

OTE 2008 Corporate Governance Report



Ensuring transparency, efficiency and the protection of shareholders' rights

OTE places special emphasis on the implementation of corporate governance principles, by means of which, the following are achieved:

- ***Equal treatment of shareholders***
Shareholders' rights, such as the right to participate and vote in General Assemblies of Shareholders and access to valid and timely information, are fully protected.
- ***Prevention of conflicts of interest***
The operation of the independent Audit Committee and the Compensation and Human Resources Committee, as well as the inspection of the Board of Directors' operation and structure (implementation of an incompatibility control procedure for independent, non-executive members of the Board of Directors) ensure the efficiency of the Board of Directors, as the company's top management body.
- ***Prevention of market manipulation and abuse of inside information***
The company has complied with the legal and regulatory framework concerning disclosure of transactions and inside information, and applies internal control procedures throughout its operations.
- ***Dissemination of information and transparency***
The company allows investors and shareholders to

access information regarding the company and its performance and encourages both face-to-face and indirect communication between executive members and shareholders, by setting up meetings with investors, public announcements of financial results and other information, as well as of other reports and bulletins issued by the company.

PRINCIPLES AND FRAMEWORK OF CORPORATE GOVERNANCE

Corporate governance refers to a number of principles adopted by a company, aiming to uphold its performance and the interests of its shareholders and all stakeholders.

OTE implements best corporate governance practices across its operations, based on international and European standards (and benchmarking exercises). By reinforcing its procedures and organizational structure, the company manages not only to comply with the regulatory framework but also develop a special corporate culture, founded on business ethics and committed to protect the rights of its shareholders and the interests of all stakeholders.

As a large capitalization company, listed on the Athens, New York and London Stock Exchanges, OTE complies with applicable domestic and international corporate governance legislation, incorporating regulations and compliance practices within its operations. Key Acts and Resolutions which touch on corporate governance issues, in Greece and abroad, are:

- *Act 2190/1920 on Corporate Law, as amended by Act 3604/2007*
- *Act 3016/2002 on Corporate Governance, as amended by Act 3091/2002 and Act 3340/2005*
- *Resolution 5/204/2005 of the Hellenic Capital Market Commission, as amended by Resolution 7/372/2006 of the Hellenic Capital Market Commission*
- *Act 3556/2007 on Transparency*
- *US legislation on Corporate Governance, including the 2002 Sarbanes-Oxley Act, and the regulations issued by the US Securities and Exchange Commission*

All relevant provisions and practices are incorporated in the company's Articles of Incorporation, Bylaws, Internal Operations Regulation, Code of Ethics and Business Conduct, Personnel Regulation, and in all other company regulations overriding its business functions.

SHAREHOLDERS' AGREEMENT BETWEEN THE GREEK STATE AND DEUTSCHE TELEKOM AG

The Share Purchase Agreement and the Shareholders' Agreement were signed between the Greek State and Deutsche Telekom AG on May 14, 2008, and were ratified by the Greek Government by virtue of Act 3676/2008 (Government Gazette Bulletin A 139/11.7.2008) setting terms and limitations on the transfer of shares and the exercise of voting rights that ensue from the shares held by the contracting parties.

By resolutions of the General Assemblies of Shareholders of February 6, 2009 and April 7, 2009, OTE's Articles of Incorporation were amended, pursuant to a motion put forward by the shareholders, in accordance with the provisions of the Shareholders' Agreement. Major changes concern the composition and procedures of the Board of Directors, the responsibilities of the Chairman and the Managing Director, and the establishment of a four-member Executive Committee,

in case the Chairman and Managing Director is not the same person. Moreover, along the lines of the said amendment, a range of issues are specified on which the Board of Directors shall have to resolve by special quorum and majority. These issues are described as "Special Issues" and concern the following:

- *Approval of financial statements*
- *Any corporate restructuring of OTE and its affiliates, as well as their dissolution and/or liquidation*
- *Change in scope of OTE and its affiliates, whose current subject is telecommunications related operations (apart from other subjects specified in their Articles of Incorporation)*
- *Special dividends or share buy-backs*
- *Issue of loans, take-up of loans from external borrowers and any intra-company transaction*
- *Important acquisitions or disposals by OTE and its affiliates, whose value exceeds the amount specified in the Shareholders' Agreement*
- *Any transaction with affiliates of Deutsche Telekom AG, whose value exceeds the amount specified in the Shareholders' Agreement, without prejudice to article 23a of New Act 2190/1920*
- *Issues that pertain to Act 3631/2008*
- *Issues that pertain to article 29, par. 3 of New Act 2190/1920*
- *Voting rights in the General Assemblies of Shareholders of OTE's affiliates ("Members of OTE Group") on specific issues relating to the operations of these affiliates*
- *Change in the company's registered seat and primary listing whereon the company's shares are traded*
- *Change in the responsibilities of the Managing Director and/or the Executive Committee*
- *Change in the trade name or trademark of OTE and its affiliates*

The aforementioned conditions list briefly the changes applied to the OTE's Articles of Incorporation, pursuant to the execution of the Shareholders' Agreement signed between the Greek State and Deutsche Telekom AG. For more information on the complete text of the Shareholders' Agreement, please visit: <http://www.ote.gr/portal/page/portal/InvestorRelation>

CORPORATE GOVERNANCE SYSTEM

OTE applies corporate governance principles and practices on the basis of three key priorities which include the definition of the role of the Board of Directors and executive members, the protection of shareholders’ rights, and the enhancement of transparency and information disclosure. (Figure 1)

The following illustrates the structure of OTE’s Corporate Governance System. (Figure 2)

OTE’s Key Priorities

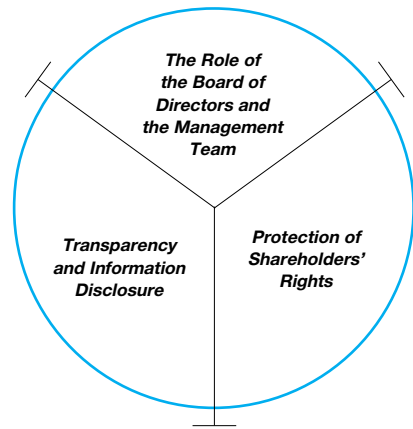


Figure 1

OTE’s Corporate Governance System

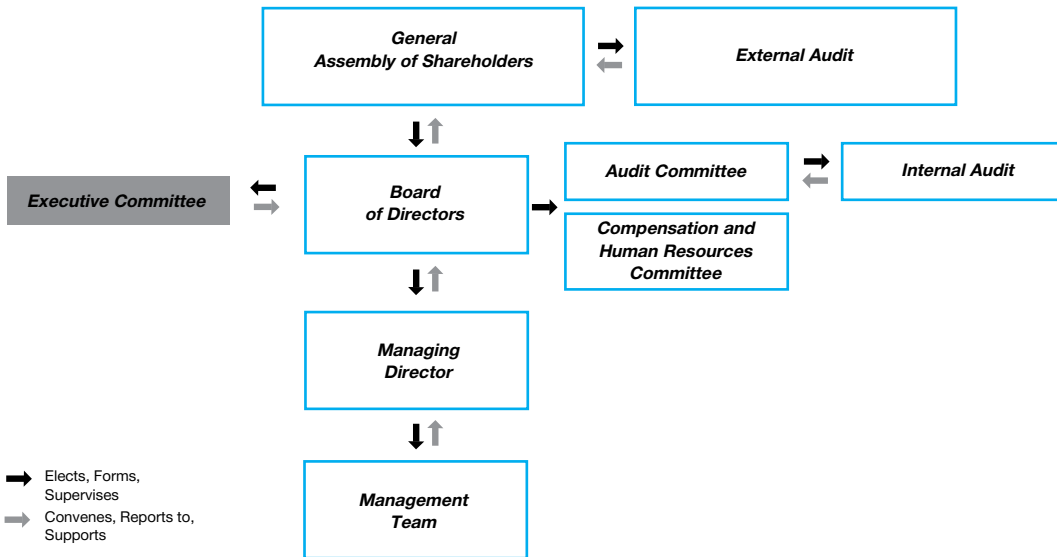


Figure 2

BOARD OF DIRECTORS, MANAGEMENT TEAM AND CONTROL

1. The Board of Directors

The Board of Directors (BoD) is the top administrative body of the company. Its aim is to safeguard the general interests of the company and ensure its operational efficiency. As part of its responsibilities, OTE's Board of Directors:

- *Convenes Ordinary or Extraordinary General Assemblies of Shareholders and proposes on their agenda*
- *Prepares and approves the company's annual financial reports and submits them to the General Assembly of Shareholders*
- *Approves the company's strategy and decides upon the establishment of subsidiaries or upon the company's participation in the share capital of other companies (domestic or foreign)*
- *Decides upon share capital increases through the issue of new shares and convertible bonds, following the authorization granted by the General Assembly of Shareholders*
- *Decides upon the issue of convertible or exchangeable bonds*

The Chairman of the BoD sets the agenda, presides over its meetings and administers its operations. The BoD may choose to transfer its authority and competence to its members, to other executives, to third parties or to Committees. The BoD consists of nine (9) to eleven (11) members; the total number of members is determined by the General Assembly of Shareholders. Since June 2004, the BoD consists of eleven members. In the Articles of Incorporation currently in force, as approved by the General Assembly of Shareholders of April 7, 2009, it is provided that the members of the BoD may or may not be shareholders of the company. The members of the BoD are divided into executive and non-executive, of which at least two (2) are independent. The members of the BoD are elected by the General Assembly of Shareholders. The General Assembly of Shareholders also nominates the two independent members. The members of the BoD may be re-elected ad infinitum, and may be recalled at any time by the General Assembly of Shareholders. With regard to the 2008 financial year, up until June 26, 2008, the BoD consisted of one (1) executive member and ten (10) non-executive members, of which four

(4) were independent. Since June 26, 2008, it consists of one (1) executive member and ten (10) non-executive members, of which five (5) are independent. Pursuant to the Shareholders' Agreement signed between the Greek State and Deutsche Telekom AG, the BoD includes members nominated by Deutsche Telekom AG.

Pursuant to the provisions of the Articles of Incorporation, as amended by the General Assembly of Shareholders of February 6, 2009, the members of the BoD were elected by the General Assembly of Shareholders, served for a three (3) year term and one-third of them were renewed each year. According to the Articles of Incorporation currently in force, the members of the BoD are elected by the General Assembly of Shareholders and serve for a three (3) year term. This term commences on the date the members are elected by the General Assembly of Shareholders and terminates at the completion of the Ordinary General Assembly of Shareholders of the year in which the three (3) year term has already been completed.

The BoD convenes whenever necessary or pursuant to a request submitted to its Chairman by at least two (2) members. The BoD is in quorum and convenes validly when half-plus-one of its members are present; nevertheless, the number of members present may not be less than three (3). Resolutions are reached by simple majority, unless otherwise provided by Act 2190/1920 as currently in force, or by the company's Articles of Incorporation. In 2008, the BoD met 17 times.

The terms and conditions under which the members of the BoD receive remuneration, compensation and benefits in exchange for their services are proposed by the BoD and approved by the General Assembly of Shareholders. In case the members of the BoD are employed with the company, they receive the compensation provided under their employment contract and are not eligible to the remuneration, compensation and benefits paid to the other members of the BoD. In 2008, the BoD consisted of the following members: (*Table 1*)

NAME	CAPACITY	COMMENCEMENT OF OFFICE (most recent)	TERMINATION OF OFFICE
Panagis Vourloumis	Chairman and Managing Director / Executive Member	21/6/2007	21/6/2010
Georgios Bitros	Vice-Chairman / Non- executive member	22/6/2006 (was appointed Vice- Chairman on 26/6/2008)	6/2/2009 Due to resignation
Hamid Akhavan-Malayeri	Non-executive member	26/6/2008	26/6/2011
Karl-Gerhard Eick	Non-executive member	26/6/2008	26/6/2011
Ilias Gounaris	Independent non-executive member (was non-executive member until 26-6-2008)	21/6/2007	6/2/2009 Due to resignation
Charalambos Dimitriou	Non-executive member	22/6/2006	22/6/2009
Leonidas Evangelidis	Independent non-executive member	26/6/2008	26/6/2011
Leonidas Korres	Independent non-executive member	26/6/2008	6/2/2009* Due to resignation
Xeni Skorini	Independent non-executive member	22/6/2006	22/6/2009
Panagiotis Tabourlos	Independent non-executive member	21/6/2007	21/6/2010
Georgios Tzovlas	Non-executive member (was independent non-executive member until 26-6-2008)	21/6/2007	6/2/2009 Due to resignation
Iakovos Georganas	Vice-Chairman / Non- executive member	16/6/2005	26/6/2008
Theodoros Veniamis	Non-executive member	16/6/2005	26/6/2008
Georgios Gerapetritis	Independent non-executive member	16/6/2005	26/6/2008
Nikolaos Stefanou	Non-executive member	21/6/2007	26/6/2008 Due to resignation

Table 1

* As regards Mr. Leonidas Korres, it should be noted that he was elected by the Board of Directors temporarily, to replace the resigned Mr. N. Stefanou for the remainder of the latter's office, namely until the date of the 2010 Ordinary General Assembly of Shareholders.

Since February 6, 2009, pursuant to the resignations of Mr. I. Gounaris, Mr. G. Bitros, Mr. L. Korres and Mr. G. Tzovlas, the election of an equal number of new members and a new inaugural meeting, OTE's Board of Directors consists of the following members:

(Table 2)

2. Committees of the Board of Directors

A. Audit Committee

In April 1999, OTE's management established an Audit Committee. According to its Regulation, the Audit

Committee consists of three independent non-executive members of the Board of Directors, of which, at least one is a financial expert. One of the members is appointed as Chairman. The role of the Committee is to supervise the company's Internal Auditors and to assist the Board of Directors in the latter's supervisory responsibilities by monitoring the financial information published by the company, evaluating and controlling the internal audit systems, and assessing and coordinating the auditing process and control procedures, in accordance with applicable laws.

NAME	CAPACITY	COMMENCEMENT OF OFFICE (most recent)	TERMINATION OF OFFICE
Panagis Vourloumis	Chairman and Managing Director / Executive Member	21/6/2007	21/6/2010
Charalambos Dimitriou	Vice-Chairman / Non- executive member	22/6/2006 (was appointed Vice- Chairman on 6/2/2009)	22/6/2009
Hamid Akhavan-Malayeri	Non-executive member	26/6/2008	26/6/2011
Kevin Copp	Non-executive member	6/2/2009	21/6/2010*
Karl-Gerhard Eick	Non-executive member	26/6/2008	26-3-2009 Due to resignation
Martin Walter	Non-executive member	6/2/2009	22/6/2009*
Leonidas Evangelidis	Independent non-executive member	26/6/2008	26/6/2011
Konstantinos Michalos	Independent non-executive member	6/2/2009	21/6/2010*
Ioannis Benopoulos	Independent non-executive member	6/2/2009	21/6/2010*
Guido Kerkhoff	Non-executive member	26/3/2009	26/6/2011**
Xeni Skorini	Independent non-executive member	22/6/2006	22/6/2009
Panagiotis Tabourlos	Independent non-executive member	21/6/2007	21/6/2010

Table 2

* As regards Mr. K. Copp, Mr. M. Walter, Mr. K. Michalos and Mr. I. Benopoulos, it should be noted that, as announced in the General Assembly of Shareholders of 7 April 2009, they were elected by the Board of Directors to replace the resigned Mr. G. Tzovlas, Mr. G. Bitros, Mr. I. Gounaris and Mr. L. Korres respectively, for the remainder of the latters' office, namely until the date of the 2010 Ordinary General Assembly of Shareholders for Mr. K. Copp, Mr. K. Mihalos and Mr. I. Benopoulos, and until the date of the 2009 Ordinary General Assembly of Shareholders for Mr. M. Walter

** Pursuant to the resignation of Dr. Karl Gerhard Eick on 26 March 2009, the company's Board of Directors elected Mr. Guido Kerkhoff to replace the resigned member for the remainder of the latters' office.

The aim of the Audit Committee is to support the company's Board of Directors in the exercise of the latter's supervisory authority and the fulfillment of the latter's obligations towards shareholders, the investment community and third parties, especially with regards to the financial reporting process.

In 2008, the Audit Committee dealt with all issues provided in its Regulation including, among others:

- *The approval and monitoring of the company's Internal Audit activities*
- *The recruitment of employees for Internal Audit Services*
- *The expression of opinion on the appointment of Chartered Auditors*
- *The assurance of the Chartered Auditors' independence, in relation to the services provided by the latter to the OTE group of companies*

- *The assessment of the accuracy and consistency of Financial Statements*
- *The monitoring of the Management control results, in relation to compliance with SOX 404*
- *The review of the annual 20-F Form which is filed with the US Securities and Exchange Commission, and the 2007 consolidated Financial Statements under US GAAP*
- *The handling of complaints and accusations related to accounting or internal audit matters*

The Audit Committee holds four ordinary meetings every year (following the preparation of the quarterly financial statements and prior to their publication). Whenever necessary, the committee may also hold extraordinary meetings. The Audit Committee meets in quorum and convenes lawfully when its Chairman plus one member are present. In the event of such quorum,

the third member may be represented by the Chairman of the Audit Committee by the member that is present. Resolutions of the Audit Committee are passed by an absolute majority of the entire composition.

From June 2006 until June 26, 2008, the Audit Committee consisted of the following members: Mr. Panagiotis Tabourlos (Chairman – Expert on Financial Matters), Ms. Xenia Skorini and Mr. Georgios Tzovlas. From June 26, 2008 until February 6, 2009, pursuant to a new inaugural meeting, the Audit Committee consisted of the following members: Mr. Panagiotis Tabourlos (Chairman – Expert on Financial Matters), Ms. Xenia Skorini and Mr. Leonidas Korres. Since February 20, 2009, following a new inaugural meeting, the Audit Committee consisted of the following members: Mr. Panagiotis Tabourlos (Chairman – Expert on Financial Matters), Mr. L. Evangelidis and Ms. Xenia Skorini.

B. Compensation and Human Resources Committee

OTE's BoD established the Compensation and Human Resources Committee in 2004. This Committee is appointed by the company's BoD and consists of a minimum of three members, at least two of which are non-executive. The Chairman of the Committee is also appointed by the BoD. The Committee's main duties, as set out in its Regulation, are the following:

- *Setting the principles of the company's human resources policy, that will guide the decisions and actions of the Management*
- *Defining the company's compensation and remuneration policy*
- *Approving the schemes and plans concerning compensation, benefits, stock options and bonuses*
- *Proposing to the BoD the compensation and benefits of the Managing Director*
- *Studying and processing issues related to the company's human resources*
- *Setting the principles of Corporate Social Responsibility policies*

The Compensation and Human Resources Committee submits proposals to the BoD on matters related to the responsibilities of the Committee; the BoD either approves these proposals, or refers them to the General Assembly of Shareholders, whenever matters ought to be resolved by the General Assembly of Shareholders. Along these lines, in 2008, the Compensation and Human Resources Committee handled the following:

- *Determined the bonus that should be paid to the Chairman and Managing Director for 2007, and his compensation for 2008*
- *Agreed on the stock option plan offered to executive officers/directors of OTE and its affiliates, in accordance with article 42e of Act 2190/1920.*

The Committee meets at least twice a year and reports directly to the BoD. From June 2005 until June 26, 2008, the Compensation and Human Resources Committee consisted of the following members: Mr. Iakovos Georganas (Chairman), Mr. Georgios Gerapetritis and Mr. Ilias Gounaris. From June 26, 2008 until February 6, 2009, pursuant to a new inaugural meeting, the Compensation and Human Resources Committee consisted of the following members: Mr. Charalambos Dimitriou (Chairman), Mr. Hamid Akhavan-Malayeri and Mr. Ilias Gounaris. Since February 20, 2009, pursuant to a new inaugural meeting, the Compensation and Human Resources Committee consisted of the following members: Mr. Charalambos Dimitriou (Chairman), Mr. Hamid Akhavan-Malayeri and Mr. Ioannis Benopoulos.

3. Internal Audit

The Internal Audit unit assists the company's Management in decision-making related to the optimization of the various auditing mechanisms. These auditing mechanisms aim to ensure the efficiency of operations and activities carried out according to the company's business plans. Specifically, as part of its responsibilities the Internal Audit unit:

- *Examines and evaluates the company's auditing systems and procedures*
- *Audits systems and procedures, carries out inspections (including those for fraud) and investigates compliance issues*
- *Identifies risks, proposes solutions and makes relevant recommendations to the Management*
- *Monitors the consistent application and progress of Internal Audit operations across the OTE Group of companies*
- *Examines and evaluates the suitability, performance and efficiency of security measures in OTE's ICT systems*

Correct and efficient operation of the Internal Audit unit is ensured by the fact that, it is an independent business unit, reporting directly to the BoD, is super-

vised by the Audit Committee and operates under a strict code of conduct.

4. External Audit

The company's regular audit is carried out by certified auditors. To this end every year, the General Assembly of Shareholders approves the appointment of an auditing firm or a consortium of auditors for audit of the company's financial statements and business operations over a specific period.

In June 2008, OTE's Ordinary General Assembly of Shareholders assigned the regular audit of the 2008 financial statements to the firm "ERNST & YOUNG (HELLAS) Certified Auditors–Accountants S.A.". The fee for the audit of the stand-alone and consolidated financial statements was set at €470,000.

5. Code of Ethics and Business Conduct

The Code of Ethics and Business Conduct comprises of a set of rules and practices which contribute to the smooth operation of the company and the proper business conduct of its employees. The Code is in compliance with current laws and mainly determines the relations that the company should have with employees, suppliers, shareholders, competitors and other third parties.

6. Internal Operations Regulation

OTE's Internal Operations Regulation cover issues relating to the company's decision-making bodies (and their responsibilities), the company's organizational structure, the recruitment and evaluation of executives, the internal committees and regulatory frameworks, as well as to the provisions for transactions between liable persons or between affiliated companies.

7. The Management Team

A. Managing Director

The Managing Director is the company's chief executive officer, supervising all corporate departments and divisions. The Managing Director defines the agenda of the BoD and submits proposals in line with of the company's objectives. The Managing Director is elected by the BoD during its inaugural meeting. The Managing Director, mainly:

- *Participates, represents and binds the company in all General Assemblies of Shareholders of the affiliated companies*

- *Decides upon and executes agreements the value of which does not exceed the level determined by the BoD*
- *Decides upon the company's internal structure, personnel development issues and implementation of the company's object*
- *Represents and binds the company in issues related to the negotiation and conclusion of operational collective labor agreements*
- *Represents the company before any authority*

B. Members of the Management Team

In 2008, the Management Team consisted of the following members: (*Table 3*)

Aiming to ensure the effective management and operation of the company, the company's Articles of Incorporation prohibit the members of the Board of Directors and their relatives (up to 2nd degree), executive directors and their relatives (up to the 2nd degree) and the company's personnel, in general, from:

- *Engaging, occasionally or consistently, for their own benefit or for the benefit of others, in commercial activities that are similar to those of the company, without the prior consent of the General Assembly of Shareholders*
- *Serving as members of the Board of Directors, executive officers, employees, or agents of other companies with objectives that are similar to those pursued by OTE*
- *Participating in unlimited/general partnerships or holding a substantial interest in the share capital of other companies whose activities are similar to those of OTE*

8. Stock-Option Plan for Executives

Since 2007, the company has adopted a stock-option plan, based on performance criteria, for its executive officers/directors, as well as for the executive officers/directors of its affiliated companies, in accordance with article 42e of Act 2190/1920.

SHAREHOLDERS

1. Shareholders' Rights

A. Rights of Minority Interest Holders

According to the company's Articles of Incorporation and Act 2190/1920, as amended by Act 3604/2007, minority shareholders have the right per case to:

NAME	CAPACITY
Panagis Vourloumis	Chairman and Managing Director
Iordanis Aivazis	Chief Operating Officer
Ilias Drakopoulos	Chief Commercial Officer for Corporate and Business Customers
Maria Efthimerou	Chief Technology Officer
Konstantinos Kappos	Chief Information Technology Officer
Andreas Karageorgos	Chief Regional Officer
Christos Katsaounis	Chief Officer of National Wholesale Services
Kosmas Liaros	Chief Internal Audit Officer
Paraskevas Passias	General Counsel
Konstantinos Ploumbis	Chief Regulatory Officer
Panos Sarantopoulos	Chief Commercial Officer for Residential Customers
Christini Spanoudaki	Chief Financial Officer
Nikolaos Tsatsanis	Chief Human Resources Officer

Table 3

- *Request the Board of Directors to convene an Extraordinary General Assembly of Shareholders, setting precisely the items on the agenda*
- *Request for additional items to be included on the agenda of an already convened General Assembly of Shareholders, provided that this request is expressed within the time restrictions set by the Law*
- *Request the Chairman of the General Assembly of Shareholders to defer a resolution (only once) and set a new date for the Assembly's adjournment*
- *Request information on the company's financial structure and affairs. If such request is submitted within the time restrictions set by the Law, the company's Board of Directors is obliged to provide all relevant information (save for certain data exempted by law)*
- *Request the adoption of a certain resolution by roll-call vote*
- *Request the investigation of the company by a competent judicial authority, in case of non-compliance*

with the resolutions of the General Assembly of Shareholders or violation of the company's Articles of Incorporation and applicable laws

- *Request for judicial investigation, in case business operations are conducted in an unethical and/or imprudent manner*

B. Allocation of Profits

According to the company's Articles of Incorporation, allocation of profits is preceded by the withholding of the amount necessary for ordinary capital reverse. Such deduction is no longer mandatory when the capital reverse is equal to at least 1/3 of the company's paid in capital. Dividends declared may not be less than 6% of the company's share capital or 35% of net profits. The Articles of Incorporation allow for the General Assembly of Shareholders to decide upon the allocation of the remaining profits at its own discretion.

C. Payment of Dividend

Shareholders are entitled to a stake in the company's net profits, after the General Assembly of Shareholders approves the annual financial statements. Dividends are paid to shareholders in accordance with the Athens Stock Exchange Regulation, as in force from time to time.

2. General Meeting of Shareholders

In accordance with Company's Act 2190/1920, as currently in force, and OTE's Articles of Incorporation, the General Assembly of Shareholders is the company's highest body, entitled to resolve upon all matters of the company, unless otherwise specified in the Articles of Incorporation. The General Assembly of Shareholders is convoked by the Board of Directors at least once a year, and in any case within six months of the end of the previous fiscal year, whereby the annual financial statements are approved, and certified accountants and members of the Board of Directors are absolved from any potential indemnity. The Board of Directors may also convene extraordinary General Assemblies of Shareholders whenever necessary. The invitation to the General Assembly of Shareholders is published according to the law in the Government Gazette, as well as in one political, financial and local newspaper. In the event of adjourned meetings, no further announcement is required, provided that the date and venue of adjournment are stated in the

initial invitation. Shareholders wishing to participate in the General Assembly of Shareholders must reserve, at the company's counters, at least five days prior to the General Assembly of Shareholders, in part or in full their shares through their custodian and submit evidence of such reservation. Shareholders may attend the General Assembly of Shareholders either in person or through a proxy; one share provides the right to one vote.

The General Assembly of Shareholders is in quorum and convenes validly on the issues of the agenda when one-fifth (1/5) of its paid-in capital is present or represented, except for issues specified explicitly in the Articles of Incorporation, when two-thirds (2/3) of the company's paid-in capital should be present or represented. In absence of quorum, the General Assembly of Shareholders is adjourned within 20 days. On issues that may be resolved by simple quorum, the adjourned General Assembly of Shareholders convenes validly, irrespective of the present or represented capital. For issues that require a special quorum, at least half (1/2) of the company's share capital must be present or represented, otherwise the General Assembly of Shareholders is adjourned again, in which case one-fifth (1/5) of the company's share capital must be present or represented. Resolutions on issues that call for simple quorum are passed by absolute majority. Resolutions on issues that call for special quorum are passed by a majority of two-thirds (2/3) of those present or represented.

INFORMATION DISSEMINATION AND TRANSPARENCY

1. Established Procedures Ensuring Transparency

Placing particular emphasis on transparency, OTE has established a regulated-information disclosure process, on the grounds of Act 3556/2007, Decision 1/434/3.7.2007 and Circular No.33 of the Hellenic Capital Market Commission concerning information disclosure and transparency requirements for companies which are publicly traded on organized markets (stock exchanges). The aim of this disclosure process is to inform, the investment community and all interested parties of any significant changes in the company's participations (acquisitions or disposals) in a timely and accurate manner, under Act 3556/2007, and to ensure OTE's compliance with applicable laws.

In compliance with Inside Information Act 3340/2005 ("Protection of the Hellenic Capital Market from Actions of Inside Information Abuse, as well as Market Manipulation"), as well as with Corporate Governance Act 3016/2002, OTE has adopted the following:

- *Transactions disclosure procedure for all individuals that are considered liable under applicable law*
- *Procedure that deters the improper use of inside information*
- *Procedure that monitors any financial activity carried out by OTE's managers/directors relating to the company and its main suppliers/contractors*

Apart from established procedures that ensure transparency, OTE has adopted a number of other practices that enhance the dissemination of information to all interested parties, such as:

- *Uploading and posting of company-related information on the OTE website, so that all interested parties can have equal, fast and efficient access to that information*
- *Publication of corporate documents (Annual Report, 20-F, Corporate Social Responsibility Report), thereby enhancing the continuous flow of information on issues that relate to the company's strategy, targets, operation and performance*
- *Establishment of a two-way communication channel between company representatives and the investment community, through the organization of conferences, corporate presentations, investor days, road-shows (in Greece and abroad) and conference calls, on a regular basis (e.g. after the announcement of quarterly results) and whenever deemed necessary*

2. Investor Relations

All activities related to OTE's listing on the Athens Stock Exchange (ATHEX), the London Stock Exchange (LSE) and the New York Stock Exchange (NYSE) are the responsibility of OTE's Investor Relations Department. These activities include:

- *Covering the needs of shareholders, individual and institutional, in Greece and abroad. Providing information related to the exercise of their rights and the payment of dividends*
- *The release of the company's financial results and the timely, and fair distribution of information related to the company's financial performance to all*

shareholders, through presentations, road shows, conferences and meetings

- *The design and implementation of financial communication strategy related to all media (Investor Relations website, corporate presentations, etc.)*
- *The preparation of the company's Annual Report, as well as the 20-F Report for the US Securities and Exchange Commission*
- *Handling the relations with Stock Exchanges and Capital Market Commissions in the countries where OTE is listed (ATHEX, NYSE, LSE)*
- *Ensuring the company's compliance with the regulatory framework of the capital markets in which OTE is listed (ASE, NYSE, LSE)*
- *Supporting the company's credit rating process*
- *The organization and hosting of the company's Shareholders Assemblies*

The Investor Relations Department is headed by Mr. Dimitris Tzelepis. His contact details are as follows:

Tel: +30 210 6111574

Fax: +30 210 6111030

E-mail: dtzelepis@ote.gr

Address: 99 Kifissias Ave., Marousi, Athens

Call Center: +30 210 611 1000

Investor Relations Webpage:

www.ote.gr/portal/page/portal/InvestorRelation

99, Kifissias Ave.
151 24 Marousi
Greece