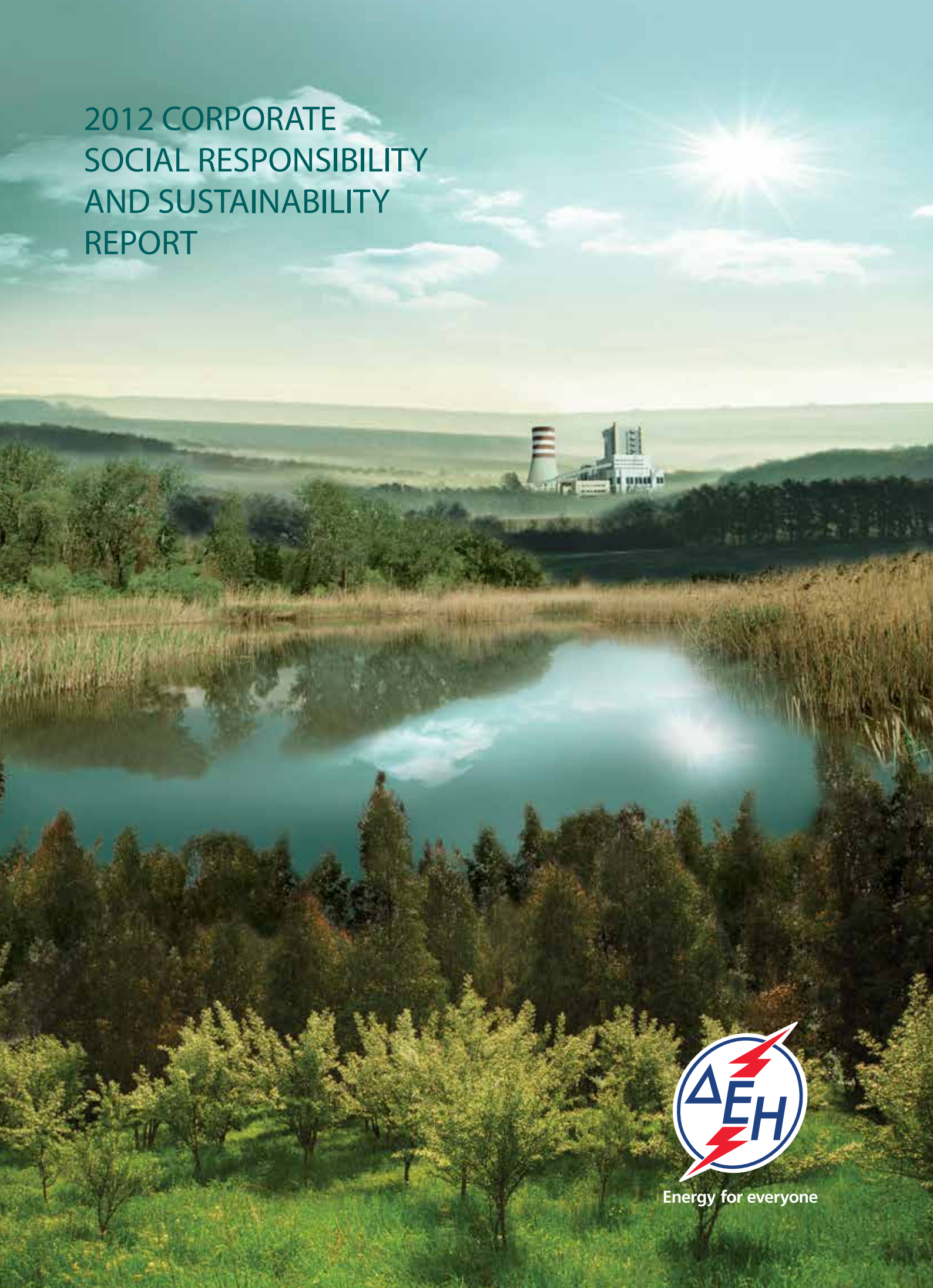


2012 CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY REPORT



Energy for everyone





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Message from the Chairman and Ceo

*We believe
that adherence
to the principles
of sustainable
development
is essential...*

The Public Power Corporation S.A. publishes its Corporate Social Responsibility and Sustainability Report for the third consecutive year, consistent with its beliefs on accountability, transparency and the proper briefing of all its stakeholders.

Despite the difficult economic conditions that still prevail in Greece, we believe that adherence to the principles of sustainable development is essential, because each concession on the application of these principles would have decisive consequences both on the long-term sustainability of PPC itself, and on society as a whole.

Against a more general backdrop of recession, PPC manages to improve its financial performance and its productivity, and, with its dynamic presence, it continues to contribute to growth in Greece.

In 2012, there was a significant change in the structure of our Corporation, similar to the one that took place last year, namely the spin-off of the Transmission Division and the creation of the «Independent Power Transmission System Operator - IPTO S.A.». According to Greek Law 4001/2011, the Distribution Division was separated from PPC S.A. and HEDNO S.A. (the Hellenic Electricity Distribution Network Operator S.A.) was formed. The new corporation now manages the Hellenic Electricity Distribution Network and ensures, in the most economical, transparent, prompt and impartial manner, the access of all users to the Network so that they can operate. Through this change in its structure, PPC actively contributes to the reliable operation of a deregulated electricity market in Greece.

Our employees are the key to the sustainability of our Corporation. To this end, we place great importance on health and safety at work in order to create the appropriate conditions and minimize the possibility of accidents. Moreover, we ensure that our staff improves its skills, as we provide ongoing training and education for their professional and personal development.

The generation of electricity, a commodity so common and so necessary that it is taken for granted, has a profound impact on the environment. In PPC, we make every effort to reduce our environmental footprint: we renew our generating capacity with new state of the art units, we improve the environmental performance of older units, we increase the use of Renewable Energy Sources and we restore areas after the mining of lignite. Moreover, we give special emphasis on conserving natural resources and on proper waste management.

At the same time, our main concern is to improve our social footprint: we care about the communities in the areas we operate in, and therefore we support their economic activity and improve the quality of life through infrastructure works and through sponsoring cultural and sports activities.

In 2012, we pursued and achieved the goals we had set the previous year, given that we certified more power generation units and supported the voluntary initiatives of our employees.

Guided by the great contribution of PPC in Greek society and despite the difficult conditions that prevail in our

country, in 2013 we will continue our reform program, focusing on: continuing the implementation of a more environment-friendly investment program, the continuous improvement of the services PPC offers to its customers and supporting our fellow citizens in every corner of our country.

Arthouros Zervos

2. About the Report



The 2012 Corporate Social Responsibility and Sustainability Report covers the period between 01/01/2012 and 31/12/2012 and it is the third PPC CSR and sustainability report.

Scope and Boundary

The Report refers to the activities of the parent Corporation, namely the Public Power Corporation S.A. (hereinafter “PPC” or the “Corporation”) in Greece, and references are made to the three biggest PPC subsidiaries that do participate in the Greek energy policy (without consolidation of data). Data relating to other subsidiaries, possible joint ventures, suppliers or third parties have not been included in the Report.

The change in the institutional framework of the

electricity market led -in the end of 2011 and early 2012- to the separation of the PPC Transmission and Distribution Divisions from PPC and to the creation of two subsidiaries: IPTO S.A. (Independent Power Transmission System Operator S.A.) and HEDNO S.A. (Hellenic Electricity Distribution Network Operator S.A.) respectively. Considering that the previous reports covered the transmission and distribution activities and seeking the best way for a smooth transition to the new state of affairs, we decided to summarize the activity of new subsidiaries in independent sections of this Report.

Furthermore, recognizing the important role of PPC Renewables S.A. in achieving the PPC objectives in the field of renewable energy resources and sustainable growth in general, we present the PPC Renewables activity in a separate section of this Report for the third consecutive year.

We believe that our approach in defining the scope and boundary of the Report allows readers to watch the progress of the Corporation to date and lays the ground for next year’s report. Where there are data revisions, the reasons revisions were made, are described.

Defining Content

The Report seeks to present the PPC performance in Corporate Social Responsibility (CSR) and sustainability issues, based on the following three values: Economy - Environment - Society. It addresses all stakeholder groups of the Corporation, such as its customers, its shareholders and investors, its partners, its employees, the institutional and public bodies, the local communities, etc.

The Report has been prepared in accordance with the guidelines of the Global Reporting Initiative (GRI - version G3.1).

The process for defining the report content was based on the GRI G3.1 guidelines, and the principles of inclusiveness, materiality, sustainability context and completeness, and the related GRI Technical Protocols for Indicators are included. More than that, the GRI - Electric Utilities Sector Supplement, the ISO 26000 standard, stakeholders’ expectations and the characteristics of Greek

society were taken into consideration.

The topics collected were prioritized based on the impact they have on the Corporation and its stakeholders, and this impact is derived from the process of Defining PPC Sustainable Development Materiality Issues (which is further described in the next section) and the communication with stakeholders.

Finally, the completeness of the material topics was assessed and the content of the report was determined.

Drafting this Report

The Corporate Social Responsibility Section is responsible for the coordination of data collection for this Report. The Report Steering Committee may participate in the process. The role of the Committee that consists of Management members is to facilitate the flow of work, in case the CSR Section fails to resolve issues.

The CSR Section follows the steps of the Sustainability Report Data Collection process that has been adopted and is accompanied by electronic forms of data collection and a quantitative data calculation and integration tool. The CSR Team, made up of employees from the General Divisions and Independent Sections, plays an active role in data collection for the Report.

The CSR Section groups the necessary data by source of information and coordinates the CSR Team members as regards gathering the relevant information. The data collected are approved by the relevant Directors and is sent to the CSR Section. The Section evaluates the data and may request clarifications, modifications or additional information where necessary. After the quantitative indicators are calculated, data are consolidated (where required), and then the Report is drafted. The final draft of the Report is checked and approved by the senior Management of the Corporation.

The method of processing raw numerical data to cover composite indicators is described in the respective sections of the Report. Please note that there have been no changes to the data measurement and processing compared to previous reports.

Data Sources

The data and the information presented in this Report have been collected and processed from the databases at the PPC headquarters and at its individual Divisions, with the support of different computer systems, applications, archives and established processes.

In cases where it was impossible to collect homogeneous data from all PPC activities so that general, comprehensive results could be produced, the Report presents selected data with clear reference to the operational unit involved.

Data referring to the three subsidiaries were provided by the companies themselves.

External Assurance

The Report was submitted for external assurance to an independent assurance provider, according to the International Assurance Standard 3000 (ISAE 3000).

Tell us what you think



We value what the readers think of this Report and we therefore welcome your remarks, questions, clarifications and/or suggestions for improvement.

Please forward your comments to:
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Public Power Corporation S.A.
29, Halkokondyli St., Athens GR-10432
Tel: +30 210 5218629, Fax: +30 210 5218626
E-mail: e.sarikaki@dei.com.gr
www.dei.gr

3. PPC Corporate Profile

The Public Power Corporation is one of the largest industrial enterprises in tangible fixed assets, and is the leading public utility corporation in the electricity sector in Greece.



3.1 Activities

The Public Power Corporation S.A., «PPC» or the «Corporation», with the distinctive title «PPC S.A.», is the largest electricity generation and supply Corporation in Greece. PPC has lignite mines, and electricity generation and distribution facilities. It is one of the largest industrial enterprises in tangible fixed assets, and is the leading public utility corporation in the electricity sector in Greece.

The Corporation headquarters are located at 30, Halkokondyli Street, 10432, Athens, Greece.

The main objective of the PPC operation is the commercial and industrial activity in the energy sector in Greece and abroad. The design, supervision, construction, maintenance and operation of power plants are indicative of some of its main activities. In addition, the Corporation's activities include the supply and sale of electricity, the mining, the generation and supply of energy raw materials, and the assignment of any such contract work to third parties. Finally, other activities included in the objective of the PPC operation are the establishment of companies, the PPC participation in joint ventures, the acquisition of shares in other Greek or foreign companies, and, in general, the participation in companies that have a similar purpose to those described above, or whose activities directly or indirectly relate to the purposes of the Corporation, or which focus on the development of the movable or immovable property of the Corporation and the exploitation of its resources.

In 2011, the Transmission business moved to IPTO and in 2012 the Distribution business was transferred to HEDNO. After the spin-off of these new independent subsidiaries, PPC retained ownership of the property and the assets of the Distribution Network and the Networks of Non-Interconnected Islands. More information on the scope of activities, organization and operation of the new companies can be found in the relevant sections of this Report.

Today, the Corporation is organized and operates in divisions as follows:

Mines

In the mining sector, PPC operates through the Mines Division. The mission of the Mines Division is the exploration, extraction, management and marketing of lignite and of other solid energy raw materials and the use of derivatives of its activity, thereby contributing to the energy security and the economic development of the country, with consideration for the environment and the people.

The low cost of lignite mining, its stable and readily controllable price and the provision of stability and security in the fuel supply, make lignite a fuel of strategic importance for the Corporation. Moreover, its extraction process creates thousands of jobs for the residents of regional Greece, especially in the areas the Corporation operates in.

Generation

The PPC Generation Division is responsible for power generation. Its main task is to develop the generating capacity of the thermal power plants and large hydroelectric power plants belonging to PPC and to ensure the optimal running of those facilities, while complying with the Greek environmental requirements.

In mainland Greece, the largest part of the generation capacity is concentrated in the northern part of the country near the large mines, which are a major fuel source. On the Aegean islands that are not connected to the National Transmission Network, our autonomous power stations operate using oil as their fuel. Additionally, on certain islands, demand is covered by renewable energy sources (RES).

To maintain its position in the deregulated energy market, PPC, through the Generation Division, has taken certain strategically important decisions, such as:

- The decision to build new power plants that incorporate cutting edge technologies and optimal techniques,
- The decision to decommission old and inefficient power plants,
- The decision to accelerate the completion of hydroelectric projects,
- The decision to upgrade stand-alone and local power plants on the non-interconnected islands,
- The decision to reduce CO₂ emissions.

PPC in Numbers

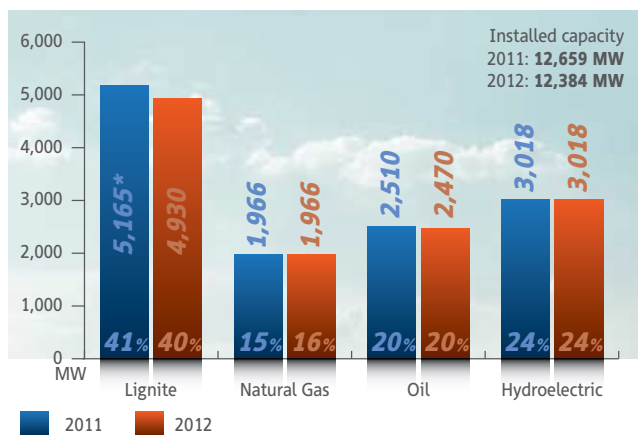
Net Sales:	€ 5,887.9 million
PPC Employees:	11,352
Installed Capacity:	12,384 MW
Net energy output:	40,004 GWh
Investments:	€ 718.5 million

Number of mines:	8
Number of thermal power plants:	16
Number of hydroelectric power plants:	15
Stand-alone and local power plants:	32
Number of connections:	7,388,636
Number of stores:	138

Geographical allocation of power plants

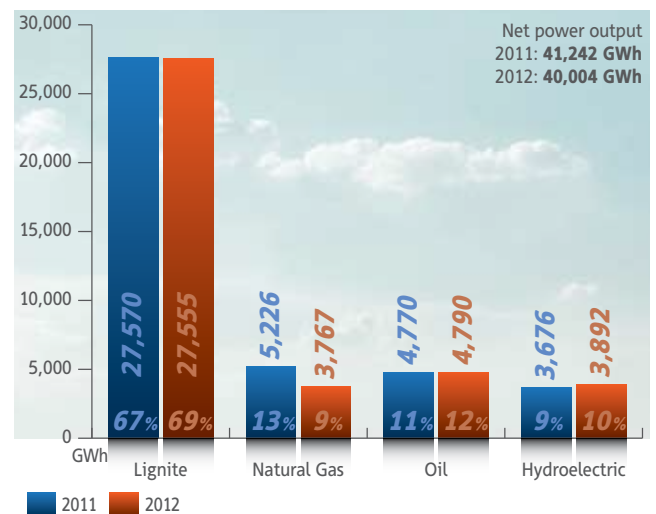


The portfolio of power plants with a total installed capacity of 12,384 MW by primary energy source as of 31/12/2012 is shown in the table below:



* Lignite-fired Units I & II of the Megalopolis I Steam Electric Plant are included, each having a capacity of 125 MW; both Units went permanently offline on 30/09/2011.

The portfolio of power plants with a total net power output of 40,004 GWh by primary energy source is shown in the table below:



The availability and average performance rates of the PPC plants are shown in the table below. The efficiency rate is affected by the dispatching of the

plants and by the exploitation rate, which in 2012 was lower than the one in 2011, resulting in a decrease in efficiency.

Power Plants Interconnected System	2011		2012	
	Availability (%)*	Average Efficiency (%)**	Availability (%)*	Average Efficiency (%)**
Lignite plants	78.76	34.77	78.91	33.97
Diesel plants	80.18	34.52	99.77	37.92
Natural gas plants	85.21	48.62	83.19	47.77
Total	80.57	36.31	82.03	35.10
Crete				
Diesel plants (fuel oil)	87.05	36.56	88.80	36.12
Diesel plants (diesel)	84.02	33.61	85.37	34.60
Total	85.36	35.83	86.85	35.76
Rhodes				
Diesel plants (fuel oil)	88.75	38.20	88.72	37.99
Diesel plants (diesel)	85.26	27.31	94.68	30.39
Total	87.40	36.18	91.83	36.65
Other plants on non-interconnected islands				
Diesel plants	87.80	42.18	87.12	42.31

* It refers to average availability. The calculation in each instance refers to the weighted average availability of all plants using a specific type of fuel. Likewise, "total" refers to the weighted average availability of all PPC thermal plants.

** The average efficiency is calculated on the basis of the efficiency rate relative to energy output. The calculation refers to the weighted average value of the annual efficiency of all plants using a specific type of fuel. Likewise, "total" refers to the weighted average efficiency of all PPC thermal power plants.

Supply

The Supply Division is responsible for electricity sales to consumers of every category, and its mission is to act as an Electricity Supplier on behalf of PPC. The Supply Division aims at maintaining PPC's leading position in the deregulated market by developing an appropriate commercial and pricing policy, focusing mainly on providing customers with reliable services and establishing a long-lasting and sincere communication with them.

The deregulated market has created a new framework PPC must operate in, and, coupled with competition, this framework has resulted in new conditions and requirements for PPC. The Supply Division has responded positively to this deregulation of the electricity market

with fair competition and lack of distortions, and has practically supported all institutional actions that have been required. In this context, the role of the Supply Division is two-fold:

- To ensure sufficient energy supply to meet the needs of PPC's customers in the best possible way through participation in the wholesale market as a supplier.
- To provide top quality services to customers at the most competitive prices possible as a supplier and to actively contribute to healthy competition with regard to energy supply and sales.

The table below sets out the categories of PPC customer accounts/connections, and the relevant number of

connections in each category. Out of a total of 7,388,636 connections, 77.41% are residential connections and 16.93% are commercial ones.

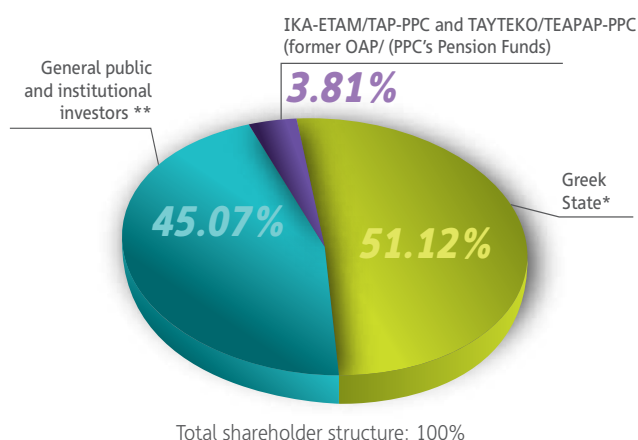
Medium and Low Voltage Customer/Connection Category	Number of Connections in 2011	Number of Connections in 2012
Residential	5,692,123	5,719,758
Agricultural	207,394	208,130
Commercial	1,199,957	1,251,059
Industrial	54,549	61,078
Public lighting (roads, and squares)	96,327	96,989
Public authorities	51,298	51,527
Traction	86	95
Total	7,301,734	7,388,636

In addition to low and medium voltage customers, in 2012, PPC also served 56 high voltage clients.

3.2 Shareholder Structure

The Corporation's share capital amounts to € 1,067,200,000 divided into 232,000,000 ordinary shares of € 4.6 nominal value each. During the last five years, there has been no change in the Corporation's shareholder structure.

PPC shareholder structure (31/12/2012)



* In September 2012, the Hellenic Republic Asset Development Fund (TAIPED) became the proxy of the Hellenic Republic with the right to exercise at its absolute discretion in the most opportune manner and without taking instructions from the shareholder, the Hellenic Republic, the voting rights of the 39,440,000 common voting shares (i.e. 17% of the outstanding share capital of the Corporation) without the voting rights of the Hellenic Republic in PPC being transferred to

TAIPED. This proxy will last for thirty-six (36) months from the date of signature of the relevant contract, unless the development of the Corporation and therefore the purpose of proxy is completed earlier.

** This includes "Silchester International Investors LLP" that holds 32,024,558 shares (13.8% of PPC voting rights) as of 8/12/2011 in its role as manager of investments of its following clients: Silchester International Investors International Value Equity Trust, Silchester International Investors International Value Equity Taxable Trust, Silchester International Investors International Value Equity Group Trust, Silchester International Investors Tobacco Free International Value Equity Trust and The Calleva Trust.

PPC is not aware of any shareholders other than the "Hellenic Republic", "Silchester International Investors LLP" and collectively the "IKA-ETAM/TAP-PCC" and "TAYTEKO / TEAPAP-PPC", which hold directly a percentage greater than or equal to 3% of its share capital.

With the Decision dated 30/11/2012 of the Extraordinary General Meeting, the Article of Incorporation that provided that the Hellenic Republic participated at least by 51% in the PPC share capital was abolished. This amendment to the Articles of Incorporation resulted in the harmonization with the applicable legislation, and makes it possible to reduce the current percentage the Hellenic Republic holds in the share capital of the Corporation.

3.3 Participation in Subsidiaries

The following table presents the companies that were wholly owned by PPC on 31/12/2012.

Subsidiary	Description
PPC Renewables S.A.	Renewable Energy Sources (RES)
HEDNO (formerly PPC Rhodes S.A.)	Management, development, operation and maintenance of the Hellenic Electricity Distribution Network (HEDN).
IPTO (formerly PPC Telecommunications S.A.)	Management, development, operation and maintenance of the Independent Power Transmission Operator (IPTO) and its interconnections.
PPC FINANCE PLC	General Trading Corporation

3.4 Corporate Governance Framework

Complying with corporate governance principles is a key commitment and priority for PPC. The Corporation aims at its optimal organization, administration and operation, at increased transparency in its relations with shareholders

and generally at safeguarding the Corporation's interests. Hence, PPC has established and applies a Code of Corporate Governance. This Code provides a framework of principles and procedures which the Corporate Governance System of the Corporation follows as regards management, shareholder, internal control and risk management issues.

The Corporate Governance Code is available on the PPC website (please visit www.dei.gr). The 2012 Statement of Corporate Governance is included in the relevant Annual Report of the Corporation.

3.5 Administrative Organization

The spin-off of the Distribution sector led to the abolishment of the Distribution Division. More than that, in 2012, the Support Operations Division was established and the Organization Department was abolished, and its activities were incorporated into the Human Resources and Organization Department.

3.6 Governance Structure

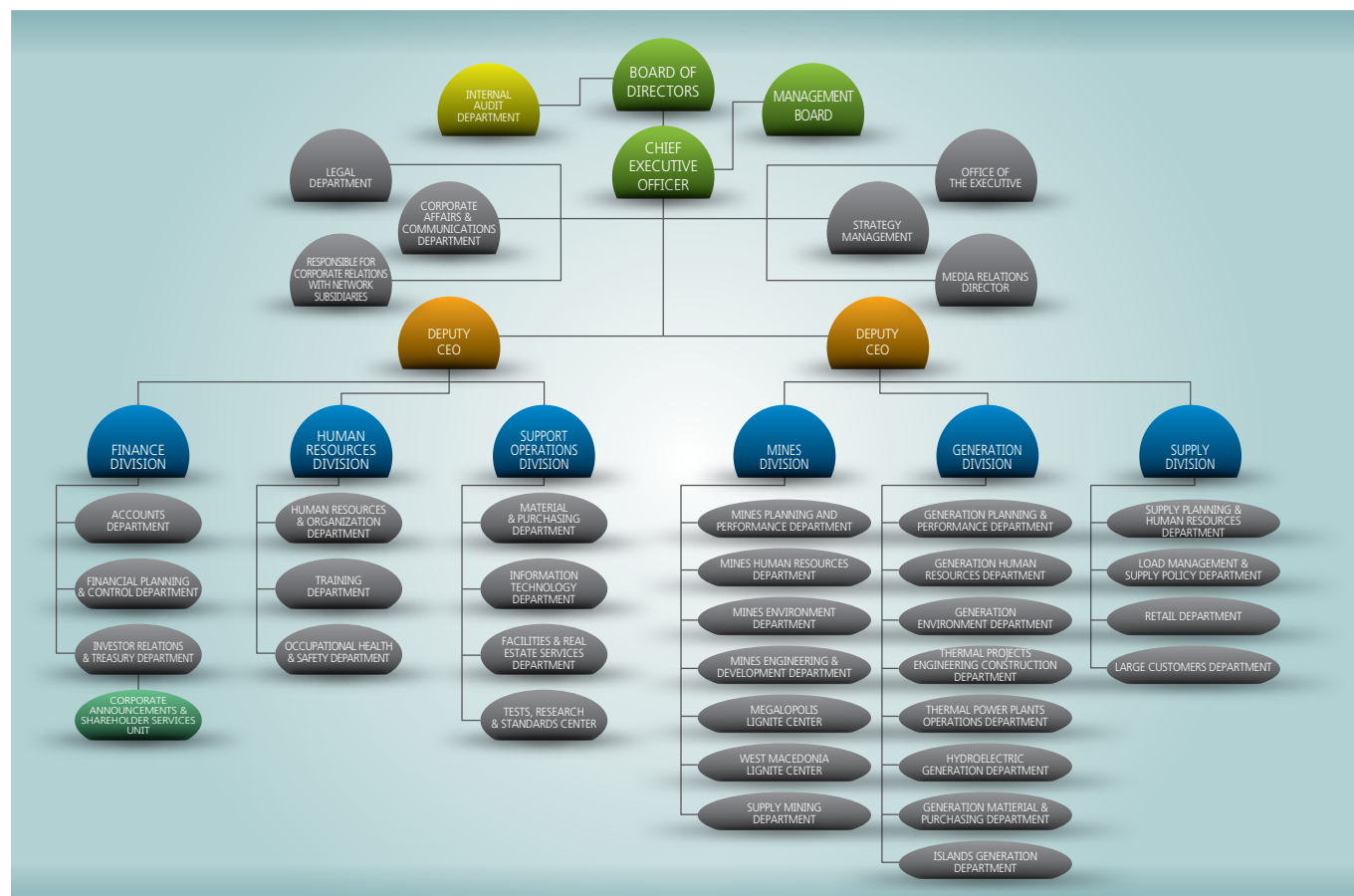
The Corporation's General Meeting of Shareholders is the highest-ranking management body and has the right to pass resolutions on any issue affecting the Corporation. The Greek State is the majority shareholder of the Corporation and exercises the rights conferred by the Articles of Incorporation and the relevant provisions on SOCIÉTÉ ANONYME companies.

The Greek State attends the General Meeting and is represented by the Minister of Finance or his legal representative. Furthermore, the supervising Minister or his legal representative may attend the General Meeting without voting rights.

Apart from the General Meeting of Shareholders, the Corporation's Governance bodies include:

- The Board of Directors (BoD)
- The Chief Executive Officer (CEO)
- The Management Board

Public Power Corporation S.A. Organizational Chart



Thereafter information on the governance bodies and the existing procedures is briefly presented. More details can be found in the 2012 Annual Report.

Board of Directors

The Board of Directors (BoD) is PPC's highest-ranking management body. The BoD creates the Corporation's strategy and its development policy, supervises and reviews the management of its assets. After a proposal from the CEO, the BoD approves:

- the Strategic Plan that describes the strategic goals for achieving the Corporation's purpose;
- the Business Plan of the Corporation, for the next three (3) to five (5) years, that provides further details on the goals set in the Strategic Plan for each year;
- the methods for the implementation of the Strategic Plan and the Business Plan for each year;
- the annual Budget of the Corporation;

The Board of Directors consists of 11 members that are elected as follows:

- Six members, including the CEO, are elected by the PPC General Meeting, in which the minority shareholders cannot participate in. The Board of Directors then elects the Chairman and Vice Chairman among those members.
- Two members representing the PPC employees are elected by PPC's most representative employee trade union.
- Two members to represent minority shareholders are elected by a Special Meeting of the Corporation's shareholders.
- One member who comes from organizations in sectors related to PPC's activities is appointed by the Economic and Social Committee of Greece.

On 31/12/2012, the BoD consisted of one woman and 10 men. Four members were between 30-50 years old and seven were over 50 years old.

Name	Post	Executive Member	Nonexecutive Member	Independent Member	Audit Committee	Remuneration Committee	CSR Supervision
Arthouros Zervos	Chairman and Chief Executive Officer	✓	-	-	-	-	-
Konstantinos Theos	Vice Chairman	✓	-	-	-	-	-
Urania Ekaterinari	Member	✓	-	-	-	-	-
Panayiotis Alexakis	Member representing the minority shareholders	-	✓	✓	✓	✓	✓
Elias Antoniou	Member Economic and Social Committee Representative	-	✓	✓	✓	-	✓
Harilaos Vasilogeorgis	Member	-	✓	✓	-	-	-
Nikolaos Vernikos	Member	-	✓	✓	✓	✓	-
Pavlos Thomoglou	Member	-	✓	✓	-	-	-
Ioannis Karavasilis	Representing the minority shareholders	-	✓	-	-	-	-
Ioannis Konstantopoulos	Member	-	✓	✓	-	✓	-
Evangelos Bouzoulas	Member Employee representative	-	✓	-	-	-	-

The CEO

PPC's CEO is elected by the General Meeting of the Shareholders and has a three-year tenure.

- He is the PPC Chief Executive Officer.
- He supervises all divisions and, departments and manages their operations.
- He decides on the further organization of the Corporation, within the context laid down by the Articles of Incorporation and the relevant decisions of the Board of Directors.
- He takes the necessary decisions in light of the provisions governing the PPC operation, the approved programs and budgets, the Strategic Plan and the Business Plan.
- He represents the Corporation within the limits of his powers as designated by the Articles of Incorporation and the relevant decisions of the Board of Directors.

The Management Board

The Management Board is composed of the CEO, who chairs it, the Deputy Chief Executive Officers, if any, and the General Managers. The Management Board meetings may be attended by the Legal Counsel of the Corporation, at the discretion of the CEO.

The Management Board replaced the Competitive and Corporate Functions Management Board and the Network Management Board, after the IPTO and HEDNO spin offs.

The Management Board operates in accordance with the decisions of the Board of Directors, ensuring the necessary collective responsibility, when handling PPC administrative and operational issues, and consistency in its operation.

The Management Board operates in accordance with its Operations Regulation, which is approved by the Board of Directors after a proposal by the CEO.

Board of Directors Committees

The Board of Directors has set up the Audit Committee and the Remuneration Committee, in implementation of the current legislation on corporate governance and in order to ensure the best corporate governance practices.

The Audit Committee consists of at least two non-

executive members and one independent, non-executive member of the Board of Directors. The members of the Audit Committee are appointed by the General Meeting and their powers and obligations are as follows:

- Monitoring the financial reporting process,
- Monitoring the effective operation of the internal control and the risk management systems and also monitoring the proper functioning of the internal audit department,
- Monitoring the mandatory audit of individual and consolidated financial statements,
- Reviewing and monitoring issues relating to the establishment and continued objectiveness and independence of the certified auditors, especially in relation to other services provided by them to PPC and its subsidiaries.

***The Board of Directors
(BoD) is PPC's
highest-ranking
management body. The BoD
creates the Corporation's
strategy and its development
policy, supervises and
reviews the management
of its assets.***

The Corporation's Remuneration Committee consists of three non-executive members of the Board of Directors, whereas at least two are independent. The Remuneration Committee is responsible for examining and submitting proposals to the Board of Directors to determine any remuneration and payment of Board members, as well as of the Corporation's senior executives, in this case with the involvement of the CEO.

In the past, the PPC policy on the remuneration of executives and BoD members was based on fixed data (basic remuneration-salary) and on variable data that were performance related. With the adoption of Laws 3833/10, 3845/10 and 4092/12, the remuneration of the executive members of the Board may not exceed the maximum salary as determined by the aforementioned laws. The remuneration is, therefore, clearly defined and does not draw on variable, performance-related data, and thus the Committee has largely inactive powers.

3.7 Conflict Of Interest

In order to avoid conflict of interest, PPC implements a series of procedures which ensure that conflict between the interests of members of the Board of Directors, of executives and other employees and the Corporation is avoided.

More information on avoiding conflict of interest is included in the 2012 Annual Report.



3.8 Internal Audit

PPC has an Internal Audit Department that directly reports to the Board of Directors and is supervised by the Board of Directors' Audit Committee. The Internal Audit Department's mission is to ensure that all PPC business risks are audited in the same way.

The PPC Board of Directors, with its 240/27/11/2012 decision approved the Internal Audit Manual of the Internal Audit Department, which sets out the principles and mode of operation, as well as it establishes uniform guidelines and procedures that must be followed by the auditors so that high quality is achieved in the operation of the Internal Audit Department.

In 2012, 17 Units of the Corporation were audited and 50 audits relating to administrative or financial compliance took place. No corruption-related audits took place.

PPC is also subject to inspections by the Greek public administration inspectors.

3.9 Risk Management

The Corporation has defined risk as a group of uncertain and unpredictable situations that may affect its overall operations, its business transactions, its financial performance, the execution of its strategy and its objectives. The 2012 Annual Report lists the main risks that have been identified, including the risks referred to in the provision of Public Utility Services, as regards the implementation of the provisions of the Memorandum of Economic and Financial Policy, the availability of lignite reserves, in laws and regulations relating to health and safety of employees, etc. The Annual Report also lists risks identified and related to climate change and to the rights of carbon dioxide emissions (CO₂), to the hydrological conditions, to the laws and regulations concerning the environment and natural disasters. The process of identifying and reporting risks is coordinated by the Finance Division. The PPC BoD ensures that the relevant risks are identified early on and treated effectively through the application of appropriate risk management systems.

Recognizing the need for a more systematic and holistic way of managing risk, in early 2013, PPC established the Risk Management Division, which will undertake the important task of recognizing and assessing risks in

principle so as to recommend the design and the adoption of specific procedures and risk management policies to the Board of Directors.

Apart from the above, PPC has developed and implemented a Sustainable Development Materially Issues process for the identification and prioritization of its business impacts/risks based on the triptych of the CSR fundamental principles (namely, the economy, society, and the environment). The aforementioned process is further analyzed in following sections.

3.10 Key Financial Information

The turnover in 2012 amounted to € 5,887.9 million compared to € 5,180.3 million in 2011, an increase of € 707.6 million (+13.7%). Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to € 812.3 million in 2012 compared to € 533.7 million in 2011, up by 52.2%, while net profits amounted to € 17.1 million compared to losses of € 272.9 million in 2011, i.e. an increase of € 290 million.

The total PPC investments amounted to € 718.5 million and were distributed as follows: € 141.6 million in Mining, € 275.8 million in Generation, € 297.8 million in the Distribution Network, € 2.2 million in Marketing and € 1.1 million in the Managing Divisions. There was a decrease in PPC investments in 2012 by € 283.8 million compared to those of 2011, namely a reduction of 29%.

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It should be noted that the key financial data featuring in the 2011 CSR report do not include the activities of the Transmission Division. In 2011 Transmission was spun off to IPTO, the independent PPC subsidiary. In the 2012 report the Distribution Division activities are not included either, since, in 2012, the Distribution Division was spun-off to HEDNO.

The comprehensive PPC published financial information is presented in the 2012 Annual Report.

Financial value and social product (€ thousand)	2011	2012
Turnover	5,180,332	5,887,911
Financial Income	43,346	76,343
Direct financial value generated	5,223,678	5,964,254
Salaries and employee benefits including the employer's Greek social security contributions *	763,634	403,283
Financial expenses	201,394	245,905
Income tax, other taxes, duties and provision for surtaxes	48,466	70,611
Donations and sponsorships	890	1,068
Operating cost balance	4,459,926	5,248,425
Financial value allocated	5,474,310	5,969,292

* It does not include employee salaries which are included in the tangible assets and in the cost of extracting lignite.

4. Sustainable Development

Sustainable development is intertwined with the operation of the Corporation, its activities, its financial performance, its interaction with the environment and society.

The purpose of this section is to concisely present the PPC approach to sustainable development. Sustainable development is intertwined with the operation of the Corporation, its activities, its financial performance, its interaction with the environment and society.

All sections of the Report cover the different aspects of sustainable development in PPC, and provide more information on each item.

4.1 Management Approach

The PPC strategic objective is to ensure its sustainable development. At the same time, PPC strives to satisfy the demands of all stakeholders in a balancing manner, to provide its customers with integrated, innovative and high quality services and products, its employees with an excellent working environment, its suppliers and partners with relations of mutual benefit, its shareholders with new economic values, and to respect and protect the environment and to provide economic development and social welfare to society.

Economy

During the last three years, PPC has implemented a series of important actions with the aim of transforming PPC into a modern, European energy Corporation, whose name is linked to reliability, to the daily endeavor to improve services, but also to great social responsibility. The first results of this effort are already visible.

PPC covered the productivity gap identified by the Booz Allen study, carried out during 2007 and 2008. In 2012, the margin for improvement of the Corporation decreased to € 124 million, compared to € 557 million in 2006, according to the best practices of other European companies with similar activities. The improvement comes mainly from Mining (€ 274 million) and Generation (€ 139 million).

PPC has reduced its operating costs, and thus there was a further reduction in its payroll costs. Meanwhile, the transmission and distribution networks of the Corporation were spun off, and that demonstrated the PPC Management commitment to create a deregulated electricity market, for the benefit of all consumers.



The Energy Trading Department, in cooperation with the Strategy Department, monitors the energy market and the trends that emerge, and is responsible for the PPC strategy and policy regarding energy management and optimization of the total PPC portfolio, within the context of the operation of the wholesale electricity market. This approach allows the Corporation to monitor the short-term and medium-term energy demand and to plan its energy generation, its energy imports and the fuel market for its timely response to market needs. Furthermore, PPC has implemented the night tariff, as a demand management program.

At the same time, PPC operates the Testing, Research and Standards Centre and ensures the good quality and reliability of materials and equipment, not only of the Corporation, but also of any third party that uses its services.

PPC, with a market share of 98.5%, continues its investments in order to modernize its operation and meet its obligations as a provider of Universal Services in the Greek energy market.

The Corporation's management believes that due to the large productivity and operational performance improvements that have already been achieved through internal actions, the long-term viability, development and optimization of PPC also involves the formation of a rational regulatory framework to ensure fair competition, with the immediate lifting of distortions that unnecessarily burden consumers and the economy.

Environment

The PPC environmental strategy is in line with the objectives of the energy policy of Greece and of the European Union for 2020, with the institutional interventions on climate change and the protection of the environment. The target for 2020 is a 20% energy generation through RES, 20% energy savings and a 20% reduction in greenhouse gas emissions.

It is well-known that the extraction of lignite and the operation of power plants are related to a series of environmental impacts on the landscape and the living world. The Corporation, recognizing the impact, manages the natural environment with respect, always aiming to prevent and to remedy problems that arise

from its activities. For this purpose, PPC consistently studies and implements actions and initiatives that are often beyond the requirements of legislation, thus demonstrating its environmental concerns.

Even in this difficult economic situation in Greece, PPC makes substantial environmental investments, such as building new, ultra-modern plants,



The PPC environmental strategy is in line with the objectives of the energy policy of Greece and of the European Union for 2020, with the institutional interventions on climate change and the protection of the environment.



and works on improving the environmental performance of its existing, operating plants. The new, productive investments and its environmental performance are realized by using the optimum anti-pollution technology. Thereby, it is demonstrated that for PPC protecting the environment is not a «luxury» but an absolute priority.

The Corporation's efforts yielded concrete and measurable results in the environmental aspects of electricity generation. Examples include the reduction of conventional air pollutants emissions and solid-liquid waste, improving the performance of the Corporation over time, in terms of greenhouse gas emissions, energy conservation, the more efficient use of raw materials, environmental awareness of staff, recycling, etc.

As its efforts continue, the basic directions of the PPC Environmental Operational Program which is in full swing also include:

- An investment program for new, modern technology and high efficiency thermal power plants to replace the old, polluting generation plants.
- A more systematic use of Renewable Energy Sources and of the hydrodynamic potential of the country.
- Promoting actions for the conservation and the rational use of energy and raw materials, both in the generation and the demand of electricity.
- Improvement of the environmental operation of mines and the implementation of specialized studies on land restoration.

- Integrated water management with the aim of maximizing the total social, environmental and energy benefits.
- Participation in research projects for carbon dioxide capture and storage.
- Reduction, utilization and management of produced waste.
- Taking all necessary measures to manage the natural environment in the regions PPC operates in (electricity generation and lignite mining).

Society

PPC implements responsible practices in its human resources management and ensures a modern working environment of equal opportunities. The efforts made by PPC to ensure the health and safety of its employees, both through the implementation of Health and Safety Management Systems at work, and through relevant training programs. Moreover, work-life balance and providing opportunities for growth and lifelong learning are key pillars in the PPC human resources management.

One of the priorities for the coming years for the Corporation is the management and strengthening of human resources, through targeted recruitment and personnel training for the maintenance of critical expertise and the development of necessary skills.

Both in its operations and in the selection of suppliers and partners, PPC endeavors to prevent and combat corruption. Moreover, PPC defends the protection of human rights, declaring its opposition to child, forced and compulsory labor, and any kind of discrimination. The Corporation believes in the freedom of workers to participate in trade unions and has signed a collective labor agreement for its entire permanent staff. The existence of the Employment and Staff Union Relations Section within the Department of Human Resources and Organization that is responsible for handling matters relating to trade unions demonstrates the participatory management approach as regards the PPC employees.

PPC responsibly provides services to consumers in the country, striving for quality services and a high level of

customer services by implementing practices oriented towards mutual benefits for the Corporation and society. The Corporation caters to the needs of its customers, be them individuals or businesses. In this difficult economic climate, PPC adopts special procedures for sensitive social groups through the settlement of debts and through raising awareness for the current Social Residential Tariff (SRT).

For the Corporation, giving back to society is inextricably linked with its business, which is why significant activities mainly directed towards both the communities in which PPC operates, and the wider community, are implemented. This provides the basis for an important social project that includes a series of steps, which are developed over time.

In cases where the construction of new power generation facilities or the expansion of mining, the expropriation of land or even the relocation of settlements is necessary, PPC follows specified procedures, in accordance with Greek legislation (such as Law 2882/2001 on the compulsory expropriation of real estate property and the provisions of the Mining Code - Legislative Decree 210/1973).

Additionally, through the varied sponsorship program that PPC develops, together with the strong commitment and involvement of its workforce, PPC supports local communities, and achieves its closer cooperation with all stakeholder groups.

4.2 Governance for Sustainable Development Issues

The PPC Board of Directors has appointed two of its members to be in charge of the management of sustainable development issues. In addition, it has created the CSR Section that is part of the Strategy Department. Its mission is the establishment, development and implementation of a CSR strategy, aiming to meeting the needs of stakeholders in a balancing manner, and highlighting the actions and practices that show the social face of the Corporation.

The placing of the CSR Section under the Strategy Department and the appointment of BoD members, both for the supervision of the CSR Section and the submission to the Board of the annual CSR and sustainability report, demonstrate that CSR is taken seriously by the Corporation.

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4.3 Defining Materiality Issues

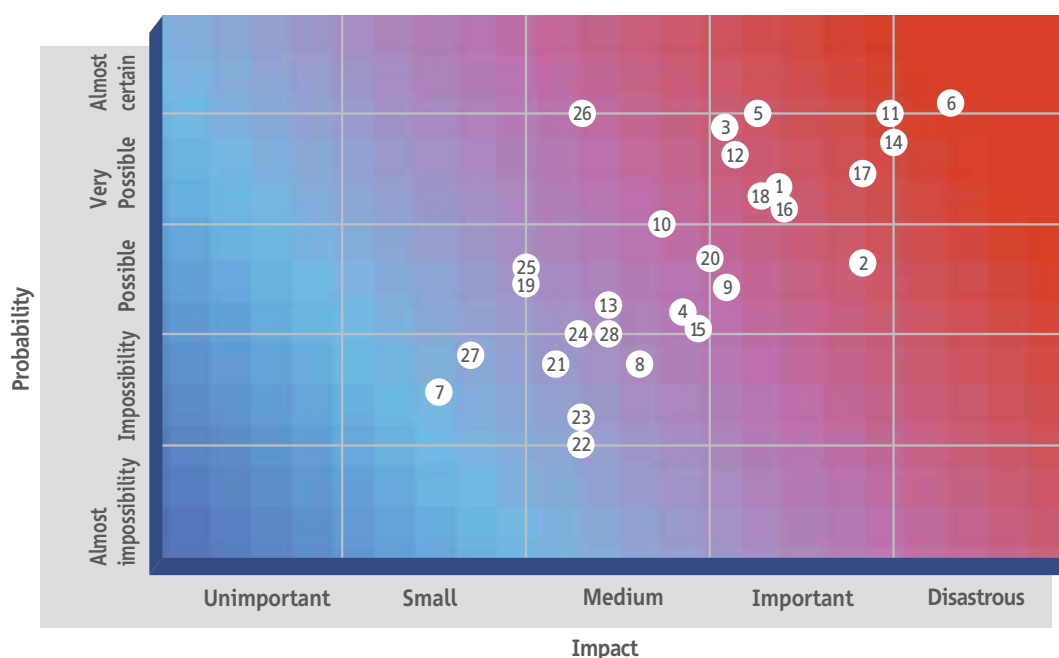
To identify the material PPC sustainable development issues, the Sustainable Development Materiality Issues Defining Process has been developed according to the principles of business risk management. The CEO, the General Managers, the Department Heads, the Strategy Director and the CSR Head are asked to identify and

assess the sustainable development issues (impact/risks) of the PPC operations, taking into account all available information from the Corporation communications with stakeholders. Initially, the Corporation's executives estimate the impact of recognized issues and the likelihood of them emerging in the case PPC would not take any steps to address them. They, then, identify existing practices (in terms of strategy, policies, procedures/measures or actions) of prevention, control and suppression, which reduce the effects of these issues. They finally re-evaluate the sustainable development issues,

after taking action.

The issues are grouped, where possible, and materiality heat maps are created. These heat maps show the impact/risk, compared with the corresponding probability, before and after measures are taken by PPC.

The heat map below shows the probability and the impact of each of the main sustainable development issues, as established in 2011 for the then five Business Units (Mines, Generation, Transmission, Distribution and Supply), after measures were taken by the Corporation.



Society

- 1 Corporate governance, ethics and values
- 2 Health and safety
- 3 Job security
- 4 Personnel Training
- 5 Work advancement / job satisfaction
- 6 Lack of Personnel
- 7 Equality in the workplace
- 8 Relations between the Management and the employees
- 9 Customer Satisfaction / products and service assurance
- 10 Shaping the public's consumer behavior
- 11 Extroversion / PR
- 12 Relationship / dialogue with local communities
- 13 Contractors / suppliers' Management

Economy

- 14 Financial position / performance
- 15 Procurement and logistics management
- 16 New markets and investments
- 17 Regulatory issues
- 18 Risk (including legal risk) / Crisis management

Environment

- 19 Climate change and greenhouse gas / particles emissions
- 20 Dust
- 21 Noise
- 22 Waste
- 23 Electromagnetic Fields
- 24 Raw materials / fuel / water
- 25 Ecosystems / biodiversity
- 26 Visual / aesthetic nuisance
- 27 Energy efficiency / new technologies
- 28 RES development

In the months that followed, there were significant changes in the PPC structure and activities, after the Transmission and Distribution Divisions were spun off. Since these actions were completed in 2012, it was decided to continue the PPC activities and planning based on the existing analysis in order to cover the entire business activities (from mining to supply, to the fully independent operation of IPTO and of HEDNO). The PPC goal in 2013 is to update the results in order to reflect its new Group structure.

In this context, an attempt is being made to improve the way CSR issues are organized and monitored. The PPC Management believes that the current Sustainable Development Materiality Issues Defining process is an important step for the Corporation towards the right direction. The results of this analysis are intended to be used for planning CSR activities and defining the content of the annual Sustainability Report.

It should be made clear, and it is further described in the following sections that the executives of the Corporation are in direct communication with representatives of our stakeholders, which enables them to take their views into consideration as regards the evaluation of the main issues of the Corporation. However, we recognize the possibility of improving the above procedure, using the systematized identification and prioritization of the main issues from the different stakeholder groups. PPC is looking into the choices it has and, as a next step, it will integrate this in the procedure the Corporation follows in a more organized fashion.

4.4 Stakeholders

It is particularly important for PPC to communicate and cooperate with its stakeholders. PPC has identified its stakeholder groups via a series of internal consultations, debates and working meetings between the PPC Management team and its executives. The main stakeholder groups are its employees, its customers, the State, the Regulatory Authorities and Public Bodies, shareholders and investors, Non-Governmental / non-profit organizations, regions, Local Authority Organizations, local communities, our partners, our suppliers and our competitors.

Like every year, the Corporation continued its communication with all stakeholders with the means

that are available, both at the national and local level. The interaction with stakeholders is an integral part of PPC's daily work so as to understand the impact of the business activities and improve its performance taking into account the advice, concerns, needs and suggestions of all parties affected by and affecting PPC. PPC recognizes the major benefits for all sides that arise from the substantial communication and collaboration with various stakeholder groups.

In order to reach out to its stakeholders, PPC participated in the "BRAVO 2012 - Dialogue on Sustainable Development and Assessment of Responsible Entrepreneurship" initiative where representatives of academic institutions, non-profit organizations, media, business organizations and associations, and consumers evaluated the contents of the 2010 CSR and Sustainability Report. The evaluation results, comments and observations were analyzed by the CSR Section to improve the content of this Report.

Employees

The PPC Management is in direct contact with its employees. Employees are represented through their trade union bodies, through their representatives to the Board and at the general meetings of shareholders, and they participate in primary and secondary corporate boards. Responding to the need for employees to monitor changes in the PPC structure, the Management is in direct contact with their trade unions, for their timely information. Labor issues, health and safety at work, training and benefits are issues the PPC Management works on, through a series of actions and procedures, as outlined in Section 5 of this Report.

Customers

The Supply Division is in continuous contact with our customers through our branches, telephone lines, our website, customer satisfaction surveys, information material, actions of targeted communication (direct mail) with selected customers, etc. Through the interaction with our customers, we created the one page electricity bill in 2012 and the foundations were laid for issuing electronic bills. More information can be found in Section 7 of this Report.



The State, Regulatory Authorities and Public Bodies

PPC is in contact with the State, Regulatory Authorities and Public Bodies on a number of issues related to energy. The Regulatory Affairs Branch, which operates in the Corporation's Strategy Department, as well as the Load Management and Supply Policy Department of the Supply Division are sections that mainly process and represent PPC on regulatory framework issues that concern the Corporation. PPC participates in committees and consultations on environmental and liberalization issues and on issues on the energy market operation, at a national and European level. The main PPC positions and activities on public policy issues are described in Section 8.1 of this Report.

Shareholders and Investors

Communication with its shareholders and investors is coordinated by the PPC Investor Relations Department, while the BoD Secretariat of the Office of the Executive plays an active role in this. On the official PPC website there is information on «Investor Relations» and all announcements and information often requested by a particular group of stakeholders are posted there. In addition, meetings with existing shareholders and potential investors for briefings regarding the progress of the Corporation's financial results, presentations of the Corporation's financial results (quarter, semester, first nine months and annual financial results), conference calls with analysts, and road shows within

Greece and abroad take place. The interest both of the shareholders and investors is focused on the PPC performance, which is presented in the 2012 Annual Report and in this Report.

Non-Governmental/Non-Profit Organizations

Non-governmental/non-profit organizations mainly make inquiries to the Corporation about our environmental performance and request support for their activities. Our activities on the environment are discussed in Section 6 of this Report. Requests for grants are evaluated and authorized at the local or central level. Indicative PPC grants for 2012 are described in Section 8 of this Report.

Prefectures, Local Authorities and Local Communities

PPC executives continuously communicate with the Prefectures, the Local Authorities and the local communities, either formally, through the submission and evaluation of specific requests and through consultations, or informally, with the daily contact of our staff with representatives of the local communities and authorities. Responding to the concerns of the local communities, we choose - to the extent that this is possible - employees and suppliers from the local communities, boosting, in this way, the local economy. Offset projects resulting from the consultation during the adoption of the environmental terms and conditions of PPC projects and other actions to support local communities are presented in Section 8 of this Report.

Partners and Suppliers

The Corporation collaborates with its suppliers and partners at the local, national and international levels, for the effective carrying out of projects, the promotion of «clean» energy and the improvement of our products and services. Communication channels with our suppliers and our approach for transparent procurement procedures and assignments are summarized in Section 7.5 of this Report.

Competitors

PPC tries to contribute to competition in the energy sector, which is also demonstrated in its participation in the public policies that relate to this issue. In 2012, the operating permits of four electricity suppliers in Greece were revoked by the Hellenic Regulatory Authority for Energy (RAE), virtually eliminating competition for the Corporation in the energy trade. Attempting to promote sectoral issues and to strengthen cooperation on energy issues, PPC works with international energy companies and participates in consultations with relevant bodies, as well as with industry organizations and associations, such as the Hellenic Electricity Association-HELAS and EURELECTRIC.

4.5 Participation in Associations and Organizations

PPC actively participates in more than 40 national and international networks, associations, organizations or agencies in order to engage in constructive collaboration in the energy, industrial and business sectors, and to promote corporate responsibility. Indicatively, some of these organizations are:

	Hellenic Network for Corporate Social Responsibility
	The Union of the Electricity Industry - EURELECTRIC
	Hellenic Electricity Association (HELAS)
	International Council on Large Electric Systems (CIGRE)
	Council for Sustainable Development at the Hellenic Federation of Industry (SEV)
	World Business Council for Sustainable Development (WBCSD)
	Hellenic Management Association (HMA)
	EuroCharity



Hellenic Purchasing Institute (HPI)



Hellenic Logistics Society (HLS)

4.6 Awards - Distinctions

The 1st Management Award for Sustainable Development in 2012 was awarded to the PPC Generation Division during the European Commission award ceremony for the Greek Business Awards for the Environment. The award was related to the environmental performance of the Corporation and in particular to the development, implementation and certification of the Environmental Management Systems in thermal and hydroelectric power plants according to the ISO 14001:2004 standard. These efforts yielded concrete and measurable results as far as the environmental aspects of power generation were concerned, and thus helped to improve the operation of power plants.

PPC received a distinction for the high performance of its 2011 Corporate Social Responsibility and Sustainability Report. The Department of Environment, University of the Aegean, honored PPC for the successful implementation of the international reference standards of the Global Reporting Initiative. This Report ranked fourth among the 36 Greek Reports published in 2012.

Furthermore, in early 2013, PPC received the 3rd Business Award in the «Corporate Social Responsibility Award» category of the MONEY - George Ouzounis Business Awards. Publicly traded companies were honored for their business excellence in 2012 after a public vote in 16 award categories.

4.7 Key CSR Performance Data

The key financial, environmental and social performance data for our Corporation in 2012 are presented in the table below. More information can be found in the relevant sections of the Report, as to the performance analysis, computation assumptions or clarifications of the said data.

Economy	2012
Turnover (€ thousand)	5,887,911
Total Liabilities and Equity (€ thousand)	14,996,074
Liabilities (€ thousand)	9,209,285
Equity (€ thousand)	5,786,789
Domestic sales (GWh)	51,946
Financial income (€ thousand)	76,343
Payroll cost including employee benefits and employer's social security contribution (€ thousand) *	403,283
Dividend payments (€ thousand)	35
Earnings (losses) before taxes (€ thousand)	44,891
Long-term borrowings (€ thousand)	3,026,223
Short-term borrowings (€ thousand)	1,580,456
Human Resources	2012
Total number of employees	11,352
Number of employees with a collective labor agreement	11,346
Total number of accidents	79
Total number of fatal accidents	2
Fatal accident frequency rate	1.30
Accident frequency rate	2.68
Total number of days of absence due to accidents	14,542
Accident severity rate	0.49
Total number of days of absence from work	81,158
Absence rate	2.84%
Environment	2012
Number of Power Plants (lignite centers, thermal power generation units, hydroelectric units, etc.) with certified Environmental Management Systems	18
CO ₂ emissions from electricity generation (in tons)	47,598,186
Surface area of PPC's facilities (hydroelectric facilities) in NATURA protected areas (km ²)	65.30
Market and Customers	2012
Installed capacity (MW)	12,384
Net energy output (GWh)	40,004
Number of connections (low and medium voltage)	7,388,636
Market share in the domestic energy market **	98.5%
Society	2012
Total amount of lignite levy payable to local communities (€ thousand)	29,440

* It does not include staff salaries that are embedded in the tangible assets and in the cost of lignite mining.

** This is an estimate of the average annual share, taking into account sales by third party suppliers.



4.8 Commitments - Goals

The ever-changing business environment of PPC in recent years, combined with the difficult economic situation in Greece, make us hesitant to set numerous goals for next year. However, given the Corporation's commitment to sustainable development, we intensify our efforts in

comparison to previous years, setting goals that cover wider themes.

The following tables show the goals set for 2012 and their degree of accomplishment, and our goals for 2013. The tables follow the structure of the Report.

Sustainable Development	2013 Goals	
	<ul style="list-style-type: none"> • Communication via questionnaires with stakeholders on PPC sustainability issues. 	
	<ul style="list-style-type: none"> • Updating the results of the Sustainable Development materiality issues defining process, so as to reflect the new PPC structure. 	
	<ul style="list-style-type: none"> • Improve the internal procedure for the preparation of the CSR and sustainability report. 	
	<ul style="list-style-type: none"> • Publish the CSR and sustainability report according to the GRI G3.1 Application Level B +. 	
Employees	2012 Goals	Implementation
	<ul style="list-style-type: none"> • Certification of the Occupational Health and Safety Department, according to the ELOT ISO 9001:2008 Standard. 	Completed (see Section 5.6)
	<ul style="list-style-type: none"> • Issuing of a written occupational risk assessment for the building of the IPTO headquarters. 	Completed (see Section 5.6)
	<ul style="list-style-type: none"> • Licensing of the Occupational Health and Safety Department as a Protection and Prevention External Service. 	Completed (see Section 5.6)
	<ul style="list-style-type: none"> • Train staff of the Finance Division on «Energy Finance and Risk Management». 	Completed (see Section 5.2)
	<ul style="list-style-type: none"> • Installation of the MIS in the Training Department. 	Completed (see Section 5.2)
	2013 Goals	
	<ul style="list-style-type: none"> • Negotiation of a supplementary Collective Labor Agreement and redefining special benefits and disciplinary control. 	
	<ul style="list-style-type: none"> • Adopt a mobility regulation. 	
	<ul style="list-style-type: none"> • Draft a Written Occupational Risk Assessment for the three PPC lignite mines. 	
	<ul style="list-style-type: none"> • Certification, according to OHSAS 18001, of the Southern Field mine and of the Megalopolis Lignite Centre Department. 	
	<ul style="list-style-type: none"> • Training on Policy Design for Emergency and Contingency Plans. 	
	<ul style="list-style-type: none"> • Development of a PPC policy to prohibit alcohol, and addictive and toxic substances in the workplace. 	
	<ul style="list-style-type: none"> • Modify and update the Special Regulation for the Evaluation Sheets. 	



Environment	2013 Goals	
	<ul style="list-style-type: none"> • Certification of the Environmental Management System applicable to the Megalopolis Lignite Centre, according to the ISO 14001 standard. 	
	<ul style="list-style-type: none"> • Certification of the Environmental Management System at Unit V of the Aliveri Steam Electric Plant, according to the ISO 14001 standard. 	
	<ul style="list-style-type: none"> • Begin the certification process of the Energy Management System applicable to Megalopolis Lignite Centre, according to the ISO 50001 standard. 	
	<ul style="list-style-type: none"> • Completion of the combined biomass and lignite combustion tests at the Kardias Steam Electric Plant. 	
	<ul style="list-style-type: none"> • Optimization of the fuel management system at the Atherinolakkos and Rhodes Steam Electric Plants aiming at further fuel savings. 	
	<ul style="list-style-type: none"> • Recording of energy consumption in PPC premises. 	
Market and Customers	2012 Goals	Implementation
	<ul style="list-style-type: none"> • Training Program for Supply Division Senior Officials on modern Marketing and Sales. 	Completed (see Section 5.2)
	2013 Goals	
	<ul style="list-style-type: none"> • Improve customer service in PPC facilities using common and recognizable customer-centric systems. 	
	<ul style="list-style-type: none"> • Pilot implementation of the e-bill service for PPC employees. 	
	<ul style="list-style-type: none"> • Start a telephone service for the settlement of overdue bills. 	
Social Welfare	<ul style="list-style-type: none"> • Complete a study on the central management/clustering of customer complaints and requests. 	
	<ul style="list-style-type: none"> • Design an online assessment tool for the energy state of houses. 	
	2012 Goals	Implementation
	<ul style="list-style-type: none"> • Events/activities focused on children and women, in collaboration with non-profit organizations. 	Completed (see Section 8.3, 8.4)
	<ul style="list-style-type: none"> • Social activities with the increased voluntary participation of PPC employees. 	Completed (see Section 8.4)
	<ul style="list-style-type: none"> • Activities that upgrade the areas where PPC operates, by continuing the tree-planting and land restoration projects. 	Completed (see Section 6.7, 8.2, 8.3)
	2013 Goals	
	<ul style="list-style-type: none"> • Continue working with non-profit organizations to implement actions focusing on children and women. 	
	<ul style="list-style-type: none"> • Continue the development and strengthening of local communities programs. 	
	<ul style="list-style-type: none"> • Enrichment of the PPC Historical Archive. 	
	<ul style="list-style-type: none"> • Reactivation of the PPC Training Centre to train the unemployed in specialties the Corporation has specialized expertise. 	

5. Employees

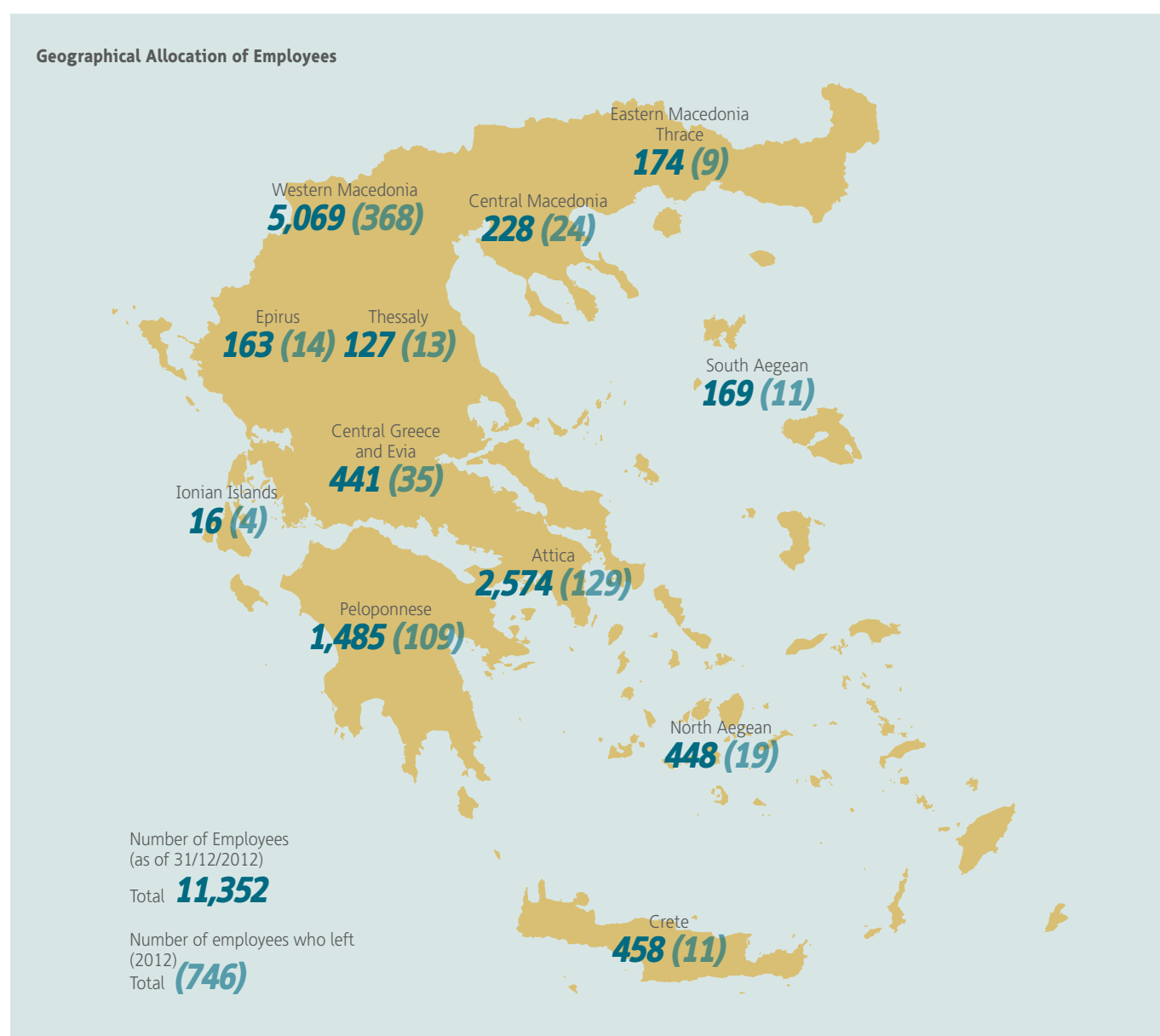
5.1 Human Resources Data

On 31/12/2012, PPC had 11,352 full-time permanent employees. Only 23% of the PPC employees work in the Attica region, given that their vast majority works in other Greek regions, mainly in the mining and generation sectors (in mines and power plants). To support the local areas PPC operates in and to give back to those areas, PPC, when feasible, recruits employees from these local communities.

Forty (40) PPC employees are posted outside the

Corporation. PPC, in practice and in compliance with applicable legislation, has employees seconded to the political offices of Cabinet members, parliamentarians, political parties, ministries, etc. In 2012, one employee was seconded to the Presidency of the Hellenic Republic, one to the Secretariat General of the Prime Minister, twelve to MPs' and MEPs' offices, five to political offices of Ministers, 17 to ministries, and four to political parties.

Please note that all data presented in Section 5.1 for 2011, involve PPC personnel data, after IPTO was spun off.



Allocation of employees by Employee Category, Gender and Age

Employee Category	Number of Employees as of 31/12/2011	Number of Employees as of 31/12/2012						
		Men			Women			Total
		<30 years old	31-50 years old	>51 years old	<30 years old	31-50 years old	>51 years old	
Executives	165	0	15	99	0	8	11	133
Administration-Finance employees	4,439	7	432	343	11	1,199	233	2,225
Technical-Technological employees	2,228	7	687	532	8	154	37	1,425
Technical support employees	11,354	118	4,878	1,595	9	184	36	6,820
Workers	1,140	7	273	212	2	75	63	632
Specialized personnel	139	0	16	15	3	72	8	114
Consultants	1	0	1	1	0	1	0	3
Total	19,466	139	6,302	2,797	33	1,693	388	11,352

The majority of workers (70%) are between 31 and 50 years old, while only 2% are younger than 30 years old. PPC is subject to the laws and regulations that apply to companies of the Greek Public Sector and these laws and regulations affect specific processes, such as hiring new employees. The PPC Management has recognized that the high average age of the workforce and the limitations as regards new hires are factors with potential negative effects on the Corporation's business practices.

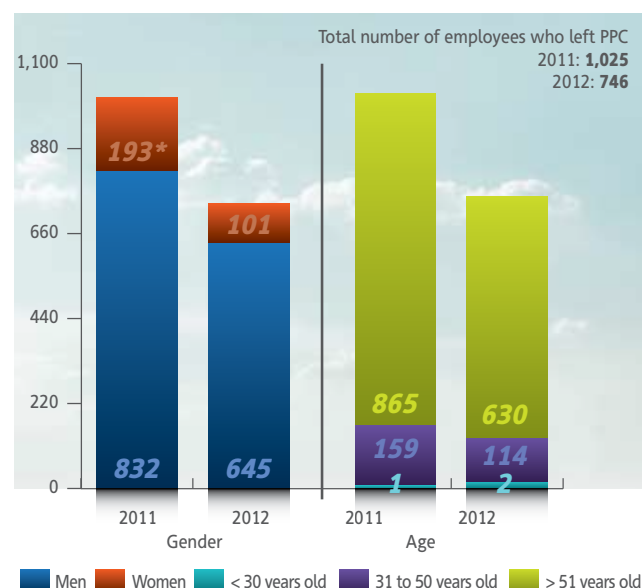
The small percentage (19%) of women in the total workforce is due to the low participation of women (3%) in the technical support staff, which constitutes 60% of the workforce, engaged primarily in the mining and power generation operations. In other categories of workers, such as in the categories of skilled personnel and staff working in the administrative and financial fields, women dominate these categories with percentages that reach 74% and 65% respectively.

99.94% of PPC staff is employed on a full-time basis. In a total of 11,352 employees, 11,346 are employed on the basis of permanent employment contracts and are included in the Collective Labor Agreement signed on 13/06/2012, while six employees have temporary employment contracts. In 2012, after a Ministerial Decision was signed, the Corporation hired one permanent staff member (who is male, 37 years old, and works at the Research and Standards Test Centre, in Attica). In order to meet specific business needs, PPC recruited 3,204 seasonal employees in 2012.

At the end of 2011, the number of PPC employees

was 19,466. A year later, PPC was employing 11,352 employees. This decrease was primarily due to the spin-off of the Distribution Division. Furthermore, in 2012, 746 employees left PPC, mainly because they retired. Therefore, the actual attrition rate is estimated at 6%. It should be noted that the employee attrition rate in 2011 included employees of the Transmission Division who left PPC before the IPTO spin-off, while the 2012 rate included employees who were employed in the Distribution Division and left PPC before the HEDNO spin-off.

Employee Attrition per Gender and per Age Group



* It was erroneously reported in the 2011 Report that the number of women who left PPC was 139.



Parental leaves

Female employees may choose to take cumulative paid leave instead of the reduced daily working hours after the end of maternity leave as follows:

- Female employees who have one child may take 10 months off
- Female employees who have twins, triplets, etc. may take 14 months off
- Female employees who have large families (four or more children) may take 17 months off, responsibly stating that:
- Irrevocably, they will not voluntarily leave the Corporation until the child becomes 5 or 6 years old, according to each case.
- They have in mind that the period of cumulative leave shall not be counted as pensionable, if they have not fulfilled the above mentioned commitment. In case they wish to retire and/or wish to leave PPC before the child becomes five or six, they will pay the Corporation the amount of the remuneration paid during their cumulative leave that they received instead of the reduced working hours plan.

Male employees may also take parental leave as follows:

- If their spouse is not alive, they have the same, full rights as mothers do: they can make use of either reduced daily working hours, or take the corresponding cumulative leave, with the same conditions as stated above that

apply for the female employees.

- If their spouse is also employed in PPC, they can take the reduced daily working hours (two hours per day until the child becomes two and one hour per day until the child becomes five) instead of her.
- If their spouse works at another company, and provided that she does not use the same parental leave, the father can take up her corresponding benefits.

In 2012, 17 mothers requested and received cumulative maternity leave. The Corporation has never so far terminated the employment contract of employees who return to work after cumulative maternity leave. If they wish, employees can leave PPC under the terms of the above statement.

Trade Unions

PPC supports the freedom of trade unionism when it comes to its employees and provides hours of trade union leave for the beneficiaries. The trade unions in PPC include employees from different disciplines and regions. Within the Corporation, the following trade unions operate: the General Federation of PPC electricity sector Personnel (GENOP / PPC-CCDs), which includes 25 unions with 9,813 registered PPC employees, the Electricity Industry Workers' Federation that consists of three unions and has 228 registered employees and three more independent unions in which 351 employees are registered.



5.2 Training And Development

The PPC Training Department monitors, manages and evaluates the training needs of its employees, aiming to develop the human capital of the Corporation and to achieve its strategic objectives. The systems used in the training field include the analysis and identification of training needs, the design of training programs, the selection of trainees, the selection of trainers, the design and implementation of training programs, and the evaluation of training activities (the training cycle).

In 2012, with the spin-off of the Distribution Division, the Training Centre in Anixi of the Athens Intensive Training School and the Florina Intensive Training School were transferred to HEDNO. Today, PPC has four training Centers, one in Attica (the Athens Intensive Training School in Neo Faliro with 10 classrooms and seven labs), one in the Peloponnese (the Megalopolis Intensive Training School with six classrooms and seven labs) and two in Western Macedonia (the Intensive Training School of the Mines Personnel with nine classrooms and eight labs, and the Kardia Intensive Training School with 11 classrooms, 12 labs and one laboratory simulator). There are also four classrooms at the headquarters of the Training Department in Athens.

PPC employees participate in training programs of technical and general topics, in graduate programs, in

foreign language programs, in lectures, conferences and seminars.

Indicative programs that took place in 2012 include technical sessions and IT seminars, and in particular:

- Technical seminars for the employees of the Mines sector. The seminars were organized in collaboration with the Departments of the Western Macedonia and the Megalopolis Lignite Centers. The syllabus design of the seminars was tailored to the training needs of the lignite Centers.
- The IT seminars were primarily designed for the employees of the central PPC Departments. From October till December 2012, 1,400 employees participated in the seminars.

During 2012, training for the guards/security staff in PPC facilities was resumed. Out of a total of 283 guards, 6 employees attended the IT training seminars and 68 employees attended training programs on their scope of activities and duties, on electronic security and communication systems, on the required controls and intelligence gathering to safeguard the safety of facilities, on first aid and on communication with colleagues.

At the same time, training programs aimed at enhancing the leadership skills and effectiveness of our staff took place. In collaboration with the Laboratory for Investment Applications of the University of Athens, we implemented the following programs:

- “Training in Marketing for Senior Executives”: executives from the Supply Division attended the seminar,
- “Executive Training in Sales Marketing”: executives from the Supply Division attended the seminar,
- “Finance and Risk Management in Energy”: executives from the Finance Division attended the seminar.

The “Effective Management and Leadership in the Modern Corporation” program for middle managers also took place.

In 2012, a total of 74,417 man-hours of training were recorded, and the average training hours per participant amounts to 14 hours. Out of 5,281 participants, 4,280 were men and 1,001 women and the average training hours per participant were 13 hours and 18 hours respectively.

Employee Category	2011 ¹			2012 ²		
	Number of participants in training programs	Total training man-hours	Average training man-hours per participant	Number of participants in training programs	Total training man-hours	Average training man-hours per participant
Executives	44	368	8.36	9	108	12.00
Administration- Finance employees	1,016	16,276	16.02	882	16,075	18.23
Technical employees	1,057	35,825	33.89	501	8,736	17.44
Technical support employees	3,908	141,078	36.10	3,335	40,755	12.22
Workers	274	9,025	32.94	269	5,872	21.83
Specialized personnel	3	63	21.00	7	57	8.14
Consultants	1	8	8.00	-	-	-
Unspecified category ³	516	4,269	8.27	278	2,814	10.12
Total	6,819	206,912	30.34	5,281	74,417	14.09

¹ The training hours in 2011 include training programs attended by PPC staff and staff from IPTO, the spun-off subsidiary.

² The training hours in 2012 include training programs attended by employees of the Distribution Division in early 2012, before the spin-off of HEDNO.

³ The category the participant belongs to is unrecorded.

Management Information System for Training

In order to support its work, the Training Department, in collaboration with the Information Technology Department, in 2012 designed, developed and installed a Management Information System (MIS) which simulates the training cycle. The MIS was exclusively developed in-house and represents an innovative approach to process automation. The expected benefits from the MIS operation are:

- Supporting the operations of training data electronic processing and record keeping.
- Easy access to reliable and structured information from all levels of management.
- Providing security of the information system, being accessible only by authorized personnel.
- Using an integrated database to support different operations.
- Ability to adapt to the changing information needs of the PPC Management.

5.3 Employee Performance Evaluation

Employee evaluation programs tend to have a positive impact on the operation of a Corporation, as the good performance of employees is rewarded and it encourages efforts to improve performance. From the beginning of its operation, PPC has had an employee evaluation system in place. Employee evaluation in PPC is performed annually and is based on the Special Evaluation Regulation that is in force. In 2012, all employees underwent evaluation.

5.4 Equal Opportunities and Respect for Human Rights

In PPC, we are constantly striving to develop an equal opportunities workplace where employees respect each other and where there is no discrimination. To date, no cases of discrimination have been recorded or reported.

Respect for human rights is an inviolable principle for PPC. We are against all types of forced or child labor. PPC fully complies with Greek national legislation on child labor and implements procedures which exclude



the occurrence of child labor cases. In 2012, as in the previous years, there were no cases of forced or child labor reported. In addition, no cases of infringement of the rights of indigenous populations have been recorded. PPC fully respects human rights and implements the relevant national legislation. PPC does not discriminate as regards payment or as far as other issues are concerned, based on the gender, age, race, color, heritage, national or ethnic background of its employees.

5.5 Additional Benefits

In order to also maintain a high level in the personal lives of its employees, apart from their professional lives, the Corporation offers a range of additional benefits to employees, in addition to their basic salary.

Some of these benefits indicatively are:

- Reduced electricity billing
- Medicare
- Low-interest rate loans to purchase or repair a main residence
- Assistance when employees face serious health problems
- Special paid leave when employees face emergencies
- Training (seminars, foreign language courses, post-high school training, postgraduate courses, etc.)
- Employee children may attend free of charge the PPC campsites, kindergartens and crèches, and in the case of partnership with private kindergartens, the Corporation subsidizes the greater part of the cost
- Mobile phones for staff with free intra-company calls
- Shuttle buses for employees when their place of work is located at a considerable distance from urban centers or towns
- Canteens and food available at PPC restaurants at prices below retail prices

- Distinction awards to children of PPC employees who excelled in their secondary and tertiary education studies. Award ceremonies are held in Athens and in Northern Greece.
- Career guidance tests are offered to the Corporation employee and retiree children. In 2012, 190 children participated in the tests.

5.6 Health And Safety

The PPC approach to the health and safety of its employees is in accordance with the PPC Group's policy on occupational health and safety and with the accident prevention policy. To improve the operation of the Occupational Health and Safety Department, which is responsible for managing these issues in PPC, in March 2012, the Occupational Health and Safety Department was certified for its operation in accordance with the ISO 9001:2008 Quality Management System based on the following:

- The provision of Occupational Medicine services.
- The provision of Safety Technicians, the coordination and support of their work.
- The inspections of the working environment in terms of health and safety.
- The risk assessment studies.
- The performance of hazardous factors measurements.
- The preparation of specifications and the technical evaluation of equipment of safe work and fire safety.
- The support services on issues pertaining to the management of hazardous waste.
- The recording and statistical analysis of work accidents.
- The production of training material and the support services on issues pertaining to training on health and safety.
- The design and implementation of exercises on issues pertaining to emergency response.
- The support on issues of Emergency Civil Planning and Civil Protection.

Moreover, the Occupational Health and Safety Department has a license as an External Protection and Prevention

Service Provider with the ability to provide protective and preventive services to customers within and outside the PPC Group.

In 2012, there were 13 written occupational risk assessments in Units of the PPC Group. In the 2011 Report the goal of preparing a written occupational risk assessment report for the building of the IPTO headquarters was set. The assessment was carried out in 2012 by the IPTO Departments.

Four other PPC facilities, the Steam Electric Plants of Komotini, Atherinolakkos, Meliti and Megalopolis B', received certification according to the OHSAS 18001 standard for the Health and Safety Management Systems they have.

In the health and safety policy of the PPC Group, there is clear reference to ongoing consultation with staff labor unions and employee representatives on health and safety at work. The Occupational Health and Safety Department's communication with PPC employees is continuous, even though it is not governed by a formal agreement.

H&S Training

Health and Safety Training is an integral part of the basic and the special, technical training of our employees. Training courses take place in the facilities of PPC plants, where training programs are designed with the cooperation of the Occupational Physician, the Safety Technician and the Director of the plant, and through training seminars organized by the Training Department.

The training courses include the following subjects: health, medical issues, occupational safety, first aid, and the safe use of work equipment and of the personal protective equipment. Furthermore, employees are informed about contagious diseases and participate in exercises for emergency response in collaboration with local organizations, agencies of the General Secretariat for Civil Protection and in some cases with the armed forces. In 2012, awareness programs on Emergency Policy Design and serious illnesses were not implemented.

PPC Units	2011			2012		
	Number of participants in training programs	Total training man-hours	Average training man-hours per participant	Number of participants in training programs	Total training man-hours	Average training man-hours per participant
Mines Division	2,235	27,256	12.20	2,157	21,180	9.82
Generation Division	732	6,832	9.33	871	7,432	8.53
Transmission Division	60	525	8.75	-	-	-
Distribution Division	11	336	30.55	44	597	13.57
Supply Division	-	-	-	2	70	35.00
Finance Division	2	80	40.00	3	18	6.00
Human Resources Division	87	870	10.00	12	80	6.67
Support Operations Division	-	-	-	62	583	9.40
Other Divisions	28	236	8.43	29	216	7.45
Total	5,281	74,417	14.09	3,180	30,176	9.49

Note: The data in the table above relate to training programs handled and organized by the Training Department ("locally" implemented training conducted by the Divisions in PPC power plants is not included). In 2012, the male employees participated in 28,250 training hours, whereas female employees in 1,926 hours.

Health and Safety Performance

PPC Health and Safety Data		
	2011	2012
Total number of accidents ¹	122	79
Total number of fatal accidents	1	2
Fatal accident frequency rate ²	0.41	1.30
Accident frequency rate ³	2.89	2.68
Total number of days of absence due to accidents	16,186	14,542
Accident severity rate ⁴	0.38	0.49
Total number of days of absence from work ⁵	169,372	81,158
Absence rate ⁵	3.50%	2.84%

¹ The number of accidents, as well as the respective indicators, includes all accidents occurring during employment of the permanent and seasonal/temporary staff, which caused absence from work for more than three (3) calendar days. No accidents occurring during traveling to and from work or pathological incidents, which are separately analyzed (statistically), are included.

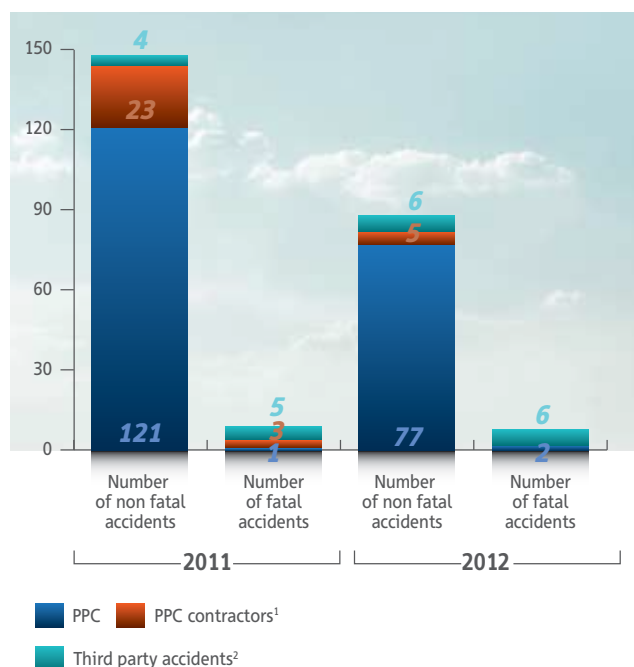
² The fatal accident indicator is calculated based on the number of accidents per 10,000 employees.

³ The methodology taken into account to calculate the indicators is the "European statistics on accidents at work (ESAW) - Methodology - 2001 edition", which is also followed by the European Agency for Safety and Health at Work (EU-OSHA) and EURELECTRIC (Calculation Method: Number of accidents per 10⁶ hours of exposure to risk).

⁴ The methodology taken into account to calculate the indicators is the "European statistics on accidents at work (ESAW) - Methodology - 2001 edition", which is also followed by the European Agency for Safety and Health at Work (EU-OSHA) and EURELECTRIC (Calculation Method: Number of -calendar- days of absence from work per 10³ hours of exposure to risk).

⁵ The total number of absences from work and the respective absence rate relate to absence from work, registered as absence due to illness and sick leave.

Accidents



¹ It is quite possible that some accidents may have gone unnoticed as a contractor may have failed to report them to relevant authorities and consequently to PPC.

² These accidents relate mainly to electric shocks caused by involuntary contact with "live" parts of the network either during the construction of structures (buildings, advertising posters, etc.) or during the operation of lifting equipment. These are usually due to failure to comply with safety distances or even due to the failure (by individuals) to request disconnection at specific parts of the network.

PPC Units	2011				2012			
	Number of Accidents	Accident frequency rate	Days of absence due to accidents	Accident severity rate	Number of Accidents	Accident frequency rate	Days of absence due to accidents	Accident severity rate
Mines Division	49	5.66	1,116	0.13	43	4.83	13,235	1.49
Generation Division	27	2.18	684	0.05	25	2.15	1,039	0.09
Transmission Division	3	1.2	6,500	2.59	-	-	-	-
Distribution Division	39	3.19	7,576	0.62	7	1.67	134	0.03
Supply Division	1	0.48	210	0.1	0	0	0	0
Other Divisions / Headquarters	3	0.72	100	0.02	4	1.4	134	0.05

There was a decline in the number of accidents compared to the previous year. A total of 79 accidents occurred, and six of them involved women. Most accidents occur in the mines, and in generation and distribution, due to the nature of the work. Despite the lower number of accidents, the accident severity rate in mines has considerably increased due to the fatal accidents in PPC mines. To anticipate and prevent similar incidents in the future, in collaboration with the Mines Division, the Occupational Health and Safety Department organized training courses on occupational health and safety and fire safety, in which all the staff and executives of the Megalopolis lignite mine participated. The courses were completed in 2012. A coordinated effort has also been launched with the participation of the Mines Division, the Mines Human Resources Department and the Department of the Western Macedonia Lignite Centre for the certification of the occupational health and safety system. In this context, inspections and personnel training are taking place.

5.7 Internal Communication

In addition to the aforementioned, PPC informs its employees about electricity, namely its safe use, energy saving and other issues, through the Corporate Affairs and Communications Department. The following actions were implemented in 2012 and are indicative of our activities:

- Availability of information on the PPC intranet on energy saving, the safe use of energy and/or general health and safety at work issues.
- Brochures for energy saving at work.
- A monthly staff briefing on the European energy market based on the EURELECTRIC information bulletins.
- A monthly review of the energy market, which is a tool of internal communication with energy financial, statistical and other data.
- Availability of unpublished historical photographs from the PPC archive, accompanied with captions and short informative texts, to the PPC personnel.
- Co-organized meetings with the labor unions on the following topics:
 - "Lignite Memories – a Tribute to the Lignite Miners", a



sports event with races for PPC employees, retirees and athletes from various parts of Greece,

- "Control and Internal Facilities Security Process", and
- "New Projects - New Investments/Health and Safety at Work".

5.8 Regulatory And Legislative Compliance

Complying with the applicable legislation and other regulations is a core principle of PPC operations, both in relation to HR issues, and in general in relation to all its activities. However, due to the PPC size and the large range of its activities, various, critical issues do arise from time to time.

In 2012, in the context of disciplinary action, the following penalties were imposed on nine employees of the Corporation:

- Four employees were fired without compensation,
- Three employees were temporarily suspended without pay, and
- Two employees were suspended without pay.

Also, PPC took legal action against its employees or employees of its contractors in 21 criminal cases. More specifically, PPC took legal action in:

- Four criminal cases related to PPC employees for the crimes of repeated embezzlement in service, criminal

Complying with the applicable legislation and other regulations is a core principle of PPC operations, both in relation to HR issues and to all its activities.

fraud, felony forgery, breach of duty, forgery of document and exploitation of trusted assets,

- Three criminal cases related to PPC counterparties for embezzlement, and/or a combination of embezzlement and felony fraud,
- 14 cases of electricity theft (repeated or not) in which PPC applied to join the proceedings as a civil party.

Ten employees filed compensation claims for moral harm against PPC, totaling € 1,071,175.79:

- Six cases involved occupational accidents,
- Two suspensions of execution of disciplinary action,
- Two compensations for non-assignment of duties.

In 2012, the preliminary examination on the third-party indictment against members of the PPC Management Board for breach of duty was completed. Criminal proceedings were brought and a court is expected to hear the case in 2013.

Three cases against PPC executives or board members for the crime of embezzlement and/or defamation are also underway, as follows:

- The third-party lawsuit against former and current members of the PPC BoD for the crime of embezzlement and defamation,
- Own-initiative proceedings against (former and present) members of the Board of Directors for the crime of embezzlement,
- Own-initiative proceedings against former and current members of the BoD, against General Managers and members of the General Federation of PPC Personnel for the crime of embezzlement. In this case, the trial process was completed in 2012 and a nolle prosequi or conviction is expected.

In 2012, a fine totaling € 60,919.65 was imposed on PPC on issues relating to labor/insurance legislation. PPC has appealed against the Social Insurance Institution before the Administrative Court of Rhodes and has already filed an application for suspension of the non-payment of the fine until the trial of the main proceedings. A relevant preliminary injunction was issued.

Finally, in 2012, PPC paid € 16,484.76 in fines imposed by the Greek labor inspector and the Greek social insurance bodies.



6. Environment

6.1 Environmental Management

Most of the activities pertaining to electricity generation are regulated by strict laws, regulations and permits at the global, European, national and local levels. PPC manages many different energy sources and technologies in the context of its activities, with different environmental characteristics and challenges. Therefore, PPC recognizes that the environmental performance is the basis for the sustainable development of enterprises and for the improvement of their competitiveness.

To this end and given the wide range of PPC's activities, organizational units related to the environment have been established in all Divisions of the Corporation, which are:

- The Mines Environment Department in the Mines Division,
- The Generation Environment Department in the Generation Division, and
- The Environment Branch in the Strategy Department (executive services).

Furthermore, in the individual power generation units (in lignite centers and in power plants) there are environment sections.

Environmental Management Systems

Aiming at the continuous improvement of its environmental performance, PPC implements Environmental Management Systems in its power generation facilities, which PPC also gradually certifies. To date, PPC has acquired ISO 14001:2004 certifications for the environmental management systems at the Western Macedonia Lignite Centre and in the following power plants that produce 85% of the PPC generated electricity.

Lignite Plants	Oil Plants	Natural Gas Plants	Hydroelectric Stations
Agios Dimitrios	Atherinolakkos	Agios Georgios	Aliakmon
Amynteo-Filota	Chania	Keratea - Lavrio	Arachthos
Kardia		Komotini	Acheloos
Megalopolis I		Aliveri	Nestos
Megalopolis II			Ladonas
Meliti			

During 2012, the Environmental Management Systems of the Aliakmon and Arachthos plants received certification, and the successful annual evaluation was carried out in other Environmental Management Systems, and as a result they retained the certification of compliance according to the ISO 14001:2004 standard for another year.

6.2 Consumption of Raw Materials, Fuels and Energy

Use of materials and fuels

As a very large organization, PPC uses and consumes large quantities of raw materials and other items, both to generate electricity and to cover other needs. The main material used by PPC as a fuel to generate electricity is lignite which is in effect the only fossil fuel Greece produces. As regards the energy balance of the Corporation, natural gas plays a very important role. The island power generation systems are based on the consumption of oil products (LFO and diesel) to generate electricity.

Raw Materials	2010*	2011	2012
Lignite-solid fossil fuels (tons)	57,655,745	60,036,926	61,910,675
Hard coal (tons)	158,046	34,337	2,083
LFO (kilolitres)	957,670	915,639	932,461
Diesel (kilolitres)	385,525	356,354	342,032
Natural gas (kNm ³)	1,051,870	902,951	783,890
Liquid natural gas (kNm ³)	267,959	174,427	-
Desulfurization limestone (tons)	426,245	469,774	485,774
Lubricants and mineral oils without PCBs			
(tons)	4,930	4,250	4,660
(kilolitres)	2.3	1.5	0.8

Source: Finance Operations and Control Department.

* In the "Environment" section, and since there are no changes in the structure of the Corporation in regard to electricity generation, the data presented cover the period 2010 -2012, where possible.

In 2012, in addition to those listed in the table, 45 tons of combustion improvers and quantities of lubricants and oil without PCBs (610 pieces) were consumed.

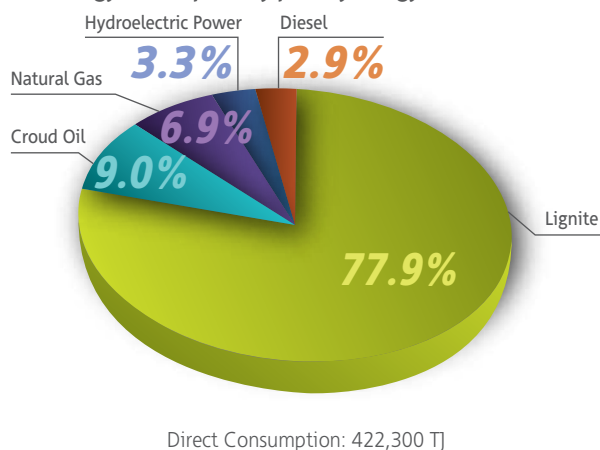
It should be noted that there are no longer any PCBs quantities in the PPC equipment, as the program of the complete removal and disinfection of all equipment containing or contaminated by PCBs has been completed, according to the provisions of the legislation. Checks for a possible PCBs presence do take place in all equipment that is removed from the networks, even when it is certain that there is no contamination whatsoever.

Energy consumption

The PPC energy consumption is primarily related to electricity generation, to the operation of the Corporation's buildings (for heating/cooling and electrical purposes) and the movement of its vehicles (service and corporate vehicles). The two last energy consumption activities are practically negligible compared to the energy used to generate electricity.

In 2012, the energy consumption in PPC thermal power plants amounted to 408 PJ, which includes the energy consumption of the Units themselves (1.1 PJ). The total direct energy consumption (in primary energy terms) amounted to 422 PJ. This consumption also includes the contribution of the hydroelectric power plants. The indirect consumption (electricity and district heating) is not calculated based on primary energy terms, as the relevant consumption is already included in the direct consumption (since the relevant quantities are produced by the Corporation itself).

Direct energy consumption by primary energy source in 2012



Note: Lignite consumption includes the consumption of hard coal, which makes up 0.01% of the total direct consumption.



6.3 Greenhouse Gas and Other Gas Emissions

Electricity generation is recognized as one of the main sources of greenhouse gases (GHGs) and air pollutants emissions. According to the most recent national inventory of GHG emissions submitted to the Convention Secretariat - United Nations Framework Convention on Climate Change by Greece for the 1990 - 2011 period, GHG emissions from conventional power plants in 2011 comprised 45% of national emissions (without taking into account absorptions from forests).

Recognizing the environmental impacts of its activities, PPC establishes and implements control and prevention programs. These programs are based on the systematic monitoring of the PPC activities and their impact on the environment.

Greenhouse Gas Emissions

The monitoring of the GHG emissions of thermal power plants (which are the main source of PPC emissions) is based on the guidelines of the European Commission for the facilities participating in the European Union Emissions Trading Scheme (EU ETS) and on the monitoring plans developed by PPC and approved by the Ministry of Environment, Energy and Climate Change (YPEKA).

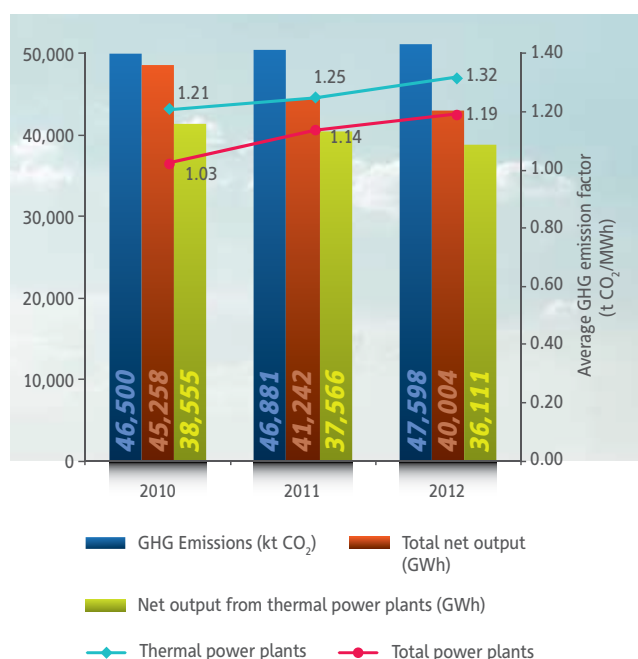
Emissions from the thermal power plants are considered to be direct emissions (Scope 1 according to the terminology of the GHG Protocol Initiative). Methane (CH₄) emissions from the mining of lignite in PPC mines are also included in the same category. Indirect emissions (Scope 2) from electricity consumption in PPC (self-consumption of power generation units and electricity consumption in buildings and other facilities of the Corporation) are not included as they have been already included in the direct emissions of the Corporation.

GHG emissions	Type	2010	2011	2012
Power Plants (kt CO ₂)	Scope 1	46,500	46,881	47,598
Lignite (kt CO ₂)		39,680	40,706	41,990
Fuel oil (kt CO ₂)		2,975	2,844	2,901
Diesel (kt CO ₂)		906	852	811
Desulfurization (kt CO ₂)		135	204	211
Natural Gas (kt CO ₂)		2,733	2,199	1,612
Plants not included in EU ETS system (kt CO ₂)		71	75	73
Lignite Mining* (kt CO ₂ eq)	Scope 1	1,193	1,199	1,302

Note: Other indirect emissions from electricity generation imported by PPC are not counted as detailed data of the power generation units and/or power systems that provide imported electricity quantities are required, and they are not available.

* The primary lignite production in 2010 came from the national emissions inventory. The emission factor of the national emissions inventory has been used.

Net electricity generation (in GWh) and GHG emissions (in kt CO₂) from power plants



The increase of the average CO₂ emission factor of thermal power plants (and by extension of the total number of plants) is related to the quality of the mined lignite, and to the restriction of the use of natural gas in PPC Power Plants, due to the participation of third-party electricity producers that are active in the Greek electricity market.

Air Pollutant Emissions

As a result of burning conventional fuels to generate electricity at thermal power plants the air pollutants

released in the atmosphere contribute to air pollution and to cross-border pollution. The most important air pollutants are Sulfur Oxides (SO_x), Nitrogen Oxides (NO_x) and airborne particles.

In 2012, SO_x and NO_x emissions fell considerably, by 12% and 14% respectively, in comparison to 2011, and the particle emissions have been, approximately, at the same rates during the last three years. This reduction was due to the difference in the quantity of electricity produced in 2011 and 2012, the difference in the quality of fuels used, and the increase in the operation rate of the FGD unit at Megalopolis II.

Air Pollutants	Emissions in 2010 (tons)	Emissions in 2011 (tons)	Emissions in 2012 (tons)
Sulfur Oxides (SO _x)	159,000	109,000	93,500
Nitrogen Oxides (NO _x)	77,800	79,000	69,300
Particle Emissions (PM)	15,400	15,100	15,600
Lead (Pb)	1.3	1.22	1.23
Nickel (Ni)*	27	27	26.8
Copper (Cu)	1.1	1.05	1.06
Chromium total (Cr)	2.1	2	2.0
Zinc (Zn)	8.8	8.2	8.23
Cadmium (Cd)	0.08	0.074	0.075
Mercury (Hg)	1.4	1.38	1.38
Arsenic (As)	0.8	0.7	0.71

Note: The figures in the table are those that PPC publishes in the European Pollutant Release and Transfer Register (E-PRTR, Regulation EC 166/2006).

* It was erroneously reported in the 2010 and 2011 Reports that Ni emissions were 0.027.



In order to control and reduce emissions of air pollutants, PPC implements a series of relevant measures and interventions:

- PPC operates a network of 36 stations that measures the air quality and the meteorological parameters in the wider areas of the power plants and of the mining sites; this network is further expanded should a need arise.
- Since October 2007, all oil plants using fuel oil are supplied with low sulfur fuel oil (containing 1 wt% of sulfur).
- The projects for the installation and the continuous operation of the fuel gas desulfurization of the Megalopolis Unit III were handed over in the first half of 2012.
- Pursuant to Article 32 of the EU Directive 2010/75/EU, Greece processed and submitted the Transitional National Emissions Reduction Plan for approval to the European Commission. This Plan pertains to Units I-V

of the Agios Dimitrios Steam Electric Plant, Units III and IV of the Kardias Steam Electric Plant, Unit III of the Megalopolis A' Steam Electric Plant, Unit IV of the Megalopolis B' Steam Electric Plant and Unit I of the Meliti I. The adoption of the Transitional National Emissions Reduction Plan by the European Commission is expected in 2013.

- PPC looked into the pilot application of the method of dry desulfurization of multi-point injections at the Unit III of the Agios Dimitrios Steam Electric Plant.
- The Corporation commissioned a specialized company/consultant to conduct a preliminary study to reduce SO₂ emissions in the lignite Power Plants in western Macedonia (in Units I-IV of the Agios Dimitrios Steam Electric Plant and Units I-II of the Amynteo Steam Electric Plant).
- The West Macedonia Lignite Centre implements two research projects, designed to assess the contribution of mining (excavation, dumping, and material handling) to emissions and to concentrations of the PM10 airborne particles in the atmosphere of the area. The results of this project are expected in 2013 and they will be used in the study, design and implementation of the monitoring and control measures to be taken for airborne particles.

It is also noted that the relevant authorities are systematically informed of air pollutant emissions, through annual reports and four-month reports for excessive emissions, where required, pursuant to the Environmental Terms and Conditions Decisions. In cases of excessive emissions, of damages in the de-pollutant equipment, etc. the information is announced immediately (within 24 hours).

6.4 Actions for the Reduction of Greenhouse Gases

PPC recognizes the impact of climate change on all sectors of the economy, as well as its own responsibility as regards GHG emissions from its operations. Thus PPC has been investing over time to improve the energy efficiency of its thermal power plants, improving the characteristics of the energy mix for the electricity generation and the development of hydroelectric power plants and RES projects. As a result, there is a decrease of the average CO₂ emission factor of the PPC electricity generation system over time.

PPC investment plan

In establishing the PPC strategic priorities, the Generation Division has undertaken to implement investment projects to replace obsolete power plants with new, environmental friendly, cutting-edge and higher performance power plants. Regarding the progress of the relevant investment projects in 2012, the following can be noted:

- The construction of the natural gas network and the electricity transmission to Unit V network (a combined cycle unit, of a net installed capacity of 416.95 MW and of a nominal efficiency of 58.4%) of the Aliveri Steam Electric Plant was completed. The pilot operation of this Unit commenced in March 2013.
- The construction of civil engineering projects and the arrival and installation of the electromechanical equipment for the combined cycle Unit of Megalopolis V, of 811 MW net power capacity, using natural gas, are underway. The plant is expected to start its commercial operation in April 2014.
- The international tender for the construction of a new Steam Electric Plant in Ptolemais (Unit V) of 615.74 MW net power (+ 140 MWth for district heating), burning pulverized lignite, has been completed. The project is expected to be completed within 70 months from the date the contract was signed. There is a provision in the environmental and engineering design for installing CO₂ capture technology in this Unit (which will replace the existing Ptolemais Steam Electric Plant).

In 2012, we continued to reduce the operation of Units III and IV of the Aliveri Steam Electric Plant (the plant operates only during the necessary hours so as to ensure the system reliability and/or in case problems for the natural gas supply arise) and the Units I and II of Lavrion and the LIPTOL Steam Electric Plants (to cover only the obligations of the district heating station to the neighboring municipalities). The reduction of the operation of these old units (by 3,400 GWh compared to the normal operating levels of these units), has a positive effect on national GHG emissions as emissions of about 1,350 kt CO₂ are cut down on.

More information about the PPC Investment Program is included in the 2012 Annual Report.

Renewable Energy Sources

Apart from the development of low carbon technologies, the PPC Environmental Strategy includes significant investments in order to increase the share of power generated from the development of the hydro potential of Greece and the development of projects that use renewable energy sources (through PPC Renewables S.A., a PPC subsidiary, and in collaboration with other private investors). This includes investments in wind parks, small hydroelectric power plants, solar parks, biomass plants and geothermal power plants.

The Corporation takes advantage of the high natural terrain of the country, and thus builds dams and creates ponds utilizing the hydro potential of Greece with respect to the supply and demand balance, at the basin level of each water district. Today, PPC owns and operates 15 major hydropower plants in various regions of Greece.

Please note that the Sfikia Hydroelectric Plant on the Aliakmon River and the Thisavros Hydroelectric Plant on the Nestos River are pumping plants; in other words, they store excess hydroelectric energy and then release it when there is excess demand compared to the system's output at that time.

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respect to the supply and
demand balance, at the basin
level of each water district.*



Specifically, with regard to the development of hydroelectric plants, please bear in mind the following (for more information, please see the 2012 Annual Report):

- In July 2012, the tunnel diversion of the Hilarion hydroelectric project was successfully blocked and the reservoir commenced filling. Work also continues at the substation in the riverbed downstream of the dam so that the commercial operation of the Hilarion HPP commences in the second half of 2013. The installed capacity of the Hilarion hydroelectric project is 157 MW, with an estimated net electricity generation of 330 GWh.
- Work on the construction of the Metsovitiko hydroelectric project (29 MW) is in progress. In 2012, the supply and installation of electromechanical equipment was ratified and the provisional winning tenderer was named for the procurement of the remaining civil engineering projects. The project is expected to enter into commercial operation in late 2015.

EU Emission Trading Scheme

The Emissions Trading Scheme (ETS) is one of the main tools of the European Union to reduce GHGs emissions. The ETS operation commenced in 2005 and the third phase of its operation started in 2013 (2013-2020). From 2013 onwards, all electricity companies are obliged to buy all rights necessary to cover their emissions (as opposed to free allocation that was in force from 2005 to 2012). More information on the regulatory framework governing the ETS operation

can be found on the websites of the Greek Ministry of Environment, Energy and Climate Change (<http://www.ypeka.gr/Default.aspx?tabid=456&language=el-GR>) and the European Commission (http://ec.europa.eu/clima/policies/ets/index_en.htm). Detailed data on the plants bound by legislation in the European Union can be found in the European Transaction Log (<http://ec.europa.eu/environment/ets/>).

The CO₂ emission allowances allocated to PPC for 2012 were 43.1 million, and PPC delivered 47.5 million allowances, that is there was a shortfall of 4.4 million emission allowances, which was covered through the purchase of these additional allowances.

Other initiatives

In order to reduce the environmental footprint of its operations, PPC participates in a number of voluntary initiatives and research programs and runs relevant activity programs. Examples include the following:

- PPC continued its voluntary participation in the 6th reporting circle of the EURELECTRIC Energy Wisdom environmental program. The Environment Branch of the Strategy Department participated in the preparation of the report of the 2012-2013 programs on improving energy efficiency, on carbon emissions reduction and on the 2050 challenges (available at http://www.eurelectric.org/media/27170/ewp_2012-13_final-2012-030-0417-01-e.pdf). The EURELECTRIC environmental policy and sustainable development department organized an event at the European Parliament to present the publication, which promoted PPC among 16 European electricity companies.
- The Corporation voluntarily participates in the European Union «Greenbuilding» program, an energy upgrade and building certification program. The program is implemented on a pilot basis only in the PPC buildings in Kallithea and Pagrati, which will be the first certified energy-efficient buildings of the Corporation.
- Since March 2011, PPC has been participating in the GREEN e-motion program (for more information, please visit <http://www.greenemotion-project.eu>), as part of its first pilot electrification project in Kozani, in cooperation with the municipality of Kozani.
- PPC is a member of the World Business Council for

Sustainable Development (WBCSD), the global exponent of businesses and their positions on sustainable development issues. In the WBCSD context, PPC participates in the Working Group for electricity companies (WG Electric Utility) on issues pertaining to energy efficiency and smart grids. PPC also participates in the working group (WG Water) on water management by electricity companies.

6.5 Water Management

The development of Greece's hydrodynamic potential for electricity generation is one of the most important PPC activities, which contributes to the reduction of energy dependence and of greenhouse and other gases emissions. For this purpose, dams are constructed and ponds (reservoirs) are created. At the same time, PPC recognizes the importance of water resources for sustainable development and, for this reason, implements a series of measures and preventive actions for the protection and the integrated management of water, with responsibility and with a view to maximizing the total social and environmental benefits. Furthermore, PPC emphasizes on the systematic monitoring of the Greek water resources and maintains a unique monitoring network, which includes:

- A rain gauge and weather network of high reliability, with 179 measurement stations grouped mainly in mountainous Greece, and
- A hydrometric network, with 39 stations measuring the river flow.

The PPC hydrometric monitoring network is unique in Greece, as it can systematically collect comprehensive

and reliable information for evaluating the water flow of rivers, on a continuous or a daily basis. The data collected, in addition to their use for the needs of PPC and for the safe design of public and private projects, are essential for Greece's compliance with the EC Directive 2000/60/EC pertaining to designing management plans for river basins, for environmental impact studies and for the general monitoring of the water environment quality.

It should be noted that tenders for the procurement and installation of ten automatic telemetry stations measuring the physicochemical parameters that will be placed in different lakes are being prepared (this will be a pilot operation). The collected data will form a database for future studies to be conducted as needed. At the same time, measurements are made in all HPP lakes, with samples sent to accredited laboratories and the results communicated to the competent authorities.

Water sources affected by the pumping carried out by the PPC (thermal and hydro) power plants are presented in the following table, together with the protection status of each area (due to the high value of their biodiversity features). Information in relation to the NATURA 2000 European Ecological Network can be found at the competent Ministry website (<http://www.ypeka.gr/Default.aspx?tabid=432&language=el-GR>).

Water source name	Type	Protection regime
Almyros, Chania *	Lake (outfall)	NATURA 2000
Acheloos (Kremasta, Kastraki, Stratos)	Artificial lakes	None
Aliakmon (Polyfyton, Sfikia)	Artificial lakes	None
Aliakmon (Asomata HPP)	Artificial lake	NATURA 2000
Agras	Artificial lake	NATURA 2000
Nestos (Thisavros, Platanovrysi)	Artificial lakes	NATURA 2000
Arachthos (Pournari I and II)	Artificial lakes	None
Aoos	Artificial lake	NATURA 2000
Ladonas (Ladonas HPP)	Artificial lake	None
Tavropos (Plastiras HPP)	Artificial lake	NATURA 2000

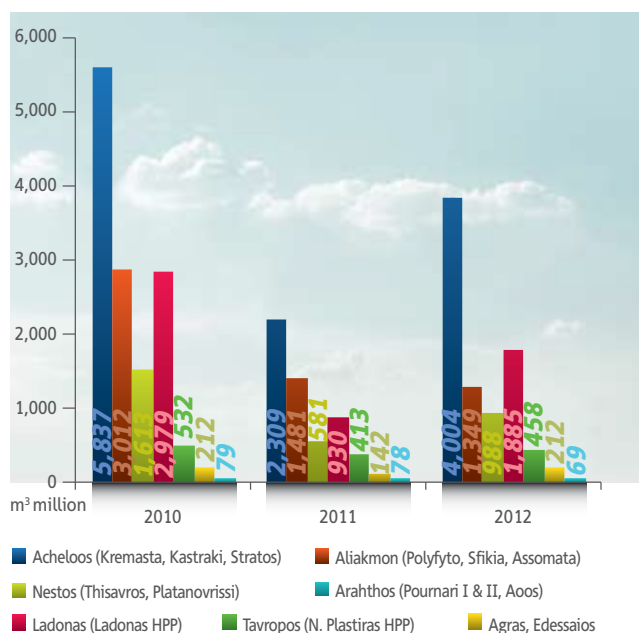
* The Almyros, Chania, source is within the PPC Renewables jurisdiction. According to the contract between PPC and PPC Renewables, the responsibility for the operation of the hydroelectric plant and the monitoring of the quality of the lake water lies with the Chania Power Plant, following the Joint Ministerial Decision on the environmental terms and conditions for the plant.



Water management in Hydroelectric Plants

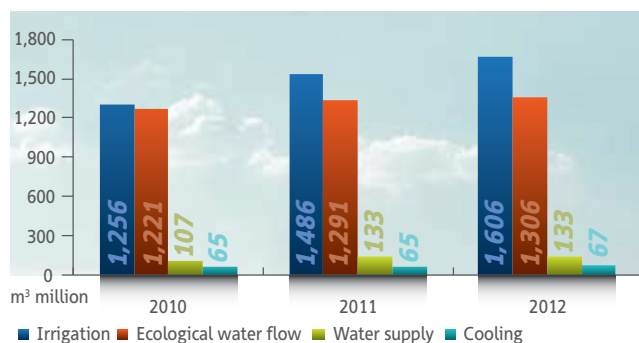
2012 was a year of average hydraulicity, and consequently the water inflow to the reservoirs was higher than in 2011, but lower than in 2010.

Water inflows per reservoir



The hydroelectric projects ensure flood protection and cover the needs in water and in irrigation of adjacent areas. In addition, dams ensure a minimum continuous supply of water in the riverbed (ecological flow), even in times of severe drought, contributing thereby significantly to the protection and management of the water resources of the country.

Use of water per usage category

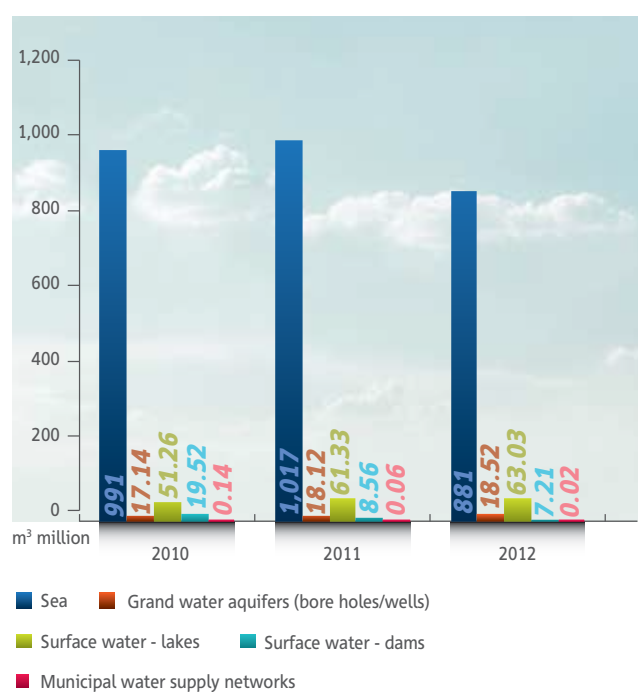


Note: The PPC reservoirs provide water, mostly to Thessaloniki, Agrinio, Karditsa, Arta, and many lakeside areas.

Water management in Thermal Power Plants

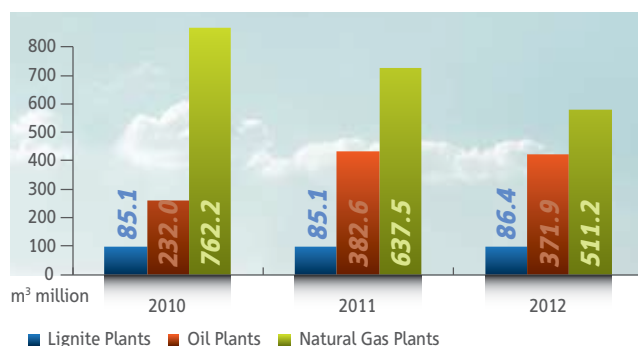
Water is abstracted in the area around the thermal power plant projects for various uses, such as for cooling the power generation towers.

Quantity of water drawn from abstraction sources



Note: It includes the quantity of sea water needed for cooling (2010: 990 m³ million, 2011: 1,016 m³ million, 2012: 880 m³ million).

Quantity of water drawn per category of facility



Note: It includes the quantity of sea water needed for cooling (2010: 990 m³ million, 2011: 1,016 m³ million, 2012: 880 m³ million).

Aiming at the rational water management, PPC recycles and reuses significant water quantities, thus reducing the total volume required to meet its needs. The relevant amounts of water recycled and reused in its power plants,

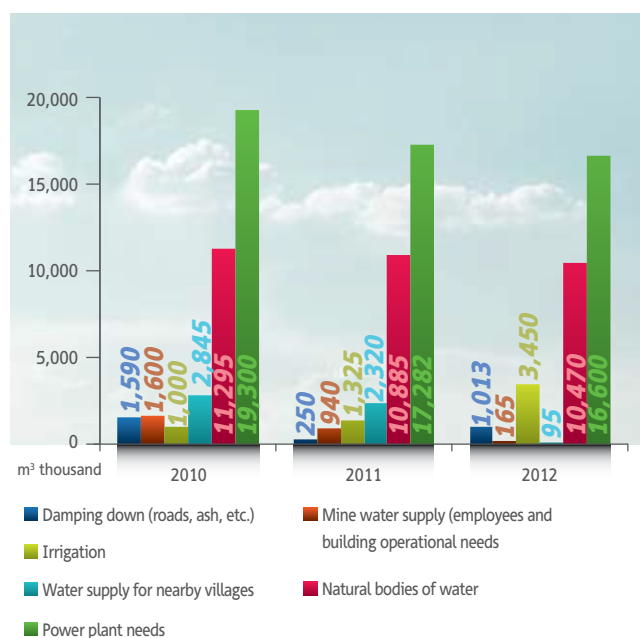
are 21% for the lignite-fuelled plants and 0.36% for the oil plants. Please note that the evaluation of the above recycling rates does not include the quantity of sea water used for cooling.

Water management in mines

In the areas of mining activity, the pumped water (groundwater for the protection of silt from water entering and surface waters from the drainage pumping stations located on the floors of mines) are used to meet the needs of the mines. Furthermore, depending on the needs and within the existing established policy of good cooperation with local communities, water is available to neighboring municipalities for the irrigation of local crops and other uses. At the same time, excessive amounts of water are reallocated to the natural recipients of the region, boosting their water balance and improving their quality, since this is pumped underground water from water wells.

We have to note the positive contribution of the Corporation to maintaining the Soulou artificial moat in the area of Ptolemais, which makes it sustainable and ensures the ecosystem balance.

Use of water per usage category



6.6 Waste Management – Use Of By-Products

Solid waste

PPC power plants generate both solid and liquid waste which the Corporation ensures is suitably managed, according to the provisions of the applying legislation, the criteria being the protection of the environment and sustainable development. The waste management is based on the PPC cooperation with alternative management system companies that have been approved by the National Recycling Organization according to the applicable legislation, and with licensed (by type of waste) collection companies for the transfer, management and reuse of waste in Greece and abroad.

- PPC takes all necessary measures to minimize leakage and to ensure the safe collection of waste oils and liquid fuels in suitable tanks.
- During 2012, no hazardous waste included in the main contract pertaining to hazardous waste disposal was trafficked across borders. The contracts for the hazardous waste removal were completed in 2011. The remaining amounts will be removed in 2013 and 2014 after the new underway tender is completed.

PPC takes all necessary measures to minimize leakage and to ensure the safe collection of waste oils and liquid fuels in suitable tanks.

Waste Description	Quantity (in tons)	Disposal Method
Material, Fuel, Purchasing And Transportation Department		
Network conduits (Al, Cu, ACSR, etc.)	2,614.07	Sale
Different types of cables	331.654	Sale through tenders
Transformers	1,557.83	Sale
Vehicles	45 τεμ.	Sale through tenders
Vehicles	11 τεμ.	Sale through tenders after removing oil or other lubricants
Metals (Iron, Steel ropes, AL, Cu)	8,347.48	Sale through tenders
Other materials	768.28	Sale
Thermal Power Plants Operations Department		
Fly ash and dust from diesel boilers	11,161.10	Recycling
Sludge from onsite treatment of discharged liquids containing hazardous substances	69,701.72	Recycling
All types of mineral oil	591.33	Recycling
Waste oil and diesel	1,179.26	Recycling
Packaging containing residues of hazardous substances or that have been polluted with hazardous substances	6.18	Recycling
Absorptive materials, filter materials, wiping cloths, protective clothing polluted with hazardous substances	20,471.71	Recycling/Disposal
Disposable organic chemicals consisting of or containing hazardous substances	0.34	Disposal
Unsorted batteries and accumulators	70,600.48	Recycling
Waste containing oil	32.16	Recycling/Disposal
Soil and stones containing dangerous substances	6,630.07	Disposal
Insulation materials containing asbestos	4,741.64	Disposal
Construction materials containing asbestos	8.45	Disposal
Fluorescent tubes and other mercury-containing waste	2.94 and 2 bins	Recycling
Mines Environment Department		
Ferrous scrap metal	4,030.63	Recycling
Decommissioned vehicles, machinery and engines	205.02	Recycling
Brass filings	1.65	Recycling
Used lead accumulators	26.35	Recycling
Plastic rings	122.12	Recycling
Used elastic straps	211.26	Recycling
Used contaminated absorbents and filters	17.44	Recycling
Waste from electronic equipment	70.05	Recycling

Waste Description	Quantity (in tons)	Disposal Method
Batteries	0.15	Recycling
Waste Lube Oils	463.13	Recycling
Mixture of water of oil separators	5.95	Recycling
Paper	40.00	Recycling
Fluorescent lamps	59 cans	Recycling
Used pneumatic tires	415 items	Recycling
Empty barrels that contained lubricants	9,672 items	Recycling

Note: The amounts have been calculated in accordance with the references to the documents of collectors / transporters resulting from packing lists, delivery notes and invoices. For decommissioned vehicles, the data come from their certificates of destruction. The terms «recycling» and «disposal» are used in accordance to the references in Annexes I and II of Section B of Law 4042/2012.

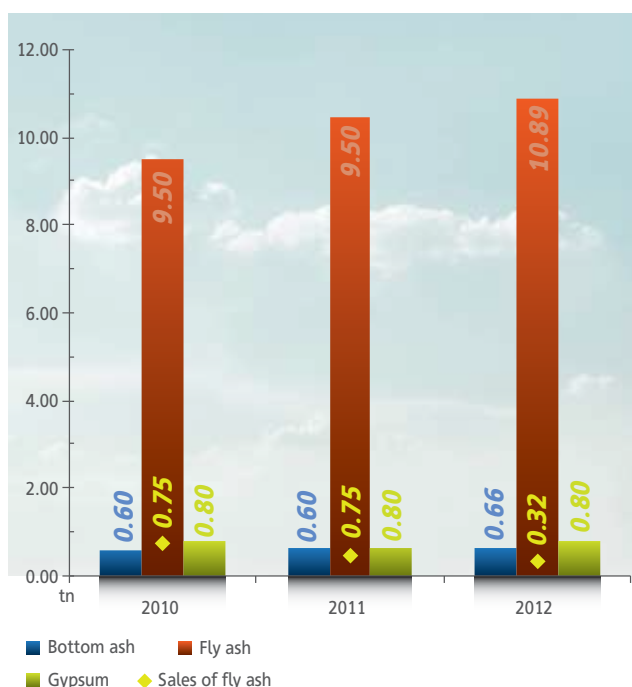
Use of by-products

The PPC main by-product is ash (fly and bottom) while gypsum is produced in large quantities from the desulfurization Units of thermal power stations. PPC has already registered the quantities of ash it commercially trades, in line with the European REACH regulation (registration number: 01-2119491179-27-0086). In 2011, the Corporation also began to register gypsum so that this by-product can also be disposed commercially. It is expected that the gypsum registration process will be completed by 2014.

In 2012, the burning of lignite in the thermal power plants of the Corporation produced nearly 10.9 million tons of fly ash, 0.7 million tons of bottom ash and 0.8 million tons of gypsum.

- 8.6 million tons of ash were deposited along with rough material in the mines of the Western Macedonia Lignite Center.
- In a specifically licensed area near the Meliti Steam Power Plant 1 million tons of ash and 0.1 million tons of gypsum were deposited.
- In a specially designed area within a depleted mine at the Megalopolis Lignite Centre 1.6 million tons of ash and 0.7 million tons of gypsum were deposited.
- Sales of fly ash in 2012 amounted to 0.3 million tons.
- At the moment (until the registration process is completed in accordance with the European REACH Regulation), gypsum is deposited along with the ashes of the power plants in mines of the Corporation.

Use of by-products



Note: The total quantity of the produced gypsum and part of the quantity of the produced ash (the difference between the total quantity produced and the total quantity used) are deposited at a licensed site.

Liquid waste

All power plants operated by the Corporation have state-of-the-art systems for the treatment of their liquid waste, in accordance with the provisions in the relevant decisions approving the environmental terms of each plant, and in accordance with the Best Available Techniques Manual for Large Combustion Plants. Water and treated liquid waste



are always discharged in accordance with the provisions of the law and the relevant regulations and decisions, and the Corporation systematically monitors the quantities and characteristics of the produced waste and informs the competent authorities as required.

Type of water source	2010	2011	2012
Sea water for cooling (m³)			
Lignite Plants	-	-	-
Oil Plants	230,960,000	381,716,004	371,140,372
Natural Gas Plants	758,932,235	634,117,779	508,472,959
Treated liquid waste (m³)			
Lignite Plants	37,403,591	36,375,294	34,257,372
Oil Plants	458,665	141,177	155,485
Natural Gas Plants	1,419,843	1,498,723	1,416,883

Note: The quantities of waste are measured by flow meters and the quantities of cooling water are estimated based on the capacity of the pumps at the maximum output of the power plants and their hours of operation.

It should also be noted that a significant quantity of treated waste is disposed of for various purposes, primarily irrigation, especially during the summer months. The quantity disposed off in 2012 was approximately 28.5 million m³.

6.7 Biodiversity

The protection of biodiversity is an integral part of the PPC environmental policy. The Corporation takes measures in accordance with the applicable legislation for the management of the natural environment in the areas it operates in, for lignite mining and for electricity generation. Such measures are designed to maintain or restore the natural habitats and species of wild flora and fauna to a favorable conservation degree.

To this end, PPC takes measures so as to optimize the process of the rehabilitation of affected areas and the selection of the most appropriate final use, taking into account a number of parameters, such as:

- the ground morphology and the climate conditions,
- The ecosystem variables after the end of the mining activity,
- The human geography and the socio-economic structure, and
- The prevailing land uses and the needs for these uses.

Through its rehabilitation programs that have been implemented for several years in the areas of its lignite mines, PCC has created new woodland areas. In the Western Macedonia Lignite Centre, the woodlands include acacia, Arizona cypresses and esparto grass, a variety of fauna, and many species of butterflies. Thus, ecosystems of exceptional beauty have been created. The rehabilitation projects also include area restoration, modern greenhouses, parks, fruit crops in a pilot orchard with an integrated management system, water wells for the irrigation of crops, the creation of grassland areas for the conservation of livestock, etc.

As part of its ongoing efforts to improve the effectiveness of the environmental rehabilitation of the areas affected by its activity, PPC has commissioned the Forest Research Institute of the National Agricultural Research Foundation (since 2010) to conduct a study (that will last three years) on the choice of the most suitable tree species for the region of Western Macedonia and the specific areas. The Western Macedonia Lignite Centre used the first results of the above study, and, during the spring planting season of 2012, 60,300 seedlings were planted at the outdoor drop of the Mine of the Southern Field and at other locations

within the mines. The novelty of this tree planting is based on the mix of plants for the benefit of other conifers and broadleaf species, on the pilot planting of 900 Macedonian oak seedlings and on the use of a sparse linking material that allows for the mixed forest and livestock use of the restored area.

Other actions taken by PPC for the protection of biodiversity are:

- Artificial plantations of forest species, according to the species that are judged suitable for the specific location in the deposits of the mines, and
- Creating artificial nests and habitats and operating small wetlands with the development of bird fauna population.

Studies and research on the balance of ecosystems

In collaboration with institutions such as the Hellenic Centre for Marine Research, the National Agricultural Research Foundation, and university colleges, PPC conducts studies on the balance of ecosystems so as to develop specific strategies, operations, actions or plans relating to biodiversity recovery/redevelopment/management in agreement with what is prescribed by the national and European legislation:

- In accordance with the contract 11656/13/07/2011 between PPC and the National Agricultural Research Foundation/Institute for Fisheries Research, during the third implementation period (January-July 2012), 252 fish, of which 69 were collected at Nestos collection stations at the downstream dams, were collected and transferred to Lake Thisavros.
- In collaboration with the University of Patras, a study on "The environmental monitoring of the physicochemical parameters of the HPP Pournari I and II and part of the river Arachthos through the installation and operation of an experimental automated telemetric network" was commissioned and completed in 2012.
- As regards the Nestos river, there is a contract with the Balkan Environment Centre for the 2011-2012 period for the "sampling and measurement of physical, chemical and biological parameters of the water of the Nestos river and the artificial dam lakes".

- As requested by the Ministry of Development, Competitiveness and Shipping, the Corporation conducted two studies needed for the Greek Management Plan to protect eels: the "Development of typology barriers affecting the migration of eels" and the "Assessment of the effectiveness of technical measures to facilitate the migration of the population of eels." The team of the Department of Biology, University of Patras, which prepared the studies, recommends that priority be given to the management of ecosystems downstream of the dams of the PPC hydroelectric stations.
- In September 2012, the study on the "Investigation of environmental impacts due to the disposal of cooling water and wastewater in the marine coastal area of the Thermal Power Plant of Atherinolakkos in Crete" was completed by the Institute of Marine Biology, Biotechnology and Aquaculture and the Greek Centre for Marine Research.
- In October 2012, a study entitled "The Oceanographic Study of the Marine Environment Quality in the vicinity of Thermal Power Plant of Keratea - Lavrio on the foaming phenomena", was prepared and conducted by the Greek Centre for Marine Research.

***PPC conducts studies
on the balance of ecosystems
so as to develop specific
strategies, operations,
actions or plans relating
to biodiversity
recovery / redevelopment /
management***

PPC seeks to fully comply with national and European legislation and regulations on environmental issues, taking all the necessary measures to ensure that there is compliance with the maximum permissible noise limits at its premises.



NATURA 2000 protected areas

The areas where the mining activity of PPC unfolds are not included in the NATURA 2000 network or in other protected areas. The PPC Hydropower facilities located within protected areas (based on the NATURA maps of the Ministry of Environment, Energy and Climate Change) take up an area of 65.30 km².

Water Source Name of a NATURA 2000 Area	Surface Area of PPC's Hydroelectric Facilities (km ²)
Almyros in Chania*	0.08
Aliakmonas (Asomata)	2.50
Agras	8.08
Nestos (Thisavros)	18.00
Nestos (Platanovrysi)	3.00
Aoos	8.64
Tavropos (N. Plastiras HPP)	25.00
Total	65.30

* The Almyros Chania water source is under the responsibility of PPC Renewables. There is a specific contract in force between PPC and PPC Renewables, stipulating that the responsibility for the operation of the Plant and the monitoring of the water quality in the specific lake lies with the Chania TPP, in compliance with the approved environmental terms of the Plant.

6.8 Regulatory and Legislative Compliance

PPC seeks to fully comply with national and European legislation and regulations on environmental issues. However, in 2012, PPC paid € 2 million in fines that relate to the legalizing of illegal buildings. € 0.2 million were also paid in fines that relate to the operation of mines and the power generation plants on Greek islands.

Finally, it should be noted that PPC takes all the necessary measures to ensure that there is compliance with the maximum permissible noise limits at its premises, and in 2012 no relevant fine was imposed on PPC.

7. Market and Customers

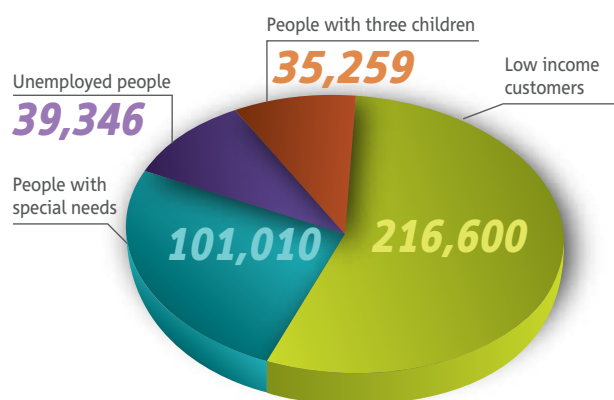
7.1 Products and Services

The PPC main product is the supply of electricity to residential customers, professionals and large businesses nationwide. PPC provides electricity to all locations where there is a request for a connection, and provided that it is possible to extend the PPC networks (in compliance with existing rules for the NATURA areas, and after obtaining approval from the forestry service, etc.). The countryside electrification program was completed in the 1980s, and as a result 99.9% of the country's population has access to electricity.

PPC offers different tariffs for different categories of customers. The tariffs depend on the voltage (high, medium and low) and on the use (residential, industrial, general, agricultural, daily newspaper and street/square lighting tariffs). In 2012, the medium voltage tariffs were liberalized.

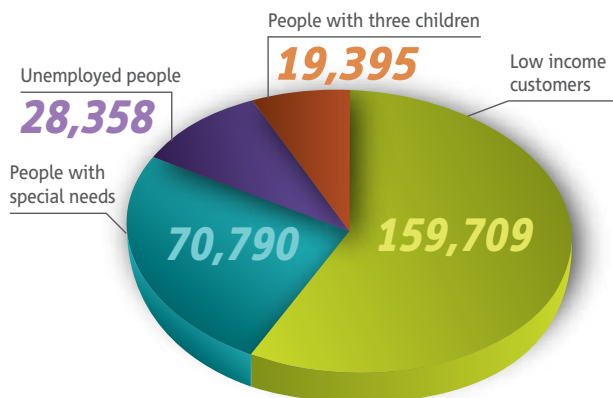
According to a decision of the Greek State and aiming at protecting vulnerable consumer categories, such as the low income customers, people with three children, the unemployed for a long period of time and people with special needs, the Social Residential Tariff (SRT) program has been established. This tariff includes a 30% to 35% reduction in the applicable residential electricity price as regards electricity consumption of up to 800 kWh. In 2012, the number of applications for admission to the SRT program reached 392,215, of which 278,252 were approved (71%).

SRT Beneficiaries (Number of Applications)



Total number of applications: 392,215

SRT Beneficiaries (Approved Applications)



Total approved applications: 278,252

In 2012, the Hellenic Regulatory Authority for Energy (RAE) gradually deleted four electricity supplying companies from the register of market participants

The Social Residential Tariff includes a 30% to 35% reduction in the applicable residential electricity price as regards electricity consumption of up to 800 kWh.

In order to support Greek enterprises, PPC offers a tiered amount of discount on the energy billing of its medium voltage customers with a significant volume of annual consumption in 2012.

in two time periods. As a Supplier of Last Resort, PPC was invited to provide electricity to the customers of these companies for three months. As the Supplier of Universal Services, PPC continued to provide its services to those consumers who did not sign a supply contract with another supplier of their choice in the course of these months. Overall, PPC was asked to serve approximately 230,000 connections as a Supplier of Last Resort and then 70,000 connections as Supplier of Universal Services. For all the above, PPC has developed a special informational campaign with the PPC contract terms and procedures until the final supplier selection.

Given the adverse financial circumstances in the country, it was decided by the main shareholder of the Corporation

(the Greek State) that the Extraordinary Special Duty for Electrified Structured Surfaces (EETIDE) be included in electricity bills. The Supply Division devoted much of its human resources, both in its stores and in its headquarters, for the design and implementation of this special decision. A special section has been developed on the PPC website and a special hotline (2142141000) operates with a local charge throughout Greece aiming at better informing consumers about EETIDE.

In 2012, there were 315,232 electricity disconnections, and approximately 65% cases related to residential consumers. The disconnections uniformly apply to all customers in accordance with the regulations of the Corporation and the applicable Supply Code, taking special care of customers belonging to vulnerable groups such as SRT beneficiaries and people with serious health problems that require mechanical support. When any debt is paid or settled, PPC reconnects the power supply on the same day for the majority of customers and in some cases no later than the morning of the next day if the payment took place after business hours. In 2012, there were 700,000 bill settlements in line with the BoD approved Settlement Regulations. Information about the current program arrangements can be found on the Corporation's website at www.dei.gr.

Medium Voltage customer discount policy

In order to support Greek enterprises, PPC announced a new discount policy for medium voltage customers, in 2012. PPC offers a tiered amount of discount on the energy billing of its medium voltage customers with a significant volume of annual consumption. The prerequisite is that the total annual consumption of low and medium voltage customers, who retain their contract with PPC till 31 December of the clearance year, be 10 million KWh or more and that the customer pay the bills on time. Especially for 2012, the year the described discount policy was launched, the offered discount was calculated by the energy value of the in time paid MV bills for consumption between 01/04/2012 and 31/12/2012.

In order to support this discount policy, a new on-line application where the accounts/ connections are

grouped was developed. The new application enables companies that PPC supplies electricity to and that are entitled to the discounts, to group the accounts/connections of low and medium voltage they use in their facilities. Through the application, the MV customers follow simple steps, and can thus manage and validate the total number of their connections, so as to add up the total annual consumption and determine the amount of the discounts offered.

Electronic bill

In September 2012, the new online account service called «e-bill» was presented. The new service enables PPC customers to:

- have access to their bills of the last 12-months,
- print copies of the bills,
- file their bills electronically on their computer,
- have access to the accounts of all their properties (home, cottage, business, etc.).

It is worth noting that currently 10% -15% of customer requests we manage in our stores relate to printing lost bills.

The aim is that the e-bill service be further promoted in the coming years, enabling consumers, among other services that we are planning, to be informed via e-mail for the issuance of their bill and to choose to receive only electronic and/or printed bills.

One-Page bill

In October 2012, PPC started sending a new, single-ply bill, easier to understand, and user- and environment friendly. In addition to better serving the needs of the customers, the new bill also saves paper. The design of the new bill was based on the results of a consumer survey conducted by the Corporation on the information customers wish to receive on their bill and on what they consider as the most important piece of information.

More particularly, on the front of the bill the most important billing information for customers can be found at a glance, such as:

- The total amount of payment,

- Charges that the bill includes in brief,
- The total power consumption,
- The expiry date of the bill,
- The electronic payment code, and
- The date of the next electricity measurement.

Important messages related to customer service and energy savings are also on the front page, as well as information about the fuel mix of the country.

On the back page of the bill, all charges summarized on the front are described in detail, so that customers can easily and accurately know the way the following have been calculated:

- Charges for electricity consumed, and
- Charges payable on behalf of third parties, which PPC is obliged to collect through electricity bills.

Besides offering a simple, understandable and modern energy bill to our customers, the benefit for the environment is equally important. PPC sends bills to approximately 7.5 million customers six times per year; therefore, the one-page bill saves annually more than 45 million sheets of paper.





7.2 Customer Relationship Management

The Corporation constantly strives to improve the way it provides services to its clients so that they are satisfied. Efforts are made to strengthen our customer-centric approach, conduct research and examine complaints, taking into account consumer needs.

Modern ways of reaching out to customers

In addition to its stores, PPC uses the internet, the electronic means of communication and social networking (Twitter, LinkedIn, Flickr, and YouTube) to communicate with its customers. The corporate website (www.dei.gr) is designed according to today's customer-centric standards in order to provide immediate information to the general public in Greek and English. For people with visual impairments or reading difficulties, PPC provides information on its services through an audio message. It is also possible for consumers to contact the Corporation through e-mail in Greek and English. Under the new corporate identity design, which is gradually applied to the PPC store network, the stores have special ramps to facilitate access for people with special needs.

In 2012, PPC received an award in the category of «Mobile Electronic Commerce» in the “e-evolution” awards, an awards competition organized by Boussias Communications and the Lab for Electronic Business-ELTRUN of the Athens University of Economics, which awards the most innovative and contemporary practices in e-business. The Corporation won an award for its applications on mobile phones. This app gives users

instant, reliable and fast access to PPC services, wherever they are. The PPC application for iPhone and Android offers:

- Electronic recording of meter readings.
- Change the shipping address of the bill.
- Access to the systems of banks that support online payment of electricity bills.
- Information on planned outages.
- Search and identify bill payment spots across Greece.
- Energy saving tips.
- Communication with PPC for damages and general issues.
- Connection to PPC on social networks.
- Information on the PPC share price.

Customer satisfaction surveys

PPC conducts qualitative and quantitative surveys in the context of the customer-centered focus which PPC has constructed in a systematic manner so as to recognize the new needs of its clients and to explore their views on the services offered. The one-page electricity bill and the electronic bill were developed through this process.

In the qualitative research conducted in 2012, in collaboration with a specialized research company, the main issues examined were the online bill access (e-bill), the services offered by the customer service center and the entirely remote services. The information about the services provided by PPC, about the anticipated services and the best practices among those offered by other companies in the market was gathered. The qualitative research results will provide the basis for conducting relevant quantitative research in 2013.

We also closely watch the evolution of the use of different modes of payment by our customers. PPC provides more than 6,500 locations for bill payments throughout the country. Therefore, we follow up the payments at automatic bill payment machines found in PPC stores and at the cashiers of stores, banks, as well as of other external partners. The information campaigns about the different modes of bill payment resulted in a gradual decrease in the visits to the cashiers of our stores for payments from about 60%, which was in 2009, to 46%. In some stores, we also monitor the service time through a priority system.

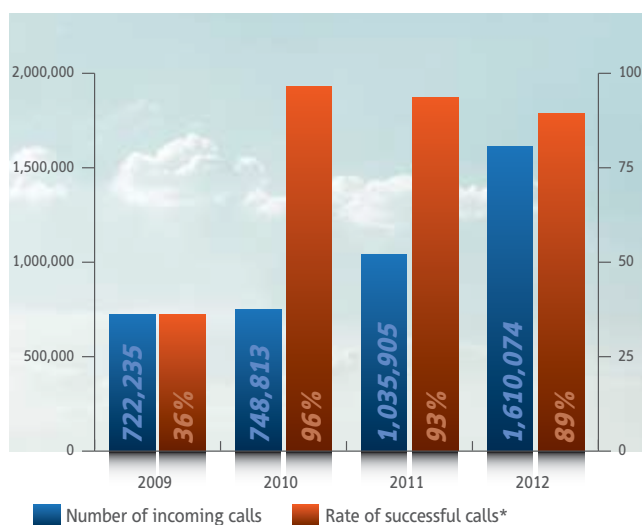
Customer complaint management

Possible complaints from our clients are an opportunity to improve the services we provide, and increase their satisfaction. The complaints - requests to PPC are submitted either in writing (directly from customers through the Ombudsman and the Hellenic Consumers' Ombudsman, etc.) or by email, and an effort is made to respond to all requests. Of the approximately 13,000 complaints - requests sent via e-mail in 2012, 10% were complaints, while the remaining 90% were requests and questions.

PPC recognizes that there is no single evaluation method of customer complaints. For a more comprehensive approach, the Supply Division has launched a study on the central management of complaints and customer requests.

In June 2012, the customer service number changed. 10500, which operated in the region of Attica, was replaced by 11770, which operates nationwide. This led to an increase by 55% of the calls we received at the customer support center in 2012.

Incoming and successful calls



* A successful call refers to the call that was answered by PPC staff and the interaction was successful.

7.3 Responsible and Safe Energy Use

Public information and awareness on saving energy and protecting the health and safety of consumers and users of

electricity is a key concern for PPC.

In order to prevent risks, PPC has included in its processes the requirement for inspecting the premises whenever there is a request for changing the name of a connection user, or in tariffs, or in other data of a user / consumer. This achieves re-inspection of the consumer's facilities at a period shorter than the 14 year period set for compulsory inspection under the existing legislation.

In 2012, PPC continued its briefings and public awareness campaigns on the safe use of energy and on saving electricity. The Corporation designed and distributed brochures, while the corresponding material is also available on the PPC website.

	2011	2012
Safe energy use		
Number of distributed brochures	8,000	8,000
Number of visits to the PPC website from consumers/ customers*	4,000	3,000
Energy saving		
Number of distributed brochures	5,000	5,000
Number of visits to the PPC website from consumers/ customers*	5,000	4,000

* Rounded numbers.

7.4 Marketing Communication Plans

The Corporation seeks to inform its stakeholders on the full range of its activities, such as on pricing plans, on new large energy investments, on renewable energy projects, and on its environmental and social activities.

PPC communication programs are in compliance with the Code of Advertising and Communication Ethics. The Code is designated by the Communications Control Board, an independent civil company, of a non-profit nature. The aim is to implement ethical standards in commercial communications. In PPC, the PPC BoD has established the Communicative Action Commission, in which the current Chairman and Chief Executive Officer, the Corporate

In the spirit of supporting the local communities where the Corporation operates, PPC ensures that these areas are promoted through its advertising campaigns.

Affairs and Communication Department Director and the General Manager(s) participate. The Commission verifies the PPC communication material compliance with the Greek Advertising - Communication Code and the current legal and regulatory energy framework. It constitutes the final approval body for all advertising / communication activities on a bigger scale. This approach resulted in the fact that, in 2012, PPC did not handle any non-compliance issue in relation to its marketing of the communication actions (including advertising, promotion and sponsorship actions).

In the spirit of supporting the local communities where the Corporation operates, PPC ensures that these areas are promoted through its advertising campaigns. Special care is taken so as to directly or indirectly support the local communities and so that any logistics needs that occur during the advertising production be covered by local businesses. Meanwhile, any acting needs are covered by actors/residents of these areas. The actions of the PPC corporate communications in 2012 were implemented mainly in Western Macedonia and made the most of both PPC employees and the residents of the local communities.

7.5 Responsible Procurement

In order to meet its needs for materials, services and the implementation of its engineering works, PPC makes purchases and signs contracts. Where possible, the Corporation makes agreements with local suppliers, contributing significantly to the development of the local economies.

The PPC procurement procedures are described in the PPC Regulation for Works, Supplies and Services (Board Decision 206/30/09/2008. Please see <http://www.dei.gr/Documents2/1%20Δ%20ΝΕΕΣ%20ΔΙΑΚΗΡΥΞΕΙΣ/ΚΕΡΥ/ΚΕΡΥ.DO.pdf>). The Corporation posts the tenders for works and supplies on its website, with the aim of interacting with the public, in a totally transparent and objective context.

PPC keeps a regular registry of probationer suppliers of products and services based on the assessment of the quality and reliability of services and products provided by suppliers, giving them incentives for improving and promoting the general market level. The Corporation is in constant contact with key suppliers to exchange views on the behavior of the procured equipment and the transfer of know-how to them.

For the compliance of contractors and any subcontractors with labor and insurance law for their staff, PPC includes a general clause in all contracts it signs according to which the contract may be terminated and the contractor may be excluded from future competitions in case of recurrent non-compliance. In this way, the Corporation ensures its cooperation with contractors who adhere to labor legislation and have insured their staff as provided by law.

7.6 Regulatory and Legislative Compliance

Compliance with applicable laws and other regulations, including on market issues, products and services, is a key principle for PPC. However, some cases emerged that the Corporation had to handle in 2012.

Seven (7) candidates in tenders (at a pre-contract stage) brought actions against the Corporation because their bids were rejected. Those cases generally relate to questioning the conditions and the tender/invitation (e.g. the rejection

8. Contribution to Society

of their bid by PPC) and do not relate to allegations of corruption.

In 2012, individuals and companies brought in 482 primary or provisional judicial measures and 207 extrajudicial protests/denials against the non-payment of EETIDE through the electricity bills. These are cases where the third parties claim that PPC should not collect EETIDE through the electricity bills, although there is an explicit statutory provision requiring the Corporation to do so. In addition, there are 29 legal cases underway where the defendants (the plaintiffs against PPC) disputed the amount of the municipal taxes imposed - through the PPC electricity bills - by municipalities and turned against PPC with an injunction so as not to make the payment. These cases are a typical example of market distortion, making PPC the body through which other beneficiaries receive fees (in this case the Greek State and the Local Government, respectively). In such cases, the Corporation is involved in no-fault and not direct-action litigation.

According to the 2597/2008 RAE Decision (Government Gazette B 115/27/01/2009), for the first time the values of coefficients for the calculation of Non-Compliance Charges for the calendar year 2009 were set in accordance with Article 21 of the Electricity Management System and Exchange Code. PPC has taken legal action against the RAE decision. Although the issue remains unresolved, the RAE 281/2012 Decision establishes the unit charges, the rates of accretion and other parameters for the calculation of Non-Compliance Charges for 2012. During the account period of four months in 2012, RAE imposed a fine of € 4,070,933.98 to PPC. RAE may also impose regulation measures apart from the fines it may impose.

In 2012, there were no complaints about personal data breaches and the breach of privacy of our customers. There were no legal proceedings relating to unfair competition behavior, trusts, and monopoly practices. There is no logging of non-compliance on the proper marking and information of our products and services, and the impact of our products and services on the health and safety of our customers.

8.1 Public Policy

PPC is actively involved in shaping public policy, expressing its views on a range of issues, relating to its operation, that are briefly presented below. The Corporation communicates its positions in the announcements of the Management and in its press releases, through participating in international and domestic conferences, in institutions, in events, in public consultations, etc.

Energy regulations and regulatory framework

In 2012, as in the previous year, the collaboration between PPC and RAE was of significance for the formulation and completion of the publication of the Code for the Non-Interconnected Islands and the Code of Supply of electricity to customers, a process that was launched in 2011 through committees and consultations. PPC was invited to participate in the institutionalized consultation processes both of RAE and the State, regarding the regulatory framework of energy (e.g. codes, laws, etc., before their issuing or their modification), and regarding the overall energy issues of the country and all energy-related issues.

*PPC is actively involved
in shaping public policy,
expressing its views
on a range of issues,
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that are briefly
presented below.*

Competition and distortions in the domestic electricity market

In the framework of a policy for a more competitive market, the role of PPC is particularly important because, as a company that generates and supplies electricity, it contributes to enhancing competition and removing «distortions» that distort fair competition to the detriment of both the final consumers and the company itself.

The removal of the operation licenses of the four electricity suppliers in the retail market has highlighted the need for change and for the adoption of a «different market model», since this development forced PPC to provide electricity to almost 100% of consumers throughout the country, exposing it to additional risks in a period of prolonged economic crisis. At the same time, as the supplier of the last resort, PPC was obliged to provide electricity to all these consumers, without the selection right and in prices regulated by the State.

The electricity generating capacity of Greece

In order to develop and modernize the electricity generation capacity of the country's investment strategy, PPC has shifted its investment strategy to implementing major investments in new power generation plants that are environment friendly, to replace old, inefficient and polluting ones. It has also been investing in the dynamic development of RES. These cost-effective investments that are sustainable and have multiple benefits, both for the Greek economy, and our communities, contribute and support economic growth.

RES penetration in the energy mix of Greece

PPC promotes the penetration of renewables in the energy mix of the country, supporting their generation with investments, as well as through PPC Renewables that is supported by private investments. To this direction, memoranda of understanding with organizations to develop projects in the RES field have been signed in order to utilize the accumulated know-how and the years of experience that PPC has towards the development of large, complex and innovative national energy RES projects in Greece.



8.2 Local Community Development Programs

For PPC, the concept of corporate social responsibility is primarily related to satisfying stakeholder expectations (customers, employees, shareholders, suppliers, local communities, etc.). In light of this, PPC places particular emphasis on relations with local communities and performs a particularly important task by implementing special programs. In this section, we present some indicative PPC special programs.

Compensatory/public benefit projects

When obtaining the decisions approving the environmental terms and conditions for the projects it implements, PPC consults with the Ministry of the Environment and Climate Change and local bodies to specify the compensatory benefits/projects for local communities. Those are then included in the Joint Ministerial Decision which approves the environmental terms and conditions for those projects. These projects primarily relate to improving roads, tree planting and improving irrigation projects.

The costs of public benefit projects associated with power generation for 2012, as described in the table below, amount to € 3.27 million. PPC has allocated € 260,000 for additional Compensatory/public benefit projects.

Compensatory/ public benefit projects	Category	Project budget (€)	Project total duration (months)	Cost in 2012 (€)	Additional Information
Maintenance of the Dormition of the Virgin at Torniki monastery, which was to be relocated	Aesthetic upgrade, Environmental terms and conditions for the Hilarion Hydroelectric Station	40,000	18	10,226	
Remaining works at the Dormition of the Virgin at Torniki monastery	Aesthetic upgrade, Environmental terms and conditions for the Hilarion Hydroelectric Station	30,000	3	28,179	
Payment of expenditures to the 39th Department of Prehistoric and Classical Antiquities	A contractual obligation of the Hilarion Hydroelectric Station	10,256,495	65	1,692,210	
Environmental regeneration and demarcation of aggregate extraction zones from the bed of the River Acheloos downstream from the Stratos dam	Financial Aid, Prefecture of Aitolia and Akarnania			40,042	
Environmental Restorations - Management Plan and Promotion Design for the Area of Lakes and artificial Dams (Kremasta).	Financial Aid, Prefecture of Aitolia and Akarnania			33,671	
Financing Projects the Municipality of Deskatis	Donation			51,257	
Prassino Street, former Tamineon municipality - Koutoumoula, municipality of Distion	A public benefit project as part of the new Aliveri power plant	400,000		88,969	Part of an overall package of PPC public benefit projects over 3 years, initially costing € 3,500,000. The amount has been further increased and now reaches € 4,727,500.
Agios Lucas Street - Trachili Tamineon Municipality	A public benefit project as part of the new Aliveri power plant	1,200,000		271,200	Part of an overall package of PPC public benefit projects over 3 years, initially costing € 3,500,000. The amount has been further increased and now reaches € 4,727,500.
Milaki Street - Panagitsa - Pounta	A public benefit project as part of the new Aliveri power plant	350,000		23,527	Part of an overall package of PPC public benefit projects over 3 years, initially costing € 3,500,000. The amount has been further increased and now reaches € 4,727,500.
Redevelopment of the commercial centre of Aliveri	A public benefit project as part of the new Aliveri power plant	300,000		119,092	Part of an overall package of PPC public benefit projects over 3 years, initially costing € 3,500,000. The amount has been further increased and now reaches € 4,727,500.
Agioi Apostoloi Street, municipality of Distion – Kalamos, municipality of Avlonas	A public benefit project as part of the new Aliveri power plant	800,000		223,577	Part of an overall package of PPC public benefit projects over 3 years, initially costing € 3,500,000. The amount has been further increased and now reaches € 4,727,500.
A grant for archaeological projects of the 58th Prehistoric and Classical Antiquities Ephorate.	Cultural grant for the new Megalopolis HPP	3,238,000	48	80,000	

Compensatory/ public benefit projects	Category	Project budget (€)	Project total duration (months)	Cost in 2012 (€)	Additional Information
Financing Projects and Studies for the Prefecture of Lassithi	Compensation for the Atherinolakkos project	1,100,000	36	103,936	It relates to drilling projects in the Papa location and the Melitera location of the Municipality of Sitia.
Construction of a kindergarten in Lavrio.	Donation	248,000	36	17,182	
MoU with 23rd Ephorate of Byzantine Antiquities	A public benefit project as part of the new Aliveri power plant	150,000	36	43,977	
Municipal Corporation of District Heating in Ptolemais	Donation	192,899		192,899	
The Papanikolaou General Hospital Institute	Donation	1,000,000	48	250,000	
Total				3,269,944	

Concession of land

In 2012, a motocross raceway park was built at the boundaries of the deposition of the mine of the Northern Field, after the relevant works of Western Macedonia Lignite Centre had been completed (earthworks, fences, plantings, water supply, etc.). The Eordaia motorcycle racing club has already begun organizing races at the local and regional levels.

District heating schemes

Through programs developed with local municipalities and the relevant municipal agencies, PPC utilizes the heat generated by the thermal lignite-fuelled power plants in Western Macedonia and Arcadia and provides the heat generated in the form of hot water to heat buildings for commercial use in Kozani, Amynteo, Ptolemais and Megalopolis. The cost of providing energy via these programs is significantly lower than conventional heating methods.

These programs are a model for sustainable management as they generate numerous benefits for all parties involved, the most important being a reduction in atmospheric pollution since hydrocarbons and wood are not burned to generate heat, and the financial benefits for local communities due to the reduced cost of heating buildings and water.

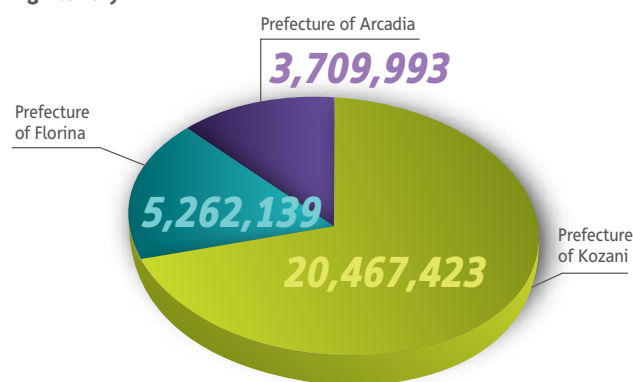
In 2012, another two lignite-fuelled power plants, the Kardias III and the Kardias IV units, joined the program and

they provide thermal energy to the town of Ptolemais. Overall, in 2012, 1.9 million GJ of energy were generated/used in district heating.

Lignite levy

The lignite levy constitutes an offset amount in order to promote the development of industrial areas where electricity power is generated by the lignite-fuelled power plants in Florina, Kozani and Arcadia. This levy that since 2012 by Law 4062/2012 has increased from 0.4% to 0.5% on the PPC turnover finances infrastructure and environmental projects and works that bolster the economy in the specific areas which are affected by lignite mining and its combustion. In 2012, the amount payable by PPC to the local communities for the lignite levy corresponds to € 29,439,555.

Lignite Levy



Total 2012: 29,439,555 (€)

8.3 Sponsorship Programs

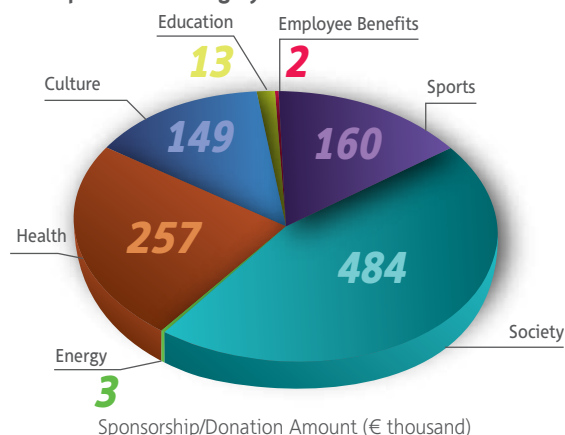
PPC recognizes the needs of the various areas of the country in which it operates and responds to these needs with sensitivity. Many of our actions focus on local communities around our mining and power generation facilities. At the same time, given that our products reach all corners of Greece, we run programs in other parts of the country.

Financial aid

In 2012, PPC provided € 1,068 thousand for projects in various sectors, such as the environment, sports, culture and education. Indicative projects include:

- The commission of the statue of General Nikolaos Plastiras in Chios town in recognition of the General's national work.
- Financial aid to 10 cultural institutions in the faraway region of Florina.
- Aid to the Mission, the Athens Archdiocese NGO, for its Christmas soup kitchens.
- Donation of 150 tons of oil to the municipality of Eordaia for continuing the district heating program.
- Financial aid of the Greek Children's Village in Filiro, Thessaloniki, supporting the work being done.
- Financing projects and studies related to the archaeological site of Megalopolis.

Sponsorship/Donation Category



In 2012, a framework agreement was signed with the University of Western Macedonia for running an

integrated sponsorship program to support academic chairs and for scientific and research studies. The program, totaling € 522,720 for four years, is part of the recognition of the long-term cooperation between PPC and the local communities of Western Macedonia.

It has to be clarified that PPC offered no donation, sponsorship or financial support to any political party or political figure in 2012.

Donations in kind

In addition to financial sponsorship, PPC offered donations in kind. The Corporation donated 10 computers and 10 printers to the Mamatseio General Hospital in Kozani, 32 computers and five printers to schools in Attica, three interactive whiteboards to the primary school of Meliti in the region of Florina, one vehicle to the Special Forces Club in Kozani, one vehicle to the National Technical University of Athens that will be converted to an electric one, 130 saplings for planting to the Antonis Tritsis park, 190 saplings for planting to the Parnitha National Park, 130 gift certificates to orphanages, etc.

Committed to its principle of supporting the local communities in the areas it operates in, PPC supported the 51st Elementary School, located in the area of its headquarters so that its increased material and technical needs be met. To this end, the Corporation undertook the repair of the multi-purpose hall of the school, offered 10 computers for use in the information technology classes, covered the cost of a students visit to a sports Centre and sent more than 400 books for the school library, most of which were donated by PPC staff.

The PPC Western Macedonia Lignite Centre offers the produce of the pilot orchard it has in the restored area of lignite mines to religious, educational institutions and the local community of the Municipalities of Kozani, Servia and Servia - Velventos. In 2012, during the months of July, October, November, available seasonal fruit, such as peaches, pears, grapes, apples and lotuses, from the PPC integrated management orchard were given to the social groceries of the Municipalities of Servia and Kozani, to the Agapi orphanage of Ptolemais, to the nursing homes of Florina and Kozani, to the Spastic Children Foundation of Kozani, the Holy Ascension Monastery of Kozani, to the Good Samaritan Organization of the Municipality of

Eordaia, to the Training Centre for Special Needs in Kozani and the Special Workshop of Ptolemais.

The Corporation also provided support to «The Smile of the Child» Organization covering the electricity bills (the maximum amount being € 70,000) of the host homes of the Organization.

For the second consecutive year, in order to inform and raise awareness for breast cancer prevention/early detection in women residing in the wider area of Western Macedonia, PPC supported the Free Screening Program, in collaboration with «Alma Zois», a Women's Breast Cancer Association, Thessaloniki branch, the Thessaloniki Theagenio Cancer Hospital and the Mpodosakeio Hospital in Ptolemais. The program included clinical breast examination by experienced doctors from the Theagenio Hospital and mammography, for local women older than 40 years old and was primarily aimed at giving mainly uninsured women the opportunity to be tested for breast cancer and to learn about self-examination. Moreover, in 2012 PPC sponsored the book published by the association in order to raise awareness for breast cancer in both women and men. At an event held in February 2012, the club association awarded institutions and organizations that supported its actions in 2011, and PPC was amongst them.

In the 77th Thessaloniki International Fair, instead of any other corporate presentation, PPC created a polyclinic that was donated to "Médecins du Monde" to provide free primary care medical tests (pediatric, gynecological, dental, ophthalmology, pathology and cardiology exams). The

volunteer doctors provided primary care, screenings and clinical examination, for the 1,319 people who visited the booth.

8.4 Employee Volunteer Initiatives

With the support of its employees, PPC organizes volunteer initiatives every year and gives something back to society. In 2012, some of the indicative initiatives organized were the following:

Aid to the "Mitera" centre

In February 2012, in order to meet the needs of 528 children aged up to 18 years old who are under the protection of the "Mitera" Centre in Ilion, Attica, PPC employees collected and delivered food, clothing, toys, electrical appliances, baby products and other kinds of supplies to the institution's premises.

Donations of food, clothing and books

Employees of Agios Georgios TPP in Keratsini that are entitled to food rations from the restaurant of the plant offered 2,505 rations and 150 kg of fruit to the 1st Keratsini Special School, 155 food rations to the soup kitchen of the Church of Agios Georgios in Keratsini, 120 rations to the soup kitchen of the Church of Agios Fanourios in Keratsini. Some suppliers of the plant contributed to this effort of the employees of Agios Georgios TPP. The offers from our suppliers (13 kilos of meat, 228 kilos of fruit, 102 litres of juice and 30 kilos of sweets) were collected and delivered to the 1st Keratsini Special School.

Employees of the Department of Macedonia and Thrace in Thessaloniki collected and donated food, clothing and books to Médecins du Monde. A similar action was organized by the employees of the Energy Management Department with donations to the "Together for Children" organization.

Blood donations

For the umpteenth year, PPC employees organized voluntary blood donation rallies through their associations. More specifically, employee associations such as the



Nationwide Employee Association (PASYP), the Association of Technicians (ETE), and the Association of Administrative and Financial Employees (EDOP) and the SPARTACUS Association in Western Macedonia organized 57 rallies and 1,400 blood units were collected in 2012. Of these, 248 units of blood were allocated directly to cover the needs of the local community in Western Macedonia. For its contribution, the SPARTACUS Blood Donors Association received an award from the Mpodosakeio General Hospital in recognition of its contribution in attracting blood donors.

8.5 Other Initiatives

In addition to the above, PPC has included other initiatives in its work towards contributing to society.

PPC central library

The PPC Central Library is an important information Centre, with approximately 10,000 books and 150 periodical titles, and 76 branches throughout Greece. The Library lends material to PPC staff and is open to the rest of the public (researchers, students, academics, etc.) so that they study the material in the reading room of the library and photocopy the information needed. The Library through its participation in the Network Library of the Greek National Documentation Centre enables network members to order online photocopies of articles from journals that the Library has in its collection and simultaneously request photocopies of articles from the collections of other libraries that are members of the aforementioned network.

PPC historical archives

The PPC Historical Archives collect, preserve and develop the rich archive material of the Corporation. The archives provide information about PPC becoming a single, public body, major projects (mines, power stations, dams, Transmission and Distribution Networks), the creation of a single national network and overall the huge contribution of PPC in the postwar economic growth in Greece.

The Historical Archives include two more archival sections of particular importance: the Oral History Archives that has valuable personal testimonies of PPC executives and employees and the Historical Archives of the PPC Building Facilities and Mechanical Equipment, which record and document the material remains of the generation activity of the Corporation and its rich cultural/industrial heritage.

In 2012, the Files - Historical Archives Section enriched the Oral History Archives with new interviews, developed new archive modules (e.g. the Ebasco file, namely the U.S. company the Greek government commissioned in 1950 to create PPC and develop the national electricity system) in order to become accessible to the scientific and research community. Also, the PPC Historical Archives collaborated with the National and Kapodistrian University of Athens and the National Technical University on training in historical documentation and the promotion of industrial heritage.

The Historical Archives are open to the general public.

Cooperation with the Association of Young Entrepreneurs

Six members of the Corporation voluntarily participated in the educational programs of the Association of Young Entrepreneurs to help young people acquire basic knowledge related to the business world, to entrepreneurship, to the importance of the economy and the role of business in the global economy. At the Annual European Congress of Young Entrepreneurs that was organized for the first time in Athens, the executives who had volunteered received awards for their contribution that were presented by the President of the Board of Directors of the Association of Youth Entrepreneurship/ Junior Achievement Greece and the Organization's Europe Branch CEO.

Promoting corporate volunteerism

PPC, a member of the Hellenic Network for Corporate Social Responsibility, participated in the working group aiming to define the framework and lay the groundwork for the development and introduction of the concept of corporate volunteerism, not only in the

9. Subsidiaries

companies/members of the Network, but in all Greek companies.

PPC employee choir

The PPC Employee Choir, consisting of employees and retirees of the Group, organized four concerts with classical and contemporary Greek and foreign songs and works in the context of the PPC participation and contribution to culture.

Tour of the PPC facilities

The Training Department organized tours of the PPC Training Centers, and relevant briefings on the PPC activities, its social initiatives, and on issues relating to saving electricity and protecting the environment to pupils and students of educational institutions.

More than that, as part of educational programs in 2012, students from the Department of Biological and Chemical Engineering, Aristotle University of Thessaloniki and the Technical University of Crete visited the areas that were environmentally restored in the Western Macedonia Lignite Centre.



9.1 IPTO

The Independent Power Transmission Operator (IPTO or ADMIE in Greek) S.A. with the distinctive title "IPTO S.A." (hereinafter "IPTO") is a SOCIÉTÉ ANONYME, a wholly owned subsidiary of PPC S.A., headquartered at 89, Dyrachiou str. and Kifissou, 10443, Athens.

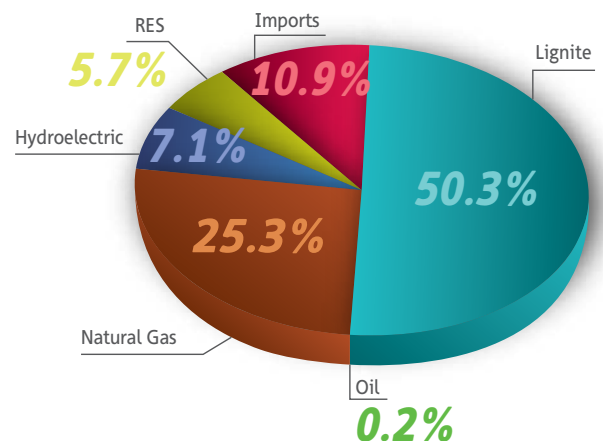
IPTO undertakes and performs the role of the Transmission System Operator for the Hellenic Electricity Transmission System (HETS), as defined in Article 2, §3, case 15 of Law 4001/2011.

This company operates approximately in the entire Greek territory. The Hellenic Interconnected Electricity Transmission System is connected with the Transmission Systems of Albania, Bulgaria, FYROM, Italy and Turkey.

IPTO has high voltage transmission lines on the Interconnected Electricity Transmission System, the total length of which is 11,144 km (10,901 km of overhead lines, 155 km of submarine lines - not including the 160 km of the interconnection lines with Italy - and 88 km of underground lines).

The electricity (generation and imports) that was traded in 2012 through the IPTO system totaled 54,728 GWh.

Electricity source transmitted by HETS in 2012



Activities

Since February 1, 2012, IPTO has undertaken the role of the Operator of the Hellenic Electricity Transmission System. More specifically, IPTO has undertaken the duties of operation, control, maintenance and development of the Hellenic Electricity Transmission System and interconnections, the new user connections, and the management of the electricity market, with the exception

of the Day Ahead Scheduling and the RES management, i.e. tasks performed by the Electricity Market Operator (LAGIE in Greek).

In more detail, the responsibilities of IPTO include:

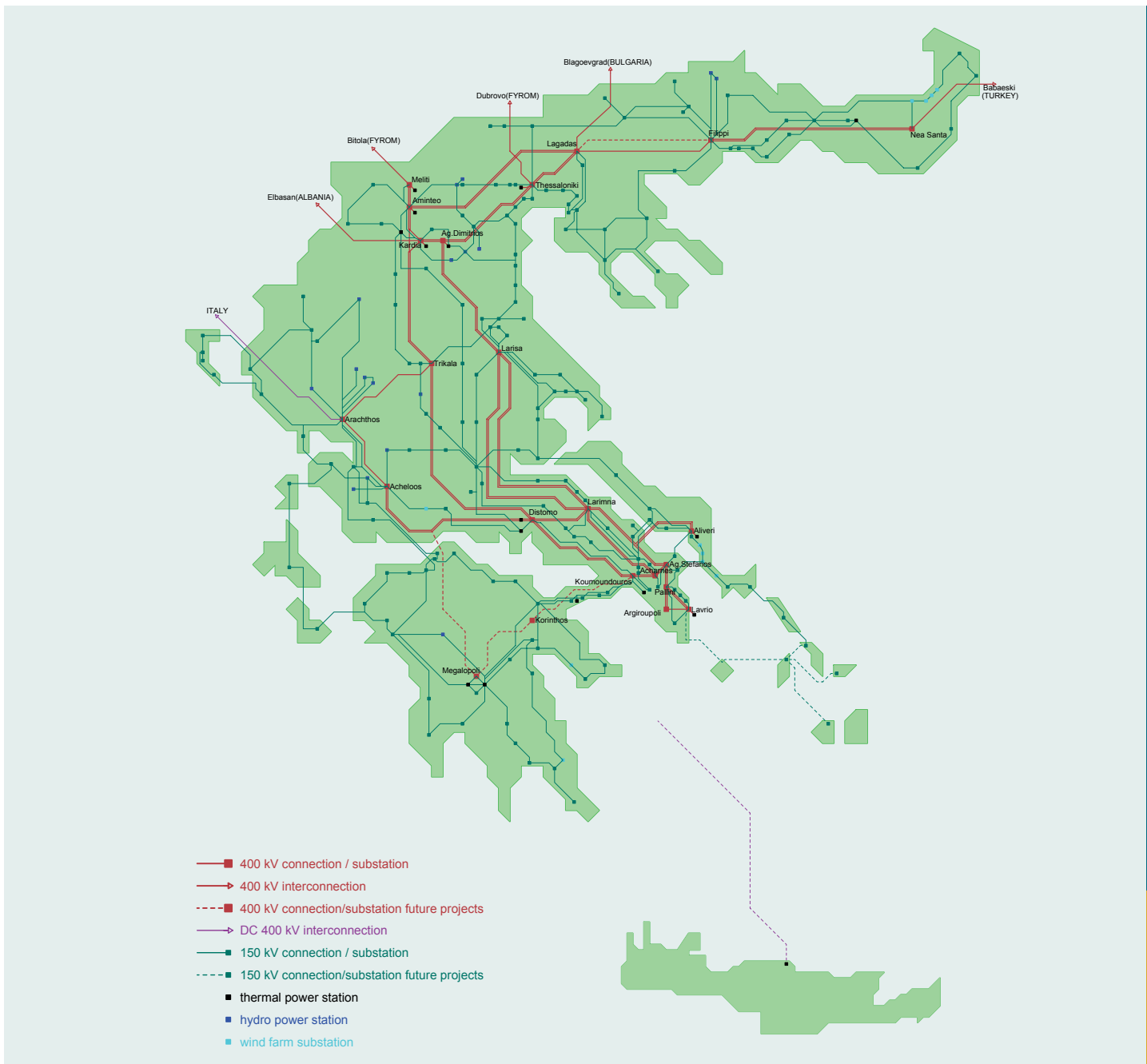
- For the operation of the System:
Preparation of the Distribution program and management of the electricity flows in the System for the continuous

generation - demand balance .

Timely provision of information for the operation of the System and securing the Users' access to it.

Entering into electricity trading contracts for the provision of ancillary services and for the balancing needs of the generation - demand imbalances.

Map of the Hellenic Electricity Transmission System

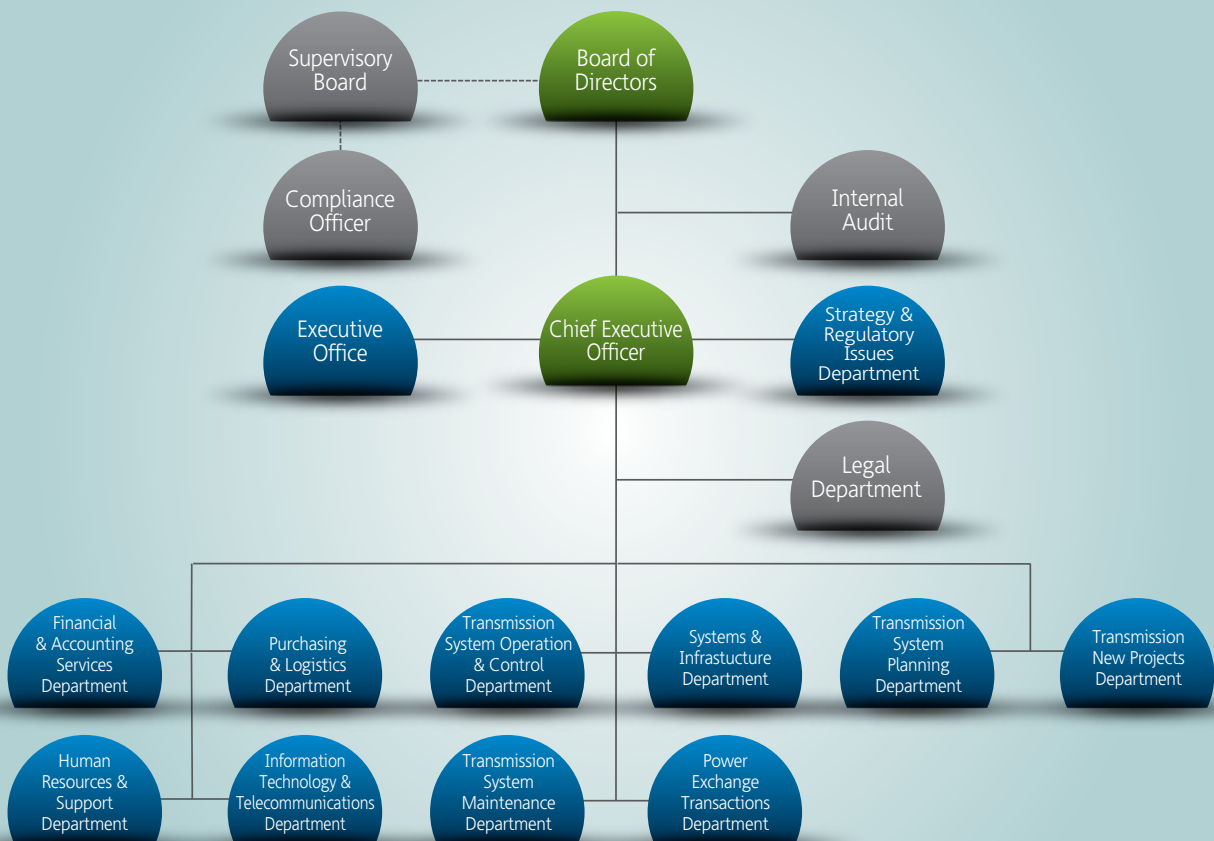


- For the System maintenance:
Care for the safe, reliable and effective System Operation via implementing the necessary maintenance works at the System's installation facilities and equipment .
- For the System planning and development:
Planning of the System development and drawing a Ten-year Development program on an annual rolling base in order to secure the ability of the System to safely respond to the reasonable demands of electricity transmission.
Provision of access to the System to the license holders of electricity production, supply or trade.
Implementation of the development projects of the System according to the Ten-year Development program and of the Users' connection works.
- For the operation of the electricity market:
The operation of the electricity market is generally

conducted in accordance with the provisions of the Electricity Exchange Code that is drawn up by the Market Operator and that establishes the manner, the process and the terms of cooperation between the Operator of the Hellenic Electricity Transmission System and the Market Operator for the smooth operation of the electricity market in line with the continuous, reliable and cost effective operation of HETS.

IPTO operates the Hellenic electricity market, in collaboration with LAGIE and the Hellenic Electricity Distribution Network Operator (HEDNO), and manages all market operations, not included in the Day Ahead Scheduling. IPTO is responsible for carrying out measurements, settlement of imbalances, conducting cross-border trade, shaping the regulatory framework of the market, keeping a Registry of Units and supporting the Participants Registry, cooperating with other Operators and keeping ledger accounts.

Organizational Structure



The Corporate Communications and Social Responsibility Section, which is part of the Strategy and Regulatory Issues Department, is responsible, among other things, for managing the sustainable development issues of the company.

Financial data

The company's total revenues for 2012 amounted to € 325 million and the EBITDA margin came up to 35%. Net profits amounted to €25 million, decreased compared to the previous period, due to the provisions for impairment of receivables of €44 million and provisions for power settlement of €34 million. The profit margin is estimated at 7.6%.

Key Financial Information (€ thousand)	2012
Earnings before tax	35,696
Tangible assets*	1,544,573
Share capital	38,444
Total equity	935,929
Long-term borrowing	275,894
Short-term borrowing	210,436

* Refers to unamortized value.

The total IPTO published financial information is presented in the 2012 Annual Report (www.admie.gr).

IPTO 2012 – 2015 Investment Plan	2012 (in €) in outturn	2013 (in €)	2014 (in €)	2015 (in €)
System	59,556,065	52,489,000	186,450,000	186,653,000
Users*	31,901,345	32,454,000	17,052,000	14,490,000
Special Project (Polypotamos)	10,307,590	44,775,000	2,613,900	
Total	101,765,000	129,718,000	206,115,900	201,143,000

* The term «Users» refers to projects for connecting users (e.g. producers) with high voltage. The Polypotamos project is not included.

The following projects are included in the investment plan for the next three years:

- The connection of Nea Makri - Polypotamos - South Evia.

- The 400 kV transmission line from the Extra High Voltage Centre in Philippi to the Lagadas one.
- The interconnection of the Cyclades with the Continental System.
- The construction of the first 400kV connection to link the Megalopolis Centre of Extra High Voltage to the System and to supplementary works.

Sustainable development

IPTO aims at its sustainable operation, focusing on its economic, environmental and social performance. The company monitors changes in the institutional framework of the electricity market and is in constant contact with RAE, LAGIE, PPC and the participants in the electricity market.

IPTO works with the local authorities, but also with PPC on the design of projects and aims at their smooth implementation. During the design and construction of the required projects, IPTO is in contact with the local community representatives, informing them of the benefits resulting from these projects and seeking their cooperation to resolve all relevant issues so as to handle any reactions to the licensing, construction and operation of the electricity transmission facilities.

Moreover, IPTO is in constant contact with its key suppliers to inform them about the behavior of procured equipment and the transfer of know-how in order to improve their products. For transparency reasons, the company publishes the project specifications, the invitation for tenders and the assignments of large supplies and projects on its website.

The company participates in Greek and international organizations, associations and unions in order to obtain information on energy transmission issues, on entrepreneurship and sustainable development, but also to communicate its positions. It is a member of the European Network of Transmission System Operators for Electricity (ENTSO-E), the International Council of Large Electric Networks (CIGRÉ), the Capacity Allocating Service Company (CASC), the Central Allocation Office (CAO), the Commercial and Industrial Chamber of Athens (EBEA), the Hellenic Federation of Enterprises (SEV) and the Greek Institute of Entrepreneurship and Sustainable Development (IEA).

Employees

At the end of 2012, the regular staff of IPTO consisted of 1,512 full-time employees. The employee rights are

included in the corporate collective labor agreement signed on 13/6/2012.

Employee Category	Number of Employees as of 31/12/2012						Total
	Men			Women			
	< 30 years old	31 - 50 years old	> 51 years old	< 30 years old	31 - 50 years old	> 51 years old	
Engineers (university graduates)	0	171	155	0	62	7	395
Other university graduates	0	19	11	0	39	9	78
Technical staff	4	563	188	0	20	3	778
Administration staff	2	28	15	0	95	26	166
Other staff	0	49	35	0	9	2	95
Total	6	830	404	0	225	47	1,512

In 2012, there were 273 employee participations in educational programs. The average number of training hours per participant for 2012 amounted to 11 hours of training, while the average training per employee amounted to two hours.

Employee Category	2012		
	Participants in Training	Total training man-hours	Average training man-hours per participant
Engineers (university graduates)	59	592.5	10.0
Other university graduates	18	160.0	8.9
Technical staff	126	711.0	5.6
Administration staff	70	1,545.0	22.1
Total	273	3,008.5	11.0

In order to address the needs of IPTO employees, IPTO has adopted the following additional benefits:

- financial aid for serious health reasons.
- paid special leave for emergencies.
- free of charge attendance for employee children in the PPC-owned nurseries and kindergartens and coverage of the cost of private nurseries and camps.
- educational programs (seminars, post-secondary

programs, graduate programs, foreign language classes, etc.). In 2012, grants were awarded to 10 employees to participate in postgraduate programs.

- Career counseling for employee children. In 2012, 53 children of IPTO employees and retirees took part in the career tests and the individual career counseling sessions.

Moreover, in 2012 IPTO approved payment of the costs relating to the purchase of artificial limbs (pairs of myoelectric limb prosthetics and accessories) for an employee who suffered a bilateral upper limb amputation following an accident at work.

Under Law 3850/2010, IPTO is legally bound to provide services for the health and safety of its employees. In order to meet its obligations and contribute to the continuous improvement of the working conditions and the reduction of occupational hazards, IPTO employs two full-time Safety Technicians and seven part-time Safety Technicians, covering the needs of all Business Units and the worksites of the company. For the provision of services in the field of Occupational Medicine in 2012, two full-time Occupational Physicians were employed through a contract with the Protection and Prevention External Department to meet the needs of the Business Units and of the worksites located in the Peloponnese and Western Greece.

The scheduled visits and inspections of Safety Technicians and Occupational Physicians at the IPTO Business Units and worksites totaled 2,300 and 920 hours, respectively, on the basis of the provisions of Law 3850/2010.

In the Business Units, the Books of the Written Recommendations of the Safety Technician and Occupational Physician are kept, as provided by law and certified by the competent Greek Labor Inspectorates. Inspections on health and safety also take place during the construction and operation of works and conclusions on accidents are drawn and statistics are recorded. In 2012, there were no fatal accidents involving IPTO staff, but there were two recorded fatal incidents due to pathological reasons in the workplace. None of the accidents in the workplace included female employees.



prevention from the West Nile virus were sent out to employees.

- Instructions and circulars on the protection and prevention from the heat and heat stress of the employees. After procurement, all Business Units have appropriate personal protective equipment
- The company published a First Aid manual and a list of pharmacy supplies for the workplace and for official vehicles.

IPTO Health and Safety Data		2012
Total number of accidents ¹		4
Total number of fatal accidents		0
Fatal accident rate ²		0
Accident frequency rate (based on hours of exposure) ³		1.48
Accident frequency rate (based on employee numbers) ⁴		0.26
Total number of days of absence due to accidents		145
Accident severity rate ⁵		0.05

¹ The number of accidents, as well as the respective indicators, includes all accidents occurring during employment of the permanent and seasonal/temporary staff, which caused absence from work for more than three (3) calendar days. No accidents occurring during traveling to and from work or pathological incidents, which are separately analyzed (statistically), are included.

² The fatal accident indicator is calculated based on the number of accidents per 10,000 employees.

³ The methodology taken into account to calculate the indicators is the "European statistics on accidents at work (ESAW) - Methodology - 2001 edition", which is also followed by the European Agency for Safety and Health at Work (EU-OSHA) and EURELECTRIC (Calculation Method: Number of accidents per 10⁶ hours of exposure to risk).

⁴ The accident frequency indicator is calculated based on the total number of accidents by 100 per total number of employees.

⁵ The methodology taken into account to calculate the indicators is the "European statistics on accidents at work (ESAW) - Methodology - 2001 edition", which is also followed by the European Agency for Safety and Health at Work (EU-OSHA) and EURELECTRIC (Calculation Method: Number of -calendar- days of absence from work per 10³ hours of exposure to risk).

In order to brief employees on health and safety issues, the company implemented the following in 2012:

- Instructions and circulars on the protection and

Environment

IPTO recognizes the impact of its works effects on the environment and has included in its operation actions to minimize any negative effects / nuisances and to look into technical solutions that do not impact the natural environment.

IPTO imbeds social and environmental awareness in its site planning of substations. The company maps the new transmission lines away from institutionalized settlement boundaries and NATURA areas, archaeological sites and farms. It designs and constructs smaller closed-type substations, and uses reduced noise transformers, ideal for noise reduction, near residential areas. It aims to minimize the visual impact, to plan the minimum required opening of forest roads and to take measures to reduce the intensity of the electromagnetic fields.

Activities in Special Areas	Number of Areas	Size of Areas in km ²
NATURA 2000 Areas	5	0.68
Special Protection Areas (SPA)	3	1.02
Designated Archaeological Sites	6	0.20
Urban Control Zones	1	0.94
Total	15	2.84

In order to minimize visual impact, IPTO has taken initiatives to study, design and construct steel fibers to replace the tower transmission lines of 150 kV double circuit in sensitive areas (peri-urban, archaeological, of natural beauty, etc.). Where required, substations and the Extra High Voltage Centres with new technologies friendly to the Environment (GIS) are constructed and underground instead of overhead transmission lines are installed, achieving in this way both an improvement of the aesthetic impact on the environment, and the complete absence of any electric field.

The architectural studies are adapted to the specific characteristics of each region (colors, linings, volume divisions) and simultaneously efforts are made in the civil engineering works of the substation to minimize excavations and to harmonize the facilities with the geomorphological terrain of the area.

Society

Energy transmission, as mentioned, covers almost the entire Greek territory, bringing IPTO in contact with many different local communities.

IPTO makes preliminary contacts with local stakeholders to find mutually acceptable positions for the project transmission lines, with respect to the aesthetics of the area (e.g. the Cyclades). Attempts are made to reach agreements with local communities to minimize reactions and to maximize the likelihood of the realization of transmission line projects, while, if there are specific reactions, IPTO has proven that the company is willing to amend the studies regarding the routing of overhead transmission lines so that consensus solutions can be found. During the installation works for the routing of cables, there are strict rules as to reduce to a minimum the disturbance to local communities.

Sometimes, when carrying out projects, it is likely that the use of land owned by individuals is required. In these cases, IPTO responsibly informs the affected owners on their rights to recover damages and the special procedures for prompt payment. The same is true with the destruction of agricultural production, where the compensation to affected owners is immediate. Also, in forest road construction projects, the work is done in collaboration with local authorities, and the forest products are given to the local forest co-ops so that they benefit from the products.

When constructing electricity transmission system projects, IPTO performs tasks for the benefit of the local community, participates in civil protection programs, donates equipment to local bodies (e.g. Local Authorities Agencies, churches, etc.), assists employees in emergency situations, etc.

9.2 HEDNO

The Hellenic Electricity Distribution Network Operator S.A. is a Limited Company (SOCIÉTÉ ANONYME) with the distinctive title "HEDNO S.A." (hereinafter HEDNO), and is a wholly-owned PPC S.A. subsidiary with headquarters at 20, Perraivou str., and 5, Kallirrois str., 117 43, Athens. HEDNO was formed when the Electricity Distribution Division was spun off from PPC S.A., i.e. the spin-off of the Network management, the provision of Network services in the whole country, and the activities of the Administrator of the Non-interconnected islands. The company started its operations on May 1st 2012.

Law 4001/2011 establishes the legal framework for the HEDNO operation. More specifically, it was stipulated that HEDNO shall be the operator of the Hellenic Electricity Distribution Network (thereinafter "HEDN"). The HEDN ownership exclusively belongs to PPC, which is granted an Exclusivity License of the Network ownership that also covers future extensions. HEDNO S.A. is responsible for the development, operation and maintenance of HEDN under economically advantageous terms so as to assure its reliable, efficient and safe operation as well as its long-term capability to respond to the reasonable demands for electricity. The company also takes the necessary measures for the protection of the environment and for energy efficiency. More than that, it is responsible for the assurance of the users' access to HEDN in the most economical, transparent, immediate and impartial manner so that the users conduct their business according to the HEDN Management Permit and the Network and Non-Interconnected Islands Management Codes.

Activities

HEDNO S.A. is the operator of HEDN and therefore provides all the necessary services for the operation, maintenance and development of the electricity distribution Network throughout Greece. It also ensures the transparent and objective access of all Network consumers and more generally all Network users. It aims to

the supply of reliable services to customers, to the quality of voltage supply and to the continuous improvement of the quality of services.

HEDNO also provides management services to the non-interconnected islands which further include the generation management, and the operation of the market and electrical systems on these islands.

HEDNO performs the following key tasks:

- Network Development (either through its own means or through contractors): study and construction enhancement, improvement and modernization of the Network, and construction of distribution Centers and of 150kV lines.
- Network Development: operation, inspection and maintenance of the Network, troubleshooting, consumption counting, and generation measurement at

RES stations connected to HEDN.

- Services to Users: new consumer and RES producer connections, shifts of networks, and power augmentation of existing connections.
- Operation of the retail electricity market: implementing supplier/consumer changes, clearance of the retail electricity market.
- Ensuring the reliable and economical operation of the autonomous island electrical systems, including the Generation and RES Units.
- On the non-interconnected islands, conclusion of contracts for the sale of electricity produced from RES plants or Cogeneration of Electricity and High Efficiency Heat (about 1,600 producers on 31/12/12) and payment thereof, with equal recovery as provided in Article 143 of Law 4001/2011.

Organizational Structure



Financial data

The HEDNO first year Financial Data showed that the company's total revenue for 2012 amounted to € 1,168 million, its earnings before interest, taxes and amortization (EBIDTA) amounted to € 34.56 million, its net earnings before tax amounted to € 29.43 million and its EBIDTA margin was 2.96%. After reductions resulting from the application of Law 3833/10, 3845/10 and 4024/11, the staff remuneration amounted to € 307 million, of which an amount of € 47 million corresponds to network projects and the amount of € 260 million to utilization.

The Company does not have any long or short term loans.

Key Financial Data (€ thousand)	2012
Earnings before tax	29,434
Tangible assets*	44,942
Share capital	37,552
Total equity	59,649
Long-term borrowing	-
Short-term borrowing	-

* Refers to unamortized value.

In 2012, there was a plethora of network projects for RES producer connections (mainly for photovoltaics) that were more than 24,000. Expenditure on the aforementioned connection works was covered mainly by the interested parties, while the Network infrastructure was enhanced (at the expense of PPC) so that the Network could cater for such a large number of producers. It should be noted that the large increase in producer connections started mainly in 2010 and continued even more intensely in 2011 and 2012. The investment costs for RES projects in 2012 amounted to € 67 million.

Investment Categories	Investments in 2012 (€ million)
Connections to RES producers	56
Network Enhancement due to the increased number of RES producers	11
Total	67

In 2012, approximately 1,200 km of medium voltage networks, and 1,100 km of low voltage networks were added and 2,600 transformers were installed, while there



were 3,800 network shifts. Thus, the high-voltage HEDNO Network is now 949 km, the medium-voltage Network is 108,700 km and the low voltage one is 122,500 km, while the number of substations amounted to 157,500.

The amount of the relevant investments reached € 304 million (including the 67 million mentioned above). This includes € 10 million spent on big projects, such as:

- the operation of new submarine cable interconnections of Thassos - Keramoti and of Aegina - Methana, 8.1 km and 9.8 km in length respectively,
- the installation of a new 150/20kV, 50MVA transformer at the Faliro distribution Centre, and
- the replacement of medium voltage panels at the Agios Stephanos substation.

The development of distribution networks over the next three years is expected to continue at the following annual rates per type of installation:

- 1% annual change for medium voltage networks.
- 0.8% annual change for low-voltage networks.
- 1.5% annual change for the networks of medium voltage/low voltage substations.

The total HEDNO published financial information is presented in the 2012 Financial Statements (www.deddie.gr).

Sustainable development

The aim of HEDNO is to provide high quality services to everyone, contributing to the development of Greece, with respect to the people and to the environment.

The company recognizes the following as its key stakeholders: PPC (as the shareholder of the Company), its employees, its contractors (26 general network contractors and hundreds of smaller network contractors at the Unit level), its suppliers (90 suppliers and hundreds of smaller suppliers at the unit level), the 45,640 RES producers, the Network users (which were 7,365,544 in 2012) and the local communities, local authorities and local and national RES associations.

The HEDNO Prefectures and Areas Departments are in constant contact with the prefectural and municipal authorities regarding the HEDNO projects, but also

regarding the operation of networks. The Heads of Units communicate with local authorities and communities, through interacting on particular issues and problems and giving interviews to the local press, and to a lesser extent to local radio and television channels. These actions are supported by the relevant HEDNO departments in Athens. There is also frequent communication with RES producers of the non-interconnected islands, especially in the context of financial transactions with them.

In 2012, the main concern was the speed of the implementation of projects regarding the connections of RES producers. In consultation with stakeholders at the local level, their bodies at the central level and the relevant state authorities, the company achieved the fastest possible construction of the projects that connected the producers of renewable energy sources, resulting in a small number of complaints about the delays. Regarding consumer connections, there were no particular problems due to the reduction of the relevant demand for electricity supply (because of the economic crisis), combined with the prompt handling of their requests.

Moreover, HEDNO is in contact with partner companies (contractors, and suppliers) for rapid troubleshooting and resolution of any economic disputes. The disputes that occurred in 2012 resulted from the restrictions on the network development projects as well as the restriction of available funds, and on certain delays in their payments because of the general cash flow issues. Because of similar cash flow issues, there were delays in the payments of the RES producers on the non-interconnected islands. The above issues were treated adequately through the constant

interaction of the Management and the competent HEDNO officials with stakeholders and through the systematic efforts to resolve outstanding issues, which limited problems to a minimum.

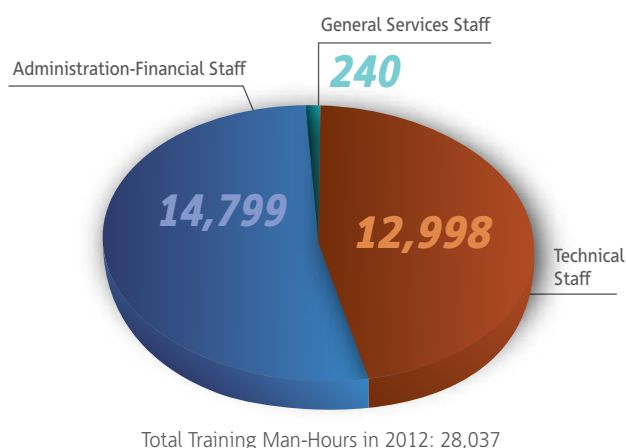
HEDNO is a member of the following national and international organizations so as to be updated on important issues: the European Distribution System Operators' Association for Smart Grids (EDSO456), the European Federation of National Associations of electricity companies (EURELECTRIC), the International Council on Large Electrical Networks (CIGRÉ), the American Wood Protection Association (AWPA), the European Small Hydropower Association (ESHA), the Western European Institute for Wood Preservation, the Hellenic Society of Logistics (EEL), and the Hellenic Purchasing Institute (HPI). It is worth noting that at the 26th World Congress of the International Project Management Association (IPMA), HEDNO was awarded the Greek Project Excellence Award for the project «Conservation of medium voltage networks and substations in West Attica in 2011-12.» This international recognition demonstrates the high level of the scientific expertise of company staff and is a further confirmation of the responsible and effective HEDNO operational activity.

Employees

On 31 December 2012, HEDNO employed 7,117 full-time employees with permanent contracts, which are included in the Collective Labor Agreement signed on 13/06/2012, and 378 full-time employees with temporary contracts.

Employee Category	Number of Employees as of 31/12/2012						Total
	Men			Women			
	< 30 years old	31 - 50 years old	> 51 years old	< 30 years old	31 - 50 years old	> 51 years old	
General Services Employees	0	2	34	0	1	1	38
Technical Staff	24	2,222	2,039	0	229	72	4,586
Administration-Financial Employees	2	458	490	8	879	238	2,075
Lawyers	0	4	8	0	7	2	21
Health Employees	0	0	0	0	2	0	2
General Services Salaried Employees	6	129	134	2	45	79	395
Total	32	2,815	2,705	10	1,163	392	7,117

In 2012 (from 01/05/2012 to 31/12/2012), the HEDNO personnel took part in 28,037 man-hours of training sessions.



In order to cater for its employees' needs, HEDNO has provided its employees with the following additional benefits:

- financial aid for serious health reasons
- paid special leave for emergencies
- free of charge attendance for employee children in the PPC-owned nurseries and kindergartens and coverage of the cost of private nurseries and camps.

HEDNO provides healthcare and insurance coverage to its employees. Each unit has a Safety Technician and an Occupational Physician. The Safety Technicians belong to HEDNO and, according to Law 4001/11, the Occupational Physicians belong to the PPC Occupational Health and Safety Department and provide their services to HEDNO.

For the safe operations at the HEDNO Units, inspections on health and safety issues are held. Inspections are performed at three levels: by the Safety Technician, the Heads of Units and by the Health and Safety Section of the HEDNO Human Resources Department in collaboration with members of the PPC Occupational Health and Safety Department. In 2012, 10 inspections (of the third level category) were made at the office premises, 10 at under construction projects and 10 at projects in operation.

In 2012, there were 20 accidents involving HEDNO staff, and in one accident a female employee was involved. There were three non-fatal accidents relating to HEDNO contractors.

HEDNO Health and Safety Data		2012
Total number of accidents ¹		20
Total number of fatal accidents		0
Fatal accident rate ²		0
Accident frequency rate ³		2.44
Total number of days of absence due to accidents		1,177
Accident severity rate ⁴		0.14

¹ The number of accidents as well as the respective indicators includes all accidents that occur during work of the permanent and temporary/seasonal staff which caused absence from work for more than three (3) calendar days. No accidents occurring during traveling to and from work or pathological incidents, which are separately analyzed (statistically), are included.

² The fatal accident indicator is calculated based on the number of accidents per 10,000 employees.

³ The methodology taken into account to calculate the indicators is the "European statistics on accidents at work (ESAW) - Methodology - 2001 edition", which is also followed by the European Agency for Safety and Health at Work (EU-OSHA) and EURELECTRIC (Calculation Method: Number of accidents per 10⁶ hours of exposure to risk).

⁴ The methodology taken into account to calculate the indicators is the "European statistics on accidents at work (ESAW) - Methodology - 2001 edition", which is also followed by the European Agency for Safety and Health at Work (EU-OSHA) and EURELECTRIC (Calculation Method: Number of calendar days of absence from work per 10³ hours of exposure to risk).

In the context of educating/training staff in health and safety issues, the units train their staff on both the occupational technical and medical issues. As shown by the data sent monthly to the HR Department, in 2012, the Technicians attended 12,998 man-hours of training and 9,819 man-hours of training on occupational health and safety.

Environment

The constant pursuit of HEDNO is to improve the aesthetics of networks. Priority is given to the construction of new underground networks in urban areas when the opportunity emerges to build a new Network for electricity supply or Network shifts or support – improvements, while there is in progress an aesthetic upgrade program (construction of underground networks) of the existing overhead distribution networks in cities, traditional villages and in tourist areas.

Towards the same direction of reduced environmental nuisance from networks, HEDNO is replacing the bare overhead conductors of twisted wires with use of terrestrial compact substations instead of open air substations. In 2012, 2,700 km of twisted cables

either replaced old networks or were placed in new constructions..

Whilst endeavoring to protect wildlife and the natural wealth of Greece, HEDNO works with environmental organizations, and intervenes to protect networks placing special insulating covers on network conductors in areas where there are birds and special structures on poles so that storks make their nests without risk. Also HEDNO provided the Hellenic Ornithological Society with forty-six (46) maps of the medium voltage distribution Network, which is installed in areas that have been included in the «LIFE» program to protect the Egyptian Vulture bird, which is the only vulture in the world that migrates.

Other operational actions contribute to the protection of the natural environment, such as the trimming of trees that get tangled in the networks, cleaning the vegetation on the ground of networks with the assistance of local agencies for forest protection, the continued tree planting near the distribution centers, and the implementation of an integrated waste management program.

At the same time, HEDNO introduced a program to reduce the environmental footprint of company buildings (at the Central Services as well as in Attica including in its agencies) through saving energy and reducing the volume of waste (placing special bins for collecting waste paper, stationery, lamps and discarded printer cartridges).

Society

HEDNO aims at offering the best quality services to all its customers and is committed to this. It has established a Map of Obligations to Consumers, where HEDNO has set specific deadlines for its basic services, such as reconnecting after an interruption due to debt, a cut/reconnection after a request, a study on power supply, an installation/connection of meters, etc. Should any deadline of service be not met, HEDNO pays its consumers a nominal amount of € 15. More information on this is presented on the company's website at <http://www.HEDNO.gr/Default.aspx?id=31028&nt=18&lang=1>.

It also gives its customers the opportunity, through its website, to apply for their inclusion in the category of



vulnerable clients and/or of the beneficiaries of Social Residential Tariff (SRT), to have their meter reading be sent electronically and used for the issuing of “in advance” bills, while at the same time customers can be updated on planned outages.

Furthermore, to determine the quality of the electricity supplied, two main indicators are monitored: the System Average Interruption Duration Index (SAIDI) and the System Average Interruption Frequency Index (SAIFI) of each client. The indices for 2012 were 98 minutes and 1.8 interruptions respectively (in 2011 the SAIDI rate was 101 minutes and the SAIFI rate 2 interruptions), improving for another year the quality of the Network services and reducing the financial burden of the average customer due to damages. Planned outages and interruptions due to exceptional events (e.g. floods, fires) or to others, and breaks in power generation facilities or electricity transmission are not included in the indices rates.

HEDNO responds to consumer requests for examining radiation and electromagnetic fields, following the guidelines and reference levels proposed by the International Commission on Non-Ionizing Radiation Protection (ICNIRP), conducting a variety of measurements and studies. Indicatively, in the distribution centers built in urban centers, the electric and magnetic field strength is much lower than the

safety exposure limits as regards electromagnetic radiation and often lower than the average household electric appliances.

Beyond its communication with local communities and agencies on matters concerning its activities, HEDNO remains close to society, through its sponsorships and CSR activities. Indicative actions implemented during 2012 are as follows:

- Tour and hosting of 615 students from 14 elementary schools from Attica, Kiato and Agios Theodoros in the electricity simulator in the Anixi training Centre. They also attended seminars on energy conservation.
- Provision of interactive whiteboards to schools of faraway islands, in collaboration with the Aigio Group.
- Sponsorship of photographic material from the historical archives of electric companies in Thessaloniki to the Research and Study of the Transportation History Association in Greece.
- Presentation on «Electricity Market» to students at the International University of Thessaloniki.
- Sponsorship to cover the operating costs of the emergency station of the Association for the Protection and Welfare of Wildlife (ANIMA).
- Aid to the Voluntary Action Group in Chios called 'OMIKRON', supplying it with equipment to cover part of the costs for the fire protection of Chios.
- 53 higher education students interned at HEDNO.

HEDNO staff is also involved in the company's initiatives. In 2012 they collected food, personal hygiene products and medicine, which they donated to the "Ark of the World" organization. They offered vouchers from toy stores to the "Smile of the Child" organization and participated in a voluntary blood donation for the establishment of a blood bank for the "Association of Patients with Thalassemia" in the prefecture of Corinth.

The spirit of solidarity amongst staff is worth mentioning: a female employee launched an initiative, and in 2012 five events for collecting relief supplies (medicines, clothes, food) were organized by HEDNO and PPC employees. The 200 boxes were donated to the polyclinics of the Doctors without Borders for the needs of families in Perama.

9.3 PPC Renewables

The Corporation bearing the name "SOCIÉTÉ ANONYME FOR THE MANAGEMENT OF RENEWABLE ENERGY SOURCES" and the distinctive title "PPC Renewables S.A." (hereinafter PPC Renewables) is a wholly owned PPC subsidiary and its headquarters are located at 3, Kapodistriou str., Agia Paraskevi, 153 43 Athens, Greece.

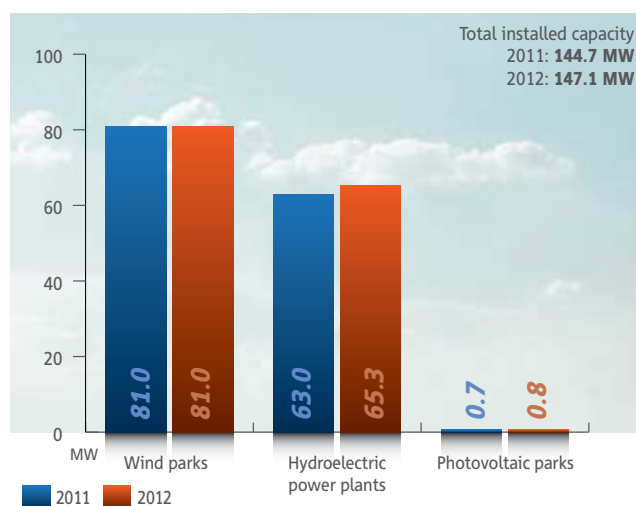
Activities

PPC Renewables operates in the field of electricity generation from renewable energy sources (RES). In particular, during 2012 it produced electricity in:

- Wind parks
- Small hydroelectric plants
- Photovoltaic parks

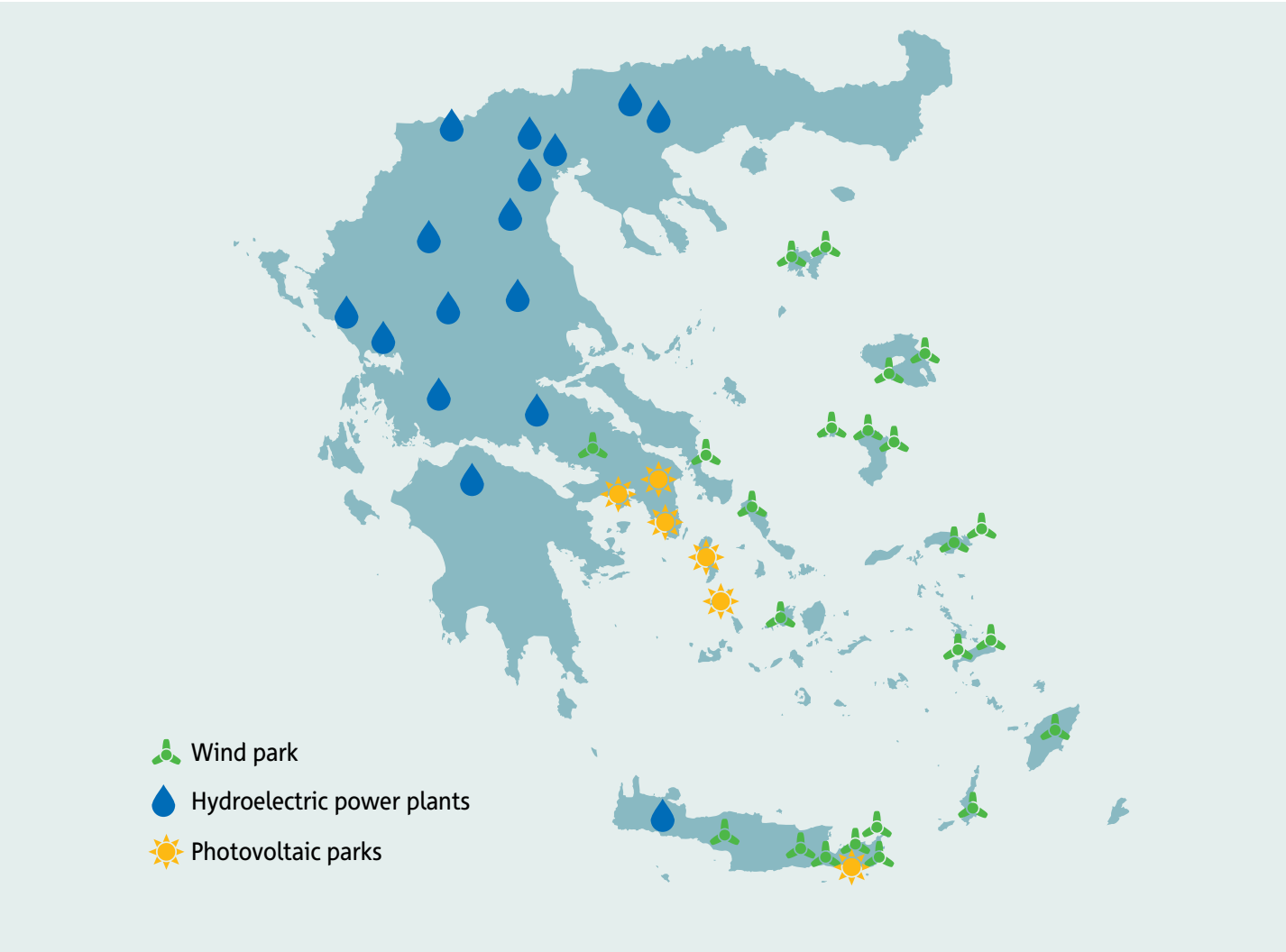
The PPC Renewables operates 147.5 MW of RES projects throughout the Greek territory. Depending on their geographic location, they supply electricity to the Interconnected System (on the mainland) or the Non-Interconnected System (on the islands).

Primary energy source

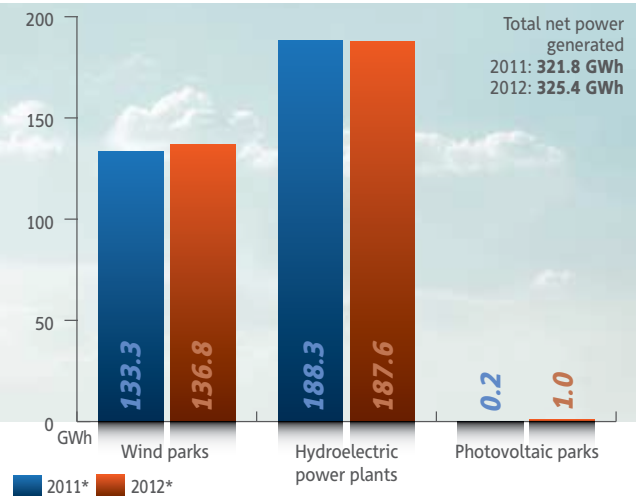


Power generated from PPC Renewables owned small hydroelectric projects increased minimally, compared to 2011. However, due to the decrease of the power generated at the jointly-run small hydroelectric projects, there was a small total decrease in power generated, whereas there was an increase in power generated at photovoltaic parks.

Geographical Distribution of Power Plants



Primary energy source

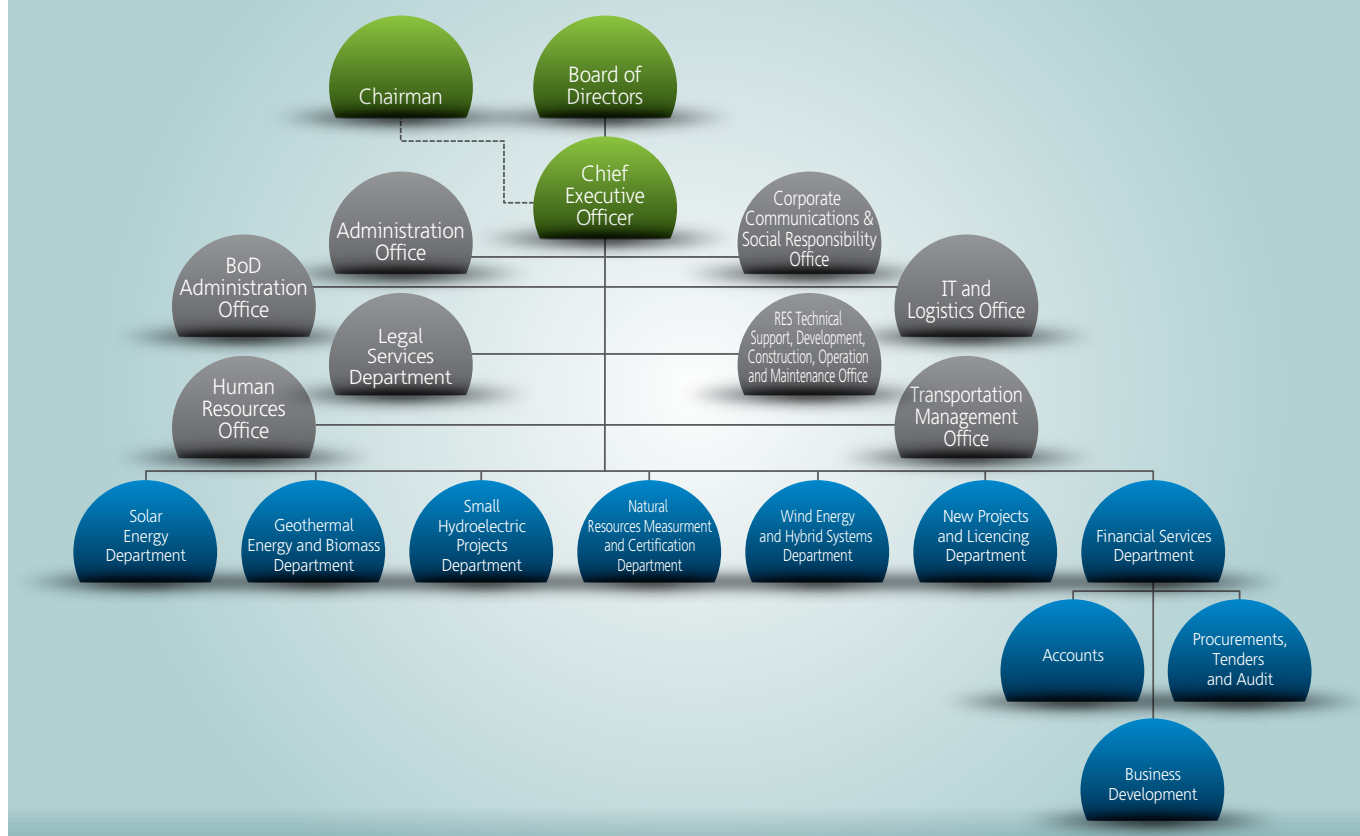


* Energy generation refers to the power generation from PPC Renewables projects and joint venture projects, where generation has been calculated based on the participation percentage of PPC Renewables.

PPC Renewables participates in several joint ventures, such as the Kos and Leros Wind Farms operated in collaboration with Iberdrola-Rokas and the Viotia Wind Farm operated in collaboration with EDF Energies Nouvelles. All joint ventures in Small Hydroelectric Stations are located in continental Greece: the Gitani Small Hydroelectric Station operates in collaboration with Nanko Energy S.A., the Vorino Small Hydroelectric Station operates in collaboration with MEK Energy S.A., the Eleousa Small Hydroelectric Station operates in collaboration with TERNA Energy S.A., the Alatopetras Small Hydroelectric Station operates in collaboration with Hellenic Technodomiki Anemos and the Kalama and Ladonas Small Hydroelectric Stations are currently being developed in collaboration with TERNA Energy S.A..

The projects under construction in 2012 included the Hybrid Energy Project on the island of Ikaria, the Hilarion

Organizational Structure



Small Hydroelectric Station, the Koprino Wind Farm in Rethymnon and the Photovoltaic stations on roofs in Attica. Additionally, the Akoumia Rethymno Wind Farm started its trial operation in August 2012.

The Office of Corporate Communications and Social Responsibility is responsible for developing the strategy and communications plan of the company. The communication activities, and the promotion of the company's work and of its corporate social responsibility actions are coordinated based on this plan. More than that, events, and conferences are organized or sponsored and there is daily contact with accredited and non-accredited journalists.

Financial Data

In 2012, PPC Renewables S.A. reported an increased turnover by 6.6% compared to 2011 (€ 24.3 million compared to € 22.8 million). Earnings before tax stood at € 5.5 million in 2012, compared to € 8.6 million in 2011, a drop by 36.1%. During 2012, the company increased its overall assets by approximately € 18.3 million due to investments made mainly in the context of developing nine wind farms on the islands of Paros, Lesvos, Lemnos, Samos (Marathokambos and Pythagorio), Rhodes, Crete (Koprino and Akoumia) and Sifnos, the Ikaria hybrid energy project

and the Hilarion SHPP. Share capital increased by € 6.5 million and the company took a short-term € 10 million bank loan. Its cash assets stood at € 4.9 million.

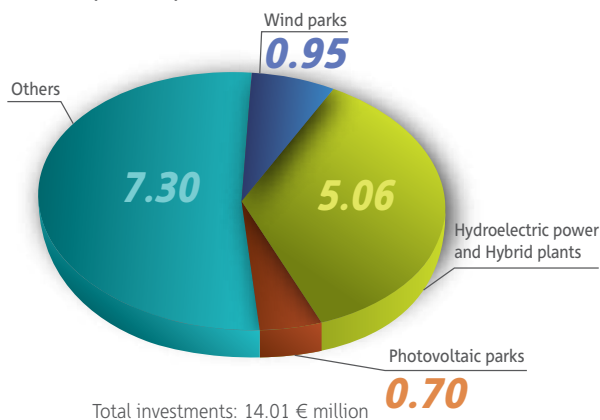
Key Financial Data (€ million)	2011	2012
Earnings before tax	8.6	5.5
Tangible assets*	136.9	138.6
Share capital	55.6	62.1
Total equity	105.1	114.8
Long-term borrowing	0.0	0.4
Short-term borrowing	9.7	10.0

* It refers to unamortized value.

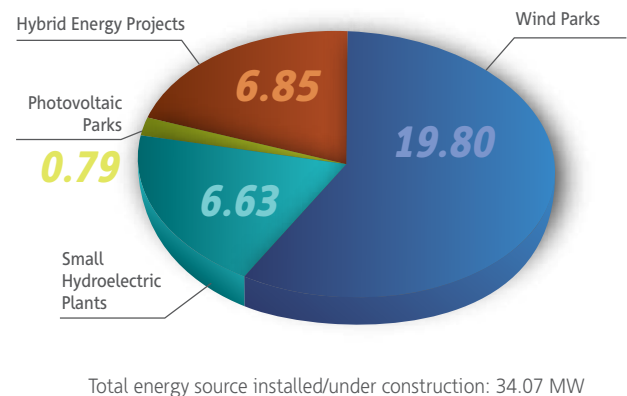
In 2012, PPC Renewables acquired the HPP OINOUSA S.A. and merged with it. The HPP OINOUSA S.A. was founded in 1999 and was bought by PPC Renewables in 2010.

The major investments of PPC Renewables are the construction of nine Wind Farms on seven islands of the Aegean and on Crete, and the construction of one of the most innovative projects in Greece, the Hybrid Energy Project of Ikaria.

Investments (€ million)



Energy source installed/under construction



All published financial information of PPC Renewables is presented in the 2012 Annual Financial Report (www.ppcr.gr).

Sustainable development

The principles of sustainable development are at the core of PPC Renewables as the company's business activity is the generation of electricity from RES, aiming to produce energy with zero impact on the environment. The company also focuses on contributing to the professional development of its employees and on its communication with all stakeholders, placing a particular emphasis on the local communities it operates in.

The company is expected to operate in the coming years in the five main forms of renewable energy sources, that is in wind energy, solar energy, small hydro power stations, in geothermal and biomass power in 2017, with the aim that its installed capacity exceeds 788 MW and the company also gains significant RES market share.

The use of innovative technologies is a core value of PPC Renewables. Typical examples are the Samothrace Wind Park where 4 turbines of 55kW capacity (totaling 220 kW) will be replaced by one turbine of 900 kW capacity, and the innovative pan-European Hybrid Project on Ikaria, which will cover the energy needs of the island, will boost the local economy and create new jobs, as the island of Ikaria will attract international science tourists.

With a view to becoming a leader in the RES field, PPC Renewables is a member of organizations of RES strategic importance. The company is a member of the European Wind Energy Association and of the Hellenic Wind Energy Association - ELETAEN. In addition, it is a member of the Hellenic Electricity Association, of the Photovoltaic Companies Association and of the European Solar Thermal Electric Association.

Employees

PPC Renewables had 62 full-time employees at the end of 2012.

Aiming at developing the company's human resources, there were 63 employee participations in educational seminars, workshops and conferences in 2012. Examples include the following:

- Economics for non-economists
- Talking climate change: Making green growth a reality
- Technical assessment of water renewable energy technologies (offshore wind - wave energy - tidal currents)
- Consultation for the drafting of the water resources management plan of the Attica water district
- RIO +20, European Centre for Environmental Research and Training (EKePEK) 10: Assessing the past and marching towards the future
- Investment energy summit - Greece, Cyprus, Israel: Redesigning the European energy map
- Renewable energy sources and infrastructure development in Southeast Europe and the Helios Program
- Renewable energy sources: The Spanish innovation
- Geothermal data systems
- Annual Congress of the European Wind Energy Association (EWEA).

PPC Renewables has signed a contract with a company that provides a Safety Technician and an Occupational

Type of Employee Contracts in 2012	Men			Women			Total
	Up to 30 years old	31-50 years old	More than 50 years old	Up to 30 years old	31-50 years old	More than 50 years old	
Permanent contracts	-	4	11	1	7	-	23
Temporary contracts	8	12	-	10	9	-	39
Total	8	16	11	11	16	-	62

Physician. In 2012, the Safety Technician visited the PPC Renewables offices twice for a total of six hours, and the Occupational Physician paid eight visits amounting to a total of 40 hours.

It should be noted that, during the construction of the RES projects, the Contractor of any project bears the responsibility for the health and safety of workers at the construction sites. PPC Renewables ensures that at least the statutory requirements are included in the works contract. According to the reports that PPC Renewables has, there was no fatal accident in a project implemented for the company in 2012.

Environment

One of the main objectives of the company is the harmonization of technologies in the field of renewable energy sources, while maintaining biodiversity and protecting their environment. For this reason, the company has purchased specialized equipment for Special Ecological Assessment studies for the protection of birds, and, during the licensing and construction period of a project, it takes measures to ensure the smooth integration of each new project in the surrounding environment.

In the study of any project, special attention is given to





complying with the Greek RES Spatial Planning Framework.

PPC Renewables dismantles Wind Parks that have completed their life cycle and simultaneously replaces old wind turbines with new, modern and quiet ones.

Society

During the design, construction and operation of the RES Projects it implements, PPC renewables approaches local communities (through its contacts with local authorities) in order to achieve the necessary social consensus.

Despite this, there are projects such as Mesochora small hydroelectric project, the Kalo Oros Lefkas Wind Park, the Mouzaki Karditsa WindPark and the Sifnos Wind Park, which have been on hold due to the Council of State decisions. The PPC Renewables Management continues to interact with the local communities and authorities, communicating through meetings, workshops and interviews and promoting the benefits of the aforementioned projects.

In 2012, as part of PPC Renewables CSR activities, the following activities took place:

- The company offered a ton of heating oil to the Penteli PIKPA (the Patriotic Foundation of Social Welfare and Security).
- The company sponsored cultural events, which were held by the Municipality of Megalopolis in July and August 2012.
- The company provided financial aid to the Educational

Robotics Group of the Senior High School in Sitia.

- The company supported the National Association of Volunteer Blood Donors within the context of the 2012 Summer Information Campaign in order to attract new volunteer blood donors and to raise awareness on voluntary blood donation.
- The company organized two educational trips to the PPC Renewables wind farm in Kastro, Viotia, to honor the students who excelled in the «Wind Energy: The Wind in our Lives» educational program. Under the leadership of PPC Renewables executives, the students were briefed on the operation of the wind farm, took part in a tour of the control building, where the wind farm and MV fields monitoring system was located, and also visited the lowest point inside a wind turbine, where they were able to see how the internal machine operates. Furthermore, they were informed about the benefits of the renewable energy sources and, more specifically, of wind power.

Recognizing the need to inform the public about the work and activities of PPC Renewables, material for this purpose was printed in 2012. The company created two brochures, which were distributed at events and exhibitions. The first brochure promoted the company's operation, its strategy development, its major projects and its future potential. The second brochure described the innovative project on the island of Ikaria. Furthermore, the company's projects and prospects, and the benefits for the local communities and for the country were presented in press articles.

10. Abbreviations

BoD	Board of Directors
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
ENTSO-E	European Network of Transmission System Operators for Electricity
E-PRTR	European Pollutant Release and Transfer Register
ESAW	European Statistics on Accidents at Work
ESHA	European Small Hydropower Association
ESMIE	Greek Electricity Transmission System
EU ETS	European Union Emissions Trading Scheme
EURELECTRIC	European Union of the Electricity Industry
EWEA	European Wind Energy Association
FGD	Flue-Gas Desulfurization
GHG	Greenhouse Gases
GIS	Geographic Information System
GRI	Global Reporting Initiative
GRI – EUSS	GRI – Electric Utilities Sector Supplement
H&S	Health and Safety
HEDN	Hellenic Electricity Distribution Network
HEDNO	Hellenic Electricity Distribution Network Operator (DEDDIE in Greek)
HELAS	Hellenic Electricity Association
HPP	Hydroelectric Power Plant
HRADF	Hellenic Republic Asset Development Fund (TAIPED in Greek)
ICNIRP	International Commission on Non-Ionizing Radiation Protection
IPTO	Independent Transmission System Operator S.A. (ADMIE in Greek)

ISAE	International Standard on Assurance Engagements
ISO	International Standardization Organization
LAGIE	Electricity Market Operator
LFO	Light Fuel Oil
MEP	Member of the European Parliament
MIS	Management Information System
MP	Member of the (Hellenic) Parliament
NGO	Non-Governmental Organization
NO _x	Nitrogen Oxides
OHSAS	Occupational Health and Safety Assessment Series
PCBs	Polychlorinated Biphenyls
PPC	Public Power Corporation
RAE	(Hellenic) Regulatory Authority for Energy
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
RES	Renewable Energy Sources
S.A.	Société Anonyme
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SHPP	Small Hydroelectric Power Plant
SO _x	Sulfur Oxides
SPA	Special Protection Area
SRT	Social Residential Tariff
TPP	Thermal Power Plant
WBCSD	World Business Council for Sustainable Development
YPEKA	Ministry of Environment, Energy and Climate Change

11. Reporting Guidelines

11.1 GRI Guidelines

GRI Indicators Table

The following table links the contents of the 2012 PPC Corporate Responsibility and Sustainability Report with the GRI - G3.1 indicators and with the supplement on the energy sector (GRI - EUSS).

GRI Code	Description	Section	Comments / References
Part I: Profile Disclosures			
	Strategy and Analysis		
1.1	Statement from the Chairman and CEO	1	
1.2	Description of key impacts, risks, and opportunities	3.9, 4.1, 4.3, 4.8	

GRI Code	Description	Section	Comments / References
	Organizational Profile		
2.1	Name of the organization	2	
2.2	Primary brands, products and/or services	3.1, 7.1	
2.3	Operational structure of the organization	3.1, 3.3, 3.5	
2.4	Location of organization's headquarters	3.1	
2.5	Number of countries the organization operates in	3.1	
2.6	Nature of ownership and legal form	3.1, 3.2	
2.7	Markets served	3.1, 7.1	
2.8	Scale of the reporting organization	3.10, 4.7, 5.1	
2.9	Significant changes during the reporting period	3.1, 3.5, 3.6	
2.10	Awards received in the reporting period	4.6	
EU1	Installed capacity, broken down by primary energy source and by regulatory regime.	3.1	
EU2	Net energy output broken down by primary energy source and by regulatory regime.	3.1	
EU3	Number of residential, industrial, institutional and commercial customer accounts.	3.1	
EU5	Allocation of CO ₂ emissions allowances or equivalent, broken down by carbon trading framework.	6.4	
	Report Parameters		
	Profile Disclosure		
3.1	Reporting period	2	
3.2	Date of most recent previous report (if any).	2	
3.3	Reporting cycle	2	
3.4	Contact point for questions regarding the report or its contents.	2	
	Scope of Report		
3.5	Process for defining report content	2, 4.3	
3.6	Boundary of the report	2	
3.7	State any specific limitations on the scope or boundary of the report	2	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, etc.	2	
3.9	Data measurement techniques and the bases of calculations	2	
3.10	Explanation of the effect of any re-statements of information	2, 5.1, 6.3	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	2	
	Table of GRI location of the Standard Disclosures in the report.		
3.12	Table identifying the location of the Standard Disclosures in the report.	11.1	
	Assurance		
3.13	Policy and current practice with regard to seeking external assurance for the report.	2, 12	
	Governance, Commitments, and Engagement		
	Governance		
4.1	Governance structure	3.4-3.6, 4.2	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	3.6	
4.3	Independent and/or non-executive members	3.6	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	3.6	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	3.6	

GRI Code	Description	Section	Comments / References
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	3.7	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity	3.6	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	3.4, 4.1	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	4.2	
4.10	Processes for evaluating the highest governance body's own performance	3.6	
	Commitments		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	3.9, 4.1, 5.6, 6.3, 6.5	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	2, 4.5	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations	4.5	
	Stakeholders' Engagement		
4.14	List of stakeholder groups engaged by the organization	4.4	
4.15	Basis for identification and selection of stakeholders with whom to engage	4.4	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	4.4	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	4.4	
	Part II: Disclosures on Management Approach		
DMA EC	Disclosures on Management Approach EC		
	Economic performance	3.10, 4.1, 4.7	
	Market presence	3.1, 4.1, 4.7, 7.1	
	Indirect economic impacts	3.10, 4.1, 8.2-8.5	
EU6	Availability and Reliability	4.1	
EU7	Demand-side Management	4.1	
EU8	Research and Development	4.1	
DMA EN	Disclosure on Management Approach EN		
	Materials	4.1, 6.2	
	Energy	4.1, 6.2, 6.4	
	Water	4.1, 6.5	
	Biodiversity	4.1, 6.7	
	Emissions, effluents and waste	4.1, 6.3, 6.6	
	Products and Services	4.1, 6.1	
	Compliance	4.1, 6.8	
	Transport	-	
	Overall	4.1, 6.1, 6.4-6.7	
DMA LA	Disclosure on Management Approach LA		
	Employment	4.1, 5.1, 5.5	
EU16	Labor/management relations regarding health and safety of employees of the organization and contractors	4.1, 5.6	
	Occupational health and safety	4.1, 5.1	

GRI Code	Description	Section	Comments / References
	Training and education	4.1, 5.6	
	Diversity and equal opportunity	4.1, 5.2, 5.5-5.6	
	Equal remuneration for women and men	4.1, 5.1	
	Employment	4.1, 5.4	
DMA HR	Disclosure on Management Approach for Human Rights		
	Investment and procurement practices	4.1	
	Non-discrimination	4.1, 5.4	
	Freedom of association and collective bargaining	4.1, 5.1	
	Child Labor	4.1, 5.4	
	Forced and compulsory labor	4.1, 5.4	
	Security practices	5.2	
	Indigenous Rights	5.4	
	Assessment	-	
	Remediation	5.4	
DMA SO	Disclosure on Management Approach for Society		
	Local communities	4.1	
EU20	Approach to managing the impacts of displacement	4.1	
	Corruption	4.1, 5.8	
	Public Policy	8.1	
	Anti-competitive behavior	4.1, 8.1	
	Compliance	5.8	
DMA PR	Disclosure on Management Approach to Product Safety		
	Customer health and safety	7.3	
	Product and Services Labeling	4.1, 7.1-7.3	
	Marketing Communications	7.4	
	Customer Privacy	7.6	
	Compliance	7.6	
EU23	Programs, including those in partnership with government, to improve or maintain access to electricity and customer support services	7.1-7.2	
EU24	Practices to address language, cultural, low literacy and disability related barriers to accessing and safely using electricity and customer support services	7.1-7.2	
	Part III: Performance Indicators		
	Economy		
	Economic Performance		
EC1	Direct economic value generated and distributed	3.10	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	3.9	
EC4	Significant financial assistance received from government.	3.2	PPC does not receive any government assistance.
	Market Presence		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	7.4, 7.5	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	5.1, 7.4	
	Indirect Economic Impacts		

GRI Code	Description	Section	Comments / References
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	8.2-8.5	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	3.1, 5.1, 7.1, 8.2	
	Availability and Reliability		
EU10	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	6.4, 8.1	
	System Efficiency		
EU11	Average generation efficiency of thermal plants by energy source and by regulatory regime	3.1	
	Environment		
	Material		
EN1	Materials used by weight or volume	6.2	
EN2	Percentage of materials used that are recycled input materials		This is not a material indicator for PPC.
	Energy		
EN3	Direct energy consumption by primary energy source	6.2	
EN4	Indirect energy consumption by primary source	6.2	
EN5	Energy saved due to conservation and efficiency improvements	6.4	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	6.4	
	Water		
EN8	Total water withdrawal by source	6.5	
EN9	Water sources significantly affected by withdrawal of water	6.5	
EN10	Percentage and total volume of water recycled and reused	6.5	
	Biodiversity		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	6.7	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	6.7	
EN13	Habitats protected or restored	6.7	
EN14	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	6.7	
	Emissions, effluents and waste		
EN16	Total direct and indirect greenhouse gas emissions by weight	6.3	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	6.4	
EN20	NOx, SOx, and other significant air emissions by type and weight	6.3	
EN21	Total water discharge by quality and destination	6.5, 6.6	
EN22	Total weight of waste by type and disposal method	6.6	
EN23	Total number and volume of significant spills	6.6	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	6.6	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	6.5, 6.7	
	Products and Services		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	6.4-6.7	

GRI Code	Description	Section	Comments / References
EN27	Percentage of products sold and their packaging materials that are reclaimed by category		This is not a material indicator for PPC.
	Compliance		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	6.8	
	Labor Practices		
	Labor		
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	5.1	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region	5.1	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	5.5	
LA15	Return to work and retention rates after parental leave, by gender	5.1	
	Total workforce by employment type, employment contract, and region, broken down by gender		
LA4	Total number and rate of new employee hires and employee turnover by age group, gender, and region	5.1	
	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations		
LA7	Return to work and retention rates after parental leave, by gender	5.6	
LA8	Total workforce by employment type, employment contract, and region, broken down by gender	5.6	
LA9	Total number and rate of new employee hires and employee turnover by age group, gender, and region	5.6	
	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations		
LA10	Return to work and retention rates after parental leave, by gender	5.2, 5.6	
LA11	Total workforce by employment type, employment contract, and region, broken down by gender	5.2, 5.5	
LA12	Total number and rate of new employee hires and employee turnover by age group, gender, and region	5.3	
	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations		
LA13	Return to work and retention rates after parental leave, by gender	3.6, 5.1	
	Equal remuneration for women and men		
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	5.4	
	Human Rights		
	Non-discrimination		
HR4	Total number of incidents of discrimination and actions taken	5.4	
	Freedom of association and collective bargaining		
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	5.1	
	Child Labor		
HR6	Child Labor	5.4	
	Forced and compulsory labor		
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	5.4	
	Security practices		
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	5.2	
	Indigenous rights		

GRI Code	Description	Section	Comments / References
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	5.4	
	Remediation		
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	5.4	
	Society		
	Local communities		
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	6.7, 8.2	
	Corruption		
SO2	Percentage and total number of business units analyzed for risks related to corruption	3.8	
SO4	Actions taken in response to incidents of corruption	5.8	
	Public Policy		
SO5	Public policy positions and participation in public policy development and lobbying	8.1	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	5.1, 8.3	
	Anti-competitive behavior		
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	7.6	
	Compliance		
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	5.8	PPC additionally paid € 2,824,558.95 in tax and other fines and surcharges.
	Product Responsibility		
	Customer health and safety		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	5.6, 5.7, 7.3	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	7.6	
EU25	Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements and pending legal cases of diseases	5.6	
	Product and service labeling		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	7.1, 7.3, 7.4	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	7.6	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	7.2	
	Marketing Communications		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	7.4	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	7.4	
	Customer privacy		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	7.6	
	Access		
EU26	Percentage of population unserved in licensed distribution or service areas	7.1	
EU27	Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime	7.1	
EU30	Average plant availability factor by energy source and by regulatory regime	3.1	

GRI Application Level

PPC has met the requirements for the B+ application level of the G3.1 version of the guidelines of the Global Reporting Initiative.

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	Profile Disclosures OUTPUT	Report on: 1.1 2.1-2.10 3.1-3.8, 3.10-3.12 4.1-4.4, 4.14-4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5-4.13, 4.16-4.17	Report Externally Assured	Same as requirement for Level B	Report Externally Assured
	Disclosures on Management Approach OUTPUT	Not Required.		Management Approach Disclosures for each Indicator Category		Management Approach disclosed for each Indicator Category	
	Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic, and environment. **		Report fully on a minimum of any 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor society, product responsibility**		Respond on each core and Sector Supplement* indicator with due regard to the materiality Principle by either. a) reporting on the indicator or b) explaining the reason for its omission.	

*Sector supplement in final version

11.2 THE ISO 26000 Standard

The table below links the content of the 2012 PPC Corporate Responsibility and Sustainability Report with the core subjects, according to the ISO 26000 standard.

Core Subjects according to ISO 26000	Section
Organizational Governance	3.4-3.6, 4.2
Human Rights	4.1, 5.1, 5.4
Labor Practices	5
Environment	6
Fair Operating Practices	4.1, 5.8, 8.1
Customer Issues	7
Community Involvement and Development	8

12. External Assurance Statement

Independent Limited Assurance Report to Public Power Corporation S.A.

We were engaged by the Board of Directors of Public Power Corporation S.A. (referred to as “the Company”) to provide limited assurance on section 4.7 titled “Key CSR Performance Data” of the Greek version of the sustainability report titled “2012 Corporate Social Responsibility and Sustainability Report” (referred to as “the Report”) of the Company for the reporting period 1 January 2012 - 31 December 2012.

Management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines (G3.1) of the GRI as described in the Report, and the information and assertions contained within it; for determining the Company’s objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a limited assurance engagement on the information of the Report’s section “Key CSR Performance Data” and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. That Standard requires that we comply with applicable ethical requirements, including independence requirements, and that we plan and perform the engagement to obtain limited assurance about whether the section “Key CSR Performance Data” of the Report is free from material misstatement.

A limited assurance engagement on a sustainability report consists of making inquiries, primarily of persons responsible for the preparation of information presented in the sustainability report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- Inquiries of management to gain an understanding of the Company’s processes for determining the material issues for its key stakeholder groups.
- Interviews with relevant managerial staff at Company level concerning sustainability strategy and policies for material issues, and the implementation of these across the business.
- Interviews with relevant Company staff responsible for providing the information in the section “Key CSR Performance Data” of the Report, during which we were informed about the systems and reviewed the processes for information management, internal control and processing of the qualitative and quantitative information, at Company level.
- Visits to the central offices of the Company in Athens, where we reviewed the procedures of developing and managing the content of the section “Key CSR Performance Data” of the Report, as well as the current structure of the Corporate Governance in sustainability issues.
- Comparing the information presented in the section “Key CSR Performance Data” of the Report to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been included in the section “Key CSR Performance Data” of the Report.
- Reading the information presented in the section “Key CSR Performance Data” of the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the Company.

It is noted that for the financial indicators and data reported in the section “Key CSR Performance Data” of the Report and specifically for the “turnover”, the “total liabilities and equity”, the “liabilities”, the “equity”, the “financial income”, the “payroll cost including employee benefits and employer’s social security contribution”, the “dividend payments”, the “earnings (losses) before taxes”, the “long-term borrowings” and the “short-term borrowings”, KPMG’s work was limited to the reliability check of the transfer of these data from the published / approved “Financial report (2012)” or the “Annual report 2012” of the Company, to the section “Key CSR Performance Data” of the Report.

In addition, the scope of our work did not include the review / testing of the operational effectiveness of the information systems used to collect and aggregate data in the section “Key CSR Performance Data” of the Report.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore a lower level of assurance is provided.

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the section 4.7 titled “Key CSR Performance Data” of the Report of Public Power Corporation S.A. for the period 1 January 2012 - 31 December 2012 is not, presented fairly, in all material respects, in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative.

Our assurance report is made solely to the Company in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Company those matters we have been engaged to state in this assurance report and for no other purpose. We do not accept or assume responsibility to anyone other than Public Power Corporation S.A. for our work, for this assurance report, or for the conclusions we have reached.

KPMG Advisors A.E.

A handwritten signature in black ink, appearing to be 'GR' followed by a long horizontal stroke.

George Raounas

Partner

Athens, 30 September 2013

2012 Corporate Social Responsibility and Sustainability Report was prepared by the PPC CSR Section, assisted by the PPC CSR team and members of the subsidiaries of IPTO, HEDNO and PPCR.

Photography:

Dimitris Rizos, Cover, pages: 2, 10, 18, 22, 26, 29, 30, 34, 42, 44, 46, 52, 54, 57, 66, 68, 84, 85.

Antonis Ksidakis, page 3.

Kostas Kitsopoulos, page 8.

Aggeliki Toli, page 20.

Konstantina Daskalaki, pages: 33, 36.

Marina Tentsoglidou, pages: 39, 40, 79.

Kostas Vergas, page 62.

Advisory Services for Report Preparation



Design and Layout



Translation



Translation from the Greek original which remains the definitive and prevailing version

Feedback Form

What readers think of this Report is very important to us. We welcome your comments, questions, any queries, clarifications or proposals for improvement that you may have. By filling in and sending this questionnaire, you will be actively contributing to our attempt to improve our performance and the annual PPC Corporate Social Responsibility and Sustainability Report.

Which PPC stakeholder group do you belong to?

- | | |
|--|--|
| <input type="checkbox"/> Employee | <input type="checkbox"/> Competitor |
| <input type="checkbox"/> Shareholder / Investor | <input type="checkbox"/> Region / Local Government Authority / Local Community |
| <input type="checkbox"/> Public / Statutory Body | <input type="checkbox"/> Non-Governmental Organization |
| <input type="checkbox"/> Customer | Other: _____ |
| <input type="checkbox"/> Associate / Supplier | _____ |

What is your overall impression of this Report?

	Very Good	Good	Average	Poor
It covers key issues relating to the Corporation's activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The quantitative data are comprehensive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The texts are comprehensive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Images and graphics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The various sections are well-balanced	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What is your opinion on the following sections of the Report?

	Very Good	Good	Average	Poor
About the Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PPC Profile	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainable Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market and Customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contribution to Society	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Are there sections which in your view should be longer?

Are there any comments or proposals for improvement you would like to make?

Personal details (optional):

Name and Last Name: _____
Corporation / Organization: _____
Address: _____
Tel/Fax: _____
E-mail: _____

Please fill in and forward the questionnaire to the address below:
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All feedback data collected from the present feedback form will be used for internal evaluation purposes only. Personal data are protected according to the Greek Law on personal data protection.



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Strategy Department
Corporate Social Responsibility Section