management Personnel and those closely related to them are defined as related parties in accordance with IAS 24 "Related Party Disclosures". Key management compensation comprises salaries and other short term benefits, termination benefits, post-employment benefits and other long term benefits (as defined in IAS 19 "Employee Benefits") and share based payments (as defined in IFRS 2 "Share-based Payment").

Fees to the members of the Board of Directors and OTE's key management personnel amounted to Euro 11.9 and Euro 10.2 for the years 2021 and 2020, respectively.

The main transactions between the Group companies are described below:

OTE GLOBE

OTE GLOBE provides international telephony services on behalf of OTE to international providers and invoices OTE with its fees. OTE GLOBE invoices OTE, and OTE invoices OTE GLOBE for the telecommunication traffic which passes through international networks of OTE GLOBE or international telephone networks of OTE as the case may be. In addition, the two entities have commercial transactions in relation to leased lines.

OTE ESTATE
OTE ESTATE earns income from leasing of buildings to OTE and its subsidiaries.

COSMOTE TV PRODUCTIONS
COSMOTE TV PRODUCTIONS invoices OTE for TV related services.

COSMO-ONE
COSMO-ONE invoices OTE and its subsidiaries for IT services.

OTESAT-MARITEL
OTE invoices OTESAT-MARITEL for the usage of OTE's facilities for INMARSAT services. OTESAT-MARITEL invoices OTE for fixed to mobile connection.

CTS
CTS provides services of technical field operations to OTE and its subsidiaries. OTE invoices CTS for the provision of shared services.

COSMOTE Group
OTE invoices COSMOTE Group (COSMOTE) for leased lines. COSMOTE Group invoices OTE with commissions in relation to sales made through the commercial channels of COSMOTE Group (GERMANOS). COSMOTE Group (COSMOTE E-VALUE) provides customer care and support services to OTE. OTE and COSMOTE Group (COSMOTE) have income and expenses for interconnection depending to which of the two entities' network the calls terminate, including international telephony traffic which passes through the two networks. OTE and COSMOTE Group have also revenues and expenses for other shared services, depending which of the entities provides the services.

OTE ACADEMY
OTE ACADEMY provides training services to the employees of OTE and its subsidiaries.

OTE PLC
OTE PLC grants / receives loans to / from OTE and its subsidiaries.

OTE RURAL NORTH
OTE invoices OTE RURAL NORTH for broadband infrastructure development and has granted loans to this entity. OTE RURAL NORTH provides wholesale broadband network services to OTE.

OTE RURAL SOUTH
OTE invoices OTE RURAL SOUTH for broadband infrastructure development and has granted loans to this entity. OTE RURAL SOUTH provides wholesale broadband network services to OTE.

DEUTSCHE TELEKOM group of companies
The Group has income and expenses which arise from transactions concerning incoming, outgoing and transit traffic to and from the network of the companies that belong to DEUTSCHE TELEKOM group, as well as other shared services.

29. LITIGATION AND CLAIMS – COMMITMENTS

A. OUTSTANDING LEGAL CASES

The Group and the Company have made appropriate provisions in relation to litigations and claims, when it is probable that an outflow of recourses will be required to settle the obligations and the respective amount can be reliably estimated.

The most significant outstanding legal cases as at December 31, 2021, are as follows:

OTE

Lease agreements (OTE Leasing): On December 11, 2001, OTE disposed its wholly owned subsidiary, OTE Leasing, to Piraeus Financial Leasing S.A.. As prescribed in the agreements signed for the sale of OTE Leasing, OTE is committed to indemnify Piraeus Financial Leasing S.A. up to an amount of approximately Euro 28.0, for possible losses to be incurred from the non-performance of lessees for contracts signed through to the date of sale of OTE Leasing. Piraeus Financial Leasing S.A. filed a lawsuit against

OTE, claiming Euro 3.4 from OTE for the reason described above. The hearing following several postponements took place on April 26, 2018 and the Court's decision that was issued ordered the submission of an expert opinion on the matter. The expert submitted his report to the Court and the case was re-discussed on September 24, 2020. By decision of the Athens Multi-Member Court of First Instance, the call of Piraeus Financial Leasing S.A was rejected and the discussion of the lawsuit was declared inadmissible.

Teledome S.A.: Teledome S.A. filed various lawsuits against OTE before the Athens Multimember Court of First Instance.

1. A lawsuit claiming an amount of Euro 3.6 for alleged damages incurred by it as a result of OTE's delay in delivering to it leased lines. The lawsuit was heard on February 28, 2007 and the Court ordered factual investigation and reduced the claim to an amount of Euro 1.4. The investigator has completed the factual investigation resulting to an amount of Euro 0.9. The case was heard before the Athens Multimember Court of First Instance on February 25, 2015. The Court decided to accept the said claim and awarded to Teledome S.A. the respective amount in accordance with the factual investigation. OTE appealed against this decision and a decision was issued, which accepted OTE's appeal and rejected Teledome S.A. lawsuit as unsubstantiated, following OTE's objection for setting-off. Against the aforementioned decision, an appeal has been filed whose hearing in front of the Supreme Court took place on February 7, 2022 and the decision is pending.

2. A lawsuit claiming an amount of Euro 4.4 for alleged breach of contractual obligations arising out of disconnection of telecommunication services was heard on March 6, 2008 and was rejected by the court. Teledome S.A. appealed against this decision and the hearing is pending.

Franchisees lawsuits: Evros Telecommunications S.A. filed a lawsuit against OTE claiming an amount of Euro 2.0 for alleged damages and customer base compensation. The case was heard on May 10, 2017 and was rejected by the Court. Evros Telecommunications S.A. filed an appeal against the Court's decision, whose hearing date has been set for April 14, 2022.

Employees' Claims: OTE's current and former employees have filed a number of lawsuits against OTE with a wide variety of claims.

Payphones Duties: In the prior years, the Municipality of Thessaloniki based on municipal legislation, has charged OTE with duties and penalties currently amounting to approximately Euro 3.3 for the installation and operation of payphones within the common areas of its responsibility. These duties and penalties concern the period from 2001 until 2007 and from 2010 until 2013, while no duties and penalties have been charged for the years 2008 and 2009. OTE disputed the above assessments and filed appeals before the competent administrative Courts, while prepaying the 40% of the previously mentioned duties and penalties, which constitutes a refundable amount in the event of a favorable judicial outcome for OTE. Currently the hearing of certain appeals is still pending in front of the Council of State. The judicial decisions have rejected OTE claims as regards the years prior to year 2006, due to the fact that specific telecommunication legislation for rights of way had not been issued at the time. However, there have also been judicial decisions in favor of OTE.

FLT HELLAS METAFORIKH S.A.: FLT HELLAS METAFORIKH S.A. filed a lawsuit against OTE before the Multimember Court of First Instance claiming an amount of Euro 12.4 plus interest for alleged damages caused by OTE from breach of contract and reputational damage. The Court rejected the claim. FLT HELLAS METAFORIKH S.A. appealed against that decision. The case was heard on September 28, 2017 and a decision was issued, which dismissed the lawsuit as indeterminate. On October 18, 2018, FLT HELLAS METAFORIKH S.A. filed a new lawsuit with the same demands. The hearing took place on December 16, 2021 and the decision is pending.

Fines of HTPC against OTE (over Euro 0.5): HTPC has imposed various fines on OTE (an initial amount Euro 15.8 reduced through appeals to an amount of Euro 7.6) with a wide variety of thematic claims, as part of the Company's routine activity. OTE has appealed for the annulment of these fines.

On April 16, 2014, WIND had filed a complaint to HTPC against CYTA, OTE and COSMOTE upon the implementation by the said companies of telecommunications legislation in respect of the maintenance of the Registry provided for in Article 11 of Law 3471/2016. On November 16, 2016, a call to a hearing was notified to COSMOTE and OTE. HTPC referred the case to the Hellenic Data Protection Authority ("DPA"). On March 16, 2016, the DPA issued a decision, according to which, inter alia: a) it ruled that the companies OTE and COSMOTE did not apply and continued not to apply properly the provision of article 11, paragraph 2 of Law 3471/2006, b) launched the administrative sanction of a warning to OTE and COSMOTE, in order to amend the subscriber Registry registration process that these companies follow. In addition, DPA forwarded the case file to HTPC. In the meantime FORTHNET and MEDIATEL submitted similar complaints against OTE and COSMOTE before HTPC. VODAFONE intervened in the proceedings against OTE and COSMOTE. The hearing was held on February 21, 2017 and a memorandum and additional information was submitted. Due to a change in the composition of HTPC, HTPC invited the parties to a new repeat hearing on July 18, 2018, when it was held. On November 1, 2021, HTPC issued a decision according to which a violation of law 4070/2012 by OTE and COSMOTE is ascertained and the sanction of "recommendation" to abstain from such behaviors in the future is imposed upon both companies, while the complaints for violation of competition law are rejected.

WIND, VODAFONE, CYTA, NEWSPHONE and FORTHNET have been filed against the decisions of HTPC concerning the allocation of the net cost of universal service for the years 2010 and 2011. With these decisions of HTPC, the total cost for the universal service has been determined for the years 2010 and 2011 at an amount of Euro 46.8, out of which Euro 29.8 relates to OTE. OTE intervened in favor of the validity of HTPC's decisions in the abovementioned pending trials, whose hearing took place on June 12, 2020. Decisions were issued rejecting the appeals of the companies VODAFONE, CYTA, NEWSPHONE and FORTHNET. The decisions on the respective appeals of WIND have not been issued yet. VODAFONE appealed before the Council of State against the above decisions of the Athens Administrative Court of Appeal.

WIND filed an appeal against the decisions of HTPC concerning the allocation of the net cost of universal service for the years 2012 until 2016. With these decisions of HTPC, the total cost for the universal service has been determined for the years 2012 until 2016 at an amount of Euro 36.8, out of which Euro 23.1 relates to OTE. The hearing date has been set, after postponement, for April 15, 2022. OTE intervened in favor of HTPC requesting the rejection of this appeal.

OTE has been summoned to a hearing before HTPC on September 21, 2020 for alleged breach of telecommunication and competition law, regarding delays in activation of local loops and fault repair for the period from November 2016 to November 2018. The hearing is grounded on a technical report issued by HTPC and complaints of WIND, VODAFONE and FORTHNET. A new date for the hearing has not been set yet.

Orange Romania: On September 30, 2021, the sale to Orange Romania of the shares held by the Group to TELEKOM ROMANIA, was completed. The contract provided for the possibility of adjusting the purchase price based on the completion accounts of TELEKOM ROMANIA as of September 30, 2021 and agreed levels of cash and working capital. On December 24, 2021 Orange Romania informed OTE that according to the completion accounts, the purchase price for the transferred shares of TELEKOM ROMANIA should be reduced by Euro 24.0 approximately. OTE examines the completion accounts prepared by Orange Romania.

COSMOTE

Unauthorized file export from COSMOTE's system: On September 8, 2020 an unauthorized file export from COSMOTE's system was detected, as a result of a cyber-attack. The file contained data on the calls made or received by mobile subscribers during the five-day period between September 1, and September 5, 2020, namely: phone number, day and time and duration of the call. The file also included device model, IMSI, age, gender, ARPU, cell tower coordinates and tariff plan. The aforementioned data are used by the company for network and customer service optimization. The file did not contain call content (speech) or content of messages, names, addresses, passwords, credit card or other banking data information. The company immediately blocked the unauthorized access, took all necessary measures and informed the competent Authorities from the very first moment as provided by the law. Until today, there has been no indication whatsoever with regard to publishing or other abuse of the data in the illegally retrieved file. The affected persons were notified about the incident at October 14, 2020, after consulting the Authorities, as there no longer was any serious risk to the investigation. The notification took place through public announcement in the main corporate web page, together with press release that was sent to more than 100 print, radio and TV stations of nationwide broadcasting, digital media and media groups. Furthermore, on October 16, 2020 COSMOTE also pressed criminal charges before the Public Prosecutor against unknown offender(s). Following that, a preliminary criminal investigation has been initiated by the Cyber Crime Unit of the Hellenic Police. Meanwhile, Hellenic Authority for Communication Security and Privacy ("ADAE") and Hellenic Data Protection Authority ("DPA") have initiated an audit related to the issues falling within their competences. COSMOTE is in continuous cooperation with the competent authorities. On April 23, 2021 an online hearing took place before DPA. Both COSMOTE and OTE were invited to the hearing. OTE's summons at this hearing probably relates to the fact that the point used for the cyber-attack to COSMOTE was a website hosted on OTE infrastructure (Webhosting). A memorandum was submitted on May 24, 2021 to DPA. In January 2022, DPA imposed fines on COSMOTE and OTE amounting to Euro 6.0 and Euro 3.3, respectively. An application for annulment of the decision of the DPA will be filed before the Council of State. On January 31, 2022, COSMOTE was summoned by ADAE to a hearing. The hearing took place on February 21, 2022 through the submission of a memorandum. ADAE may also invite OTE to a hearing,

Fines of HTPC against COSMOTE (over Euro 0.5): HTPC has imposed various fines on COSMOTE (an initial amount Euro 7.2 reduced through appeals to an amount of Euro 3.1) with a wide variety of thematic claims, as part of the Company's routine activity. COSMOTE has appealed for the annulment of these fines.

On July 20 2016, HTPC notified COSMOTE about a complaint filed by WIND, against COSMOTE and VODAFONE, for alleged violation of Competition Law, relating to retail prices for calls terminating to their subsidiaries in Albania, for the period from February 2012 and up to this day and alleged violation of article 26, of law 3728/2008 regarding intragroup transactions. COSMOTE submitted to HTPC a memorandum with the requested data and its views on the complaint. HTPC invited COSMOTE, VODAFONE and WIND to a hearing, which took place on September 28, 2017. After the hearing, the parties were requested to submit a written memorandum and additional information. COSMOTE submitted the requested information. Due to a change in the composition of HTPC, HTPC invited the parties to a new repeat hearing on June 4, 2018, when it was held. The decision is pending.

GERMANOS

GERMANOS is a party, to certain lawsuits filed by former franchisees (franchisees of the GERMANOS chain of stores and its agents) regarding the issues of these partnerships as well as for other cases with a total amount of Euro 22.5. The hearings of these cases are scheduled until 2023.

In 2017 a former franchisee of the chain GERMANOS stores and a close related to him person, filed lawsuits against GERMANOS and COSMOTE of a total amount of Euro 32.5, out of which an amount of Euro 5.0 related to material and consequential damage for alleged breach of competition law, unconventional behaviour under the commercial cooperation and tort and an amount of Euro 27.5 related to non-material damage. The hearing took place on February 8, 2018 and the Court decision which was issued, rejected one of the filed lawsuits, accepted the other with regard to claims stemming from the commercial cooperation and awarded to the former franchisee the amount of Euro 60,000 (in absolute amount) plus interest. Against this decision an appeal was filled by the opponent, whose hearing date has been set, following postponements, for March 9, 2023.

HELLENIC COMPETITION COMMISSION ("HCC"): On December 30, 2014, HCC imposed a fine of Euro 10.3 to GERMANOS for breaching Article 1 of Law 3959/2011 and Article 101 of Treaty on the Functioning of the EU, during period 1990 to 2012, in relation to the franchise system GERMANOS and the related contracts with franchisees. GERMANOS appealed to the Administrative Court of Appeal of Athens for the annulment of the decision. The Administrative Court of Appeal partially upheld the appeal and annulled the decision of the HCC regarding the fine, because the fine was imposed cumulatively and not calculated individual for each infringement, and reverted the case to the HCC in order to calculate the fine separately for each infringement. GERMANOS raised an appeal before the Council of State whose hearing was scheduled, following postponements for September 25, 2019, whereupon the Court referred the hearing of the case in front of another Section of the Council of State. The hearing date, following postponements, has been set for March 21, 2022. In October 2016, GERMANOS was informed of the new decision of the HCC which imposed a fine separately for each violation, namely an amount of Euro 6.2 for designation of resale prices, an amount of Euro 3.1 for prohibition of cross-supplies between distributors - franchisees and an amount of Euro 1.0 for imposing non-competition clause after the expiration of the contracts (in total an amount of Euro 10.3). Against the above decision of the HCC, GERMANOS appealed to the Athens Administrative Court of Appeals and the hearing is determined following postponements, to April 12, 2022.

CRIMINAL PROCEEDINGS

OTE

SIEMENS case. Within the framework of the ongoing criminal proceedings for the SIEMENS case in Greece [allegations for criminal offenses in respect of the conclusion of the Framework Agreement 8002/1997 with SIEMENS S.A. and Siemens Teleindustries S.A. (now UNIFY S.A.) for the digitalization of the network of OTE] the Five Member Athens Court of Criminal Appeals, issued its decision, according to which a former Minister of Transportation and Communication, was convicted to 5 years imprisonment for the crime of money laundering from criminal activity committed repeatedly and as a profession, i.e. the laundering of money obtained from passive bribery committed. The Court decided that the penalty will be bailed out and the former minister will pay the total amount of Euro 140,000 (absolute amount) in 32 installments. A former SIEMENS employee (also being a defendant in the below second case) has been convicted to 11 years of imprisonment for the crime of bribery and money laundering. The penalty was suspended because he filed an appeal before the Supreme Court.
Although OTE was not a civil party in the appeal trial, the Court decided that the amount of Euro 230,000 (absolute amount) in the former minister's bank account that had been freezed, will be paid to OTE (after the issuance of the decision of the Supreme Court).

Furthermore, the trial of 64 in total, defendants (including 14 former executives of OTE for the crime of passive bribery and the crime of money laundering) that has already started on November 27, 2015 before the Three Member Athens Court of Criminal Appeals is concluded. OTE participated in the trial as a civil party requesting compensation for moral damages suffered as a result of the abovementioned offenses.

According to the provisions of the new Penal Code, being in effect from July, 1, 2019, the Court on November 19, 2019 and on December 2, 2019, decided the following:

The criminal prosecution ceased for all the defendants due to the statute of limitation, with regard to the crimes of active and passive bribery and for participation to active and passive bribery.
Furthermore, according to the Court's decision, with regard to defendants - former OTE executives/employees:

- six of the defendants were found guilty for money laundering (convicted to 10-15 years of imprisonment),
- for five of the defendants, the criminal prosecution ceased due to the statute of limitations additionally for the crime of money laundering,
- for two of the defendants, the criminal prosecution ceased due to death and finally,
- one of the defendants was found innocent.

The hearing at second Instance before the five-member Criminal Court of Appeal had been scheduled for October 27, 2021. Since then, several hearings took place dealing with procedural issues. The trial is ongoing.

OTE has also filed a lawsuit for damages before German Courts and the case is still pending.

B. COMMITMENTS

Capital commitments

Capital commitments for the acquisition of property, plant and equipment and intangible assets are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Up to 1 year	111.1	111.7	69.0	69.6
1 to 5 years	29.0	27.3	29.0	27.3
TOTAL	**140.1**	**139.0**	**98.0**	**96.9**

Other operating commitments

Other operating commitments for repair and maintenance services and other services are analyzed as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Up to 1 year	266.1	249.2	205.7	195.6
1 to 5 years	51.5	35.6	51.5	40.6
Over 5 years	4.1	29.5	6.5	31.9
TOTAL	**321.7**	**314.3**	**263.7**	**268.1**

30. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Fair value and fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuing technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

During the year there were no transfers between level 1 and level 2 fair value measurement, and no transfers into and out of level 3 fair value measurement.

The following tables compare the carrying amount of the Group's and the Company's financial instruments that are carried at amortized cost to their fair value:

	Carrying Amount		Fair value	
GROUP	**2021**	**2020**	**2021**	**2020**
Financial Assets				
Trade receivables	504.4	433.1	504.4	433.1
Loans to pension funds	75.6	79.3	104.2	115.8
Loans and advances to employees	37.4	37.3	37.4	37.3
Guarantees	6.9	7.2	6.9	7.2
Guaranteed receipt from Grantor (Financial asset model)	0.5	4.2	0.5	4.2
Restricted cash	1.8	2.3	1.8	2.3
Cash and cash equivalents	630.7	516.2	630.7	516.2
Financial Liabilities				
Long-term borrowings	753.7	974.8	776.0	1,019.3
Short-term borrowings	-	205.9	-	206.9
Short-term portion of long-term borrowings	397.3	23.1	403.8	24.4
Lease liabilities	260.9	351.8	260.9	351.8
Trade accounts payable	818.5	719.8	818.5	719.8
Interest payable	7.3	8.1	7.3	8.1
Liability for TV broadcasting rights (long-term)	63.0	83.2	63.0	83.2

	Carrying Amount		Fair value	
COMPANY	**2021**	**2020**	**2021**	**2020**
Financial Assets				
Trade receivables	304.1	250.4	304.1	250.4
Loans to pension funds	75.6	79.3	104.2	115.8
Loans and advances to employees	9.5	35.8	9.5	35.8
Guarantees	0.3	0.5	0.3	0.5
Other receivables from related parties	47.2	158.0	47.2	158.0
Loans to group companies	14.5	14.5	16.5	17.1
Cash and cash equivalents	274.0	105.5	274.0	105.5
Financial Liabilities				
Long-term borrowings	797.6	894.1	818.7	935.4
Short-term borrowings	-	270.8	-	272.2
Short-term portion of long-term borrowings	374.2	-	380.0	-
Lease liabilities	151.8	240.1	151.8	240.1
Trade accounts payable	468.2	371.5	468.2	371.5
Interest payable	6.6	7.4	6.6	7.4
Liability for TV broadcasting rights (long-term)	63.0	83.2	63.0	83.2

The fair values of loans to pension funds, loans to group companies, long-term borrowings and short-term borrowings are based on either quoted (unadjusted) prices or on cash flows discounted using either direct or indirect observable inputs. The fair value of the remaining financial assets and financial liabilities approximate their carrying amounts.

As at December 31, 2021, the Group and the Company held the following financial instruments measured at fair value:

	Fair value		Fair value hierarchy
GROUP	**2021**	**2020**	
Financial Assets			
Investments in mutual funds	5.1	4.7	Level 1
Investments in mutual funds	0.5	0.7	Level 3

COMPANY	Fair value		Fair value hierarchy
	2021	2020	
Financial Assets			
Investments in mutual funds	3.0	2.8	Level 1

FINANCIAL RISK MANAGEMENT

Macroeconomic conditions in Greece
Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary measures are taken in order to minimize any impact on the Group's Greek operations. Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Group's financial and non-financial assets as of December 31, 2021.

Risk from the coronavirus (COVID-19) outbreak
In early 2020, there was a global outbreak of coronavirus (COVID-19) which impacted the global supply and demand, including Greece. Governments proceeded on vaccination programs, containment measures are imposed when necessary, while a number of fiscal actions emerged, in European Union and in Greece, intended to mitigate potential negative economic impacts.

Management is closely monitoring the situation and its potential impact on the Group's activities. The Group follows the guidance and decisions of all relevant agencies and adheres to the requirements and actions endorsed by the Greek authorities. In addition, business-continuity and risk-containment strategies are proactively executed.

Financial Risks
The below stated risks are significantly affected by the macroeconomic and financial environment in Greece.

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

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

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

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Group and the Company. However, due to the large number of customers and the diversification of the customer base, there is no concentration of credit risk with respect to these receivables. Concentration of risk is however considered to exist for amounts receivable from other telecommunication service providers, due to their relatively small number and the high volume of transactions they have with the Group and the Company. For this category the Group and the Company assess the credit risk following the established policies and procedures and recognizes the appropriate provision for impairment.

The Group and the Company have established specific credit policies under which customers are analyzed for creditworthiness and there is an effective management of receivables in place both before and after they become overdue and doubtful. In monitoring credit risk, customers are grouped according to their business group, their credit risk characteristics, aging profile and existence of previous financial difficulties, also adjusted for forward-looking factors specific to the customers and the economic environment.

Taking into consideration the impact of COVID-19, the Group and the Company have also incorporated in the provision for expected credit losses the increase in credit risk for customers whose business is negatively affected and for those whose payment profile indicated a greater risk.

Group's cash and cash equivalents are mainly invested in highly rated counterparties and with a very short term tenor.

Loans include loans to employees, which are collected either through the payroll or are netted-off with their retirement indemnities, and loans to the pension fund related to prior years voluntary leave schemes. The latter loans are exposed to credit risk related to the debt servicing capacity of the pension fund.

Impairment of financial assets

The Group and the Company have the following types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Contract assets
- Lease receivables
- Loans to group companies
- Loans to pension funds
- Loans and advances to employees
- Other financial assets.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified loss was immaterial.

The Group applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables, contract assets and lease receivables.

The following tables demonstrate the credit risk exposure on gross carrying amount of trade receivables and contract assets for the Group and the Company:

GROUP (simplified approach)				
December 31,2021	**Performing**	**Underperforming**	**Non-Performing**	**Total**
Trade receivables	544.9	72.8	711.6	**1,329.3**
Contract assets	34.6	-	6.7	**41.3**
TOTAL	**579.5**	**72.8**	**718.3**	**1,370.6**

GROUP (simplified approach)				
December 31,2020	**Performing**	**Underperforming**	**Non-Performing**	**Total**
Trade receivables	477.1	71.0	697.3	**1,245.4**
Contract assets	28.7	-	6.5	**35.2**
TOTAL	**505.8**	**71.0**	**703.8**	**1,280.6**

COMPANY (simplified approach)				
December 31,2021	**Performing**	**Underperforming**	**Non-Performing**	**Total**
Trade receivables	339.2	37.4	372.1	**748.7**
Contract assets	3.4	-	-	**3.4**
TOTAL	**342.6**	**37.4**	**372.1**	**752.1**

COMPANY (simplified approach)				
December 31,2020	**Performing**	**Underperforming**	**Non-Performing**	**Total**
Trade receivables	284.3	29.5	364.5	**678.3**
Contract assets	0.4	-	-	**0.4**
TOTAL	**284.7**	**29.5**	**364.5**	**678.7**

Trade receivables balances as of December 31, 2021 are stated after the write-offs of Euro 51.5 for the Group and Euro 9.3 for the Company, respectively.

The major part of the outstanding balance of lease receivables for the Group and the Company are considered as performing.

The remaining financial assets of the Group are considered to have low credit risk, therefore the Group applies the IFRS 9 general approach and the loss allowance was limited to 12 months expected losses. The outstanding balances of these financial assets are considered as performing.

Financial assets which have a low risk of default and a strong capacity to meet contractual cash flows are considered as performing, while financial assets for which there is a significant increase in credit risk since initial recognition but there is no objective evidence of a credit loss event are treated as underperforming. Non-performing financial assets are those that have objective evidence of impairment at the reporting date and there is limited expectation of recovery.

The split of trade receivables and contract assets within the above categories and the assessment of whether there has been an increase in credit risk on a Group level is assessed based on each Group entity's best estimates taking into account its specific facts and circumstances.

b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations as they fall due. Liquidity risk is kept at low levels by ensuring that there is sufficient cash on demand and / or credit facilities to meet the financial obligations falling due in the next 12 months. The Group's and the Company's cash and cash equivalents and other financial assets as at December 31, 2021 amount to Euro 636.3 and Euro 277.0 respectively and their short-term portion of long-term borrowings amounts to Euro 397.3 and Euro 374.2, respectively.

For the monitoring of the liquidity risk, the Group prepares cash flows forecasts on a frequent basis.

The analysis of the undiscounted contractual payments (including debt principal and interest payments) of the financial liabilities of the Group and the Company is as follows:

GROUP					
December 31, 2021	**Less than 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Global Medium-Term Note Programme (GMTN)	389.1	5.6	516.9	202.5	1,114.1
Bank loan (EIB) COSMOTE	25.2	24.5	35.6	-	85.3
NBG/Alpha credit line	0.6	-	-	-	0.6
Lease liabilities	78.9	74.5	87.3	44.6	285.3
Trade accounts payable and long-term liability for TV broadcasting rights	818.5	46.8	20.4	-	885.7
TOTAL	**1,312.3**	**151.4**	**660.2**	**247.1**	**2,371.0**

December 31, 2020	Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Global Medium-Term Note Programme (GMTN)	215.8	413.9	13.1	504.4	1,147.2
Bank loan (EIB) COSMOTE	25.8	25.2	60.1	-	111.1
NBG/Alpha credit line	0.6	0.6	-	-	1.2
TELEKOM ROMANIA MOBILE credit facility	5.9	-	-	-	5.9
Lease liabilities	76.4	67.7	118.0	219.1	481.2
Trade accounts payable and long-term liability for TV broadcasting rights	719.8	31.9	56.0	-	807.7
TOTAL	**1,044.3**	**539.3**	**247.2**	**723.5**	**2,554.3**

Guarantees

OTE has guaranteed the borrowings of its subsidiary, OTE PLC as follows:

- As of December 31, 2021: Euro 1,181.5
- As of December 31, 2020: Euro 1,176.4.

COMPANY					
December 31, 2021	**Less than 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 Years**	**Total**
Intragroup loans (OTE PLC)	389.7	107.5	517.6	202.6	1,217.4
NBG/Alpha credit line	0.6	-	-	-	0.6
Lease liabilities	30.4	31.4	90.1	16.1	168.0
Trade accounts payable and long-term liability for TV broadcasting rights	468.2	46.8	20.4	-	535.4
TOTAL	**888.9**	**185.7**	**628.1**	**218.7**	**1,921.4**

December 31, 2020	Less than 1 year	1 to 2 years	2 to 5 years	Over 5 Years	Total
Intragroup loans (OTE PLC)	287.8	414.4	13.6	504.5	1,220.3
NBG/Alpha credit line	0.6	0.6	-	-	1.2
Lease liabilities	53.1	42.8	117.5	55.3	268.7
Trade accounts payable and long-term liability for TV broadcasting rights	371.5	31.9	56.0	-	459.4
TOTAL	713.0	489.7	187.1	559.8	1,949.6

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will result in fluctuations of the value of the Group's and the Company's financial instruments. The objective of market risk management is to manage and control exposure within acceptable levels.

The individual risks that comprise market risk and the Group's and the Company's policies for managing them are described below:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates.

The analysis of borrowings by type of the interest rate is as follows:

	GROUP		COMPANY	
	2021	2020	2021	2020
Floating interest rate	-	5.9	-	-
Fixed interest rate	1,151.0	1,197.9	1,171.8	1,164.9
TOTAL	1,151.0	1,203.8	1,171.8	1,164.9

The following table demonstrates the sensitivity to a change in interest rates on loans and deposits to the income statement.

If interest rates were to increase by 100 basis points, the impact would be:

	GROUP		COMPANY	
	2021	2020	2021	2020
Effect on profit before tax	1.6	1.2	0.7	0.3

If interest rates were to decrease by 100 basis points, the impact would be:

	GROUP		COMPANY	
	2021	2020	2021	2020
Effect on profit before tax	(1.6)	(1.2)	(0.7)	(0.3)

The impact presented in the above tables is based on the following considerations:

a) The total debt of the Group bears fixed interest rates, thus the Group is not sensitive to potential changes in interest rates on loans.

b) Deposit rates are assumed to increase / decrease by 25.0% of the respective nominal interest rate change. Therefore, an increase by 100 basis points in nominal interest rates is assumed to increase deposit rates by only 25 basis points and similarly a decrease by 100 basis points in nominal interest rates is assumed to reduce deposit rates by only 25 basis points.

ii. Foreign currency risk

Currency risk is the risk that the fair values of the cash flows of a financial instrument fluctuate due to foreign currency changes.

The Group operates in Greece and Romania and as a result is exposed to currency risk due to changes between the functional currencies and other currencies. The main currencies within the Group are the Euro and the Ron (Romania).

Foreign currency risks that do not affect the Group's cash flows (i.e. the risks resulting from the translation of foreign operations financial statements into the Group's reporting currency) are generally not hedged.

The following table demonstrates the sensitivity to a reasonably possible change in the functional currency exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities):

Change in functional currency exchange rate against Euro	Effect on profit before tax	
	2021	2020
-10%	2.8	4.0
10%	(2.8)	(4.0)

Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business plans and maximize shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

An important means of managing capital is the use of the gearing ratio (ratio of net debt to equity) which is monitored at Group and Company level. Net debt includes interest bearing loans and notes, as well as long-term and short-term lease liabilities (following IFRS 16 adoption as of January 1, 2019), less cash and cash equivalents.

	December 31	
GROUP	2021	2020
Long-term borrowings	753.7	974.8
Short-term borrowings	-	205.9
Short-term portion of long-term borrowings	397.3	23.1
Lease liabilities (long-term portion)	189.2	290.6
Lease liabilities (short-term portion)	71.7	61.2
Cash and cash equivalents	(630.7)	(516.2)
Net debt	**781.2**	**1,039.4**
Total equity	1,972.2	2,139.8
Gearing ratio	**0.40x**	**0.49x**

	December 31	
COMPANY	2021	2020
Long-term borrowings	797.6	894.1
Short-term borrowings	-	270.8
Short-term portion of long-term borrowings	374.2	-
Lease liabilities (long-term portion)	126.5	195.3
Lease liabilities (short-term portion)	25.3	44.8
Cash and cash equivalents	(274.0)	(105.5)
Net debt	**1,049.6**	**1,299.5**
Total equity	3,198.6	3,259.2
Gearing ratio	**0.33x**	**0.40x**

31. RECLASSIFICATIONS

In the consolidated and separate income statement of 2020, an amount of Euro 1.1, has been reclassified from "Miscellaneous other revenues" to "Other revenues (Fixed business)" for better presentation.

32. AUDIT AND OTHER FEES

Audit and other fees concerning the PricewaterhouseCoopers network, are analyzed as follows:

(Absolute amounts)	GROUP		COMPANY	
	2021	2020	2021	2020
Fees for auditing services	1,453,150	2,088,015	522,000	528,000
Audit fees for the Tax compliance report	702,100	670,000	276,000	271,000
Other assurance services	33,000	116,000	8,000	91,000
Other fees	45,000	93,596	36,000	73,096
Total fees	**2,233,250**	**2,967,611**	**842,000**	**963,096**

Specifically, audit and other fees to PricewaterhouseCoopers S.A. (PricewaterhouseCoopers Greece and not to the other PricewaterhouseCoopers network offices) are analyzed as follows:

(Absolute amounts)	PricewaterhouseCoopers S.A - Greece	
	2021	2020
Fees for auditing services	1,071,500	1,049,000
Audit fees for the Tax compliance report	702,100	670,000
Other assurance services	33,000	116,000
Other fees	45,000	92,096
Total fees	**1,851,600**	**1,927,096**

33. EVENTS AFTER THE FINANCIAL POSITION DATE

The most significant events after December 31, 2021 are as follows:

OTE

Share Buyback Program

Within the framework of the Share Buyback Program and specifically during the period from March 5, 2021 to February 20, 2022, 14,435,076 treasury shares were acquired, out of which 2,225,380 were acquired during the period from January 1, 2022 to February 20, 2022.

Furthermore, the Extraordinary General Shareholders' Meeting of January 18, 2022 approved a new Own Share Buyback Program for 24 months for up to 10% of the Company's outstanding shares, at a price range between Euro 1 (absolute amount) and Euro 30 (absolute amount) per share.

Cancellation of Own Shares

The Extraordinary General Shareholders' Meeting on January 18, 2022 approved the cancellation of 8,638,512 own shares, together with corresponding reduction of the Company's share capital by Euro 24.4. On February 17, 2022, following notification to the Corporate Actions Committee of the Athens Stock Exchange and the completion of other legal and regulatory procedures, the aforementioned 8,638,512 shares were cancelled and delisted from the Athens Stock Exchange effective from February 22, 2022.

Revised Shareholders Remuneration Policy

On February 23, 2022, the Board of Directors approved the revised Shareholders Remuneration Policy (Note 18).

COSMOTE

Payment of principal installment under the Euro 150.0 term loan with EIB

On January 24, 2022, COSMOTE paid principal installment of Euro 11.5 under the term loan with EIB.

Fines of DPA against COSMOTE and OTE

In January 2022, DPA imposed fines on COSMOTE and OTE amounting to Euro 6.0 and Euro 3.3, respectively, related to an unauthorized file export from COSMOTE's system, as a result of a cyber-attack (Note 29).