



SUSTAINABILITY REPORT 2011



**HELLENIC**  
PETROLEUM





# The Sustainability

Since 2006, the HELLENIC PETROLEUM Group has published an annual Sustainability Report in order to improve our communication and share information with our social partners (stakeholders). This year's seventh annual report provides an overview of the Group's business performance taking into account economic, environmental and social perspectives from 01.01.2011 to 31.12.2011.

## Reporting Guidelines

This Report was prepared through taking into account the GRI guidelines (Global Reporting Initiative, G3.1), the ten principles of the United Nations Global Compact (UNGC) and the GRI's Oil & Gas Sector Supplement.

Both the UNGC and the GRI are voluntary initiatives with a complementary role in promoting internationally accepted principles through corporate accountability and performance.

Our Group is committed to implementing and promoting these two complementary initiatives which ensures for a consistent platform in the realization of values, sustainable development policies, strategies and business practices.

During the preparation of the report, we took into account the dialogue with our stakeholders, conclusions drawn from survey research conducted in local communities and with our customers, suppliers and employees, requirements for disclosure from financial analysts and the wider public as well as observations made by inspection and auditing bodies. With this approach, the Group will endeavor to continue to implement activities under its commitment to Sustainable Development.

## Report's Content

The information provided in this report covers the influences and impacts that an energy group, such as HELLENIC PETROLEUM, has on sustainable development.

All indicators, measurement units, quantities and sizes, referred to in the Report, correspond to recorded measurements and data using scientifically proven procedures, the best available practices, internationally accepted standards and international oil industry codes.

No changes in measurement methods in relation to previous reports or any revisions of information included in previous publications have been made. There

# Report

are no further limitations, exceptions or changes, unless otherwise stated.

This Report refers to the HELLENIC PETROLEUM Group's multifaceted Social Responsibility program. Financial information is summarized whilst detailed information is presented on the Group's sustainable development strategy where a particular emphasis is placed on:

- health & safety (section 5.3).
- human resources policy (section 5).
- environmental performance (section 4).
- climate change concerns and energy saving (section 4.2).
- support programs in local communities and socially vulnerable groups (section 6.4).

## Assurance

To ensure for accuracy, completeness and credibility, this Report was audited and validated in its whole by an independent external certification association prior to its publication.

We inform our stakeholders that the design and implementation of this report was planned in order to ensure that the Group achieved an A rating based on GRI criteria indicators. The third party which assessed the Report, certified its A rating, according to guidelines G3.1 and the specific Oil & Gas Sector Supplement. The results of this assessment are presented in section 7.4.

Moreover, the accuracy of the report is assured through internal audits and statistical checks performed by accredited certification associations as well as peer group companies and others. These inspections and audits ensure that the report is credible, properly balanced and relevant to the expectations and interests of the Group's stakeholders.

## Reporting Boundaries

The information contained in the report relates to the following Group companies selected because they represent the basic and strategic activities of the Group in Greece and abroad.

We decided not to include hydrocarbons' exploration and production activities as this activity is conducted through joint ventures involving several companies.

The following companies were also included in the previous reports (2006-2010), with improvements and additional information, without revising any information.

- HELLENIC PETROLEUM S.A.
- EKO A.B.E.E.
- HELLENIC FUELS S.A.
- OKTA AD SKOPJE
- HELLENIC PETROLEUM CYPRUS LTD
- JUGOPETROL AD KOTOR
- EKO BULGARIA EAD
- EKO SERBIA AD
- GLOBAL S.A.
- DIAXON A.B.E.E.
- ASPROFOS S.A.

The reported data is consolidated at Group level unless presented differently in certain areas. Environmental indicators are presented in detail, per each of the Group's business segments.

## Materiality & Stakeholders Inclusiveness

Our Group identifies its social partners (stakeholders) on an annual basis based on its principles and values, strategy, activities, proximity and the community. Stakeholders who are affected by the Group's business activities can be summarized as follows:

### Our people

Our goal is to be a "preferred employer" who provides employees with an attractive environment and opportunities to improve professional and personal development without discrimination (see sections 5 and 5.4).

### Our neighbours

The ongoing consultation, communication and collaboration with local communities help us to create an atmosphere of trust and meet their needs in the best possible manner (see section 6.4).

### Our shareholders/investors

We seek to ensure high competitiveness and efficiency through transparent processes and continuous updating of the investment community.

### Our partners

We want our business partners, customers and suppliers to actually prefer to work with our company. Our goal is to cultivate synergies that create value for all our stakeholders (see section 6.3).

### Our environment

We behave like a responsible corporate-citizen. With a wide range of activities in SE Europe, we contribute to international efforts to manage "complex globalized challenges" such as climate change, increasing RES and reducing gas emissions (see section 4).

Our goal is to seek the views of our social partners and try to broaden the way to contact them. In this context we seek consensus and mutual understanding, and this is achieved by bilateral communication and dialogue that aims to highlight:

- Our cooperation with our stakeholders to develop and achieve accountability as well as a sustainable development strategy,
- Reporting and identifying issues which are most relevant to the Group and our stakeholders,
- Responding to important issues in our decision making on actions, collaborations and communication.

In both the implementation of this report and the planning of the next one we considered the conclusions from two significant surveys implemented in 2011; a materiality analysis (involving employees) and a consultation with local communities.

**The materiality assessment process** takes into account that reported information covers areas, potential risks and indicators which could substantially influence stakeholders' decisions and assessments, both internal and external, including management. These are:

- An energy Group's impact to the society and the environment.
- Management's requirements for information.
- Conclusions from dialogues with stakeholders.
- International initiatives and guidelines for sustainable development, especially GRI & UNGC, where reference is made to the corresponding indicators, principles and protocols.
- Good practice and Best Available Techniques by industry peers.
- Disclosure requirements required by financial analysts, rating agencies, institutional investors and other interested parties.

We gather both our internal and external stakeholders' views through dialogue, public debates, public opinion surveys, publications in the Press, road shows, meetings, etc. Our goal is to prioritize the views according to their importance for the community and the Group, and then to evaluate them and subsequently plan for further actions.

From the 2011 materiality evaluation process, a wide range of topics of interest to our stakeholders arose. These included:

- ✓ Corruption and ethical conduct.
- ✓ Health and safety.
- ✓ Human resources.
- ✓ Local communities.
- ✓ Climate change (RES, biofuels).
- ✓ Corporate governance.
- ✓ Risk management.

The present Report - as well as the links to the Group's website - serve to illustrate how we handled the issues presented above.





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A View of Elefsina Industrial Installations

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## 1. Message to our Stakeholders



"We seek to be a strong leading regional Group, with sustainable development fully integrated into our plans and actions".

During the last few years we have witnessed significant changes in the global economic environment. The markets have been characterized by great instability in the wake of the financial crisis, which has affected business activity on a global basis. Moreover in Southern Europe, large budget deficits and high debt levels have been addressed through the application of strict fiscal adjustments and austerity measures, leading to recession and increasing unemployment.

At the same time, political and social crisis prevailing in certain oil-producing countries and its effect on crude oil availability, maintained oil prices at high levels. This development combined with the noticeable decline in oil products demand in Europe and especially in Greece, lead to a decline of refining margins, as well as oil products, marketing margins have affected industry players and their profitability.

As would be expected in such a difficult environment, HELLENIC PETROLEUM came up against many challenges that the company had to face with business insight and dynamism. The challenges we face, did not prevent us from continuing to work hard, responsibly and effectively.

We seek to be a strong leading regional Group, with sustainable development fully integrated into our plans and actions. Our objective is to claim one of the leading positions in every

business activity and in every market the Group is involved in, while at the same time be pioneers in the development of our human resources and the enhancement of our competitiveness, innovation and transparency. Strong corporate social responsibility practices are part of our everyday business life for many years now, and we apply continuously, comprehensive and effective policies in the management of Health, Safety and the Environment.

We are proud because during the last years, while addressing a most challenging environment, we have implemented an ambitious € 3 billion investment plan, in order to upgrade our assets, meet the country's energy needs and fuels specification and increase substantially our exports and our integrated regional market coverage.

In this report, we present the initiatives undertaken by HELLENIC PETROLEUM to respond to all these challenges, while continuing to accomplish our goal for sustainable development. Extensive reference is made on the planning and implementation of our comprehensive programs, as well as on our performance in the areas of environmental protection, continuous improvement of employment conditions, safe operations, sustainable business growth and corporate governance.

In 2011 within an extremely difficult economic environment we managed to:

- Continue to implement with consistency and within our predefined time schedule, our major 5 year investment plan, with an emphasis on modernizing and upgrading our refineries. We successfully completed the upgrading of the refinery in Thessaloniki, a project that required 4 million man-hours and was carried out with exceptionally high safety records. At the same time, we completed the project of upgrading the Elefsis refinery, which after 18 million man-hours, is currently at the end of its commissioning phase and is expected to be fully operational in the second half of 2012, enhancing substantially our economic and environmental performance. Both projects will improve the security of supply with high specification products, contribute to the effective reduction of local emissions by up to 85%, as well as enhance the export orientation of the Group.
- Adopt an ambitious investment plan in projects amounting to € 100 million for the protection of the environment. These projects are implemented gradually and will be completed in 2016, applying the best available techniques in energy saving systems, greenhouse gas emissions reduction, more effective waste management, fresh water reuse and the reduction of our carbon footprint; while also supporting programs that protect the ecosystem in our local communities.
- Invest in our people, by organizing more than 95,000 hours of training, while offering excellent working conditions and healthy prospects for professional and personal development.
- Create a new and contemporary code of conduct, by applying principles of full transparency in the Group and by establishing relations of mutual trust between employees, business partners, suppliers, customers and local communities.
- Expand our position in Renewable Energy Sources (RES), as part of our strategy for sustainable development, through strategic partnerships and by developing a large portfolio of projects, with a total capacity of 130 MW, currently at various permitting and construction stages. Our objective is to reduce the Group's carbon footprint by at least 250 thousand tons per year, thus compensating part of our CO<sub>2</sub> emissions.

As a responsible social partner, we are in constant communication with all stakeholders affected by our activities. Before initiating any new business activity, we analyze and examine the potential impact on the environment and the society and seek to enhance the involvement of suppliers, partners and particularly citizens from neighboring municipalities throughout the process.

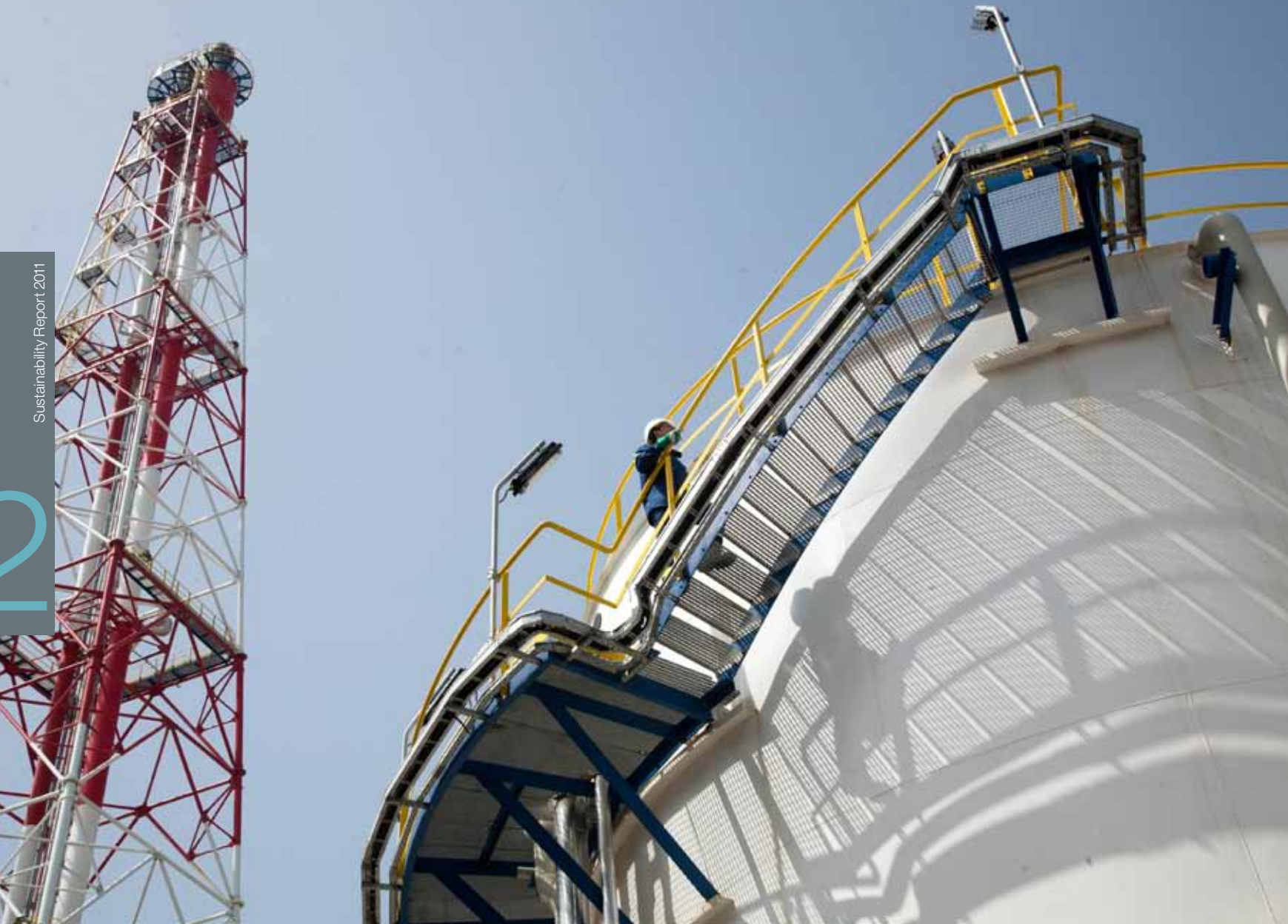
Regarding the support of local communities, we have systematically implemented a number of activities and programs, giving priority to socially and economically vulnerable groups and capable young people who strive to excel. All these actions support our neighboring communities' long term economic prosperity, through the creation of jobs, the purchase of goods and services from local suppliers and the construction of infrastructure projects.

The commitments that we have undertaken in recent years under the United Nations Global Compact are met and are expanded on a local, sectoral and regional level, aiming at constantly improving and promoting responsible business practices. We participate in initiatives for Sustainable Development and we are counting on our employees and all our social partners, whom we thank for their continuous support and contribution to the Group's positive performance during a most crucial and decisive period.

All these initiatives are an integral part of our Group's successful development and support our strategy to be an energy Group that focuses on sustainable growth and exemplary Corporate Social Responsibility.



**John Costopoulos**  
Chief Executive Officer



Demineralised Water Tank - BEE

## 2. Report Overview

This report gives a detailed depiction of our Group's policy and initiatives in delivering on our Sustainable Development objectives. Additional information is also available on the Group's website ([www.helpe.gr](http://www.helpe.gr)) as well as the following publications:

- Annual Report 2011 (<http://admin.elpe.gr/Uploads/resource/ANNUAL%20REPORT%202011.pdf>)
- Annual Financial Report 2011 (<http://admin.elpe.gr/Uploads/pdf/2011%2012m%20Parent.pdf>)

**For us, sustainable development** is absolutely essential for ensuring competitive advantage in an era characterized by global competition. At HELLENIC PETROLEUM, we are absolutely committed to making every effort to achieve tangible results through the implementation of our strategy and developing a sustainable management system. While the management function is in a state of transiency / flux shifting its focus from profitability to sustainability, our target is to achieve sustainable development through an approach which includes not only excellent financial performance but accountability to society (section 6) and the environment (section 4). Only then can we really achieve a win-win outcome whilst minimizing our environmental impact.

In **2011**, significant progress was made in the field of "sustainable performance" including:

Significant improvements in safety performance.

Over the last few years, no hydrocarbon spills (oil spills) into any of the country's marine environments have occurred.

Measured improvements took place in air emissions (GHG emissions).

The Statement of Corporate Governance was published.

The G3.1 guidelines and the Oil & Gas Sector Supplement were voluntarily adopted. The Sustainability Report was audited and assured by independent associations.

The Group's Code of Conduct was approved, implemented and made public.

The upgrade investment on the Thessaloniki Refinery was completed. The now operational refinery's local emissions have reduced by 55% reflecting a significant environmental improvement.

The Elefsina Refinery upgrade project is 96% completed.

Forthcoming initiatives (**2012**) in sustainable development include:

The voluntary acceptance of new GRI G4 guidelines and the development of infrastructures. Broadening the dialogue with our stakeholders.

The completion of the Elefsina Refinery, the full operation of which will ensure for the supply of the highest standard of products into the Greek market substantially reducing any environmental impact by up to 85% in local emissions.

Wider awareness / training of all employees in all the companies with regards to the Code of Ethics and Sustainable Development.

Risk assessment.

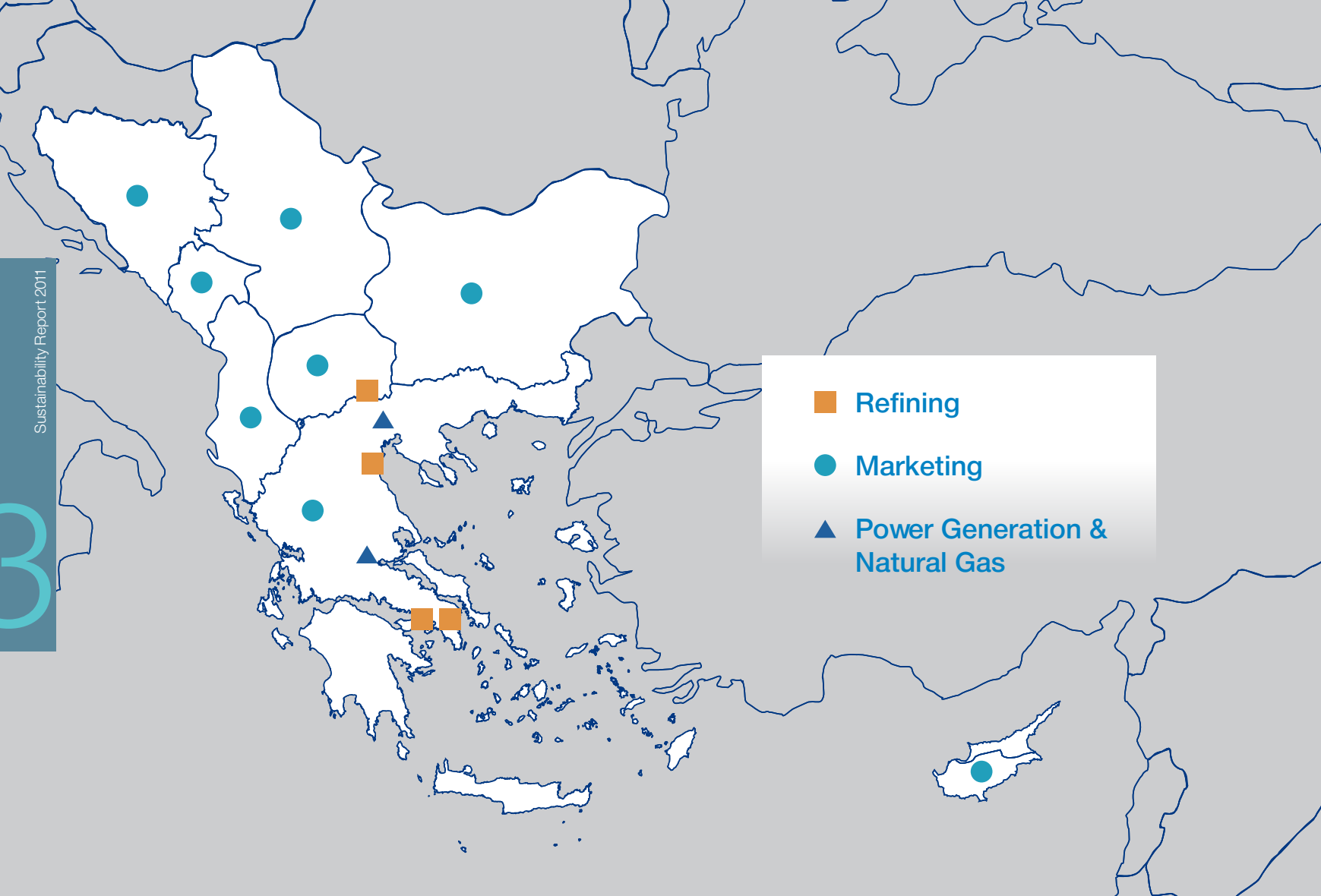
Continuous improvements in Health and Safety.

Further reducing emissions (GHG emissions) and improving energy efficiency.

Research and development in RES and bio-fuels.

## Sustainable Development Priorities - Objectives and Approach

	economic	social	employees	environment
<b>Objective</b>	Further strengthening position in domestic market as well as S.E. Europe enhance extroversion.	A socially responsible company based on its cooperation with stakeholders.	To be a "preferred employer".	Strengthening environmentally friendly values through measurement capabilities, indicators and risk management.
<b>Approach Strategy</b>	Development, social benefit, profitability. Supporting R&D activities. Optimising operational capacity. Innovation & Creativity.	Dialogue with stakeholders. Supporting contractors. Ethical and transparent management. Social contribution. Support of local communities. Evaluating CSR activities.	Employees' training. Meritocracy and employee development. Continuous Health & Safety system improvements. Consolidation of all HR policies and processes at a Group level. Rationalisation and reduction of operating costs.	Measuring environmental performance. Taking action against climate change. Monitoring international environmental trends.



### 3. The HELLENIC PETROLEUM Group

HELLENIC PETROLEUM is one of the most important energy groups in Southeastern Europe, with total capital employed at € 4,217 mil. and total equity amounting to € 2,398 mil. on 31.12.2011, while turnover and net profit in 2011 amounted to € 9,308 mil. and € 114 mil. respectively.

It offers a wide range of activities in the energy sector, the most important of which include the following:

- Supply, Refining and Trading of petroleum products, both within Greece and abroad.
- Fuels Oil Marketing both within Greece and abroad.
- Petrochemicals/Chemicals Production and Trading.
- Oil & Gas Exploration and Production.
- Power Generation & Trading and Natural Gas.

## Group Companies and Participations per activity sector

### Refining

HELLENIC PETROLEUM S.A.

### Power Generation & Trading

ELPEDISON BV

### Fuels Marketing

EKO A.B.E.E.  
CALYPSO LTD  
HELLENIC FUELS S.A.

### RES

HELLENIC PETROLEUM - RES S.A.

### Chemicals

HELLENIC PETROLEUM S.A.  
DIAXON A.B.E.E.  
ARTENIUS HELLAS S.A.

### Engineering

ASPROFOS S.A.

### International Operations (Refining & Retailing)

OKTA AD SKOPJE  
HELLENIC PETROLEUM CYPRUS LTD  
RAMOIL CYPRUS LTD  
EKO BULGARIA EAD  
EKO SERBIA AD  
JUGOPETROL AD KOTOR  
GLOBAL S.A.  
EKO PETROLEUM ALBANIA SH.P.K

### Crude / Products Transportation & Pipeline Networks

A.A.F.P.C. S.A.  
VARDAX S.A.  
HELLENIC PETROLEUM - APOLLON MARITIME COMPANY  
HELLENIC PETROLEUM - POSEIDON MARITIME COMPANY

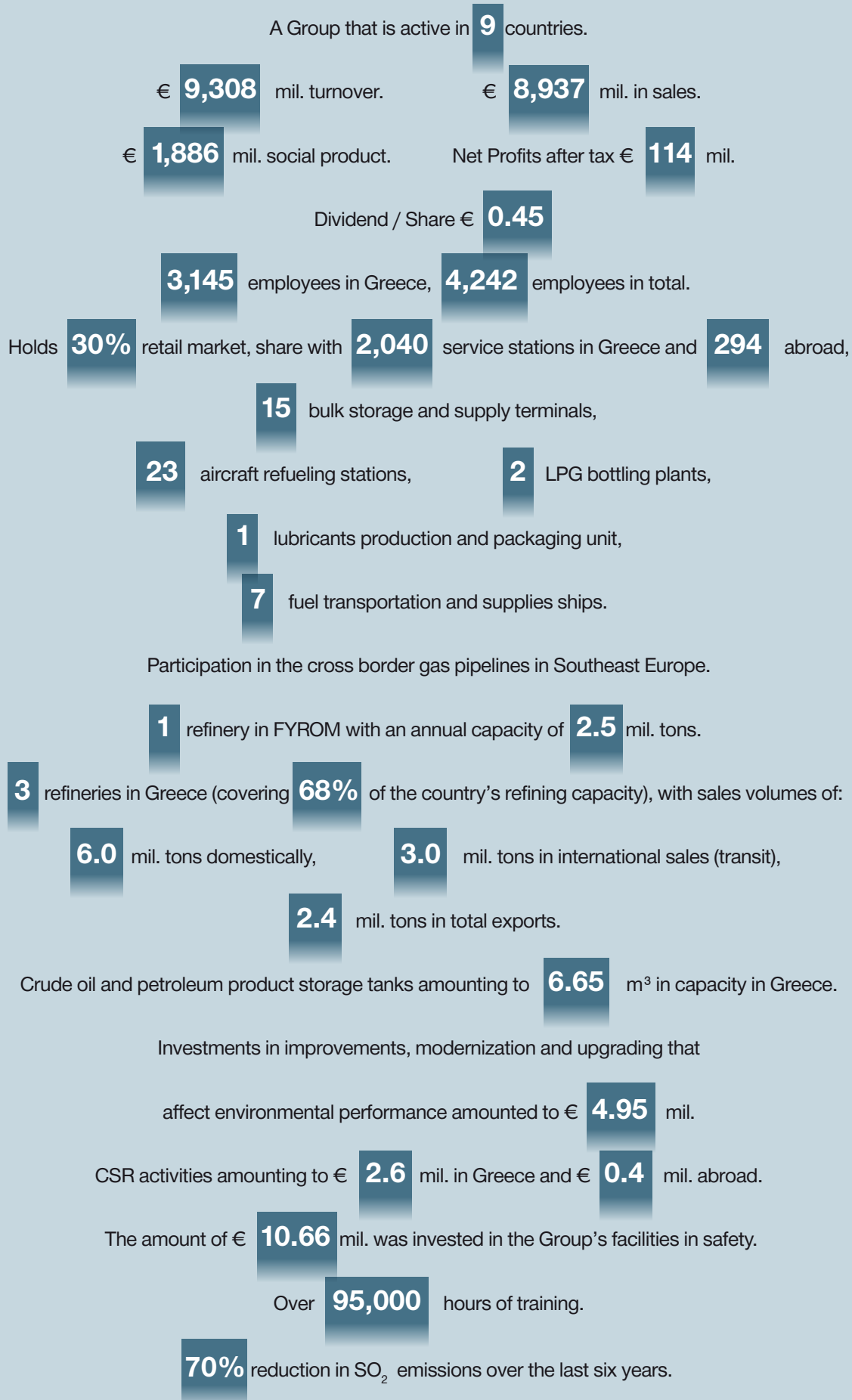
### Oil & Gas Exploration & Production

HELLENIC PETROLEUM S.A.  
CALFRAC WELL SERVICES LTD  
MELROSE EGYPT  
EGYPT - W. OBAYED

### Natural Gas

DEPA S.A.

## The Group in numbers



## 3.1 Vision - Mission - Values

<b>Our vision</b>	<b>Our mission</b>
To be a leading international energy Group with sustainable development engrained in our strategy.	<b>"Energy for Life"</b> To offer / provide quality products and services in the energy sector - operating with high levels of efficiency in both the Greek and international markets.

The Group's long-term strategic approach to sustainable development is based on the following 6 main axes /areas, with a particular emphasis on strengthening the Group's presence in Southeast Europe:

- 1 Upgrading and strengthening the competitiveness of domestic refining and marketing.
- 2 Expansion of international marketing and promotion of vertical integration.
- 3 Management of the petrochemical business portfolio and research and production for value and growth.
- 4 Developing electricity, gas, RES and exploring new technologies.
- 5 Optimization of organizational structures.
- 6 Continuously developing our people with an emphasis on education.

### Business Principles & Values

The Group's statement of business principles sets out the core values and principles, which define behaviours and actions that we believe are the parameters essential for creating sustainable value.

#### Principles & Values

- Safety is our top priority.
- We invest in our future and enhance our competitiveness.
- We focus on results with initiative and extroversion.
- We offer quality products and services to our customers.
- We develop our people by promoting meritocracy and teamwork.
- We operate responsibly towards society and the environment.

The aforementioned principles and values are perfectly aligned with the strategic objectives and with the standards, regulations and directives, amount that we have committed to applying and integrating into our strategy and operations.



## 3.2 Risk Management

The Internal Audit and Risk Management System includes safeguards and monitoring mechanisms at various levels within the organization, as described in detail in the Financial Statements in accordance with IFRS for the year ended 31.12.2011 (pages 26-29), available on the Group's website online at <http://admin.elpe.gr/Uploads/resource/ANNUAL%20REPORT%202011.pdf>

In addition, further details on risk management can be found in the Annual Report 2011 (pages 49-53) available on the Group's website at <http://admin.elpe.gr/Uploads/resource/ANNUAL%20REPORT%202011.pdf>

**In addition to the risks already mentioned, the following parameters were evaluated as being important:**

### Local Communities - Assessment of Impacts

Our Group implements a policy concerning environmental protection that complies with current legislation and requirements that arise from the environmental and operating permits pertaining to its business activities. In order to comply with all the relevant rules and regulations, the Group has implemented a system to monitor the different parameters, as required by the competent authorities. In addition, the Group adjusts its various investment programs and adopts methods and techniques which are able to meet future environmental requirements.

A specific example is the upgrading project of the Elefsina industrial facilities. The Group prepared a report noting the project's impact on the surrounding area and its residents as well as the environment. Based on the information contained within the report, the Group came into contact with the local communities, listened to suggestions and the proposals put forward by authorities and suggested measures, initiatives and specific actions. During the construction phase, measures were adopted and implemented with the objective of ensuring compliance to specifications and standards related to the project's environmental impact, health and safety, creating job opportunities and strengthening the local market. Moreover, best available technologies were adopted with a significant financial burden to the Group in order to ensure that environmental impacts were minimized.

### Corporate Standards and Regulations

The adoption and implementation of international standards, codes and best practices is a dynamic approach in the consideration of potential risks. We are fully committed to implementing, disseminating and integrating these standards, codes and practices - which are completely aligned with strategic objectives into all of our operations and policies.

These specifically include:

- The Global Reporting Initiative (GRI - G3.1 indicators) as well as the specific Oil & Gas Sector Supplement.
- The United Nations' Global Compact principles. (UNGC)
- ISO 9001, ISO 14001 & OHSAS 18000 International Standards.

- The Eco Management & Audit Scheme (EMAS).
- The international MARPOL convention.
- The ISGOTT safety guide.
- ISM Standards
- The EU's regulations (such as REACH), Best Available Techniques (BATs), etc
- The 2004 Internal Labour Regulation and Code of Conduct.

Scheduled inspections and audits (1st, 2nd and 3rd party) are performed and certifications are provided with reference to the above standards and codes in order to assure the compliance with these standards and to minimize risk.

## Occupational Risk Management

The precautionary approach is applied in the field of occupational risk management so that potential health and safety risks can be anticipated and therefore controlled. Potential risks are identified and controlled according to criteria as set forth in greek legislation (Law 3850/2010) as well as european and international codes and good practices. Written occupational risk assessment studies feature in all of the Group's facilities which also include the measures that are taken to eliminate or control hazards keeping them at low and acceptable levels. These studies are developed whilst taking employees' opinions and viewpoints into account through the completion of questionnaires concerning the nature and the environment of their work. The occupational risk assessment studies are revised whenever working or environmental changes take

place; otherwise, every five years at the most. All changes are communicated to the staff so that each employee is aware of the risks that he/she may face and the required actions that need to be taken in order to eliminate or minimize these risks. During the scheduling of corrective actions, immediate priority is given to those considered most critical; as classified according to their ranking in the Hazards Assessment Table.

The Internal Safety & Prevention Services (ESYPP) reviews and audits controls the occupational risk assessment studies in all of HELLENIC PETROLEUM's facilities to ensure that the application of the Group's common basic principles are taken into account.

## Stakeholder Relationships

An important parameter, defining our continuous evolution, is the manner in which we understand and then put these initiatives and standards into practice. These initiatives and standards exhibiting personal, business & corporate responsibility show our respect for the views, suggestions and the social needs of our partners. Our approach includes satisfac-

tion and opinion surveys, debates, meetings, publications, etc. This approach to our stakeholders - as a mean of minimizing the potential risks - is presented in more detail in the introduction to the report (Materiality and Stakeholders) and section 5.4.

## Inaccurate Information Dissemination Risk

Inaccurate information dissemination risk (reputational risk) may have a potential impact on the stock or adversely affect any of the Group's interested parties.

The Group is in regular contact with the investment community in Greece and abroad through information initiatives such as teleconferencing for quarterly results and road shows/participation in industry international conferences. Related material (presentations, transcripts, webcasts) are available to the general investing public on the Group's website ([www.helpe.gr](http://www.helpe.gr)).

Any risks related to the proper management and dissemination of information are dealt with through constant communication and controlling information through financial media services and analysts to ensure that accurate and fair information is presented to the investment community.

## Risk of Failure to Implement Legislation

The risk of failure to implement legislation or comply with internationally accepted norms and standards (Compliance risk) is controlled and shared by many safeguards for each

critical area (such as IT, handling sensitive information, the environment, customer information and public opinion surveys).

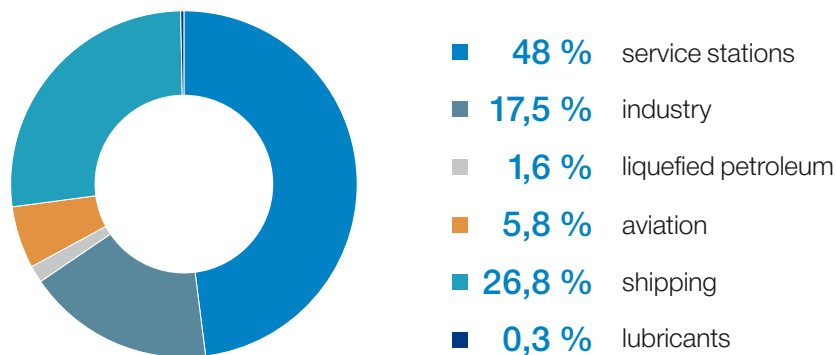
### 3.3 Main Products and Breakdown

Two parameters that are closely connected to all of our products are customer focus and caring for the environment. These apply to the Group's production and marketing of high-quality petroleum products, petrochemicals and lubricants for various uses.

We make every effort to produce products that are environmentally friendly whilst also taking end users' health into consideration. We consistently strive to meet the requirements of our customers, creating mutual trust and seeking customer satisfaction, from the product's entry onto the market till the end of its use.

In this context, in April 2011, in response to market conditions, EKO promoted a new unleaded gasoline, (95 EKONOMY) which, as an improved fuel, increased market share. At the end of the year, HELLENIC FUELS (formerly BP) also launched a new product, an enhanced unleaded gasoline (BP ULTIMATE 95), in its efforts to provide the latest technologically differentiated products to customers and consumers, achieving stabilization in the market. With regards to heating oil, EKO introduced a new metering device of high accuracy (MPS) in order to assure customers that they receive accurately measured quantities of heating oil.

Chart 3.1: EKO's sales breakdown by customer type



Through its subsidiaries, the Group operates in Greece, Cyprus, Bulgaria, Serbia, Montenegro, Georgia (till June 2011), Albania and FYROM. Exports are also made to all the major markets in S.E. Europe.

The Group meets the needs of all of its domestic customers (industry, transport, shipping, aviation, etc.) and is active in retail and wholesale sales in both domestic and international markets. Apart from fuels and lubricants through its network of service stations, a wide range of services, both within and outside Greece are provided.



EKO Fuel Station

Table 3.2: Sales by type of products and Group's Subsidiaries

PRODUCTS	EKO	HF	EKO Serbia	OKTA AD Skopje	EKO Bulgaria	HP Cyprus	JPK (Montenegro)
Unleaded gasoline 95 octane	29.4%	40.5%	21%	14.6%	22%	28.7%	16.9%
Unleaded gasoline 98 octane			2%			2.5%	3.9%
Unleaded gasoline 100 octane	0.9%	2.8%		2.3%	1.1%	0.5%	
LRP gasoline	0.6%	1.5%				7.4%	
Automotive gas oil	34%	25.5%	61%	45%	48.3%	29.8%	55%
Heating gas oil	24.9%	26.9%	1%	4.8%	3.8%	11.3%	11.2%
Lubricants	0.3%						
Kerosene (fuel oil)	0.4%	1.4%	0.2%	26.3%	0.1%	7.4%	
Mazout	5.5%						
Bitumen	1%	1.3%	0.3%	0.8%	1.8%	6.5%	0.7%
LPG	3%	0.1%	14.5%	2.5%	16.6%	5.2%	1.1%
CNG					2.6%		
Jet A1				3.7%	3.7%	0.7%	11.2%

**Table 3.3: HPC's market share and product types per business sector in the Cypriot market**

Business sector	Product	Market share
Retail Business	Unleaded gasoline 95 octane	33.8%
	Unleaded gasoline 98 octane	38.2%
	Unleaded gasoline 100 octane	100.0%
Retail Business and C&I Business	Automotive gas oil	37.0%
	Industrial and heating gas oil	31.4%
	Kerosene	35.3%
C&I Business	Diesel	41.4%
	Bitumen	43.9%
LPG	LPG	35.4%
International Sales	Shipping fuels	54.3%
	Aviation fuels	1.0%
Lubricants	Lubricants	25.2%

EKO Serbia, with a network of 47 stations, covers 8% of the local market. Fuel sales amount to 23 % wholesale and 77% retail.

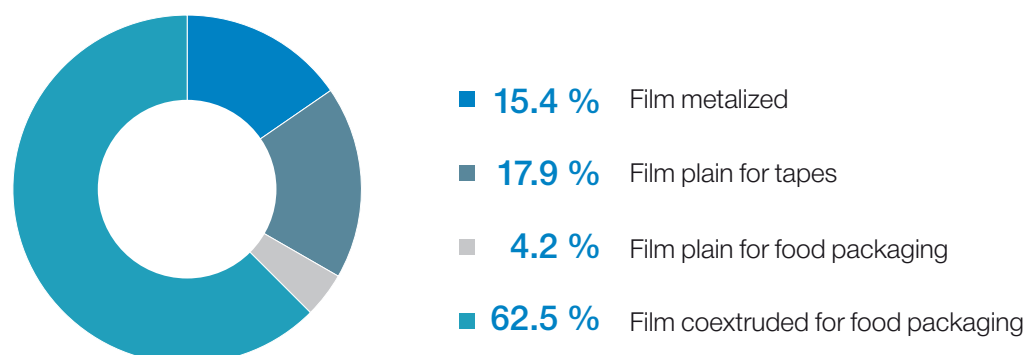
Through its network of 29 stations, OKTA, besides from the local market (FYROM) is also active in Kosovo, Serbia and Albania, covering 80% of the local needs.

EKO Bulgaria covers 11% of the local market through 82 service stations.

With a network of 45 stations, JPK is active in Montenegro, Bosnia and Serbia. Sales are broken down into 52% of sales through service stations, 17% through the industrial and commercial sector and 31% in other fuel stations. The company covers 81% of the local market.

DIAXON produces propylene and polypropylene film of which 60% is exported, (Chart 3.4).

**Chart 3.4: DIAXON's sales breakdown by type of film**



## 3.4 Social Product

HELLENIC PETROLEUM has defined its “interested parties” (social partners and stakeholders) with which it communicates, converses or cooperates or who have a direct/indirect interest in its operations.

The interested parties include:

- Shareholders/investors
- Customers
- Employees
- Suppliers
- Society

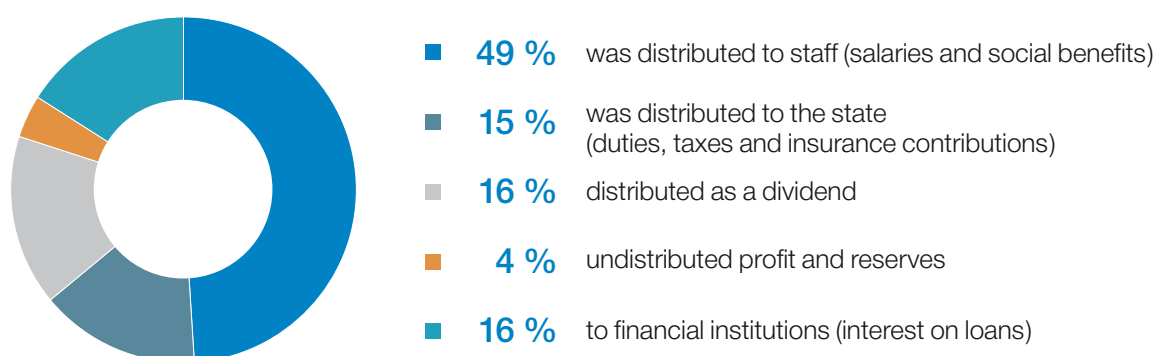
The Company’s strategy and all of its actions aim at establishing relationships with the above stakeholders, so the company can respond (comply) with their needs and minimize the risks associated with its reputation and its operation whilst exploiting the competitive advantages created by these synergies.

HELLENIC PETROLEUM defines a social product as the financial contribution made to our key stakeholders and towards society. The Group, while implementing its strategy

and operations, invests significantly and helps improve the country’s economics, creating additional secondary and tertiary income. This creates jobs, improves personnel skills, upgrades human resources, improves know-how - through major investments in new products and provides funds for social security and the public sector.

In 2011, the Group’s turnover was € 9,308 mil. (2010: € 8,477 mil.) and social product worth € 577 mil., (2010: € 700 mil.) was breakdown as follows:

**Chart 3.5: Breakdown of the social product**



Note that the above does not include the levies and duties for product purchases of the marketing companies EKO and HELLENIC FUELS. Including these, the Group’s social product for 2011 amounted to € 1,886 mil. (2010: € 2,350 mil.) HELLENIC FUELS. Including these levies and duties, the Group’s social product for 2011 amounted to € 1,886 mil. (2010: € 2,350 mil.).



A View of Thessaloniki Industrial Installations

## 4. Environmental Performance

### 4.1 Our Contribution to the Environment

HELLENIC PETROLEUM focuses to its commitment to continual improvement of environmental performance in order to protect and conserve the natural environment. Environmental protection, as a key component of sustainable development, remains a priority in all our activities.

The basic principles governing the Group's operation in environmental protection, are described in detail in the **Policy for Health, Safety and Environment**. (<http://admin.elpe.gr/Uploads/resource/Corporate%20HSE-NEW-%20policy.pdf>).

We continuously monitor the revision of the legislative framework and - through appropriate interventions / proposals at European and national level - participate in the consultation. In the previous year HELLENIC PETROLEUM made suggestions and interventions for important legislation (new laws) concerning the licensing of facilities (Law 3982), the Environmental Permit (Law 4014), groundwater, etc., while continuing to prepare for implementing the new IED Directive (IED / Industrial Emissions Directive - 2010/75/EU - review of the IPPC Directive and transposition of the Directive on large combustion plants), which should be incorporated into national law and implemented at national level, gradually, in coming years.

### 4.2 Energy and Climate Change

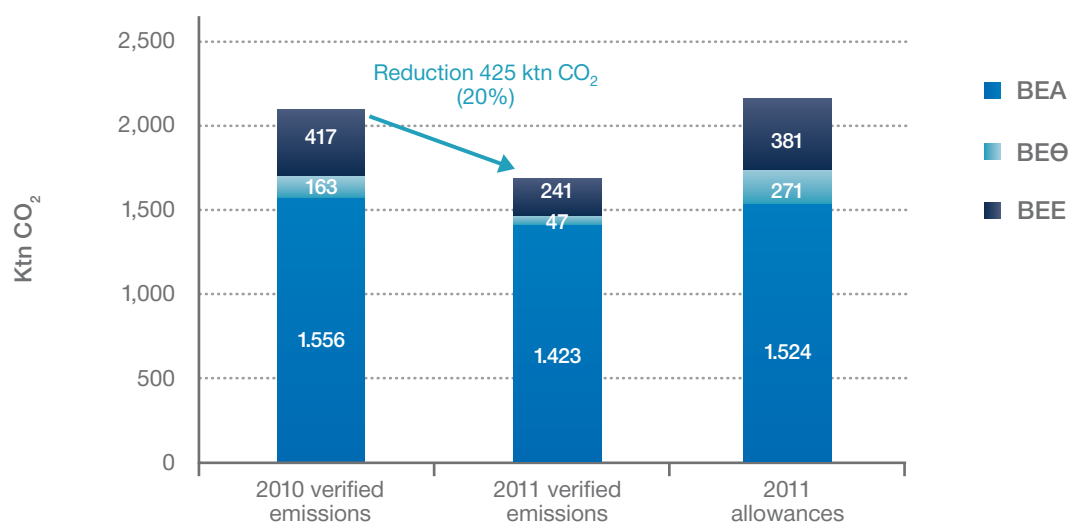
#### CO<sub>2</sub> Emissions & Trading Scheme

In 2011, HELLENIC PETROLEUM, under the European Emissions Trading Scheme for Greenhouse Gases (ETS) submitted its annual verified reports on carbon dioxide emissions (CO<sub>2</sub>) in the Ministry of Environment, Energy and Climate Change and implemented the required actions, on the number of allowances corresponding to its facilities.

The chart 4.2.1 shows the verified emissions of carbon dioxide (CO<sub>2</sub>) from the Group's facilities, over the last two years 2010 and 2011, according to the relevant European Directives and Decisions. It can be seen that the verified emissions in 2011 are lower by 425 thousand tons CO<sub>2</sub>, compared to the verified emissions for 2010, mainly due to the shutdown of Elefsina and Thessaloniki refineries for a long time, within the two years, because of scheduled works to upgrade and modernize the installations.



**Chart 4.2.1: CO<sub>2</sub> verified emissions and CO<sub>2</sub> allowances for the three Greek refineries of the Group (kt CO<sub>2</sub>)**



It has to be noted that the carbon footprint of the three refineries of the Group - total direct CO<sub>2</sub> emissions - is less than 2% of the total emissions in the country (in accordance with 2009 emissions data, only 1.63% of the total CO<sub>2</sub> emissions at national level).

Moreover, HELLENIC PETROLEUM submitted to the ministry of Environment, Energy and Climate Change the veri-

fied data needed to calculate the greenhouse gases (GHG) emissions for the period 2013-2020, according to requirements of the national legislation (JMD 54409/2632/2004, as amended by JMD 57495/2959/2010). It is worth mentioning that all the previous period HELLENIC PETROLEUM was actively involved in shaping the European benchmarking of the refineries sector, which determines the free allocation of CO<sub>2</sub> emissions allowances for the period 2013-2020.

## Energy Efficiency

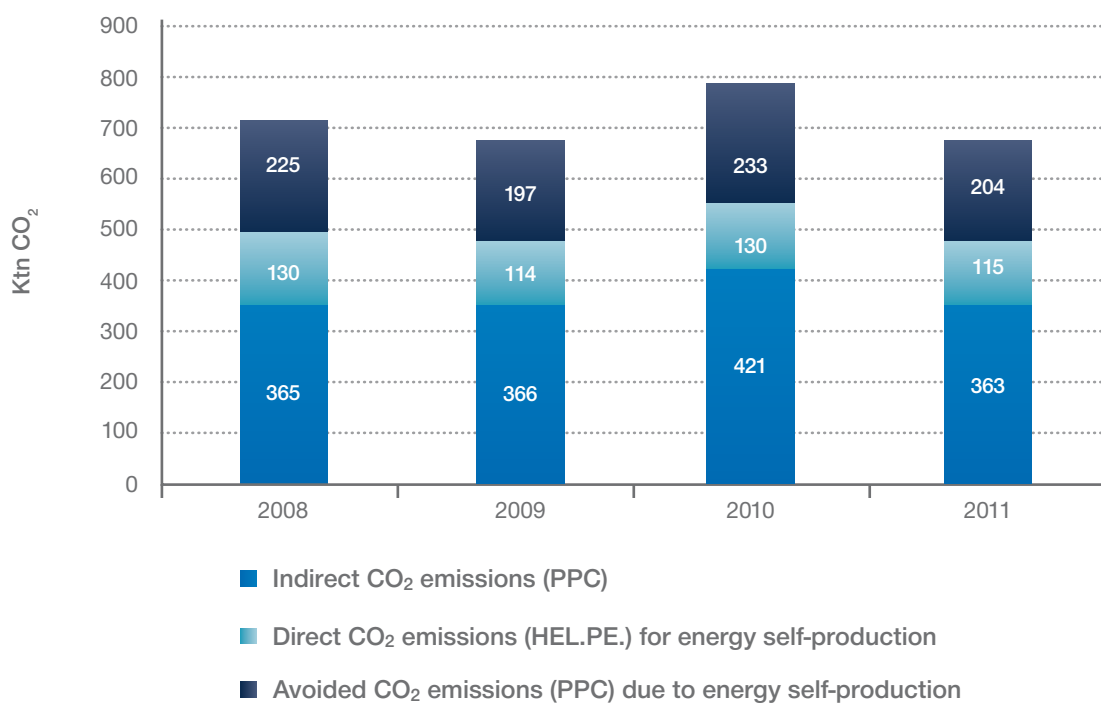
Energy efficiency in refineries was and still is an area given special attention and is a key tool for Group's contribution to tackling climate change.

The Group's refineries consume energy to produce fuel, their end product. The increasingly stringent fuel specifications

(zero sulphur fuels) on the one hand contribute to the reduction of air emissions, such as sulphur dioxide (SO<sub>2</sub>) and particulate matter, but on the other hand have as result increased energy requirements during production. The Group's refineries have managed to produce environmentally friendly fuels with high energy efficiency.

**All Group's refineries are energy optimized; cogeneration units (CHP, combined heat and power) at the Aspropyrgos and Thessaloniki refineries, cover about 47% of their electricity needs. The emission of 204 thousand tons CO<sub>2</sub> per year is avoided because of the operation of these CHP units; thus significantly contributing to the reduction of greenhouse gases emissions at national level.**

**Chart 4.2.2: Contribution of self-produced electricity to the total amount of electricity consumed by Greek refineries of the Group and associated CO<sub>2</sub> emissions**



This benefit, in reducing emissions, is depicted graphically in chart 4.2.2. The blue bars represent CO<sub>2</sub> emissions corresponding to the consumption of electricity purchased by PPC, using weighted average emission rate equal to 1.021 kg CO<sub>2</sub>/kWh (PPC value for 2010); while the light blue bars represent the CO<sub>2</sub> emissions corresponding to the cogenerated electricity, using the corresponding weighted average emission factors (0.33 and 0.37 kg CO<sub>2</sub>/kWh) for the Aspropyrgos

and Thessaloniki refineries, respectively. The dark blue bars represent the CO<sub>2</sub> emissions that are avoided due to energy self-production, within the refineries and consequently no need for PPC to produce energy.

In addition to the above presented significant interventions, refineries every year continue to strive to improve their energy efficiency.

## Biofuels

The term biofuels (first generation) is used to describe the fuels that are produced using raw materials as the fruit crops - such as sunflower, rapeseed, wheat or sugar beet - and organic waste, such as used oil.

There are two main types of biofuel:

- Biodiesel, a fuel having properties similar to diesel, which can be used in most conventional diesel vehicles mixed with conventional diesel. Biodiesel is made from vegetable oils such as rapeseed, sunflower or even used oils.

- Bioethanol, which can be mixed directly, or as a component, in gasoline and used in conventional gasoline vehicles. It is produced through fermentation of sugars from plant raw materials such as beet or cereals (wheat, maize).

HELLENIC PETROLEUM voluntarily explores the use of bioethanol as a gasoline component through a relevant research program in cooperation with the Fuels and Lubricants Laboratory of the National Technical University of Athens. A pilot introduction of bioethanol, as a raw material for the production of bio-ETBE (ethyl-tertio-butyl-ether), which will be used as a component of gasoline, is scheduled.

Biofuels are the only direct substitute for fossil fuels available today, on a large scale, for transport fuels and their use contributes to more environmentally friendly transport, without requiring significant changes to vehicle engines and distribution networks.

Improving the energy efficiency of vehicles is the most important low-cost way to reduce emissions of CO<sub>2</sub>, but biofuels will play an important role in replacing fossil fuels in airplanes, ships and other heavy transport, where electrification is not

possible. The production and use of biofuels can also provide greater energy safety by reducing dependence on oil imports and the large variation in prices. Moreover, biofuels contribute to the diversification of agricultural production and the development of rural economy, substantially strengthening local communities.

The Group uses biodiesel as a blending component in diesel fuel, proving in practice its commitment to sustainable development.

**Table 4.2.3: Biodiesel received and used as conventional diesel additive**

Year	Biodiesel (m <sup>3</sup> )	% v/v in biodiesel
2006	46,580	2.01
2007	79,010	3.65
2008	62,788	3.04
2009	68,961	3.84
2010	108,063	6.39
2011	78,623	6.37

## Renewable Energy Sources

In the context of tackling climate change and reducing the Group's carbon footprint, the Group's subsidiary HEL.PE. RES manages the portfolio of projects and implements the development strategy in the area of renewable energy sources (RES) on behalf of the Group. The objective is the production, distribution and marketing of renewable energy, and the participation in other companies producing, importing, distributing and marketing renewable energy. The company is already active, with 25% in BIODIESEL SA, in the import and marketing of biofuels in the domestic market.

In the field of power generation from renewable sources, HEL.PE. RES has set a goal of developing significant installed capacity from windfarms, solar, small hydroelectric units and biomass, in the coming years, in order to contribute to the balance of GHG emissions.

The aim is to reduce the Group's carbon footprint by at least 250 thousand CO<sub>2</sub> tons per year, offsetting a significant pro-

portion of CO<sub>2</sub> emissions corresponding to refining activities and electricity generation.

At present the portfolio of HEL.PE. RES includes projects of approximately 80 MW, in various licensing and implementation stages. The first solar power project of 500 KW, at Elefsina, was completed in November 2011 and its connection to the national grid is expected. The final licensing of a 4.7 MW biomass power station is also expected.

Two additional requests for solar power plants, a wind farm and a hybrid plant (wind and hydro) shall be submitted to the Regulatory Authority for Energy, in 2012.

At the same time, HELLENIC PETROLEUM invests in developing new technologies for biofuels and renewable energy, with targeted support of research programs, in cooperation with greek universities and research institutions.

## Administration Offices' Carbon Footprint

The monitoring of the carbon footprint of the Group's headquarters continued in 2011, in the context of our efforts to reduce carbon footprint even in the area of company's supporting services. Moreover, relevant data recording and estimation of the carbon footprint began for the administration building at Aspropyrgos refinery. The study was conducted by the Environmental Management and Sustainable Development Department of the Group and the final calculations were confirmed by the external independent company (third party) CSE (Centre of Sustainability and Excellence).

Indicatively is referred that the consumption of electricity for the building needs, the transportation of employees to and from the workplace, the corporate transportation means, the

corporate flights and waste are among the recorded measurements, in accordance with international standards for this type of calculations. The result of emissions calculations were certified by the organization «MyClimate».

This study has initiated the implementation of actions to reduce the carbon footprint, motion sensors to turn off the lights were installed and employees' awareness initiatives, to change energy consuming habits, etc took place. Furthermore, greenhouse gases emissions, corresponding to corporate flights of employees in the Group's HQs and in the administration building of Aspropyrgos refinery (206 tons CO<sub>2</sub>), were offset through the "ClimateNeutral" program of the organisation «MyClimate».



## 4.3 Natural Resources Consumption

The Group's refineries consume natural resources (crude oil, water) for the production of end products that reach the consumer. To mitigate the raw material waste, refineries have adequate systems for collecting losses and use them. Wherever its technically feasible, the Best Available Techniques are implemented in order to waste in raw materials from the various effluent streams.

**Table 4.3.1: Raw material recovery**

Facility	Recovery Percentage	Quantity
Aspropyrgos Refinery	0.055%	3,439 tn
Thessaloniki Refinery	2.60%	35,500 tn
Elefsina Refinery	2.08%	6,477 tn

Significant measures are implemented for the reuse of the consumed water. Part of the refinery production process is the pre-treatment of the contaminated wastewater streams and their reuse within these processes, resulting in a significant reduction in consumption of fresh water and reducing wastewater (effluents) discharges.

**Table 4.3.2: Water reused**

Facility	Percentage Reused	Volume Reused
Aspropyrgos Refinery	5.95%	195,040 m <sup>3</sup>
Thessaloniki Refinery*	0.0%	0 m <sup>3</sup>
Elefsina Refinery	0.18%	9,576 m <sup>3</sup>

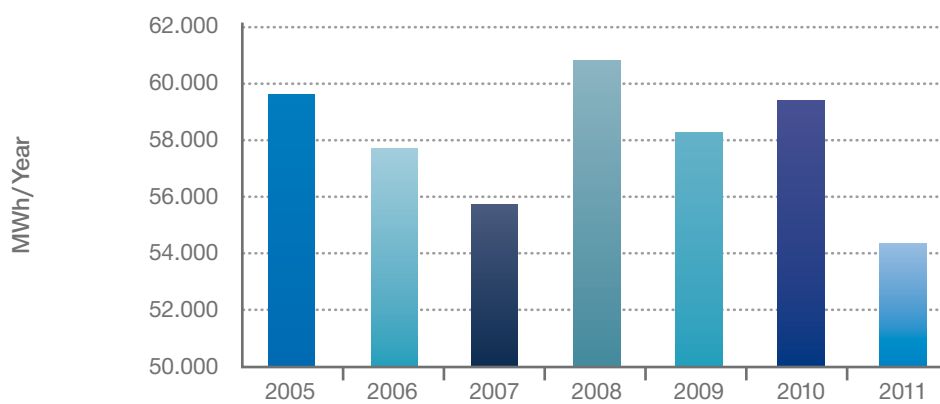
\*Water was not reused during 2011, after operation of the modernized facility, due to fluctuation of quality parameters in relation to requirements for reuse.

“The benefit from the water reused is twofold, saving water and energy”

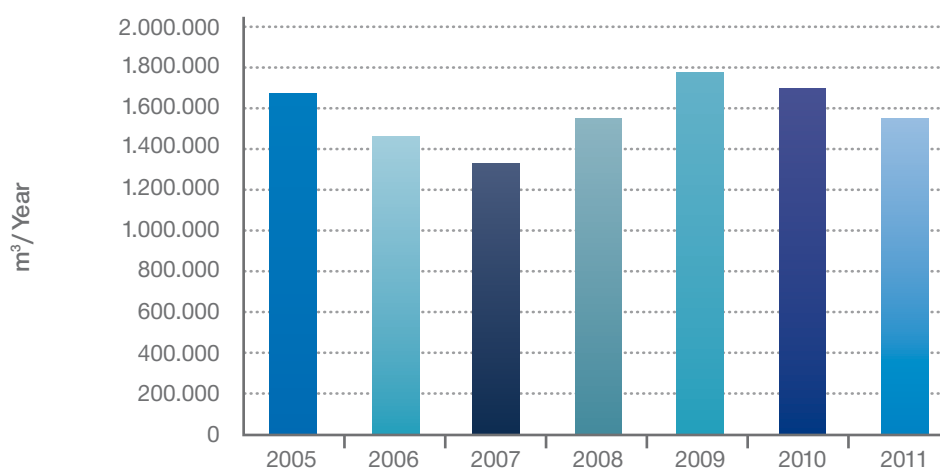
## In Group's subsidiaries

The energy and water consumption trends at OKTA refinery, the Group's refinery abroad, are presented in Diagrams 4.3.3 and 4.3.4. The expected increase in energy and water consumption, observed due to the addition of new units in recent years, narrowed significantly in 2011.

**Chart 4.3.3: Energy consumption at OKTA Refinery**



**Chart 4.3.4: Water consumption at OKTA Refinery**



The performance of the year 2011 on the energy and water consumption for the other subsidiaries of the Group is presented in Tables 4.3.5 and 4.3.6 (the consumption of natural resources in subsidiaries is a small percentage of the consumption in the refineries, nonetheless considerable efforts are made to reduce them).

**Table 4.3.5: Electrical energy consumption at Group's subsidiaries**

Facility	Energy (TJ)
EKO & HF	18.71
DIAXON	96.12
HELLENIC PETROLEUM CYPRUS	0.69
EKO Bulgaria*	52
EKO Serbia	0.39
EKO Albania	0.12

\* Includes all the fuels stations and storage facilities (incl. LPG).

**Table 4.3.6: Water consumption at Group's subsidiaries**

Facility	Volume (m <sup>3</sup> )
EKO & HF	22,237
DIAXON	47,700
HELLENIC PETROLEUM CYPRUS	4,110
EKO Bulgaria	17,000
EKO Serbia*	102,901
EKO Albania	650

\* Includes administration offices and all fuel stations.



A View of Elefsina Industrial Installations

## 4.4 Refineries Emissions to Air

HELLENIC PETROLEUM, apart from cleaner fuels provision, use cleaner fuels for energy (own consumption) required by the production process (such as furnaces, boilers), that use reduces air emissions. Further reduction of air emissions, from the industrial complexes, is achieved through the implementation of antipollution technologies. Also, refineries maximize the use of gaseous fuels, derived primarily from process gases that are treated (zero sulphur concentration) and thus restrict the use of liquid fuels, although low in sulphur. In this way they have achieved significant reductions in emissions of sulphur dioxide (SO<sub>2</sub>).

Diagrams 4.4.1, 4.4.2 and 4.4.3 present the total pollutants emissions from the three refineries in Greece. The volume of these emissions is either the result of measurements based on international and European standards or estimations based on methodologies recognized by international and European organizations. It is worth mentioning that the reported emissions are much lower than the statutory limits.

The total emissions of sulphur dioxide from the three domestic refineries (BEA, BEE and BEΘ), despite the significant reduction in emission limits imposed by the State and set by the new environmental conditions for operation, remained during 2011 approximately 75% lower than the new quantitative emissions limits. The gaseous fuels desulphurization projects, implemented at the facilities, combined with the use of low nitrogen oxide emissions burners contributed to the remarkable reduction of emissions. It has to be mentioned that the shutting down of the Elefsina and Thessaloniki refineries, for a long period in 2011, also affected the total emissions volume.



Chart 4.4.1: Sulphur dioxide (SO<sub>2</sub>) emissions

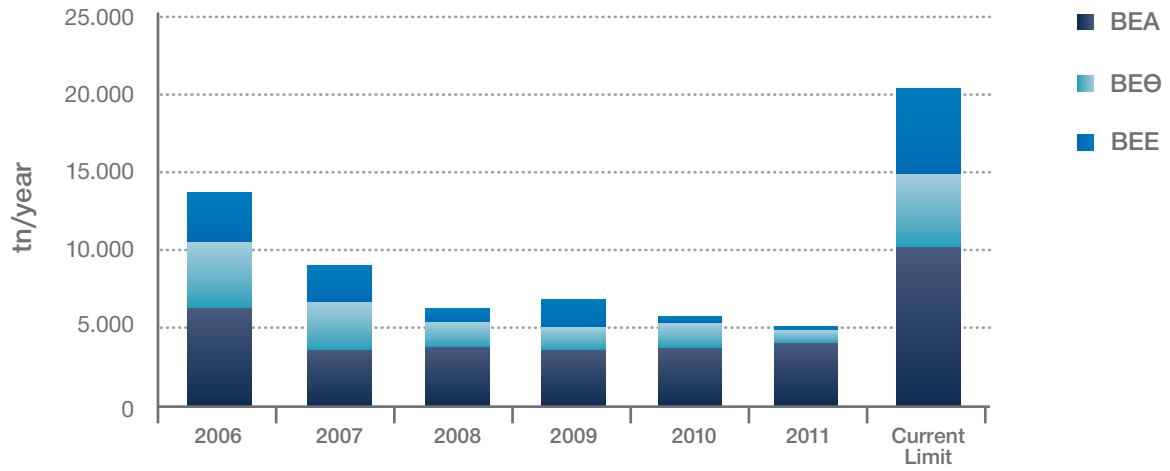
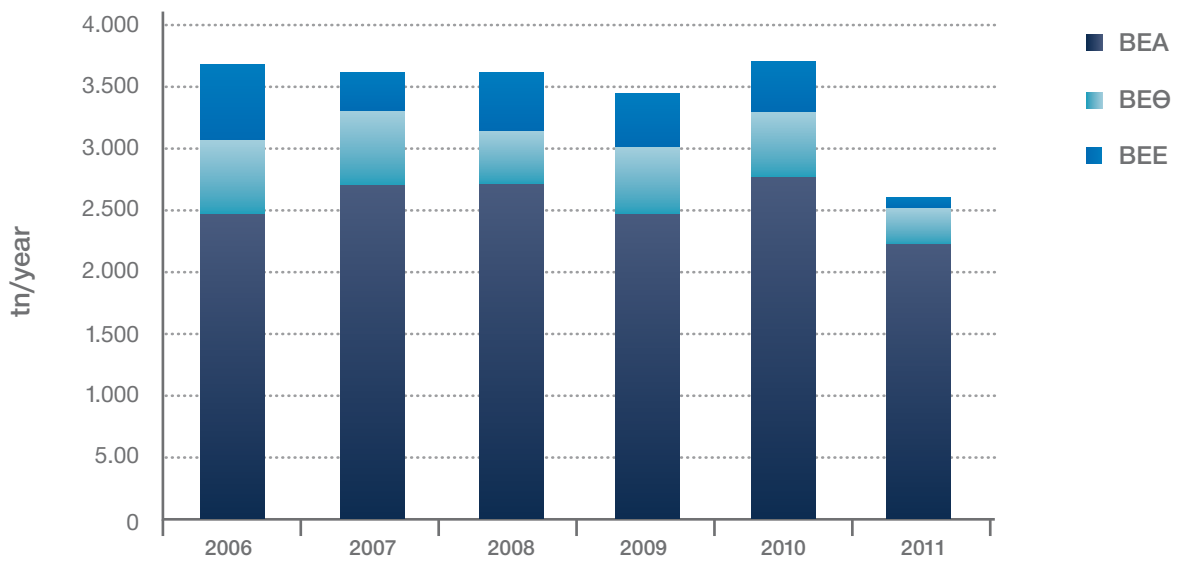
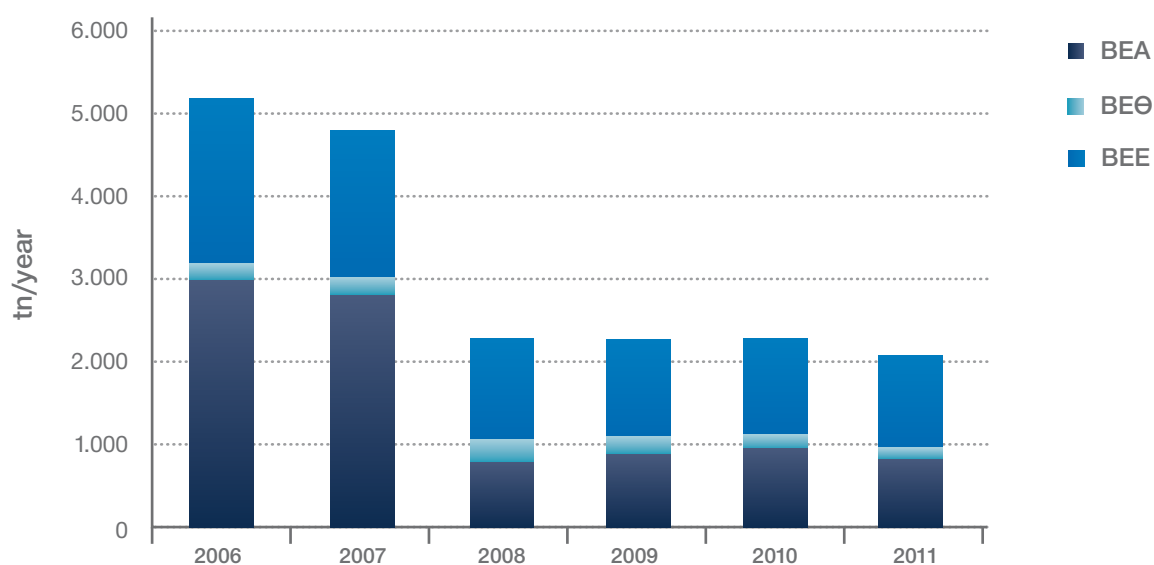


Chart 4.4.2: Nitrogen oxide (NO<sub>x</sub>) emissions



Regarding emissions of VOC (volatile organic compounds), the highly successful implementation of programs for early detection and remediation of leaks (Leak Detection and Repair-LDAR) is continuing with visible results of improvement. The VOC emissions represent a loss rate of the refinery and the reduction of these losses has environmental and economic benefits.

**Chart 4.4.3: Volatile Organic Compound (VOC) emissions**



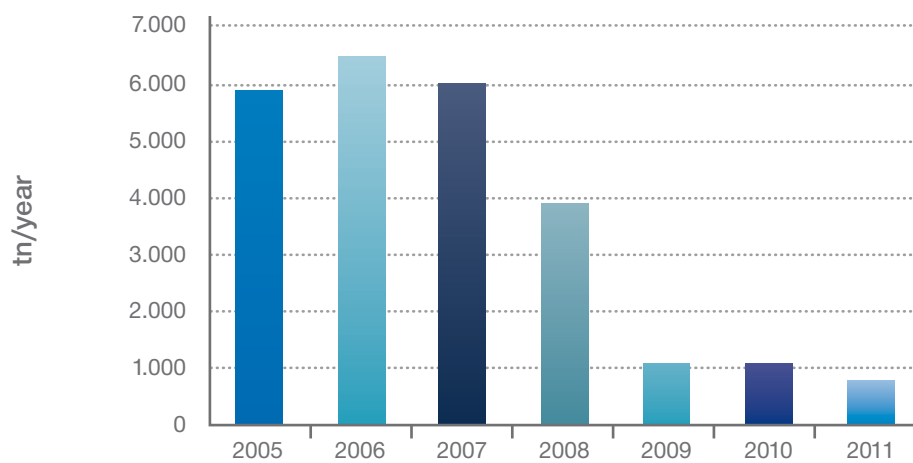
Best available techniques, such as the LDAR program, apply to the storage and distribution of products in order to reduce VOC emissions; including installing a secondary barrier to the floating roof tanks, painting tanks of volatile products in white (high reflectance), bottom-loading of tank trucks, vapor recovery systems at the fuel loading installations.

Moreover, all Group's installations use vapour recovery systems when loading gasoline, according to the relevant legislation.

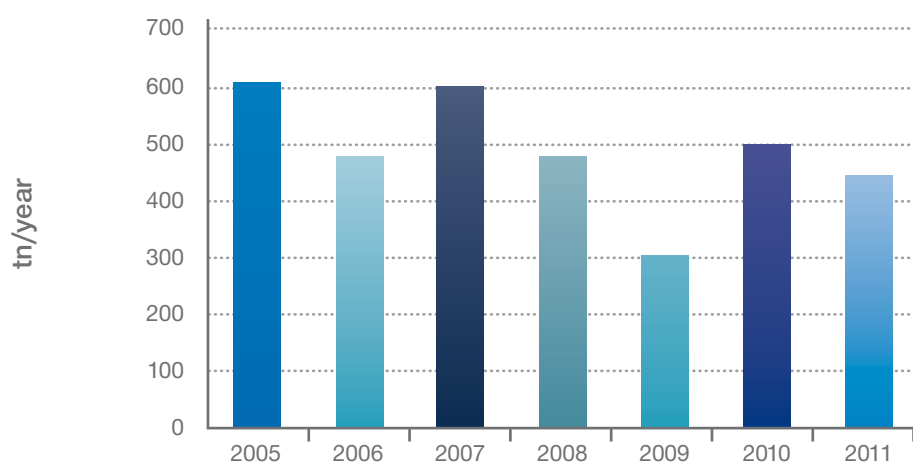
EKO's and HF's retail fuel stations are also equipped with vapour recovery systems, used when receiving gasoline from tank trucks (stage I). A gradual introduction of vapour recovery systems is in process at fuel stations, owned or controlled by the Group, when gasoline is loaded to cars (stage II).

At OKTA refinery significant steps have been made in recent years, in order to reduce greenhouse gas emissions; where the use of the new sulphur recovery unit has significantly reduced the SO<sub>2</sub> emissions, over the last 3 years of operation, see diagrams 4.4.4 and 4.4.5.

**Chart 4.4.4: OKTA's refinery SO<sub>2</sub> emissions**



**Chart 4.4.5: OKTA's refinery NOx emissions**



## 4.5 Air Quality

The air quality monitoring stations that operate within the limits of the domestic refineries depict a satisfactory level of air quality. Some parameters are apparently influenced by external sources (such as traffic or neighbouring activities). Diagrams 4.5.1 - 4.5.3 show the rate of change in emissions during the last decade.

Chart 4.5.1: Average annual SO<sub>2</sub> values

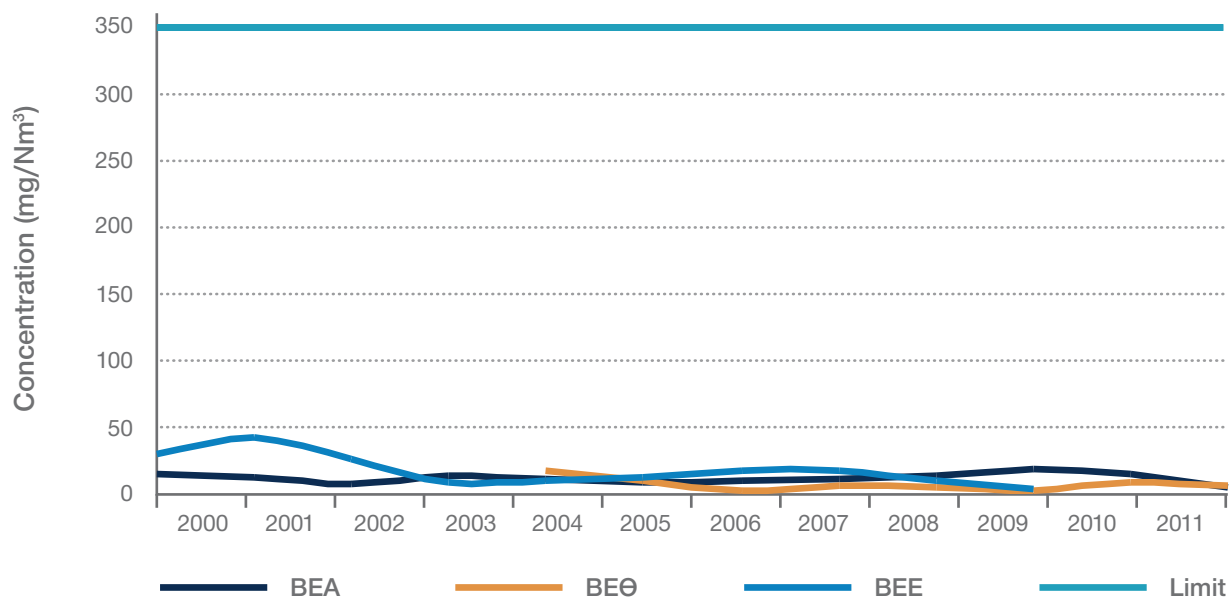


Chart 4.5.2: Average annual NO<sub>x</sub> values

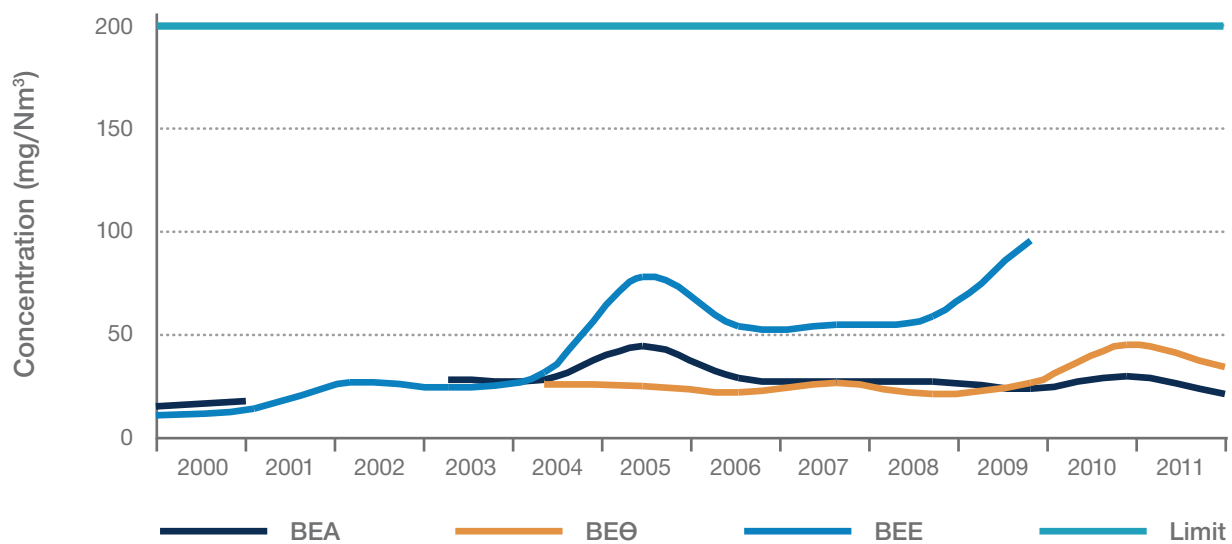
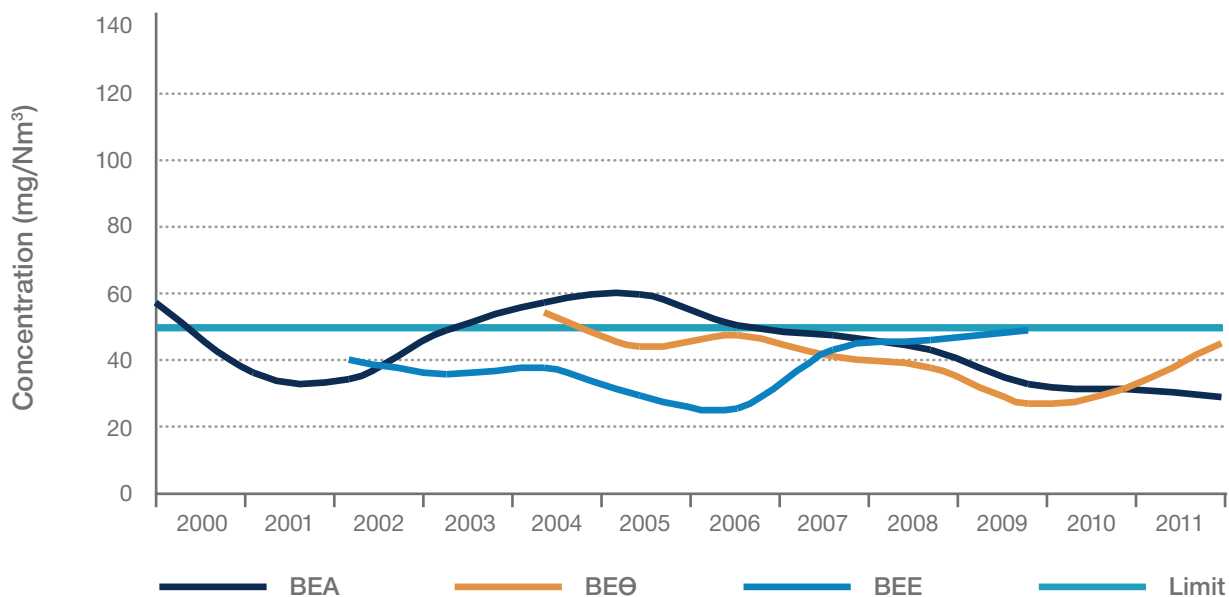


Chart 4.5.3: Average annual PMs values (Particulate Matter)



The operation of Elefsina Industrial Installations (BEE) was limited in 2010 - 2011 due to the upgrade project, so a representative and reliable average concentration cannot be extracted.

Especially in the case of PMs (particulate matter) parameter, the impact of external sources is visible, due to the fact that the emissions from the furnaces and the burners of the refinery are extremely low.

## 4.6 Wastewater

Best Available Techniques are implemented for the refinery's waste management and treatment process; in order to minimise the waste production and to confirm that the measured values are well below the imposed limits before their final discharge or disposal.

### Liquid Waste

The three refineries already have in operation modern wastewater treatment units which include first and second level treatment and in some cases third level treatment. The effectiveness of the treatment is continuously monitored by specialized laboratories of the facilities, based on the physicochemical characteristics of discharged wastewater.

Moreover, priority is given to recycling where technically possible, as when re-refining of recovered hydrocarbons from the wastewater treatment units and the use of treated wastewater for auxiliary uses and extinguishing. A result of the treatment and recycling is the significant reduction of the volume of discharged treated waste.

“Far below the corresponding legislative limits up to 50%, a fact that constitutes a corporate target”

**Table 4.6.1: Group’s subsidiaries wastewater volume**

Facility	Volume (m³)
EKO & HF	5,289
DIAXON	38,160
EKO Albania	150

All facilities have emergency plans, approved by the relevant port authorities, for the handling of marine pollution incidents. Scheduled drills are conducted, on an annual basis, in order to maintain a high degree of readiness.

“Moreover, it is significant that, in recent years, no hydrocarbon pollution of the marine environment (oil spills) has taken place”

### Solid Waste

Environmentally friendly hazardous waste treatment methodologies are used, for the solid hazardous waste, in order to assure their safe final disposal. In situ treatment is used whenever it is possible, eg bio-treatment of oily sludge from wastewater treatment units; otherwise pretreatment of waste and safe disposal, through licensed and qualified hazardous waste management companies, takes place.

The effort to recycle old metal and plastic materials, as well as wood, tires and lubricants is ongoing; materials to be recycled

are segregated and properly managed. All facilities are implementing paper and battery recycling programs, at both production units and offices. Modern technology is utilised in order to minimise the use of the paper. There are special recycling bins at various points in the work areas for all materials mentioned above.

The relevant Group’s performance, concerning the weight of solid waste, is presented in table 4.6.2.

**Table 4.6.2: Group’s subsidiaries solid waste volume**

Facility	Quantity (tn)
EKO & HF	2,466
DIAXON	435
EKO Serbia	199



Monitoring &amp; Development of Koumoundourou lake by HCMR



## 4.7 Biodiversity

HELLENIC PETROLEUM Group recognizes the importance of preserving biodiversity within the context of increase energy demand, sustainable development and improved quality of life in the surrounding areas of its installations.

Within this framework, in 2011, the Group continued the implementation of a wide spectrum of voluntary activities such as:

- Monitoring of the project «monitoring the ecosystem of Koumoundourou lake & planning of activities for Rehabilitation and Development». The project is implemented by the Hellenic Centre for Marine Research (Institute of Inland Waters) and now is in the third development phase concerning the planning of potential actions for rehabilitation, restoration and highlighting of the lake (due for completion in mid 2012).

Preliminary project results show significant improvement of the ecosystem compared with previous years, for which data are available. The Ministry of Environment,

Energy and Climate Change has put the project under its supervision and is going to be user of future results.

- Care of trees of 63.5 acres of land near Lake Koumoundourou, which had been burned by forest fire in summer 2007 and was first planted in 2009 in reforestation organized by the Group.

In addition, the Group dynamically contributes to environmental protection and the development of surrounding areas with various actions such as:

- Building up zones by means of planting indigenous tree species, with intention of defining the land uses, as well as, the improvement of the land that surrounds the refinery ground.
- Applying action plans to prevent ground and underground pollution that can affect the water natural resources.
- Avoiding use of any raw materials, characterised as eco-toxic, throughout refinery operations.

## 4.8 Compliance with the REACH Regulation

HELLENIC PETROLEUM SA has been active since early 2006 to comply with REACH Regulation (Registration, Evaluation and Authorisation of Chemicals) 1907/2006. A brief overview of the key activities is addressed below:

- Active participation in various REACH Consortia as a founding member.
- Successful completion of the registration of the produced and imported substances that were subject to the first deadline of REACH article 23 (November 30th, 2010) and proactive registration dossiers' updates according to REACH Article 23.
- Update of the Safety Data Sheets of the products according to REACH & CLP (Classification, Labeling and Packaging) Regulations. The new extended Safety Data

Sheets (e-SDSs) contain in their annex the exposure scenarios for human health and environment.

- For the substances of tonnage band less than 1000 tn/yr for which registration dossiers will be submitted within the deadlines of REACH article 23, and those substances which are classified under CLP - but exempted from REACH registration - the CLP notifications have been submitted to ECHA.
- Monitoring of the authorisation process launched by ECHA.

More details on the REACH implementation project in the link: [http://admin.elpe.gr/Uploads/resource/REACH%20compliance-MAY%202012\\_EN.doc](http://admin.elpe.gr/Uploads/resource/REACH%20compliance-MAY%202012_EN.doc)

## 4.9 Environmental Investments

The Group's strategic planning includes significant environmental investments based on Best Available Techniques and the modernization of the production process, in the context of sustainable development.

In recent years, HELLENIC PETROLEUM seamlessly continued the implementation of two important investments of € 1.5 billion for the modernization of Elefsina and Thessaloniki refineries. During their operation products in accordance with the new European and international standards shall be produced; thus achieving improvement of the environmental performance by reducing local pollutants by 85% and 55% for Elefsina and Thessaloniki, respectively

The Thessaloniki refinery's project was completed whereas the Elefsina refinery's project is expected to be operational in 2012.

Additionally in 2011, the environmental investments budgeted at € 4.95 mil. and concerned improvements modernisation and processes upgrading, affecting the Group's environmental performance, see table 4.9.1.

Moreover, for the period 2012 - 2016, the scheduled environmental investments budget at € 14.67 mil. (table 4.9.2). The scheduled projects include the adoption of the best available techniques, energy efficiency systems and approaches for the environmental protection, with the reduction of emissions and the upgrading of the wastewater treatment. The schedule, indicatively, includes works such as installing anti-pollution technology for particulate emissions, new gas turbines, modernizing treatment plant effluent, replacing old boilers, etc.



Table 4.9.1: Environmental investments per facility (2011)

Investments per facility	Investment in €
BEA	2,508,517
BEE	707,901
BEΘ	821,300
EKO and HF	796,924
EKO SERBIA	26,750
HELLENIC PETROLEUM CYPRUS	85,000
<b>TOTAL</b>	<b>4,946,392</b>

Table 4.9.2: Approved environmental investments per facility (2012-2016)

Investments per facility	Investment in €
BEA	7,658,248
BEE	3,000,000
BEΘ	2,588,000
OKTA	300,000
EKO and HF	1,122,500
<b>TOTAL</b>	<b>14,668,748</b>

## 4.10 Environmental Training

The Group, in order to improve its environmental performance and corporate culture on environmental protection and management, steadily and systematically implements a series of actions concerning environmental education and employees' awareness.

“The environmental training programs, apart from the employees, extend to customers, suppliers, subcontractors and citizen groups”

Table 4.10: Trainees & man-hours of environmental training

Facility	Trained employees	Training man-hours	Trained non-employees	Training man-hours
BEA	74	94	200	400.0
BEE	481	244	1759	396.0
BEΘ			443	221.5
OKTA	2	120		
<b>SUBTOTAL</b>	<b>557</b>	<b>458</b>	<b>2,402</b>	<b>1,017.5</b>
EKO & HF	219	471	45	121.0
HP CYPRUS	22	208	40	130.0
<b>SUBTOTAL</b>	<b>241</b>	<b>679</b>	<b>85</b>	<b>251.0</b>
<b>TOTAL</b>	<b>798</b>	<b>1,137</b>	<b>2,487</b>	<b>1,268.5</b>



HEL.PE. employees on "Melina" tanker

## 5. Our People

Continuously developing our people and improving their knowledge and skills are amongst our pivotal objectives. At the same time, our commitment to ensure a safe working environment for employees, our partners and neighboring communities is a continuous process.

In order to ensure that our employees enjoy a healthy balance between work and their social life, a program of social benefits covering health issues, financial support and better living standards has been designed and implemented.

### Benefits provided to employees of HELLENIC PETROLEUM:

- Infirmaries staffed with medical and nursing staff competent to handle cases of emergency.
- Preventative Medical Cover (free annual check-ups, special medical examinations, preventative vaccinations).
- Health insurance scheme covering treatment and hospital care which covers 100% of employees and their families.
- Life insurance / pension schemes.
- Performance related bonus.
- Small loans at low interest rates for emergencies.
- Foreign language courses.
- Free transport services to / from the workplace and compensation based on kilometers traveled for business related purposes.
- Financial assistance for employees in particular need.
- Additional financial support (gift certificates, vouchers) for Easter and Christmas.
- The organization of special events for employees (and their families) that happen to be working their shift on Christmas or New Year's Eve.
- The covering of expenses for employees' children summer camp fees for children from six (6) to sixteen (16) years old.
- Financial assistance for crèche and childcare at the beginning of the school year.
- Extra financial support for families with more than 3 children.
- Gifts to employees who have devoted many years of service to the company.
- Free use of the restaurants at the industrial facilities.
- Financial awards to employees' children who have excelled in their school studies and to children who have passed their examinations and have entered either a university or technical college.
- Financial assistance to employees for weddings, birth of a child etc.

*The cost for the additional insurance and pension plans - covering 91% of employees exceeded the amount of € 15 mil. in 2011. The current value of the pension benefits (defined contribution plan) is based upon a number of factors which are determined using actuarial methods and assumptions.*

Table 5.1.1: The Group's permanent workforce

Company	No. of Employees
HELLENIC PETROLEUM S.A.	2,151
EKO A.B.E.E.	401
HELLENIC FUELS S.A.	189
ELPEDISON POWER SA	65
ELPEDISON TRADING	10
VARDAX	1
HEL.PE. CONSULTING	13
ASPROFOS ENGINEERING	216
DIAXON ABEE	97
POSEIDON MARITIME COMPANY/ APOLLON MARITIME COMPANY	2
<b>GROUP, IN GREECE</b>	<b>3,145</b>
OKTA CRUDE OIL REFINERY A.D.	680
GLOBAL PETROLEUM ALBANIA Sh.A./ EKO PETROLEUM ALBANIA	7
JUGOPETROL AD KOTOR	248
HELLENIC PETROLEUM CYPRUS LTD	62
EKO BULGARIA EAD	60
EKO SERBIA AD	40
<b>GROUP, Abroad</b>	<b>1,097</b>
<b>GROUP, Total</b>	<b>4,242</b>

In the above context, the continued provision of education and training (lifelong learning), the securing of jobs, performance assessment, incentives, an equal opportunities policy and health and safety are key aspects of our commitment to our employees.

At the end of 2011, the Group employed 144 people with disabilities.

In 2011, the expenses for remunerations and other employee benefits exceeded the amount of € 26 mil. The employee retention rate (loyalty indicator) was 99.3%.

Table 5.1.2: Personell distribution by gender

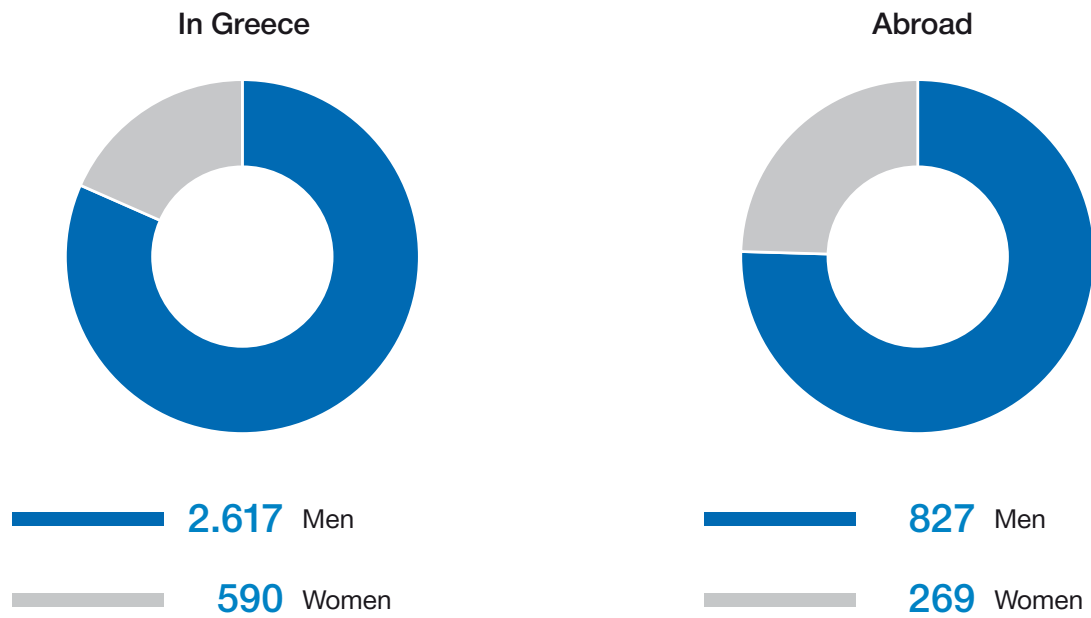


Table 5.1.3: Employee retirement and recruitment, per gender and age group in HELLENIC PETROLEUM

	RETIREMENT 2011			PERCENTAGE OF RETIREMENT 2011		
	<30	30-50	>50	<30	30-50	>50
MALE	0	8	265**	0.00%	0.37%	12.32%**
FEMALE	0	6	42**	0.00%	0.28%	1.95%**
	RECRUITMENT 2011 *			PERCENTAGE OF RECRUITMENT 2011 *		
	<30	30-50	>50	<30	30-50	>50
MALE	4	1	0	0.19%	0.05%	0.00%
FEMALE	0	0	0	0.00%	0.00%	0.00%

\* Recruitment on permanent contracts.

\*\* Voluntary retirement schemes.

## 5.1 Human Resources Management

Actions for strengthening the Group's common culture and homogenizing its human resources management framework have involved consolidating human resources systems, policies and procedure at Group level, especially following the accession of HELLENIC FUELS to the Group. This consolidation is expected to be completed soon.

In utilizing modern approaches, such as the Performance Appraisal System, employees are given opportunities for growth and advancement in the administrative hierarchy as a key objective is to consistently fill the vacancies through moving or promoting employees within the Group. All employees have been informed of the Internal Labour Regulation and can access it through the company's Intranet.

Executives of the Group in Greece and abroad are paid according to the «Senior Executive Remuneration System», which is directly linked to the achievement of predefined annual Group, Company and individual objectives (KPIs).

All of the Group and Companies' objectives originate from the Group's Annual Business Plan which, in turn, results from the medium - long term Business Plan, the Group's annual budget as well as areas in which the Group wants to pay special attention. The Group's objectives apply to all of its executives at all levels of the hierarchy.

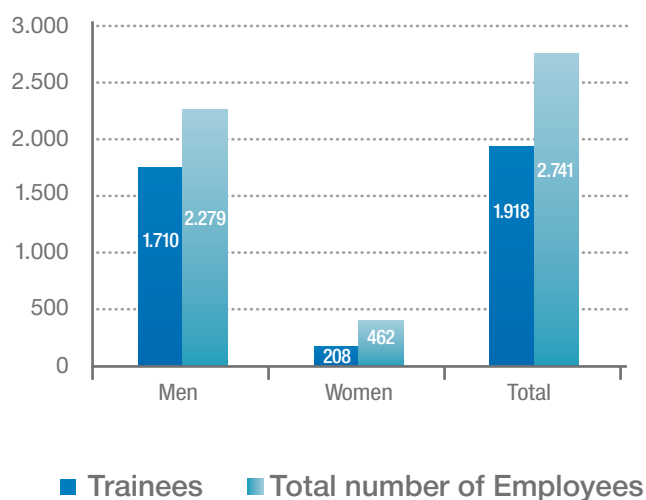
The achievement of objectives at the Group, Company and Individual level is directly linked to the formation of an annual variable remuneration scheme for top level executives. In particular, the achievement, both at group level and individual level, of specific objectives in health, safety and environmental protection, which are a permanent component of the annual target, is weighted (20%) and affects remuneration, given its criticality and importance within the Group.

In 2011, following the Group's reorganization, 100 % of employees were evaluated according to the company performance evaluation system.

## 5.2 Training - Education

The Group has policies in place that focus on continuous education, covering employee participation in seminars and conferences in Greece and abroad, studying at Open University and post-graduate programs, foreign languages study, purchase of books, subscriptions to newspapers - magazines and professional associations.

Chart 5.2.1: Training breakdown by gender (HEL.PE., EKO, HF)





Training of Service Stations' Personnel

Our approach to education focuses on creating a safe working environment that provides employees with an element of challenge and gives them the opportunity to develop skills and techniques to successfully meet the Group's current requirements and strategic objectives.

Specifically, in the refineries, through the DIAS program, specialized training programs, enhancing employees' technical and administrative know how, have been implemented.

In 2011, significant investments were made in education.

Topics included in the training and education programs included:

- New technologies (refining, maintenance, etc.)
- Safety
- Labour and insurance
- Management skills (management and marketing)
- Commercial and financial subjects
- Quality Management - Health - Safety - Environment
- Legal for non-legal personnel
- Finance for non-finance personnel
- Skills development
- Specialised IT training - on the job training
- English and German language courses
- Project Management
- Communication and presentation skills
- Sales and sales inspection
- Awareness/training on human rights



Chart 5.2.2: Training Expenses breakdown (%)

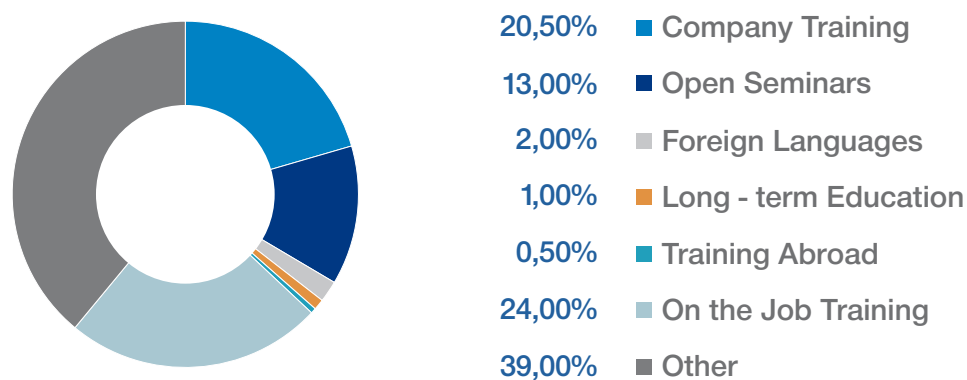
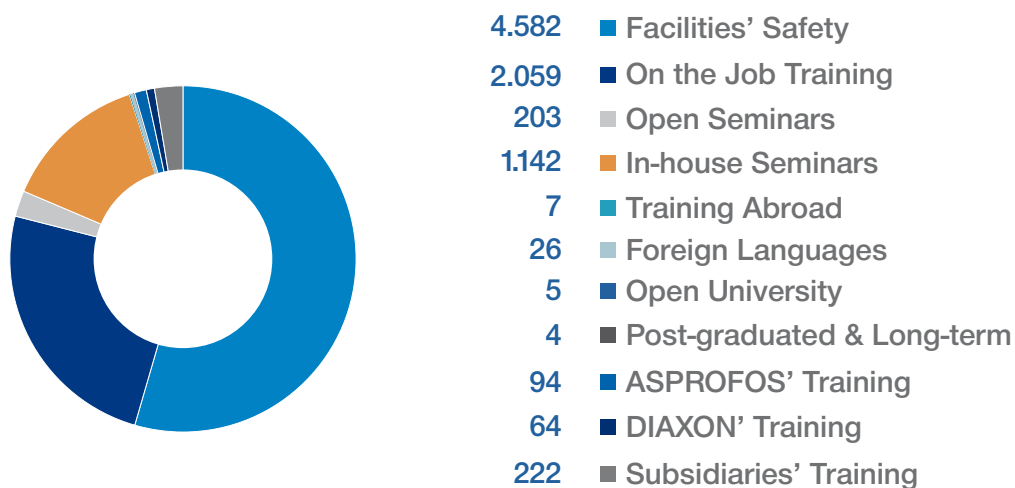


Chart 5.2.3: Training Activity breakdown by Participation



The Group's total investment for the above topics for 2011 amounted to € 1,227,000 with a total of 94,133 hours spent in training.

In house seminars on Health, Safety and Fire Safety involved 1,220 employees (4,582 participations, 8,553 hours) and various training seminars in the Elefsina, Thessaloniki and Aspropyrgos Industrial Installations (547 employees, 2,059 participations, and 48,460 hours of training) took place.

As part of its training policy, in 2011, the Group invested in:

- Enriching its libraries
- Subscriptions to scientific journals and newspapers
- Subscriptions to various scientific and professional associations.

## 5.2.1 Determining Training Needs

Educational programs and seminars which are generally included in the ongoing training of employees, are based on their training needs which arise from the strategic objectives of the Group's systems and human resources, that are applied to the Group. More specifically, the education and training program results from:

- the Group's strategy as described in the business plan,
- the results of the performance evaluation system based on employees' skills and/or the results of the WALP competence assessments, or on-the-job training (OJT) assessments where they are implemented,
- the results of the human resources planning system and the needs that arise,
- the results of the development system and executive succession (through the "Individual Development Plan" and "Employee Improvement Areas" forms),
- employee satisfaction studies and surveys (e.g. job satisfaction survey) which take place with or without the assistance of external consultants,
- specific findings and guidance from Management,
- employees' training record based on the "Employee Training History" form.

Educational needs are recognized and categorized based on their level of application, indicatively:

- group level,
- team level pertaining to operational or business unit,
- individual level.

There are several mechanisms for determining the educational needs in each of the above levels which are collectively summarized in the Group's education and training program.

## 5.2.2 Planning of Education and Training

The assessment of employees' training and development needs are summarized annually through the form of "*Education and Training Needs Program*", which is specialized according to the relative training and educational methods based on specific forms, which include:

- Formal education - Programmed seminars (either per employee or program training module).
- Long term educational programs, either Graduate or Postgraduate and Foreign Language Learning Programs.
- General Books Catalogue.
- General Magazines - Newspapers Catalogue.
- Subscriptions to Professional Organisations/Associations.

The training program is approved annually by all the superior hierarchies to the level of General Director. The final version of the "*Educational & Training Needs Program*" form (together with the accompanying supplementary forms) are then sent to the Human Resources Training Division, at a predetermined date.



Aspropygos' Pier

## 5.3 Occupational Health & Safety

Group's first priority is the health and safety of both workers and residents of local communities, which are close to its industrial complexes. For this reason, HELLENIC PETROLEUM, take all necessary measures to provide a safe workplace to employees, partners, visitors and trainees.

### 5.3.1 Health and Safety Policy and Management System

The Group's particular interest in its employees' occupational health and safety is based on:

- Its policy, which considers the issues of health and safety as a primary prerequisite and management commitment at all Group's operations. The policy explicitly states that safety, health and environmental protection are always first priority.
- Implementing the policy through a complex and multi-faceted safety management system. The Safety Management Systems of all industrial complexes have been certified in accordance with the internationally recognized standard OHSAS 18001. The facilities are subject to annual recertification inspection, (see section 6.3.1). For other Group's activities, not included in the above mentioned certification schemes, relevant written Health and Safety procedures and instruction are implemented, in accordance with the requirements of international standards.

Further information, concerning Health and Safety, may be seen at: <http://www.hellenic-petroleum.gr/online/generic.aspx?mid=214>

Within the Group's organizational framework for health and safety, the following have been established and operated:

- Corporate Occupational Health, Safety, Environment & Sustainable Development Division.
- Departments for Health, Safety and Environment at each facility.
- Appointed safety technicians, in-house physicians and nurses, over and above the requirements of the relevant legislation for occupational health and safety (L 3850/2010).
- Internal Service for Protection & Prevention (ISPP), according to P.D. 95/1999, to oversee the health of employees, compliance with sanitary conditions, protection measures and accident avoidance actions.
- Employee Committee for Occupational Health & Safety (ECOHS) at each facility, consisting of elected representatives of employees, according to Law 3850/2010, representing all employees. Every employee has the right to be elected in these committees (100% participation). The committees participate in scheduled meetings with the facility management and make suggestions for Health and Safety improvements in their workplace.

### 5.3.2 Operations' Safety - Management of Change

Techniques and measures, above and beyond those imposed by the regulations and legislation, are implemented at all Group facilities, in order to ensure occupational Health and Safety. In this context, a study to analyze operational risks (HAZOP or Hazard & Operability Study) is a prerequisite for any new facility or extensive modifications of existing units.

The operation and maintenance of the facilities rely on well-trained and experienced personnel and comply with safe operating procedures. Particularly important is the process of issuing work permits, in order to protect staff, contractors and equipment while performing the necessary tasks. Employees have access to written instructions for dealing with emergency situations (loss of power, loss of utilities, steam, air, etc.) and they are periodically trained in their application.

Changes in equipment or operating conditions are tested for safety prior to their implementation.

In 2011, the Aspropyrgos, Elefsina and Thessaloniki industrial complexes adopted a new common Management of Change procedure, in order to minimize or eliminate potential safety risks.

All accidents or near misses are recorded, investigated and corrective actions are planned in order to prevent a reoccurrence. All incidents are statistically analyzed for safety improvement. In this context, use of standard definitions and classification of incidents are established, aiming to uniform distribution and reporting of incidents within the Group's facilities. Injuries, ignitions, leaks, damages or road accidents are included in the list of the monitored incidents.

## Safety Audits

Scheduled internal and external safety audits conducted by:

- The Departments of Health & Safety at each industrial complex.
- The Corporate Division for HSE & Sustainable Development. The relevant Section of the Division organizes and participates in peer-audits among the Group's refineries. The Section also schedules audits at all Group's facilities and assures that the experience, knowledge and application of best practices are properly disseminated. In 2011, unscheduled safety inspections were conducted at the premises of the new project at Elefsina and the Group's subsidiary in Montenegro; relevant reports with recommendations for further safety improvement were issued.
- The special committee (EYAE) of each facility.
- The visit-exchange programs among the managers and safety supervisors from different units (safety visits to observe and correct unsafe behaviours).
- Independent globally recognized and experienced third party auditors, according to scheduled audits or invited by experts from the companies that provide insurance coverage.
- The competent authorities for major accidents prevention (Seveso audits).

## Corporate Health and Safety Common Policies and Procedures

The establishment of uniform corporate policies and procedures continues, as part of the effort to strengthen the Group's common culture and use the experience of industrial facilities in the adoption of best Health and Safety management practices.

In 2011, the following were established:

- Reward Policy for Safety Performance.
- Evaluation of contractors, at the end of their work, with particular emphasis on safety aspects.
- Equipment Change Management.
- Operation of the Safe Design Committees.
- Basic principles for confined space entry.
- Safety meeting for discussion & analysis of unsafe scenarios.

Furthermore, the specifications of personal protective equipment (uniforms, helmets, goggles, shoes, gloves, etc.) were revised or improved, in the context of a new procurement.

Finally, a number of selected procedures is currently translated in English in order to be used at the Group's facilities abroad. All common procedures and policies of the Group are posted in the internal company network (intranet), while the most important of them are properly presented to all relevant staff.

For further information on occupational Health and Safety visit the site: <http://www.hellenic-petroleum.gr/online/generic.aspx?mid=155>



Snapshot of Employees' Training

### 5.3.3 Health and Safety training

A procedure concerning the basic training in health and safety has been established. This procedure is common at all industrial complexes and contributes to the achievement of a corporate Health and Safety culture.

The training of personnel is multifaceted and includes the following topics:

- Fire safety - use of firefighting equipment.
- First aid - burns treatment.
- Use of personal protective equipment (respirators, masks, etc.).
- Presentations of international accidents (causes - conclusions).
- Periodic review, reminder of important safety procedures and emergency.
- Participation in drills.
- Material Safety Data Sheets.

The educational needs of employees are estimated annually by their immediate supervisor and is scheduled an implementation program in order to meet the needs identified.

The training extends in order to include contractors, customers, truck drivers, petrol station personnel and students. Facilities' visitors are informed on safety instructions via relevant informative leaflets.

Since 2008, a systematic training program in safety issues has been initiated, specifically for the contractors, including supervisors and crews, who perform work in the industrial complexes. The training is based on extensive educational material, available by HELLENIC PETROLEUM to the contracting companies. The trained supervised workers have to successfully pass certain written exams in order to be granted an access card to enter premises for work.

Table 5.3.1: Health and Safety training man-hours per facility

	BEA - BEE - BEG	EKO & HF	OKTA	DIAXON	HP CYPRUS	EKO's SUBSIDIARIES
Total number of Employees	2,087	716	675	98	58	355
Trained Employees	1,658 (79%)	533 (74%)	51 (7,5%)	60 (61%)	50 (86%)	44 (12%)
Man-hours	12,611	1,706	153	383	698	2,310
Trained Non-Employees	5,060	1,239	30	23	40	1,708
Man-hours	34,235	3,275	90	128	531	5,483

### 5.3.4 Safety Investments

In 2011, approximately € 10,66 mil. were invested in safety issues. This investment program included the procurement of personal protective equipment, supply and maintenance of instruments and safety equipment, upgrading of firefighting equipment, safety studies, etc.

This investment and the approved investment program for the period 2012 - 2016 are shown in tables 5.3.2a & 5.3.2b. It is clarified that significant safety investment programs concerning general maintenance, major projects and upgrades of refineries, amounting to € 10 mil., are not included in tables 5.3.2.

**Table 5.3.2a: Group's safety investments (2011)**

Investment per facility	K€
BEA, BEE, BEΘ	9,140.00
EKO and HF	1,078.00
At DIAXON	294.84
HELLENIC PETROLEUM CYPRUS	120.00
EKO Bulgaria, EKO Serbia & JPK	29.10
<b>TOTAL</b>	<b>10,661.94</b>

**Table 5.3.2b: Group's approved safety investment program (2012 - 2016)**

Investment per facility	K€
BEA, BEE, BEΘ	12,520
EKO and HF	2,613
DIAXON	730
EKO Bulgaria	25
<b>TOTAL</b>	<b>15,888</b>

### 5.3.5 Health and Safety Targets and Indices

Each industrial facility sets measurable targets for improving its performance, in Health and Safety. The performance against targets is considered in monthly and annual basis and a relevant report is presented.

In addition, HELLENIC PETROLEUM participates in the annual survey and benchmarking for accidents conducted by the European agency CONCAWE. Through this cooperation the Group keeps abreast of developments in establishing additional indicators to measure safety performance.

In 2011, 33 lost workday accidents were reported, (concerning HEL.PE.'s employees and contractors, HEL.PE./EKO/

HF). These accidents are equivalent to 3,5 lost workday incidents per million man-hours (index LWIF - Chart 5.3.3a).

There was no case of occupational disease in industrial facilities of the Group. Generally there are no employees who are at high risk of occupational disease and where there are significant risks (eg, hearing loss due to noise at airports) appropriate measures are taken to prevent them.

In table 5.3.3 the incidents per facility are analytically presented as well as the corresponding indicators LWIF, AIF and LWIS, for 2011.



**Table 5.3.3: Incidents in 2011, concerning employees & contractors, based on CONCAWE's guidelines**

FACILITY	HEL.PE. (BEA, BEE, BEΘ)	HQs	EKO	HF	DIAXON	HELLENIC PETROLEUM CYPRUS	OKTA	EKO Serbia	EKO Bulgaria	JUGOPETROL AD KOTOR	GLOBAL PETROLEUM ALBANIA
Lost Workday Injuries - LWIs	31	1	1	0	3	0	10	1	0	1	0
Lost Workday Injuries (employees / contractor' s staff)	20 / 11	1 / 0	1/0	0	2/1	0	-	-	0	-	0
Fatalities	0	0	0	0	0	0	-	0	0	0	0
Medical Treatment Cases n MTC <sup>1</sup>	10	0	0	0	0	0	-	1	0	0	0
Restricted Workday Injuries n RWI	0	0	0	0	0	0	-	0	0	0	0
LWIF	5.5	0.9	0.6	0	13.3	0	7.1	0.7	0	2.1	0
LWIS	26.2	6	30	0	5.3	0	2.2	7.0	0	42	0
AIF (All Injury Frequency)	7.3	0.9	0.6	0	13.3	0	-	1.5	0	2.1	0
Occupational diseases rate ( / 10 <sup>2</sup> hours)	0	-	-	-	0	-	-	0	0	0	0
Absenteeism <sup>3</sup> (%)	2.2 <sup>3</sup>	-	-	-	3.17	-	-	1.0	-	5.07	-

<sup>1</sup> Cases concerning first aid are not included.

<sup>2</sup> All types are included (illness, accident, etc).

<sup>3</sup> The percentage concerns only the BEΘ & BEE industrial complexes.

The trend of the incident indices LWIF, LWIS & AIF, at Group's facilities, over the period 2005 - 2011, is presented in the diagrams 5.3.3a - 5.3.3f, compared with the corresponding indices of CONCAWE. These indices, for the period 2005 - 2009, include incidents concerning Group's employees at HQs and the three refineries. Since 2010, incidents concerning HF's & EKO's employees and contractors' staff are also included in the diagrams; in order to facilitate comparison with the corresponding CONCAWE's data.

In 2011, the significant project of upgrading and expanding the Thessaloniki refinery was completed and in operation. The project, of 4 mil man-hours, was carried out with exemplary safety records and with no major accidents.

The project team was awarded by the management for this achievement, in the context of the new internal procedure for teams and individuals rewarding for outstanding performance in one of the values of the Group; first of which is safety.

Chart 5.3.3a: LWIF index

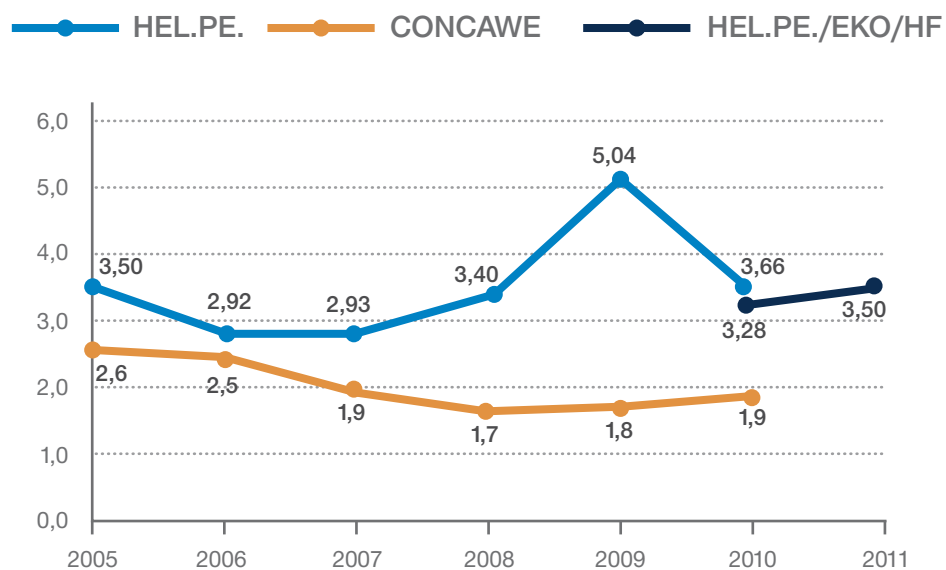


Chart 5.3.3b: AIF index

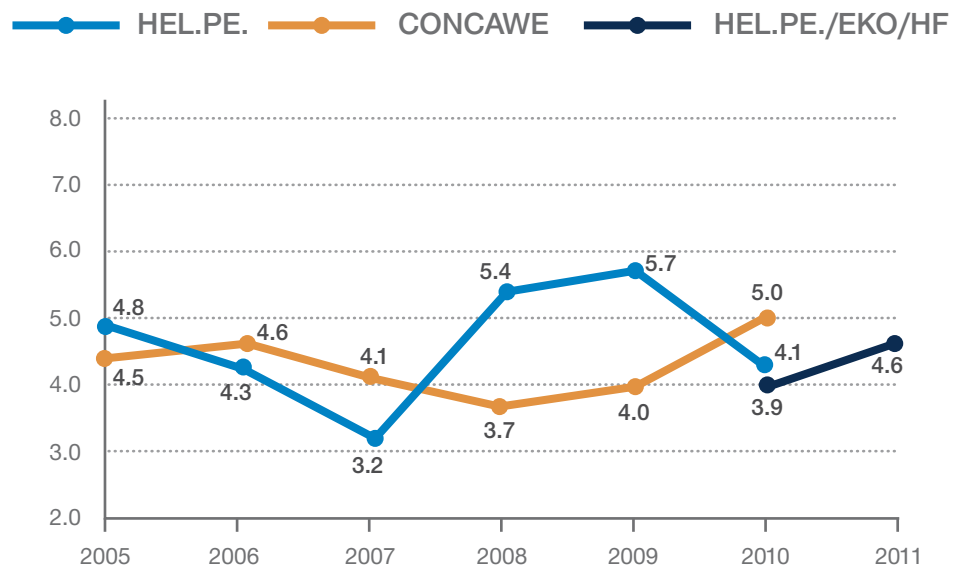


Chart 5.3.3c: LWIS index

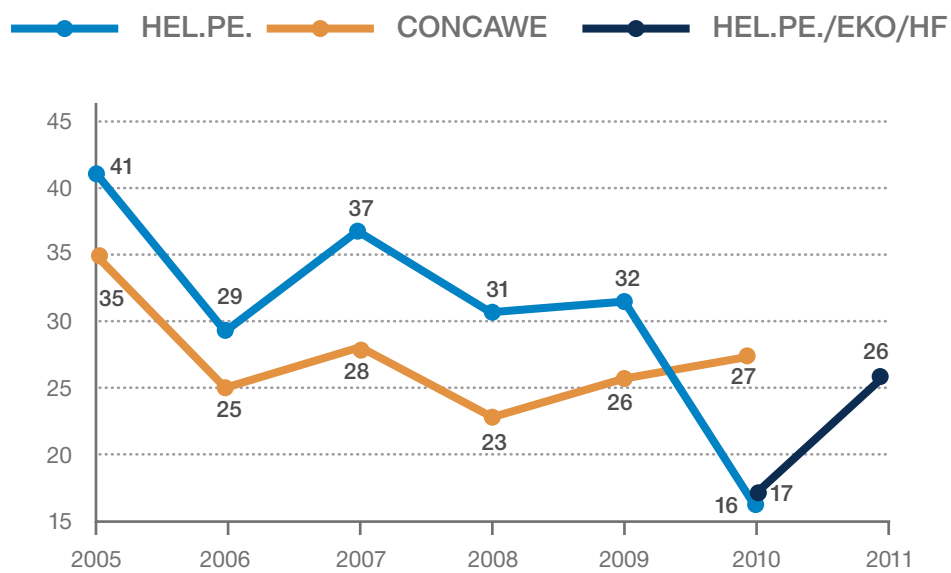


Chart 5.3.3d: LWIF index at EKO A.B.E.E.

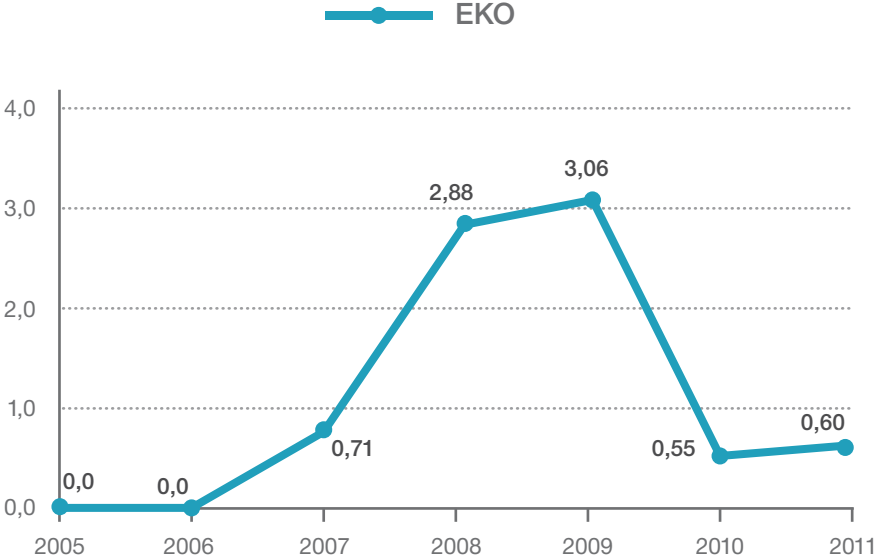
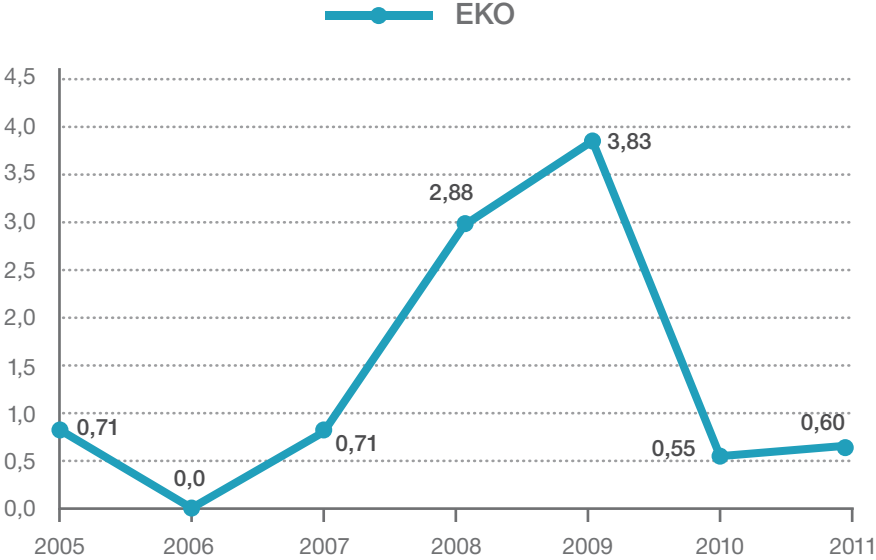


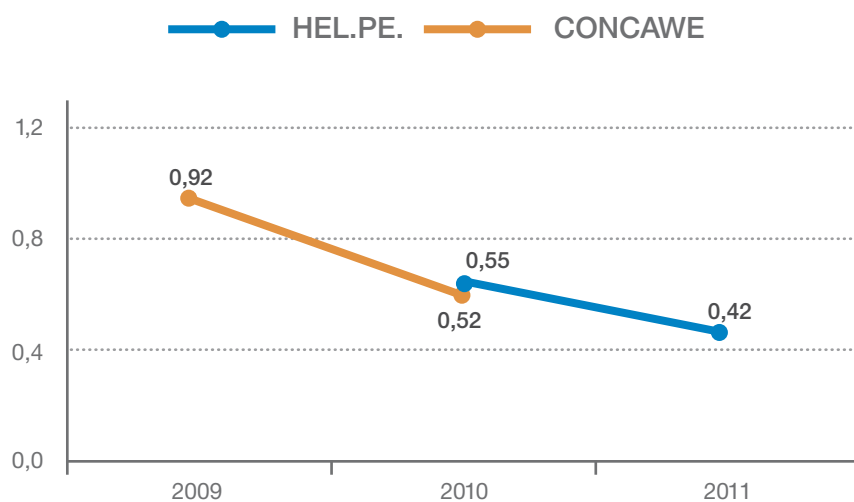
Chart 5.3.3e: AIF index at EKO A.B.E.E.



In the context of the joint effort of European refineries on establishing specific process safety indicators, we continued, in 2011, to monitor all safety indicators at workplace as well as the new process safety indicators (class 1 or 2 depending on the severity of impacts); according to the instructions of CONCAWE and in line with the new API RP 754 (Recommended Practice 754 «Process Safety Performance Indicators for the Refining and Petrochemical Industries»).

Chart 5.3.3f presents the trend of the new index PSIF-1 compared with the corresponding index of CONCAWE, for a period of three years. The index PSIF-1 (Process Safety Incident Frequency-1) is defined as the number of process safety accidents, of class 1, per million man-hours.

Chart 5.3.3f: PSIF-1 indicator



### 5.3.6 Safety Culture Improvement for Zero Accidents

To further reduce incidents we continue the implementation, Group-wide, of the reporting on unsafe situations. Moreover, the scheduled systematic discussion and analysis of unsafe situations (what-if scenarios), by groups of staff, was established in 2011. During these scenarios discussions the participants are asked to identify the risks and potential consequences of unsafe situations and then to propose measures to eliminate or reduce those risks.

In the context of the direct and practical involvement of management in safety issues, the following were established: a) a program of safety visits to all operating units, for the refineries' staff, in order to identify and immediately correct unsafe behaviors (safe visits), and b) regular safety meetings, for the management of the South Refineries.

Furthermore, the implementation of a Policy for Rewarding Safety Performance was established. This policy includes giving of commemorative gifts to groups of employees when they achieve objectives based on man-hours with no lost workdays incidents. The ultimate goal is raise employees' awareness in accident prevention and safe plant operation. From the initiation of this rewarding policy for safety performance, 2010, the goals of: **500,000 hours without an accident of absence, for the Thessaloniki industrial complex (for second time), the Aspropyrgos industrial complex, the marketing companies HF and EKO, 1,000,000 hours for Group's HQs, and 100,000 hours for DIAXON** were successfully achieved.

To further reduce accidents, which are mainly trips, slips and falls, relevant campaigns were planned including distribution of booklets, posters and lectures.

Printed material was sent to all Group's facilities in order to increase awareness and prevent accidents related to slips, trips and falls. Moreover, campaigns with distribution of leaflets were organized at relevant places, posters were used and lectures were conducted.



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Finally, the second half of 2011, started a periodical edition of a newsletter on Health, Safety, Environment and Sustainable Development, which is distributed to all employees providing them with relevant and regular information.

The information is provided by brief and plain text, so that employees know and support every effort that aims to improve health, safety, environment and sustainable development.

## 5.4 Materiality Assessment according to GRI

The materiality assessment in accordance with GRI standard helps us identify the main and "essential" issues that the Group faces. For 2011, the assessment dealt with our employees (see page 4, "materiality and stakeholders" section).

### Employee Survey

This focus group was made up of a sample of eight (8) employees from different departments and levels within the hierarchy. We conducted the focus group in order to see what employees' views were, concerning sustainable development.

### Methodology

The Centre for Sustainability (CSE) developed a questionnaire guide, on which discussions - interviews were conducted with employees. The questionnaire guide examined the Group's key areas of Corporate Social Responsibility (CSR) as well as the content of the Sustainability Report. The issues raised for discussion with employees include: the concept of CSR, company and employees, health and safety, the environment, social contribution and the Group's CSR programs.

### The employees' opinions

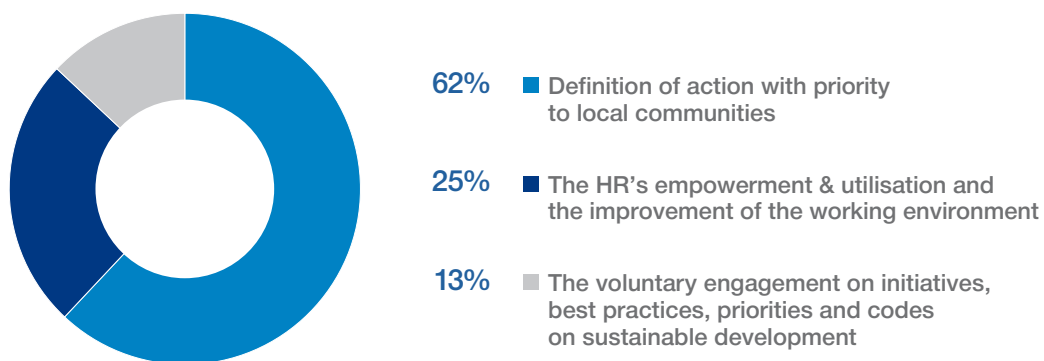
#### In the field of Corporate Social Responsibility

"Corporate Social Responsibility is an integral part of the Group's strategy and development".

"The company contributes to society".

"The company is socially responsible towards its employees, society, organizations and its customers; it respects the environment".

### Chart 5.4.1: Employees' first choices on CSR questions



#### On Labour Relations

Employees considered health and safety as the most important component of CSR. They considered the following as equally important: the quality of our products and services, the development of human resources and opportunities for education and meritocracy.

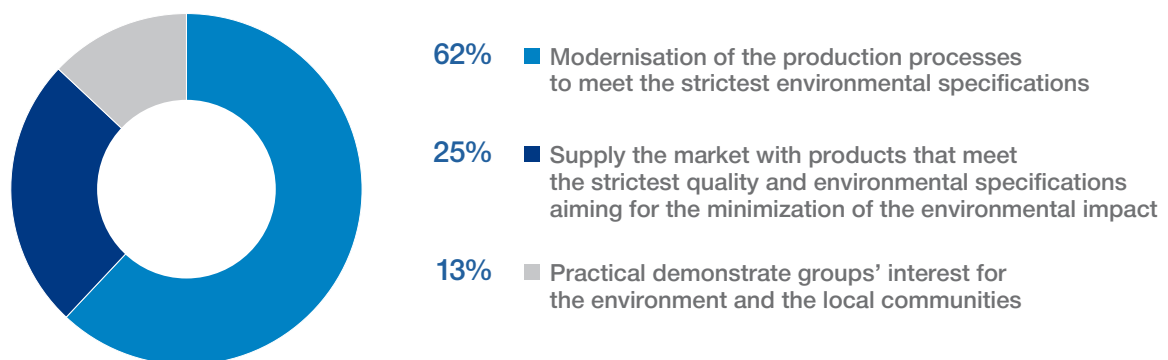
## On Health & Safety

Health and safety is a top priority for employees. The measures that are implemented as well as the training and information that employees are provided with, are of a very high standard.

## On the Environment

The discussions/interviews revealed that the participants believe that HELLENIC PETROLEUM makes significant investments in the field of environmental protection. The investments that have taken place have been aimed at both increasing efficiency as well as reducing the Group's industrial facilities environmental impacts.

Chart 5.4.2: Employees' first choices on Environmental questions



## Survey findings and suggestions for improvement

As a result of this procedure, we identified areas that need improvement, such as:

- Employees becoming actively involved in voluntary initiatives in local communities and the creation of an index, to measure the effectiveness of these initiatives. Creating a week of employee voluntarism in collaboration with an NGO.
- More coordinated communication concerning the Sustainability Report directed towards employees. Even though employees were aware of the Sustainability Report's existence, they were not aware of its content and the Group's involvement. They were informed on their participation in the survey.
- Improving internal communication about the importance of CSR as well as comparing it with other companies with the objective of enhancing morale/commitment of employees and improving understanding of the concept and initiatives.
- Creating short internal communication programs as well as involving employees in CSR issues, whereby employees can learn more about the basic terms of CSR as well as the programs that the Group implements.
- Conducting internal opinion survey on CSR areas that employees consider to be important as well as their opinions on CSR.

## The plan for 2012

In response to the above, the Group has decided:

- To repeat the survey with another group of stakeholders.
- To implement a training-awareness program amounting to € 60 K for all Group employees on sustainable development, social assessment, code of conduct etc.





# ΕΛΛΗΝΙΚΑ ΠΕΤΡΕΛΑΙΑ

Ενέργεια για ζωή



## 6. Our Stakeholders

Our communication and collaboration with our stakeholders is multidimensional, from the determination of our strategy and policies to our understanding of their needs and expectations and the relevant adjustment of the Group's actions & programs. Typical examples are the scheduled surveys assessing materiality, customer satisfaction surveys, public opinion surveys as well as public

debates and the many forms of regular communication. The results of these actions are evaluated to reflect and meet their requirements where possible. Furthermore, appropriate actions and programs are designed in line with our stakeholders' expectations and needs, as reflected in these surveys/studies.

### 6.1 Respect for Human Rights and Labour Relations

The Group monitors and adopts the relevant labor legislation (national, EU, ILO), including the prohibition of child labor, provisions for human rights and working conditions and is in full agreement with the collective and relevant international conventions.

HELLENIC PETROLEUM's employees possess the right to be involved in trade unions and professional associations, without any limitations.

Currently, there are seven employee unions (in Greece) with a 94-100% participation rate (see the LA4 index, table 7.3.2).

HELLENIC PETROLEUM's representative union signs a one-two year collective bargaining agreement, which defines the terms for employees with permanent contracts' remuneration. For EKO's & DIAXON's employees there are corresponding agreements. The percentage of workers (inside and outside Greece) employed on fixed term contracts is less than 8% of the Group's manpower. Overall, 93% of employees are covered by an operational collective labor agreement.

### 6.2 Ethical Management

The Group is committed to creating a uniform corporate culture that upholds autonomy and responsibility which cultivates ethical, creative and talented employees, in an environment based on trust and respect. To this end, policies have been established which are consistent with the strategy for sustainable development.

Ethics are not only the core of the Group's sustainable development and competitiveness but a reference point for employees' social and financial activities. The Group's Code of Conduct was completed, approved and published in 2011. A program which is being designed for 2012 shall disseminate

the code at all levels of the Group. This will further assure the trust of our stakeholders through transparency in all actions.

HELLENIC PETROLEUM's Internal Labour Code places great emphasis on employees' "moral awareness" and contains procedures for compliance with rules and principles governing the company.

All employees have been informed and trained on the Internal Labour Code (available on the Intranet) which references matters concerning ethics, corruption, behavior towards employees, colleagues and third parties, etc.

## 6.3 Customers & Quality Management

Our aim is to optimize customer satisfaction through placing further emphasis on the customer and creating value for all parties. In this context, the Group provides its business partners with various support programs and activities with which to improve the business environment and working conditions, while ensuring for competitive advantage.

In order to keep primary customers fully informed and satisfied a variety of activities are being designed and implemented, differentiated on a case by case basis. Moreover, regular meetings are organized, consulting services are provided and scheduled training is planned. In order to improve efficiency, COMO service stations are being rationalized and targets have been set to improve performance.

With regards to environmental management issues, the Group's marketing companies:

- In cooperation with the NTUA's Fuels and Lubricants Laboratory, have established, a Fuels Quality Control Program and Measuring Equipment Calibration Service at their service stations,
- use vehicles specially equipped with fuel analyzers manned by staff from the NTUA's Fuels and Lubricants Laboratory to perform on-site quality control and verify calibration of measuring equipment to ensure for the quality and quantity of the fuel that the customer purchases.

The program described above, is implemented as follows:

- from July to December 2011, EKO tested 376 service stations in Attica, and the rest of the Greek mainland, the Peloponnese, the island of Evia and Magnesia.
- HF began the program in October 2011 and 92 service stations in Attica have been through the checking process.

The program continues into 2012 so that all service stations under the two marketing companies' brand names throughout Greece will be audited.

### 6.3.1 Industrial Complexes, Storage Facilities and Service Stations' Certifications

As part of its Quality, Safety and Environmental Policy, the Group is committed to supplying products and services which fully comply and / or are even better than the agreed specifications, to provide full technical data on the quality of products / services to all concerned and to offer its customers, collaborators and managers the opportunity to evaluate and assist in further improving the quality of products and services.

So that the Health, Safety and Environmental Policy's objectives can be achieved, the Group has designed and implemented Quality Management Systems which meet the requirements of international standards.

In implementing the policy for the environment, HELLENIC PETROLEUM has set specific targets and strategies to achieve these objectives and has developed action plans for keeping safety and environmental standards high through out its cycle of operations, installations and facilities.

The action plans include a continuous improvement process in terms of environmentally managing the industrial facilities, whether this concerns the incorporation of best practices at an international level or the actual implementation and certification of environmental management systems.



Specially Equipped Vehicle to Inspect Fuels at EKO's Service Station

**Table 6.3.1: Certifications of the Group's industrial facilities, storage facilities and service stations, in accordance with internationally recognized standards**

FACILITY	ISO 9001	ISO 14001	OHSAS 18001	ISO 17025**
Aspropyrgos	✓	✓	✓	✓
Elefsina	✓	✓	✓	✓
Thessaloniki	✓	✓ *	✓	✓
DIAXON	✓		✓	
HF liquid fuel storage facilities at Aspropyrgos, Thessaloniki, Corfu, Igoumenitsa, Kalamata and Heraklion		✓		
EKO Lubricants Factory	✓	✓	✓	
EKO liquid fuels and chemicals storage facility at Scaramanga		✓	✓	
EKO aviation fuel filling stations at 18 airports	✓	✓	✓	
EKO CALYPSO (Automobile Service Station Aspropyrgos)	✓			
HP Cyprus	✓	✓	✓	

Notes: \* In the certification process  
\*\* Refineries' laboratories

In addition, every year DIAXON produces a WASTE GENERATION ANNUAL REPORT, in the context of the JMD 13588/725, 28/3/2006, with reference to the waste produced in the factory. The BRC/IoP Global Standard System for Packaging and Packaging Materials Issue 4 (Category 1) is also applied.

The Group's facilities in Cyprus go through an Environmental Risk Assessment (every 5 years for service stations) as well as a Fire & Explosion Risk Assessment (at fuel storage facilities).

The implementation of a Safety Management System in the Transportation of Hazardous Substances in accordance with international standards, international agreements (ADR, RID) and the Greek Law, confirms the Group's emphasis throughout the production cycle (from design and production to storage and transportation).

## 6.3.2 Customer Service

Recently conducted surveys showed that our customers focus mainly on quality and the price of fuel. Taking this into account, we introduced a new EKONOMY 95 gasoline to the market, which ensures the same quality, with lower consumption for the same mileage. With regards to quality, the company is also in the process of redesigning its approach to its quality management system.

Annual consumer surveys are based on approved methodologies and are conducted in such a way as to ensure that changing trends are aptly monitored.

### The "Mystery Motorist" program

Group Executives conduct monthly inspections so that they can measure how effectively guidelines concerning safety, operations and the level of service, have been implemented. Meanwhile, the company provides specific customer feedback as well as mechanisms that ensure that the appropriate redress is taken.

This methodology consists of the following course of actions which are implemented four times a year through secret visits to the service stations:

- Mystery visitors are selected.
- 30 elements are evaluated divided into 6 sections (forecourt and equipment, service, safety, shop, uniforms, WCs).
- Monitoring of results, per inspector, per service station.
- Briefing service station managers and taking corrective action.
- Rewards / incentives are given for the best managers and their staff.

Customer surveys evaluate the degree of customer satisfaction, service station dedication and loyalty, brand health and employee satisfaction. Where appropriate, specific surveys are made through the use of a questionnaire which is customized to recording specialized issues such as the success of a promotional program or the degree of customer preference/acceptance for a scheme etc. Also, focus groups are established and detailed qualitative research is conducted before the introduction of important customer programs or offers to the market.

During 2011, a number of targeted surveys (Customer Satisfaction Index, Brand Health & Dealer Satisfaction Survey) were conducted with the objective of answering important questions (Would you buy this product again? Would you recommend this? Is it value for money? etc). The results of these regular recurring surveys contribute to setting targets for marketing, measuring the level of satisfaction of the parties involved, detecting potential problems and planning actions.

These targeted surveys were also conducted in Cyprus, Bulgaria, Serbia and Montenegro.

Examples include:

- An annual survey to determine characteristics such as "Views & Attitudes", "Awareness & Usage", "Purchase Criteria & Brand Evaluation", "Car usage habits & Fuel purchases".
- An annual "Retail Mystery Shopper" survey in all HPC service stations as well as those of our competition. Characteristics that were evaluated included efficiency, courtesy, appearance, cleanliness etc.
- Ad hoc surveys to identify the needs of specific customer categories.
- A 24 hour telephone or internet based customer service system directly answering enquiries either orally or in written form.

### Rewarding sales executives

The "Network Championship 2011" took place once again (second time). Conducted by the Marketing & Marketing Strategy Department, its aim is to evaluate the performance of EKO petrol stations and the corresponding sales staff in Greece, Cyprus, Montenegro, Bulgaria and Serbia. The participants (managers, station owners, sales executives) are assessed based on specific, quantifiable criteria to ensure that the service stations operate



safely, that effective customer services are in place and that annual operational objectives are achieved. The winners for 2011 were honored at a special ceremony held on at the Group's headquarters in Maroussi.

## 6.3.3 The Quality of our Products

To ensure that our products reach the final consumer without any form of alteration/distortion, annual scheduled inspections take place throughout the service stations where product samples are collected. This process covers all service stations, throughout the country, whereby a particular emphasis is placed on large urban centers and geographical sites where the probability of fuel adulteration (about 1,800 sites per year) is in fact more probable. The samples are then delivered to an independent laboratory for chemical analysis. If specific tests show contamination, further sampling is then scheduled.

The Group provides high quality products to all of its cus-

tomers not only aiming for customer satisfaction but also guaranteed engine performance and a cleaner environment. Ongoing approaches (such as training, mystery shopping, competitive pricing and promotional activities) ensure that our partners comply with corporate policy and regulations, confirm the loyalty of our customers and improve sales methods, as reflected in surveys that are undertaken periodically.

Similar surveys are also conducted abroad in order to gain a clearer picture of the corporate image on quality, service and prices. Also, information is gathered on the level of customer service provided by the service stations in addition to their providing petroleum products.



### The company received the highest score amongst its competitors

Particular emphasis is given to the provision of reliable information about the products and services in relation to health and safety. These include specific safety signs at service stations (smoking, use of a mobile, engine turned off), a detailed description of the properties of products (MSDS - material Data Safety Sheets), the continuous training of station managers and their staff as well as continuous informative literature, with specialized guides such as "Safely operating a Service Station" as well as "Emergencies and how to deal with them" through informational leaflets, promotional programs, e.g. posting the "The Golden Rules of Safety" on the company's website, etc.

## Customer Protection

Customer concerns or complaints reach the Customer Services Department, and those that are not directly answered through oral communication, are recorded in a database and the process begins in resolving them. If the complaint is resolved at the Customer Services or Sales Department level, then the process - which involves oral or written communication with the customer - comes to a close. If the complaint or comment requires more specialized treatment, they are

forwarded to the Marketing Department, the Director of the relevant Department as well as to either the Program Manager or Product Manager for their prompt resolution either through written or oral communication. In some cases, to further ensure customer satisfaction, the Director of Marketing is engaged in direct communication with the customer in order to resolve the problem.

### 6.3.4 The Transportation of Fuels

The Group's privately - owned and chartered vessels meet all of the applicable MARPOL regulations and conventions (International Convention for the Prevention of Pollution from Ships), EU regulations and international standards ISGOTT & ISM (International Safety Guide for Oil Tankers and Terminals and International Safety Management Code). The vessels are also covered (from P & I clubs) for pollution incidents.

In its development strategy and in order to secure a reliable supply of fuel to the Greek islands, EKO has purchased 2 new modern tanker-ferries (RO-RO Tankers).

These ships have a double hull and double bottom and are

equipped with the most modern safety systems for the transportation and loading of fuel tankers which are transported in closed garages.

The vessels - especially designed for the Greek seas - are certified by the French Bureau Veritas to travel even under extreme weather conditions, ensuring for the continuous and uninterrupted supply of fuel to the Greek islands. They are equipped with systems that follow the strictest standards for environmental protection and safety. The loading of vehicles onto the vessels with their secure closed garages contributes to port safety and to minimizing disturbance during the time that they are moored in ports.

### 6.3.5 Customer Information

Accessible and adequate information is available to the Group's customers and users of products. Types of products that are subject to labeling requirements are lubricants (imported and domestic blended) and chemicals for car care (such as antifreeze fluid and brake fluid). Lubricants (industrial, commercial & consumer) are generally low-volatility products and are not assessed as dangerous (hazardous) substances.

Labels and Material Data Sheets substantiate the safety of the product, inform on how to use it, the product specifications and how to dispose of it.

Each product is labeled in accordance with the relevant Euro-

pean legislation where the packaging contains the required information (the product's shelf life is not in the mandatory labeling).

In 2011 no reported incidents of non-compliance with regulations and voluntary codes concerning the labeling of products occurred.

All activities related to advertising and promoting products fully comply with the Code of Ethics of the Hellenic Association of Advertisement Agencies and the Hellenic Advertisers Association. The Group's marketing executives participate in educational programs and seminars to keep abreast of best practices and new regulations.

## 6.4 Social Contribution

As a Group, we believe that the communities where our facilities are located should enjoy added value through the creation of new jobs, business opportunities, buying products and services, taxes, levies, actions to improve the quality of life or programs to protect the environment.

That is why our cooperation with stakeholders is multidimensional; from determining what our strategies and policies should be to our understanding of the needs and expectations and the relevant adjustment of the Group's services initiatives and benefits.

We employ over 389 permanent employees, who live in the Thriassion region's neighboring municipalities and 146 people who come from the Western Thessaloniki region. We spend € 3 mil. annually on municipal duties and support the local economy through buying goods and services from the various businesses in neighboring areas where we operate, (table 6.4.1). Purchases from local suppliers account for more than 10% of the total (not considering oil and chemicals procurement).

**Table 6.4.1: Expenses on purchases made from local businesses**

	Value of Invoices €	Number of Suppliers
Thriassion Region	40,100,665 (6.0%)	217 (7.5%)
W. Thessaloniki Region	29,246,071 (4.3%)	166 (5.8%)
<b>Total from Local Market</b>	<b>69,346,736 (10.3%)</b>	<b>383 (13.3%)</b>
<b>Group's Total</b>	<b>687,956,395</b>	<b>2,875</b>

### Public Opinion Surveys

Through the use of regular public opinion surveys, the Group records both the needs and expectations of the local communities. It also explores the effects of the implemented CSR programs in order to address its actions towards areas where society and its people's needs are considered as urgent.

In 2011, the annual survey took place once again in the neighbouring local communities adjacent to industrial facilities at Thriassion region. In November, quantitative research was conducted through telephone interviews with 200 residents, covering three topics:

- Ways of dealing with the crisis
- Infrastructure projects needed in the region
- Priority groups - organizations



The survey was based on personal interviews with a sample of 200 people over the age of 18 years, the main conclusions from which can be summarized as follows:

- ✓ 57% of the respondents believe that in order to overcome the crisis, we have to budget, also 18% believed that patience was the key.
- ✓ 32% of respondents stated that they believe major infrastructure projects should focus on drainage programs, 27% on roads - network.
- ✓ 48% of the respondents want local industries to employ local residents, 35% to withhold from pollution and take the appropriate measures to protect the environment.

Priority actions for industries in order to satisfy local needs:

- Supporting the unemployed.
- Providing health services.
- Supporting the elderly and vulnerable social groups in general.
- Opportunities for education and futuring employment for the young generation.

In December, a qualitative research survey through personal interviews with 11 individuals from the local government, cultural and sports organizations, took place. The survey took place in the context of our commitment to the GRI and UNGC for stakeholders' engagement. These results are extremely interesting and useful because they highlight areas that should guide our actions in the near future.

In addition, positive comments, such as the following were recorded as a reflection of the Group's image:

- ✓ "The company's professional approach shows that nothing can be left to chance"
- ✓ "Nobody, except for HEL.PE. came to speak to us; good for them"
- ✓ "HEL.PE. is the only company with a serious CSR approach and many programs in the area"

The above comments support the view that investment in the communities where we live and work supports business activities (social license function). The company's involvement plays an important role in securing and maintaining that "social license" function, improving relationships by reducing risk, contributing to employee recruitment and retention and creating synergies with the state, local agencies and NGOs.

The Group and its staff, with their participation in working groups and sector association committees as well as national & international organizations, actively promote public dialogue on sustainable development. They are also actively involved in initiatives inducing dialogue and communication with local communities.

This kind of policy is targeted, because it is based on the business strategy, values & principles and commitments undertaken within and outside the Group as well as international initiatives and standards. In addition, it is supported by structured public research survey findings.

In 2011, we designed and implemented a broad CSR program with the following set of objectives:

- Identifying actions and initiatives prioritizing local communities.
- Preparing and implementing a long-term CSR program.
- Encouraging and developing human resources and improving the work environment.
- Engaging in initiatives, best practices, principles and codes on a voluntary basis that support the link between strategy and sustainable development - designed after investigating stakeholders' concerns and our communication with them.

In 2011, the Group's investments in CSR initiatives within Greece and abroad, amounted to over € 3 mil.

For the immediate future, we aim to focus our attention on areas where there is greater social demand and improving our performance and our contribution to CSR issues. This will in turn contribute to sustainable development, improve relationships with human resources, strengthen social solidarity and ensure for relationships built on trust with the local community and society at large.

A large percentage of this report's content and issues are directed by our prioritization of activities and choice of programs based on our dialogue with our stakeholders and regular opinion surveys.

The findings from the public opinion survey confirm the prioritization (providing a sense of hope to those in need and vulnerable social groups, caring for the environment, issues pertaining to our youth, pupils and students who excel in their studies, education and supporting cultural, scientific and sporting events).

## 6.4.1 In Greece

The act of giving and a responsible attitude towards society is an integral part of the Group's culture and strategy.

Through a series of specific actions, the Group focuses on health, education, sports, the environment and social solidarity.

These actions are addressed mainly to the local communities where the Group's business takes place. Some of these actions are presented in more detail below:

### Socially Vulnerable Groups

The "Let's go Camping" program 2011 for children from neighbouring municipalities in Thriassion and Western Thessaloniki.

- 170 children from the municipalities of Aspropyrgos, Elefsina, Mandra - Eidillia and Megara as well as a further 80 children by the municipalities of Kordelio/Evosmo and Delta (Diavata, Kalochori, Magnesia) participated in the camping program.
- A further 36 children from the Pyrounakeio Foundation and a further 7 children in collaboration with the NGO AR-TOS & DRASI participated also to program.

Action: "A PLATE OF LOVE" collecting food from employees for the Pyrounakeio Foundation (Elefsina).

Supporting initiatives for people with disabilities and the unemployed as well as supporting government agencies (Together for Children - "Mazi gia to paidi", ESTIA, Margarita Special Education Workshop, Amimoni, Children's Village SOS).

Providing free heating oil and gasoline to the unemployed and foundations.

### Youth

Rewards program for first year entry students into universities and technical colleges for the 2010- 2011 academic year. Moral and financial rewards for 320 first year students from the municipalities of Aspropyrgos, Mandra - Eidillia, Megara, Kordelio / Evosmo and Delta (Diavata, Kalochori, Magnesia).

Donation of heating oil to schools in the Aspropyrgos, Elefsina, Mandra and Megara areas.

Financial support for the Elefsina 1<sup>st</sup> Professional High School for its participation in "Youth Entrepreneurship" organized by the Youth Entrepreneurship Association.

Free educational materials and equipment, financial support for educational visits.

Sponsoring educational programs and scholarships for institutions such as the University of Piraeus, the American Farm School of Thessaloniki, the Athens School of Fine Arts, the Hellenic Physics Student Union, the University of the Aegean Research Committee etc.

### Educational Institutions

Heating oil donation, more than 100,000 lt to schools of the neighbouring municipalities.

Providing financial support to neighboring municipality schools for Christmas and other celebrations.

Free educational materials and equipment.

Covering transportation costs for educational visits.

## Environment - Improving the Quality of Life

Grant for the construction of a Nursery in the Delta municipality.

Financial donation to the Elefsina municipality for the purchase of skippers and a vehicle for their transportation.

Liquid asphalt donation to the Aspropyrgos municipality for the local road network's repair and maintenance.

Financial support for the program combating mosquitoes in the Ambelokipoi – Menemenis municipality.

Covering of costs for the purchase of instruments measuring air pollution, and their maintenance, in Aspropyrgos.

Gasoline vouchers for the municipality of Mandra's fire safety.

Sponsoring the study for the "Reitoi" Hill and Lake Koumoundourou projects.

Purchasing tyres for the needs of the Elefsina Fire Services Department.

Public opinion survey in Thriassion and Western Thessaloniki regions.

Contributing to the Goulandris Natural History Museum, Greek Biotope Centre - Wetlands project.

## Athletics - Culture

Financial support of neighbouring communities' athletes.

Annual support of athletic clubs.

Sponsoring athletic clubs for individuals with special needs.

Donating sports equipment.

Sponsoring annual cultural events in neighbouring municipalities: Thriassia, Aeschylia, Zervonikolia, 14<sup>th</sup> Orchestra festival.

Financial support of cultural institutions such as the:

- Elefsina Cretan Association
- "Gefyra" Cultural Association
- Eleftherio - Kordelio Asia Minor Association
- "To adrahti" Elefsina Folklore Association

Financial support of publishing activities (such as: the Mount Athos Centre, Friends of the Museum).

Financial support of events organized by bodies such as: DIAZOMA, AXANA, ARCHIPELAGOS etc.

In addition, the Group supported various conferences with themes concerning energy, the environment, CSR and the economy (such as: 2011 Mediterranean Oil & Gas Conference, 1<sup>st</sup> CSR Forum, 11th Congress of Business Administration, Energy & Climate Change).



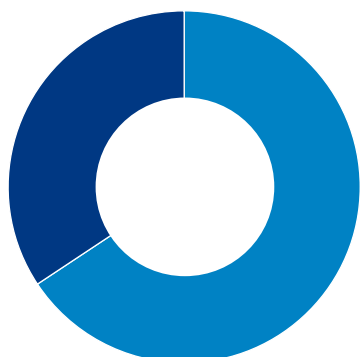
Event Rewards Students in Thriassion

In 2011 a great number of pupils, students and teachers from educational institutions from all levels of education were welcomed, advised and guided around the Group's facilities (table 6.4.2 and charts 6.4.3a & 6.4.3b).

**Table 6.4.2: Educational visits to Group facilities**

Level of Education	BEA	BEΘ	Total
Universities / Colleges	192	204	396
Lyceums	160	178	338
High Schools	496	61	557
<b>TOTAL</b>	<b>848</b>	<b>443</b>	<b>1,291</b>

**Chart 6.4.3a:**  
Educational visits breakdown  
by industrial complex



66 % ■ BEA  
34 % ■ BEΘ

**Chart 6.4.3b:**  
Educational visits breakdown  
by educational level



31 % ■ Universities /  
Colleges  
26 % ■ Lyceums  
43 % ■ High Schools

## 6.4.2 Abroad

In the countries in which HELLENIC PETROLEUM is active, it attempts to meet the needs that arise out of its multidimensional role as a social, cultural and business partner. In addition to the grants and donations that support infrastructure projects in local communities, which aid in improving the overall quality of life, these actions contribute to the consolidation of friendly relations between neighboring countries.

This commitment is mainly focused on supporting sports and cultural events, environmental protection and providing general assistance to those in need.

The total amount invested by the Group in social responsibility activities, outside of Greece in 2011, exceeded the € 400,000.

Indicative examples from corporate social responsibility initiatives in each country are presented here below. These reflect the breadth of our commitment to the society in general.

### In FYROM

- Sponsorships in the field of health, attending medical seminars and supporting patients.
- Employees voluntarily donated food parcels during the Week of solidarity in support of socially vulnerable groups.
- Donation of diesel to the Red Cross in Bitola.
- Donation of heating oil to the "26th of July" Elementary School in Skopje, the Sv. Jovan Krstitel monastery and the Catholic Church for the needs of the choir.
- Grant to purchase equipment for the Children's Village SOS.
- Undertaking surface drainage works as well as monitoring groundwater in the Bujkovcitou area in the municipality of Ilinden.
- Participation in the "Give a book for an Easter egg" event in elementary schools in the municipality of Ilinden.

### In Cyprus

- Sponsorship of sports clubs and events such as the Deaf Sports Association and the Children's Football and Basketball Teams in Engomi. Championship Golf in the community of Akrotiri, Limmasol Marathon, historic car rally.
- Donations and contributions to various social organizations and vulnerable groups such as the Foundation for Unprotected Children, the Pan Cyprian large families organization, the Anti Leukaemia Association and the Halcyon Association helping families in need and to Bishopric of Constantia - Ammochostos.
- Funding for the organization of cultural events such as the municipality of Paralimni's events, theatrical performances, art exhibitions and the Paphos Municipality opera.

## In Montenegro

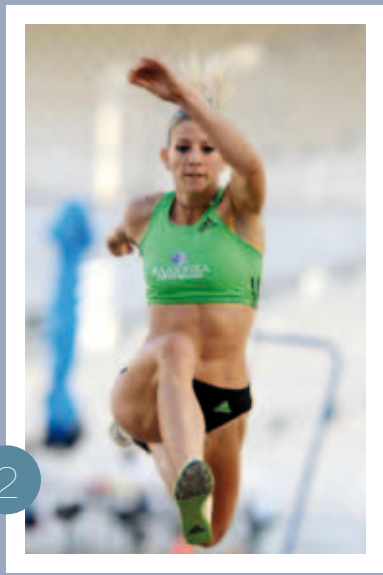
- Donation of heating oil to the "Mladost" orphanage in Bijela, the Orthodox Cathedral and the fire department.
- Donation for refueling fire-fighting planes.
- Donation of ambulance to the Hospital of Kotor.
- Donation for the cleaning up of the Moraca River.
- Funding for the organization of the 18th Marathon in Podgorica, and the "Don't Drink and Drive" event.
- Financial support for chambers, cultural, sporting and public associations to organize events.
- Donations to NGOs and religious institutions.

## In Bulgaria

- The sponsorship of the program "Call When You Get There" (initially organized in 2006) continued. The program aims to encourage drivers to be safe and responsible on the road. Reflective equipment for increased visibility in the dark were distributed to 16,000 students. Also similar items and discount cards were sold collecting over € 60,000, for safe driving initiatives. More information can be found at:  
<http://www.eko.bg/Text.aspx?menuitemid=110&lan=1>.
- Donations of fuel were made to the Vidrare social care organisation.
- Financial support of cultural and sporting events.
- Supporting the Homeless World Cup Bulgaria 2011-2012 to enable the homeless to change their way of life.

## In Serbia

- Grant to support the HRH Crown Princess Katherine Foundation's charity work.
- Donation of fuel to the Olympic Team for their preparation.
- Donation to the Children's Village SOS.
- Grant to UNICEF for the printing and distribution of 2,000 play safe books to elementary schools.
- Donation of fuel and economic aid to church and social organizations such as the Kaludjerica Monastery and 9 institutions for abandoned children and children with special needs.
- Supporting environmental events, such as using biodegradable bags, vapor recovery systems, free car inspections.



1. Educational Visit to Aspropyrgos Installations.  
 2. Sponsorship to the Athlete of Triple Jump Niki Panetta.  
 3. Donated of Ambulance to Hospital of Kotor (Montenegro).  
 4. Donation of HF to Athletic Association "Saint Christopher".

5. OKTA's Donation to the Red Cross for Food Supplies.  
 6. Scouts District from Thriassion in Environmental Excursion.  
 7. HP Cyprus' sponsorship to the "Historical Car Rally".



## 7. Appendices

### 7.1 Awards

During 2011, the Group was distinguished for its performance in sustainable development. The awards and prizes in the table below signify the recognition of the policy and strategy that are followed built on the three axes of sustainable development - financial performance - environmental management - respect towards society.

**Table 7.1.1: Group's companies awards during 2011**

HEL.PE.	1 <sup>st</sup> Place for "Best Listed Company in CSR"	MONEY CONFERENCES CSR AWARDS 2011
HEL.PE.	2 <sup>nd</sup> Place for High Performance CSR Report based on GRI-G3 Indicators	UNIVERSITY OF THE AEGEAN
HEL.PE.	Prize (Gold) in CR Index for Performance based on CSR Issues	INSTITUTE OF CORPORATE RESPONSIBILITY in Cooperation with the organisation Business in the Community (BITCH)
HEL.PE.	Prize "The Most Important Investment Plan in the Production Sector"	STAT BANK "GREEK COMMERCE - CORPORATE RESPONSIBILITY -EXPORT LEADERS 2011"
HEL.PE., EKO, HF	Prize for the Integrated and Functional booth during the 76th Thessaloniki International HELEXPO	HELEXPO
HEL.PE.	Prize for the Voluntary Organisation of Training Seminars for Contractors in cooperation with the companies, TITAN and HALYVOURGIKI	EUROPEAN CAMPAIGN ON SAFE MAINTAINANCE
EKO SERBIA AD	Prize of EKE	Kolevka Subotica Childrens' Foundation
OKTA AD SKOPJE	Honorary Distinction	Idnina-Skopje Primary School for Children with Disabilities
OKTA AD SKOPJE	2 AWARDS: 1 <sup>st</sup> place among the largest companies in the country and 32 <sup>nd</sup> place from the most successful companies	Euro Business Centre Edition "200 Largest Companies"
OKTA AD SKOPJE	Honorary Distinction	Red Cross: Skopje, Bitola, FYROM
OKTA AD SKOPJE	Honorary Distinction	Technical School Sv. Kliment Ohridski - Bitola University
OKTA AD SKOPJE	Honorary Distinction	Childrens' Village SOS Fyrom
EKO BULGARIA EAD	Prize for Road Safety for the "Call When you Get There" Program	Road Accident Victims Association
HELLENIC PETROLEUM CYPRUS LTD	CSR Prize	IN Business Awards

## 7.2 Memberships - Joint actions

As a Group, HELLENIC PETROLEUM has been a member of the Hellenic Network for Corporate Social Responsibility (member of CSR Europe) since 2005.

HELLENIC PETROLEUM actively participated in the establishment of the Council for Sustainable Development, created to serve businesses that are willing and able to play a

leading role among SEV's (Hellenic Federation of Enterprises) members. The Group's CEO serves as vice president of the Council for Sustainable Development.

In the context of the optimization of its operation and the implementation of its strategy for sustainability, the Group is a member of the organizations presented below:

Panhellenic Exporters Association (PEA)	Hellenic Association of Chemical Industries
Association of SAs and LTDs	The Bulgarian Business Leaders Forum
Athens Chamber of Commerce and Industry (ACCI)	American Chamber of commerce
Hellenic Federation of Enterprises (SEV)	EKO is a member of the Executive Board of the MNE Economy chamber, American Chamber & Institute of Standardization of Montenegro
Hellenic Petroleum Marketing Companies Association (SEEPE)	Am Cham (American Chamber of Commerce)
Federation of Industries of Northern Greece	SIER (FYROM's Union of Industry, Energy and Mining)
Hellenic Management Association	Association of Energetic - ZEMAK (OKTA from 2012 holds the presidency of ZEMAK)
EUROCHLOR	Committee of MANU (FYROM's Academy of Science and Art) in WEC (World Energy Council)
FRI (Fractionation Research Institute)	ACI - Financial Markets Association
MTI (Material Technology Institute)	Patron member of the Economic Chamber of FYROM (OKTA, is a member of the Managing Board of the Economy Chamber)
IVEPE	European Business Association
Thessaloniki Chamber of Commerce and Industry	EKO Serbia is one of the founders and members of the UNKS Association (Association of oil companies in Serbia) among other key fuel retail chains and competitors. It is also a member of the Foreign Investors Council (FIC).
Hellenic Purchasing Institute	EUROPIA
Cyprus Chamber of Commerce and Industry (CCCI)	CONCAWE
Cyprus Employers & Industrialists Federation (OEB)	
KODAP (Cyprus strategic stocks)	
CYMEPA (Cyprus Marine Environment Protection Association)	
The Bulgarian Fuels and LPG Association	
The Hellenic Business Council	

## Participation in joint activities with similar companies and other bodies

In 2011, HELLENIC PETROLEUM was awarded at European level for the voluntary organization that took place together with the companies TITAN and HALYVOURGIKI for safety training seminars for contracting companies based in the Triassio area, in Attica. Throughout 2011, HELLENIC PETROLEUM has continued to monitor the revision of the legislative framework with the appropriate interventions / proposals at both European and national level, and has been involved in the consultations to shape it.

The Group made recommendations and interventions for major legislation (new laws) related to the licensing of premises (Law. 3982), Environmental Authorisation (Law 4014), groundwater, etc., while continuing to prepare for the implementation of the new Directive on industrial emissions (IED/Industrial Emissions Directive - 2010/75/EE - the review of the IPPC Directive and incorporation of the Directive on large combustion plants - LCFP), which should be incorporated into national law and gradually implemented at national level in the coming years.

In addition, the Group:

- Was actively involved with 3 presentations and interventions at the 30th Co-operation meeting between Greek refineries, DEPA and the relevant Health, Safety and Environment authorities which took place at Loutraki on the 24th and 25th of November 2011.
- Was actively involved in shaping European benchmarking for the refinery sector which determines the free allocation of CO<sub>2</sub> allowances for the 2013-2020 period.
- Presented the effectiveness of the bioremediation unit of the Thessaloniki refinery, for the bio treatment of oil refinery sludge, in the International Scientific Publication "Desalination and Water Treatment" (Issue no. 33, September 2011, p. 194-201). The published article also featured as a key scientific article on the Renewable Energy Global Innovations website.
- Promoted changes to directives or new guide-lines concerning the environment, health and safety through the permanent Greek delegation at the European Commission, the Oil Companies' European Organisation for the Environment, Health and Safety (CONCAWE) and the European Petroleum Industry Association (EUROPIA), of which HELLENIC PETROLEUM is a member.

In addition to the above, the Group:

- Promotes both the corporate and the Greek state's positions on important issues such as the European regulation REACH and carbon dioxide trade etc., through participating in the EU and EUROPIA's working groups. Note that HELLENIC PETROLEUM is a member of the BoD of EUROPIA.
- Participates in the UN's committee for climate change, in the relevant working groups for Best Available Techniques (BATs), the review of the relevant reference documents (BREFs - Refinery and Large Combustion Plants), the Inter-ministerial committee for carbon dioxide and the relevant European directive.

In the formulation of its environmental policy and strategy, each project proposal is evaluated in advance to ensure for the timely address of any adverse environmental impacts. In this context, the Group bases its operations and investments on the principle of sustainable development for the benefit of society and the environment.

## 7.3 Extent of GRI & UNGC Reporting

Initially, the first reference to the GRI indicators was made in the preparation of the HELLENIC PETROLEUM Group's 2007 Sustainable Development Report. Since then, the Group voluntarily used these indicators to capture its economic, social and environmental performance.

In 2008, the Group formally committed to integrating 10 of the UN Global Compact (UNGC) principles into its corporate strategy and culture, and to promote them within the sphere of its influence. This public commitment communicates the desire of the management, employees and the entire Group in the pursuit of sustainable development. The pursuit of sustainable development is determined by the Group's business values and principles and is visible in its policies and culture. Through these principles, the Group and its employees com-

mit to the continuous care of the environment, the creation of a safe workplace and implementing socially responsible behavior.

In the above context, this report also covers the requirements of the "Communication on Progress" (active level) report, presenting the integration of the principles of the UNGC in the strategy, activities and programs that the Group supports and participates in table 7.3.1 shows the respective UNGC principles & GRI indicators with corresponding references to relevant sections of this Report.

Similarly, in table 7.3.2 GRI indicators are associated with the relevant references in the Report. Where it is deemed as necessary, additional comments are provided as a supplement to the indicators.

### Table's 7.3.2 Reference Symbols






-  the Annual Report 2011, at: <http://admin.elpe.gr/Uploads/resource/ANNUAL%20REPORT%202011.pdf>
-  the Financial Statement in accordance with IFRS for the year ended 31.12.2011, at: <http://admin.elpe.gr/Uploads/pdf/2011%2012m%20Parent.pdf>
-  this Sustainability Report 2011
-  the Group's Code of Conduct, at: <http://www.elpe.gr/uploads/coc/index.html>
-  the Group's Internal Labor Code (available only at intranet)



















Table 7.3.1: Cross reference table of Global Compact Principles, GRI Indicators and the relevant sections of this Report












UNGC Principles	Relevant GRI Indicators	Relevant Sections of this Report
<b>HUMAN RIGHTS</b>		
<b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights.	EC5, LA4, LA6 - 9; LA13 - 14, HR1 - 9,	6.1
<b>Principle 2:</b> Businesses should make sure that they are not complicit in human rights abuses.	HR1 - 9, SO5	6.1 6.2
<b>LABOR</b>		
<b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	LA4 - 5, HR1 - 3, HR5, SO5	6.1
<b>Principle 4:</b> Businesses should uphold the elimination of all forms of forced and compulsory labor.	HR1 - 3, HR7, SO5	6.1 6.2
<b>Principle 5:</b> Businesses should uphold the effective abolition of child labor.	HR1 - 3, HR6, SO5	6.1
<b>Principle 6:</b> Businesses should uphold the elimination of discrimination in respect of employment and occupation.	EC7, LA2, LA13 - 14, HR1 - 4, SO5	5 6.1 6.2
<b>ENVIRONMENT</b>		
<b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges.	EC2, EN18, EN26, EN30, SO5	4, 4.2, 4.5 7.2
<b>Principle 8:</b> Businesses should undertake initiatives to promote greater environmental responsibility.	EN1 - 30, SO5, PR3 - 4	4.2, 4.7, 4.8, 7.2 6.3.3 - 6.3.5
<b>Principle 9:</b> Businesses should encourage the development and diffusion of environmentally friendly technologies.	EN2, EN 5 - 7, EN 10, EN 18, EN 26 - 27,	4, 4.2
<b>ANTI - CORRUPTION</b>		
<b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.	SO2 - 6	3.1, 3.2 6.2

Note: Table 7.3.2 provides additional information and references relevant to the Report's pages and the corresponding GRI indicators (as are written in the table 7.3.1).





Table 7.3.2: GRI - G3.1 Indicators Content Index, with additional references:









GRI	Brief Description	Reference at / Additional Comments
1	<b>Strategy</b>	
1.1	Statement from the most senior decision maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	<p> p. 5-7</p> <p> p. 8-9</p>
1.2	Description of key impacts, risks, and opportunities.	<p> p. 8-9, 16-17, 23-27, 39, 66-67, for more detailed information see at: <a href="http://admin.elpe.gr/Uploads/resource/SUSTAINABILITY%20REPORT%202010-INK-FINAL.pdf">http://admin.elpe.gr/Uploads/resource/SUSTAINABILITY%20REPORT%202010-INK-FINAL.pdf</a> (section 2.4, "Risk Management").</p> <p> p. 26-29, 31-32</p> <p> p. 23-27, 49-53, 55-60</p> <p>In a <b>macroeconomic environment</b> where:</p> <ol style="list-style-type: none"> <li>I. GDP shrinks for third consecutive year.</li> <li>II. The predictions for the future are bleak.</li> <li>III. The financing of the real economy is difficult.</li> <li>IV. Unemployment is rising.</li> <li>V. The climate of recession continues.</li> <li>VI. The uncertainty is growing.</li> </ol> <p>Changing <b>consumer</b> behavior by:</p> <ol style="list-style-type: none"> <li>I. Search for attractive prices,</li> <li>II. Reducing consumption,</li> </ol> <p>is both a challenge and an opportunity for the company.</p> <p>The <b>relationship company - consumer</b> is based on confidence, quality &amp; price. Our main <b>objectives</b> are:</p> <ol style="list-style-type: none"> <li>I. Reduce operating costs.</li> <li>II. Increase market share.</li> <li>III. Marginal increase in unit margins.</li> <li>IV. Strict implementation of credit policy.</li> <li>V. Reduction of capital employed.</li> <li>VI. Reducing investment costs.</li> </ol> <p>Sales and Marketing are working to provide their own <b>stakeholders</b>:</p> <ol style="list-style-type: none"> <li>I. A popular brand.</li> <li>II. Innovative products - services.</li> <li>III. Competitive Prices.</li> <li>IV. Strategically placed stations.</li> <li>V. Results manpower.</li> </ol> <p>This <b>strategy</b> is based on:</p> <ol style="list-style-type: none"> <li>I. Recognition of the connection company - consumer.</li> <li>II. Simplification of Procedure.</li> <li>III. Education staff.</li> <li>IV. Contact customer.</li> <li>V. Knowledge of needs and risks of each customer.</li> <li>VI. Knowledge of the competition.</li> <li>VII. Focused, measurable objectives.</li> <li>VIII. Rewards for achieving goals.</li> </ol> <p>In seeking harmonization with international laws and the sustainable development, the Procurement Dept. has recently included a relevant questionnaire in all tender documents sent to potential suppliers. Given the current economic crisis to reduce the risk of failure "cooperation" with at least the major suppliers (eg catalysts), the Procurement Dept. has initiated their classification and the monitoring of their financial data before and during the execution of requests supply.</p> <p>Of the significant challenges the Group is internally facing is the preservation of social peace, the safe operation of facilities, health &amp; safety of employees. Also, changes in the working environment due to changes in labor and insurance legislation (concerning contracts, working conditions, wages).</p> <p><b>Issues arising in 2011:</b> Management &amp; representative trade union's negotiations to conclude collective bargain agreements for determining the pay and working conditions.</p> <p><b>In Marketing:</b> Complete integration of the two commercial companies (EKO &amp; HF).</p>








		<p><b>Support services:</b> completed the second phase of the reorganization of support services (financial sector, human resources, internal audit, corporate and public relations and research and production).</p> <p><b>Changes done:</b> revision of some provisions concerning collective agreements and adjustment of working institutional framework.</p>
<b>2</b>	<b>Organizational Profile</b>	
2.1	Name of the organization.	HELLENIC PETROLEUM Group
2.2	Primary brands, products, and/or services.	 p. 18-20  p. 26, 34, 36-47
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	 p. 20-21, 28-47, 95-97  p. 12-14
2.4	Location of organization's headquarters.	8A Chimarras str., 151 25 Maroussi, Greece
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	 p. 3, 13-14, 19, 44  p. 28-47
2.6	Nature of ownership and legal form.	<p>HELLENIC PETROLEUM Group, HELLENIC PETROLEUM S.A.</p>  p. 70 <p>Greek State 35.477%, Paneuropean Oil &amp; Industrial Holdings 41.855%, Institutional Investors: Foreigners 10.892%, Greeks 4.697%, Retail Investors 7.080%.</p>
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	 p. 36  p. 18-20
2.8	Scale of the reporting organization, including: <ul style="list-style-type: none"> <li>• Number of employees;</li> <li>• Number of operations;</li> <li>• Net sales (for private sector organizations);</li> <li>• Total capitalization broken down in terms of debt and equity; and</li> <li>• Quantity of products or services provided.</li> </ul>	 p. 7-10  p. 26, 28, 31, 32-34, 74, 90-95  p. 14, 18-20, 44
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	 p. 3, (REPORTING BOUNDARIES)  <p>Because of the sale of EKO Georgia, to Energy Solutions Investment Inc., its CSR activities are not included in this report.</p> <p>1. Because of the exit from Georgia market by the divestment of HELLENIC PETROLEUM GEORGIA, its CSR activities are not include in this Report.</p> <p>2. On 18.04.2011, according the HEL.PE.' s announcement, the 24,498,751 shares (8.015% of the share capital) owned by DEKA (Public Securities S.A.) were transferred to the Greek State because of DEKA' s dessionation.</p>
2.10	Awards received in the reporting period.	 p. 80
<b>3</b>	<b>Report Parameters</b>	
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	<p>Calendar year January - December</p>  p. 2
3.2	Date of most recent previous report (if any).	<p>July 2011 (responding period: January - December 2010)</p>  see also at p. 2

3.3	Reporting cycle (annual, biennial, etc.).	Annual (01.01 - 31.12)  see also at p. 2
3.4	Contact point for questions regarding the report or its contents.	<b>Ms Rania Soulaki, Group CSR Director</b> Mail: rsoulaki@helpe.gr Tel: +30 210 6302894, Fax: +30 210 6302573
3.5	Process for defining report content.	 p. 2-5, 62-63
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	 p. 3 (REPORTING BOUNDARIES)
3.7	State any specific limitations on the scope or boundary of the report.	 p. 3 (REPORTING BOUNDARIES)
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	 p. 2-3 (REPORT'S CONTENT, REPORTING BOUNDARIES)
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	 p. 2 (REPORT'S CONTENT)  Data presented in this report are either measured (by means of continuous or sampling monitoring) or estimated using globally accepted estimation methodology. As far as measurements are concerned, international standards (ISO, ASTM) are followed whereas, in the case of estimations, methodologies developed in cooperation with international organisations (eg CONCAWE) are used.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers / acquisitions, change of base years / periods, nature of business, measurement methods).	 p. 2-3 (no restatements)
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods.	 p. 3 (no significant change)
3.12	Table identifying the location of the Standard Disclosures in the report.	 table 7.3.2, p. 92-93
3.13	Policy and current practice with regard to seeking external assurance for the report.	 p. 3 (ASSURANCE), 114-115
<b>4</b>	<b>Governance, Commitments &amp; Engagement</b>	
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	 p. 54-60  The Corporate Governance Statement states that the Group adopted the Corporate Governance Code of HFE (Hellenic Federation of Enterprises), with a reasoned reference concerning the deviations from the provisions of this Code and additional applied governance practices).  The Executive Committee assigned responsibilities of the Board for issues concerning sustainable development.  The members breakdown at the BoDs of the Group companies - included in this report - is as follows: A total of 58 members; 53 M (91.38%) + 5 F (8.62%) 20 M + 4 F are in the age group 30-50, 33 M + 1 F are in the age group over 50.  Percentage of women in senior management: 10% approx.



4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	<p>The Chairman of the Board is an executive member.</p> <p> p. 55-60</p> <p>Also the role, functions and related responsibilities of the President of the Board are outlined in the Bylaws of the Company, that are approved by the Board, within the frame and in full coherency with the applicable provisions of company law 2190/1920, as amended, apply today.</p>
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	<p> p. 116</p> <p> p. 55-60</p> <p>The BoD members are 13. The relationship between executive and non executive board members is 3:10. According to Article 2 of N.3016/2002 for corporate governance, the existence of independent members is not mandatory when representatives of minority shareholders are designated board members.</p>
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	<p> p. 71</p> <p>There are many mechanisms that facilitate two-way communication between management and shareholders - employees. Such mechanisms are the General Assembly, employee representatives and representatives of minority shareholders in the Board, the investors &amp; shareholders information office and the unions.</p> <p>Moreover, because of the Group's activity and the shareholding structure, HELLENIC PETROLEUM provided to the Ministries of Finance and Environment-Energy-Development data for answering questions of 40 MPs, all sides, on oil policy, environmental, and labor relations.</p> <p>In chapter K' of the Internal Labour Code, the Committees on Personnel Issues (Hiring Committee, Loans Committee Personnel Committee Health &amp; Safety and Industrial Affairs Committee) are defined.</p> <p>At each facility Committees for Occupational Health and Safety (E.Y.A.E.) are established.</p> <p>In chapter IB' of the Internal Labour Code (participatory processes, Articles 45 and 46) the Council of Employees Representatives and the Labour Affairs Committee are defined.</p> <p>Health and Safety Committees have been operating at all Group's facilities.</p> <p><b>Employee Suggestion Program</b> is a particularly useful tool for the Group through which information, experiences and ideas can be shared and heard. The main objective of the Program is to inform management on issues / concerns of employees. During 2011 43 proposals were received, mainly by e-mail, concerning a variety of topics including: new business, savings, human resources, CSR etc. The proposals, depending on the goal - simple, direct implementation or not - and in conjunction with the approved budget, the goals and strategy were discussed and the majority - 30 proposals - implemented or is in process of evaluating and / or implementation (70%).</p> <p><b>Other Actions:</b></p> <ul style="list-style-type: none"> <li>• Quarterly meetings of the Group executives (from department head level and above) for presentation, analysis and discussion on the financial and operating results of the Group.</li> <li>• Roadshows (every 3 months), annual analyst day, annual day of institutional investors, meetings with financial analysts (every 3 months), ensure communication with the investment community.</li> <li>• Information meetings - discussions with the engineers of industrial plants.</li> <li>• Regular meetings with the elected union representatives.</li> </ul> <p><b>Indicative issues emerged in 2011</b> Cost savings / cost reduction through online applications to send official documents, use of photo sensing switches common spaces, recycling (programs already being initiated or implemented by the relevant Departments), environmental issues, social responsibility issues (such as sponsoring innovative ideas), etc.</p>

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).	<p>For the 7 members of the Board evaluation as to their performance, supervision and control, is made by the services of the organization they represent (Greek State). 2 Board members elected by employees and 2 members appointed by the Special General Meeting of minority shareholders. For non-elective and non-appointed members of the Board there is currently no statutory assessment process, but the assignment of tasks is based on ability, qualifications and experience.</p> <p>For senior and top management, the assessment is made annually based on KPIs and associated performance of the Company with the objectives of the staff on issues such as sustainable development (safety, environment, etc.) with weighting 20%.</p> <p>Furthermore, a percentage concerning health, safety and environmental issues weights on the goals of individuals, but the weighting factor depends on company / department.</p>
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	<p> p. 17</p> <p> p. 56</p> <p>The current ratio 3 executive and 10 non-executive board members assures avoidance of "conflicting interests".</p>
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.	<p> p. 61-65</p> <p>For the 7 members of the Board evaluation as to their performance, supervision and control, is made by the services of the organization they represent (Greek State). 2 Board members elected by employees and 2 members appointed by the Special General Meeting of minority shareholders.</p> <p>For the not elected and not appointed members of the BoD there is not a documented procedure today but their competences, qualifications and expertise are taken into consideration.</p> <p>The GA audits and approves the BoD's performance.</p>
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.	<p> p. 11-12</p> <p> p. 15</p> <p> Internal Labour Code (the full text)</p> <p>List of procedures for Health, Safety, Quality and Environment - according to international standards - and corresponding policies are available on the corporate network, intranet and internet. These apply across the Group.</p> <p>The <b>Code of Conduct</b> was approved and notified in 2011 (in Greek and English) with full implementation throughout the Group. A special information program is scheduled for all employees in Greece and abroad.</p> <p><b>Group's values</b> address all the Group's subsidiaries in Greece and abroad. The statements, codes or policies concerning procurement activities fall under the existing Purchasing Regulations, common to HELLENIC PETROLEUM and EKO. With the acquisition of HELLENIC FUELS, this Regulation is revised with effect on the entire group.</p> <p>In addition, the companies develop, ad hoc, local policies depending on the nature of activity and the place. For example in Cyprus:</p> <ul style="list-style-type: none"> <li>• Policy for box for suggestions / comments / complaints.</li> <li>• Policy for clean workspace (offices only).</li> <li>• Policy for non intrusive work environment (offices only).</li> <li>• Policy for Casual Friday (offices only).</li> </ul>
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.	<p> p. 3, 16-17</p> <p> p. 49-53, 55-60</p> <p>Supporting the BoD the following relevant Committees operate:</p> <ol style="list-style-type: none"> <li>1. Audit Committee (Article 37 Law 3693/2008).</li> <li>2. Committee on Finance and Economic Planning, which, among other things, "informed by the CEO, the Group Finance General Division and auditors about significant risks or exposures and assess the measures taken or to be taken to minimize the risk about".</li> </ol> <p>In 2011, a working team has been established in order to produce a Crisis Management Manual, which is expected to be approved by the Board in 2012.</p>

4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	<p> p. 61-65</p> <p>See also indicator 4.5. p. 89</p> <p>Apart from the BOD's evaluation through the Annual Report of the Annual General Meeting, the Board monitors and reviews the implementation of its decisions on an annual basis.</p> <p>Moreover, the introduction of an evaluation system for the members of the BoD and its committees is under consideration.</p>
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	<p> p. 17, for further information about Risk Management see at: <a href="http://admin.elpe.gr/Uploads/resource/SUSTAINABILITY%20REPORT%202010-INK-FINAL.pdf">http://admin.elpe.gr/Uploads/resource/SUSTAINABILITY%20REPORT%202010-INK-FINAL.pdf</a> (section 2.4).</p> <p>Risk management measures implemented within the premises of HELLENIC PETROLEUM and communicated to downstream users through extensive safety data sheets of products.</p> <p>The scheduled public opinion surveys (section 6.4), the employees' - partners' - customers' satisfaction surveys (sections 5 &amp; 6.3), the risk assessment (section 3.2) and the quality, environmental, health and safety policies (section 6.3) confirm a proactive approach.</p> <p>HR applies the "precautionary principle" in all its areas of operation (HR planning, selection and recruitment, training &amp; development, succession planning, evaluation, reward) to prevent any risks arising from non systematic or thorough evaluation of parameters affecting its areas of operation. Moreover, monitors the market trends on remuneration – benefits issues, through surveys issued by specialized consulting firms, changes in labor and insurance issues, through the Press Labor Legislation, whereas is updated as a member of the HFE &amp; HMA. Furthermore, the Group participates in the relevant study of SOLOMON in order to know its position in relation to its competitors and is working with Shell Global Solutions for refinery optimization issues.</p> <p>In the area of procurement, "the precautionary principle" is one of the basic principles of operation and included in the formulation of specific procurement strategy, with particular attention to ensure seamless and endless supply in the best techno-economical conditions (eg, restriction of monopolies supply).</p> <p>By recording targeted number of near misses and taking preventive measures, DIAXON, avoids potential accidents.</p>
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	<p> p. 16, 39, 67, 81</p> <p> p. 55 (HFE' s Code of Corporate Governance)</p>
4.13	Memberships in associations (such as industry associations) and / or national / international advocacy organizations.	<p> p. 23-24, 39, 81-82</p>
4.14	List of stakeholder groups engaged by the organization.	<p> p. 4-5, 62-63</p>
4.15	Basis for identification and selection of stakeholders with whom to engage.	<p> p. 4-5, 62-63</p>

4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	<p> p. 4-5, 62-63</p> <p>Moreover, the scheduled annual public opinion surveys (section 6.4), the regular employees' - partners' - customers' satisfaction surveys (sections 5, 5.4, 6.3 and indicator 4.4), the regular communication with customers, partners &amp; employees (their representatives are members of the BoD) confirm the engagement of the interested parties.</p> <p>Specifically:</p> <p><b>Investors:</b> Apart from regular interaction mentioned above, feedback is sought wherever possible, either formally (eg through the broker who organizes a roadshow and then comes in contact with the investor), or informally by direct contact with participants analysts. There is no institutionalized communication channel, but an open line of communication of the stakeholders with the IR Department, through which they contact the company and get answers to their questions. The roadshows (3 times per year), the day for financial analysts (once a year), the days of Greek institutional investors (annually), the conference with financial analysts (3 times per year) operating at a frequency sufficient to ensure continuous communication with the investment community. Whenever further data is required regarding the operation of the company, it is provided to the interested persons.</p> <p><b>Suppliers:</b> Regular communication through personal contacts and discussions are part of the department's operation aiming to enhance cooperation through a constructive dialogue and exchange of information and experience from the existing cooperation. Clearly there is evaluation of the main contractors, after completion of a project, in issues concerning safety, performance, compliance with contractual obligations, etc (for these reasons the evaluation sheet is filled in).</p> <p><b>Customers:</b> Scheduled communication through the sales consultants at least once a month. During the visit, potential deficiencies are identified or corrective actions noticed at previous audits are monitored. We develop a mystery-shopper program, per month at the Group owned petrol stations and per three months to the rest. On an annual basis and after evaluation, especially in areas concerning image, safety, products promotion etc., station owners are rewarded. The Group companies, locally, conduct market research and customer satisfaction surveys.</p> <p><b>Employees:</b> Through the internal network (intranet) the employees are daily updated with business news related to the activities of the Group, (information, announcements, articles, calls concerning the Group in general and / or its subsidiaries). Also, employees are informed about the promoting activities of the retail network of the Group. Along with the internal network, the most important news / announcements are posted on bulletin boards on specific landmarks in all buildings of the Group. The employees' approach is mainly through electronic invitations, individual or group depending on the audience and the type of event and is at a regular frequency (from daily to annual), again depending on the type of event.</p> <p>The content of the home page of the intranet is daily checked / reviewed and the main issues are renewal every 2 to 3 days renewal. More than 80% of employees in Greece have access to pc. All employees are informed by postings on bulletin boards, e-mails concerning notices and management decisions, or printed material received from specific distribution outlets (eg, entry - exit point of workplaces). Finally, there are electronic information boards in plain view on the premises of industrial plants. Moreover, quarterly financial results briefings to the senior and middle management, via emailed invitation.</p>
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.	<p> p. 62-63, 68-70, 71-73</p> <p>Indicative list of important issues:</p> <ul style="list-style-type: none"> <li>• Support for unemployed 69%.</li> <li>• Provision of health services 53%.</li> <li>• Support of elderly 47%.</li> <li>• Support for vulnerable social groups 31%.</li> <li>• Support young people and strengthen education 31%.</li> <li>• Provision of relief items to vulnerable social groups 30%.</li> <li>• Promotion of recycling 12%.</li> </ul> <ul style="list-style-type: none"> <li>- Employment for local communities 43%.</li> <li>- Take measurements to reduce pollution 35%.</li> <li>- Creating new jobs 20%.</li> </ul>



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.	<p>It was also recorded that:</p> <ol style="list-style-type: none"> <li>1. The completion of the Elefsina refinery and the smooth operation is the major concern for the investing community.</li> <li>2. Communication with the Greek investment community strengthened by organizing the relevant workshop in June 2011. In addition during the opening of the plant at Thisvi, were invited financial analysts (from Greece and abroad). Moreover, an analysts meeting was held at the headquarters with a visit to the upgraded refinery in Elefsina.</li> <li>3. The Sustainability Report provides a framework for a structured approach to all these questions for better response.</li> <li>4. The breach of contractual obligations by the supplier (eg pallets of chemicals) and the failure to execute a project lead to the redefinition of needs, re-evaluation of the reliability of suppliers, cost renegotiation, search of new partners, tender reopening. As long as the technical offer of a potential supplier is rejected, the sealed financial bid is returned in accordance with the current regulation of procurement.</li> <li>5. Marketing, in the context of continuous training of the petrol stations personnel, develops training material focusing on the following topics of interest: a) behavior to consumers, b) safety at service stations, c) sales regulations, d) consumers' management complaints, e) personnel appearance.</li> <li>6. Scheduled training of employees in customers' complaints, health and safety.</li> </ol>
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#### Management Approach Disclosures




EC	Economic Performance.	The Group's strategy has been formulated with the objective of sustainable development and the principles of safe operation of plants and facilities. We focus on environmentally responsible operation of the units and - environmentally friendly - product specifications, corporate social responsibility, good cooperation with local communities to protect the employees' health and adding value for shareholders.
EN	Environmental Performance.	We have adopted and implemented, environmentally friendly management policies - beyond those required by legislation - in order to contribute to the strategic objective of the Group for sustainable development. For the operation of the facilities we employ methods, techniques and know-how to avoid and prevent potential environmental impact and to handle the waste with the application of BATs.
SO	Society.	The Group, as a responsible corporate citizen, designs and implements, in a systematic way, a multifaceted social program to provide substantial support to the residents of neighboring municipalities who need it, confirming its socially responsible behavior. Our believe, to support local communities that are close to our industrial facilities, is implemented by continuously strengthening of actions, planning and implementation of welfare programs to support vulnerable groups and the implementation of infrastructure projects. Moreover, our subsidiaries abroad participate in social contributions as cultural and social partners (citizens) of the local communities.
HR	Human Rights.	We defend human rights within the sphere of influence and operation of the Group. Respect to employment, employment with dignity, meritocracy and equal opportunities for professional development and progress, are among our basic principles. In this context any kind of discrimination, employment of minors and all forms of forced labor are prohibited. Furthermore, we support the balance between social and professional life, equal remuneration for equal work, regardless of gender, ethnicity or religion.
LA	Training and Education.	The right to education and development is an established company policy. This includes life-long learning programs, aiming at continuous improvement of skills and knowledge of the Group's human resources. People's development, lifelong training and retraining is one of our main objectives and key competitive advantage. Our employees are a key pillar of the Group's corporate strategy; their capabilities and effectiveness contribute to the fulfillment of our objectives and the management of economic, social and environmental challenges.
	Occupational Health and Safety.	Continuous care for the health and safety of employees, their families and the citizens of the neighboring communities, is a primary concern for the Group and hence policies, actions and programs that contribute towards this direction have been adopted.

LA	Labor Practices and Decent Work.	We design and implement strategies and adopt modern policies, through which the Group's vision as an "employer of choice" and "our people are our most competitive advantage" is implemented, our business objectives are achieved, our values and principles are applied. The Group places particular importance in shaping a dynamic policy framework for managing human resources in order to achieve optimal operational objectives while meeting the goals and expectations of employees.
	Diversity and Equal Opportunity.	Remuneration is only determined by individual performance, experience, etc., and within the context of the collective labor agreements, without any distinction of sex, age or otherwise. The right to education and development is an established company policy.
PR	Product Responsibility.	In the context of the quality policy and care for customers, the Group is committed to supplying products and services fully comply and / or better than the agreed specifications, to provide full technical data on the quality of products / services to all concerned and to provide customers, partners and executives the opportunity to evaluate and assist in further improving the quality of products and services.

## EC Performance Indicators

EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	<p> p. 21</p> <p>Group's payroll: € 220,381,291  Insurance contributions: € 44,459,969  Tax: € 45,434,063  Insurance program: € 6,124,174  Pension plan: € 9,343,601  Food allowance: € 3,753,300  Staff transportation: € 4,255,000  Extra financial support: € 131,835  Support to employees' families members with disabilities: € 124,379  Long-service allowance: € 63,067  Financial aid for serious health cases: € 68,176  School aid: € 450,302  Other benefits: € 1,800,789</p>
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	<p>The potential risks and related financial-economic impacts are an integral part of the feasibility report for each project and investment. Participation in committees &amp; actions with other companies in the sector (see section 7.2) facilitates the monitoring of the forthcoming regulatory changes. The Group's commitment to sustainability issues is confirmed by the participation to the Board Council for Sustainable Development, the commitment to the UNGC and the cooperation with the Network for Corporate Social Responsibility.</p> <p> p. 24-27 (Actions for: Energy Saving, Biofuels, RES)</p> <p>Financial implications and other risks and potential opportunities for operational activities due to climate change are within the scope of any feasibility study concerning investment operations of the Group. The company's strategic choice for tackling climate change is the energy saving, both in production activity and administrative functions.</p> <p>The obvious financial impacts have to do with the costs associated with the projected deficit of the rights concerning emissions of greenhouse gases (GHG), as the three refineries in Greece participate in the European Emissions GHG Trading Scheme. The developments concerning the relevant Directive 2003/87/EC are monitored, at European level for the sector (participation in a EUROPIA group) and the impacts are evaluated at country and company level.</p> <p>For the first two trading phases (2005-2007 and 2008-2012) almost all of the rights allocated for free to industries, based mainly on past emissions. Especially for Greek refineries, this was done without taking into account the investment for the environmental improvement of fuel, which have let to increased energy consumption, and ignoring their early action to save energy, resulting in a deficit.</p> <p>For the period 2013-2020 (third trading phase), which changes the rules of allocation and only 50% of total allowances will be distributed free while the remaining 50% will be auctioned - because of the exposure of the refining industry at a significant risk of "brain carbon" (carbon leakage) - the refineries will receive 100% free allocation of allowances to be derived on the basis of the price benchmark resulting from the average of 10% most efficient installations of the oil sector (in the years 2007-2008), which is 29,5 kg CO<sub>2</sub>/CWT. This leads the industry benchmark at European level reductions of 23%, a higher percentage than the EU target of 21% applicable to other industry sectors.</p>

EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	<p>HELLENIC PETROLEUM, for the period 2013-2020 would have a deficit of around 25% of emissions, taking into account the modernization of the Elefsina refinery. Given that the technical options available for effective reduction of CO<sub>2</sub> emissions are limited at existing facilities; because refineries have a high degree of energy optimization by implementing for many years energy saving projects, there will be costs to purchase the required emission allowances from 2013.</p> <p>It is also noted that because power generation activities are not allocated free allowances (since 2013), refineries are expected to incur additional increased cost concerning electricity purchases; as the cost of buying allowances for electricity is expected to be shifted to consumers.</p> <p>Other potential risks include increased costs for fuel and raw materials, reduced demand for energy-intensive products as well as additional measures to control and reduce GHG, which are related for the sector at European level.</p> <p>The evaluation of potential opportunities for natural gas &amp; advanced biofuels market penetration is continuous. Moreover, investments are implemented for the improvement of the energy efficiency and in the field of RES.</p>
EC3	Coverage of the organization's defined benefit plan obligations.	<p> p. 43-44</p> <p>The Group does not use defined benefit plan, but defined contribution plan. With this program are covered: HELLENIC PETROLEUM 96.93% of employees, ASPROFOS 66.66%, DIAXON 95%, HP Cyprus 100% of permanent staff and JPK 100%. The employees contribute to the cost, and more specifically to health and pension plan.</p> <p>Indicative examples are (DIAXON &amp; HEL.PE.):</p> <p>"Newly insured employee": 2.5% employer contribution and 0.5% to 5% employee contribution.  "Already insured employee": 6.5% employer contribution and 1.5% to 5% employee contribution.</p> <p>At ASPROFOS: the employee contribution is 2-4% and the company participation is 3%.</p> <p>At HP Cyprus: the company pays 5% &amp; the employee 5-15% of the employee's annual salary, to the welfare fund. For the Pension Fund the contribution comes entirely from the company. For 2011 the percentage was 15.6% over the annual salary.</p> <p>At JPK &amp; EKO Bulgaria: a standard, obligatory scheme, which is predefined by the national law.</p> <p>At EKO Serbia: All contributions for pension and health are covered by the company (22% 12.3% of gross salary).</p>
EC4	Significant financial assistance received from government.	No direct financial support from the State.
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	<p>With the assumption that "local minimum" are the national collective bargaining agreements, then, HEL.PE.'s employees are compensated over and above them.</p> <p>No permanent employee is remunerated at the minimum / basic salary in HEL.PE., EKO, DIAXON, EKO Bulgaria, EKO Serbia and JPK Montenegro.</p> <p>Significant locations of operation are the industrial sites Aspropyrgos, Elefsina &amp; Thessaloniki.</p> <p>Indicative examples of salaries are:  operator earns 32% higher than the "local minimum" and engineer earns 62% higher than the that "local minimum"</p> <p>ASPROFOS: (based on 100 sector's agreement) the deviation from the standard minimum wage is: 96% engineers, accountants, 98%, 114% office workers, technicians 105%.</p> <p>EKO: The minimum wage in force at local level is approximately 79% of basic salary for a typical newly recruited to the company.</p> <p>EKO Bulgaria: 330 %. Minimum wage - €135. Entry level wage € 450. The entry level (new hires with no experience) are higher than the local as follows: for engineers 330 %, for accountants 330 %, for technicians 330 %.</p> <p>EKO Serbia: engineers 444%, accountants 166%, sales representatives 277%.</p> <p>JPK (Montenegro): the lower company salary is 2.28-2.67 times higher than the local minimum.</p> <p>OKTA (FYROM): no local minimum in 2011.</p> <p>HP Cyprus: There is a collective bargaining agreement, which regulates the wage scale in relation to the respective job. On the basis of these bands will set the salaries of new recruits. The collective agreement is common to all 3 major oil companies (HEL.PE., BP, Exxon Mobil) operating in Cyprus. The permanent staff is paid based on levels of collective agreement. The seasonal staff is paid based on the minimum wage (€ 900 per month) fixed by law for specific occupations.</p>

EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	<p> p. 71, the spending proportion on locally-based suppliers at significant locations of operation is 10% of total expenditure for supplies and is presented in table 6.4.1.</p> <p>Local supplier is defined as the provider of materials, products, and services that are based in the same geographic market as the significant locations of the Group. Significant locations are the neighboring to the refineries municipalities at Thriassion and Thessaloniki.</p> <p>Group policy is to support the local market and local contractors, since are not affected the selection criteria, such as safety, quality standards or competitiveness. In this context the Group (along with other large companies) is investing in proper training of subcontractors to ensure their ability to participate in projects of the Group.</p>
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	<p>In the category "senior management" executives with rank higher than the Assistant Director are included. This proportion of executives from local communities is about 5%.</p> <p>DIAXON: The percentage of executives from the local community is 40% (2 out of 5 employees). Staff with rank higher than supervisor is considered as executives.</p> <p>EKO Bulgaria: 33% of executives from the local community.</p> <p>EKO Serbia: 25%, furthermore there is a policy to prefer executives from the local community (the executives are managers &amp; directors).</p> <p>JPK Montenegro: 70% of executives from the local community (the staff is 5% of workers).</p> <p>OKTA FYROM: 17.5% of executives are from the local community (staff is 16.6% of employees).</p>
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	<p> p. 38, 74-79</p> <p>On 23-28.11.11 a quantitative survey took place based on a structured questionnaire and on 7-28.11.11 a qualitative survey took place involving selected individuals from local communities. Such approaches are used to determine the investment in infrastructure and other activities for the benefit of local communities. All projects are made in consultation with local communities. Indicatively are referred the € 41.5 K project for the drainage of surface water and groundwater level adjustment - continues for second year - in Bujkovci-Iinden, the study for the development of Koumoundourou lake (€ 21,000), as well as the cooperation with HCMR (Hellenic Center for Marine Research) to monitor the water quality of the lake (€ 80.000), a mosquito control program at the municipalities of Menemeni &amp; Ampelokipi (€ 7,600), the donation for asphalt and instruments to measure air pollution at Aspropyrgos (€ 8,000), the donation of skippers and transport vehicle to Elefsina (€ 99,500), the nursery building at Delta (€ 306,000).</p>
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	<p> p. 62-63, 71-73</p> <p>On 23-28.11.11 a quantitative survey took place based on a structured questionnaire and on 7-28.11.11 a qualitative survey took place involving selected individuals from local communities. The surveys, regular communication and consultation are used to determine the investment in infrastructure and other actions for the benefit of local communities and to understand the significant indirect effects locally. Assessing the findings will lead in planning activities for 2012. It has been recorded that local communities anticipate actions with a focus on supporting the unemployed, health services, in support of elderly and vulnerable groups in general.</p> <p>Moreover, during the planning phase of new investment care is taken of the direct and indirect impacts. For example, during the implementation of the project "Modernization and Upgrading of Refinery" an increase for job positions locally was noted, as well as support of the local market (supply, jobs).</p> <p>The typical average employee's wage in the Group is 30-60% higher than the equivalent salary in Greece; respectively abroad is up to 300% higher than the corresponding national average.</p>




EN	Environmental Performance Indicators		BEA	BEE	BEØ	OKTA	Units / Comments
EN1	Crude oil		6.226	312,1	1.366,5	699,0	ktn
	Materials used	Catalysts		7,12	144,8		tn
		Additives		563		2.696	3,17
EN2	Recycled Input Materials	Slop oil/crude oil	0,06	2,08	2,6	1,46	%
EN3	Energy	Self-Consumption fuels	21.735,58	575,33	3.954,00	2.471,00	TJ
	Electricity	Total	1.633,23	73,92	696,19	54,35	TJ
		Self-Production		1.061,72	0	62,39	
EN4	Indirect energy consumption by primary source	Total from PPC	571,51	73,92	633,80	54,35	TJ
		Conventional sources	530,42	67,95	588,60	44,03	TJ
		RES	41,09	5,97	45,20	10,33	TJ
EN5	Energy saved due to conservation and efficiency improvements		BEA: 7.582, BEØ: 71.427				GJ It concerns reductions of the fuel consumption (in 2011) due to reduced steam consumption because of operational improvements and losses reduction. See also section 4.2 (energy saving).
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.		See section 4.2 (biofuels & RES)				
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.		In 2011 the indirect energy consumption measuring program had been extended in order to include administration and offices buildings at Aspropyrgos refinery. This measuring program, started in 2010 with the HQs building at Maroussi, is continuously expanded. Based to abovementioned and to initiatives for personnel transportation, a significant percentage of personnel (50% for BEA & 32% for HQs) commute by either company's transportation (buses) or public transportation (bus, train). See also section 4.2.				
EN8	Total water withdrawal by source.	Total	3.276.887	5.296.805	2.271.149	1.541.000	m³
		Sea water	1.282.319	4.608.000	0	0	m³
EN9	Water sources significantly affected by withdrawal of water.		Not such significantly affected water sources.				
EN10	Percentage and total volume of water recycled and reused, based on the total water volume.	Percentage	5,95	0,18	0,44	0	%
		Volume	195.040	9.576	9.894	28.5	m³
EN11	Location and size of land owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected areas.		None of the Group's refineries is near protected areas (NATURA, RAMSAR). All installations are in established industrial areas.				
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.		Significant work has been done for the minimization of the impacts to the environment and the ecosystem. The refineries are the industrial sector with the wider application of the Best Available Techniques for the environmental protection.				
EN13	Habitats protected or restored.		Not such habitats. See also EN11 and section 4.7.				
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.		See section 4.7				
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations.		0	0	0	0	
EN16	Total direct and indirect greenhouse gas emissions by weight.	Verified CO <sub>2</sub> emissions	1.423	47	241	164	Ktn See section 4.2. The direct GHG emissions (CO <sub>2</sub> ) from the three refineries in Greece - covered by the directive 2003/87/ECEK (ETS) - are calculated in accordance with the methodology of the relevant decision 2007/589/EC & the GHG emission permits issued by the Emission Trading Bureau. There are no emissions related to activities of special interest.

EN	Environmental Performance Indicators		BEA	BEE	BEØ	OKTA	Units / Comments	
EN16	Total direct and indirect greenhouse gas emissions by weight.	Direct GHG emissions except CO <sub>2</sub> (eg HCFCs, CH <sub>4</sub> , N <sub>2</sub> O)	8.533	1870	3.021	n.a.	tn CO <sub>2</sub> eq (HCFCs emissions in accordance with the PRTR report)	
		Indirect emissions - National grid (PPC 1,021kgCO <sub>2</sub> /kWh)	162.086	20.965	179.752	15.415	tn	
		Indirect emissions - electricity at HQs office buildings	HQs building at Maroussi: 1,558 tn CO <sub>2</sub> eq Aspropyrgos refinery, office building: 3,846 tn CO <sub>2</sub> eq					tn CO <sub>2</sub> eq
		Total	1.594	70	424	179	Ktn CO <sub>2</sub> eq All Group's refineries are included.	
EN17	Other relevant indirect greenhouse gas emissions by weight	Total amount of indirect CO <sub>2</sub> emissions, from all activities (air trips, private transportation) at: HQs building at Maroussi and Aspropyrgos refinery, office building.	2.073				tn CO <sub>2</sub> -eq (apart from electricity consumption which is referred at EN16)	
		Estimation concerning emissions related to the use of end product (GHG protocol, Scope 3), eg transportation fuels.	26.935				ktn CO <sub>2</sub> -eq (emission coefficients taken from Greece National Inventory Report 2011).	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Energy save - energy exploitation of the thermal streams & steam.	191.994	0,00	11.956	0,00	tn CO <sub>2</sub> -eq Section 4.2 - Description of the calculation method, chart 4.2.2	
EN19	Emissions of ozone-depleting substances by weight.	HCFCs	0,025	0,01	0,002	0,00	tnCFCEq	
EN20	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight.	NO <sub>x</sub>	2.284	64,5	320	445	tn	
		SO <sub>2</sub>	3.970	191,9	783	780	tn	
		VOC	683	1.233	236	600	tn	
EN21	Total water discharge by quality and destination.	Volume	1.950.398	3.139.880	1.303.410	1.324.500	m <sup>3</sup>	
		Destination	Saronicos gulf	Saronicos gulf	Thermaikos gulf	Bujkovacka		
		Treatment method	The refineries effluent treatment units include 1st, 2nd and, some units, 3rd level treatment.					
		H/C index	1,44	7,94	2,93	2,15	gr HC / tn throughput	
EN22	Total weight of waste by type and disposal method.	Total	5.389	3.518	7.538	20,5	tn There is no reporting limit; all quantities are reported. Wastes are neither underground disposed nor composted nor stored.	
		Hazardous	3.262	3.518	163	15,0		
		Non Hazardous	2.127	0	7.37	5,50		
		Reuse	596,7	1	55,7	0		
		Recycle	5,3	0,1	41,4	0		
		Burning	1.422,76	24,1	0	0		
		Recovery	3.364,24	3.492,80	146,1	0		
Burial	0	0	7.295,4	20,5				
EN23	Total number and volume of significant spills	>100bbls	0	0	0	0	tn Furthermore, no significant leaks in storage and during transport (subcontractors). See also Section 5.3.3 for safety.	

EN	Environmental Performance Indicators		BEA	BEE	BEΘ	OKTA	Units / Comments
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.	Quantity	2.507	0	144,8	0	tn (no import of wastes from abroad)
		Percentage	46,5	0	2	0	%
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.	No affected ecosystems. See EN11, EN13 & section 4.7.					
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	The supply of "cleaner" fuels (zero sulphur), the addition of bio-diesel to fuels and the use of cleaner self-consumption fuels contribute to the reduction of the environmental impacts from the main Group's products. More specifically, a reduction of the sulphur content, at the following fuels, has been achieved, because of significant environmental investments (actual values less < or more less << than the specs): Gasoline & diesel 0.005%w/w (2006), <0.001%w/w (2011). Air fuel 0.30%w/w (2006), <<0.30%w/w (2011) Gas oil (heating) 0.2%w/w (2006), <0.1%w/w (2011) Fuel oil (self-consumption) 2.7%w/w (2006), <1.0%w/w (2011). Moreover, the finally supplied fuels from the Group's commercial companies EKO & HF significantly contribute to the reduced emission of wastes and the reduced fuel consumption; eg the EKO 95 EKONOMY (up to 2% less fuel consumption) and the new BP Ultimate 95 (12 more km on average compared to conventional fuel).					
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Packaging materials are not in use since fuels are transported via pipelines, tank trucks and ships. See also section 6.3.4.					
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	0	0	0	0	No fine or other penalty for failure to comply with environmental legislation or regulations.	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	To quantify the environmental impact caused by personnel commuting, in 2011, a study was carried out concerning personnel working at the Aspropyrgos refinery, administrations building. The study showed that a 50% of employees use either public transportation or company's buses instead of private cars (total emissions from road travel 358tCO <sub>2</sub> -eq). Moreover, the ways of raw materials and products transport were studied and it was estimated (one of the few oil companies that make such a calculation) that the transport by ship results in emission of 310 ktCO <sub>2</sub> -eq (for crude deliveries, deliveries of raw materials / products, transport and export of intermediate products).					
EN30	Total environmental protection expenditures and investments by type.	total	2.508.517	707.901	821.300	0	€ See section 4.9
		Waste treatment and disposal	1.912.589	247.973	760.000	0	€
		Fees for certification of environmental management system, preventive cost	1.900	46.407	12.000	0	€
		Equipment maintenance cost	229.630	88.202	49.300	0	€
		Cleaning and restoration cost, emissions management cost	364.398	325.319	0	0	€

LA1 Total workforce by employment type, employment contract, and region, broken down by gender.

 p. 44-45

Normally there are no seasonal workers. EKO is an exception because of staff seasonal changes at the premises of airports.

**HEL.PE.**

Breakdown by gender, contract and age group:

TYPE OF CONTRACT	M	F	TOTAL
Permanent	1,870	281	2,151

	AGE GROUP					
	<30		30-50		>50	
	Persons	%	Persons	%	Persons	%
M	268	12.46%	1,155	53.70	447	20.78
F	27	1.26%	212	9.86%	42	1.95%
TOTAL	295	13.71%	1,367	63.55%	489	22.73%

**ASPROFOS**

Workforce by gender & employment contract:

TYPE OF CONTRACT	M	F	TOTAL
Permanent	122	91	213
Fixed time	3	0	3
Supervised workers	62	1	63
Full timers	125	91	216

**DIAXON**

Breakdown by gender & employment contract:

TYPE OF CONTRACT	M	F	TOTAL
Permanent	83	15	98
Fixed time	2	0	2
Supervised workers	34	1	35
22M students, 6 months apprenticeship, full timers			

**Global Albania:**

Breakdown by gender & employment contract:

TYPE OF CONTRACT	M	F	TOTAL
Permanent	7	1	8
Fixed time	5	1	6
7 full-timers		1 part-timer	

**EKO Bulgaria**

Workforce breakdown by gender, country of origin & employment contract:

COUNTRY	M	F	TOTAL
Greece	3	0	3
Bulgaria	28	29	57
TOTAL	31	29	60
Supervised workers		2	
59 permanent employees		1 fixed time	

**JPK Montenegro**

Breakdown of workforce by country of origin and gender:

COUNTRY	MNG	SERBIA	GRC	BOSN	TOTAL
M	164	5	2	1	172
F	72	1	0	3	76
TOTAL	236	6	2	4	248

LA1

Total workforce by employment type, employment contract, and region, broken down by gender.

**JPK Montenegro**

Breakdown of workforce by gender & type of contract (all full timers):

TYPE OF CONTRACT	M	F	TOTAL
Permanent	143	45	188
Fixed time	29	31	60
TOTAL	172	76	248

**EKO Serbia**

Breakdown of workforce by gender & type of contract:

TYPE OF CONTRACT & EMPLOYMENT	M	F	TOTAL
Permanent contract & full timers	16	23	39
Fixed time & full timers	4	5	9
Supervised workers	30	5	35
TOTAL	50	33	83

The heads of the privately owned petrol stations considered as supervised workers who follow all company's regulations.

**HP Cyprus**

Indefinite contract and full time 40 M + 17 F.

**OKTA FYROM**

Breakdown of workforce by gender & type of contract (all full timers):

TYPE OF CONTRACT	M	F	TOTAL
Permanent	523	111	634
Fixed time	55	40	95
Supervised workers	21	33	54
TOTAL	599	184	783

**HF**

Breakdown of workforce by gender & type of contract:

TYPE OF CONTRACT	M	F	TOTAL
Permanent	143	46	189
Fixed time	7	8	15
TOTAL	150	54	204

**EKO**

Breakdown of workforce by gender & type of contract:

TYPE OF CONTRACT	M	F	TOTAL
Permanent	266	135	401
Fixed time	9	0	9
TOTAL	275	135	410

LA2



Total number and rate of new employee hires and employee turnover by age group, gender and region.




 p. 45

New hires by age group and gender				
		<30	30-50	>50
HEL.PE.	M	4	1	0
	F	0	0	0
ASPROFOS	M	1	1	0
	F	0	0	0
EKO Bulgaria	M	0	3	0
	F	1	1	0
EKO Serbia	M	0	2	0
	F	2	0	0
DIAXON		0	0	0
JPK Montenegro	M	1	5	0
	F	1	0	0
OKTA FYROM	M	19	5	0
	F	5	2	0
HP Cyprus		0	0	0
HF	M	0	8	0
	F	0	3	1
EKO	M	0	2	2
	F	0	0	0




New hires turnover only at: **ASPROFOS** (1 M, <30) and **JPK** (1 M <30, 1 M 30-50).

Employee turnover by age group & gender				
		<30	30-50	>50
HEL.PE.	M	0	8	265
	F	0	6	42
ASPROFOS	M	0	0	2
	F	0	1	1
EKO Bulgaria		0	0	0
EKO Serbia	M	0	3	0
	F	3	0	0
DIAXON		0	0	0
Global Albania	M	0	0	1
	F	0	1	0
JPK Montenegro	M	2	6	9
	F	1	0	0
OKTA FYROM	M	0	2	39
	F	0	2	18
HP Cyprus		0	0	0
HF	M	0	10	15
	F	0	0	4
EKO	M	0	14	55
	F	0	21	21

LA2	Total number and rate of new employee hires and employee turnover by age group, gender and region.	<p><b>Percentage of employees that stay in the Group</b> (loyalty indicator, the voluntarily leaving employees are not included)</p> <p>HEL.PE.: 99.3%</p> <p>DIAXON &amp; ASPROFOS 100%</p> <p>HP Cyprus 100%</p> <p>EKO Bulgaria 96.7%</p> <p>JPK Montenegro 98.2%</p> <p>OKTA FYROM : 95.7%</p> <p>HF: 54% has more than 10 years of service</p> <p>EKO: 82% has more than 10 years of service</p> <p>EKO Serbia (9 years of operation): 12.5% =&gt; 8-9 years, 39.5% =&gt; 5-8 years, 21% =&gt; 3-5 years, 27% =&gt; 0-3 years</p>
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	<p> p. 43-44, 46-48</p> <p><b>HEL.PE.</b> From the list shown in section 5, the following benefits are not provided to fixed term employees: loans, supplementary insurance schemes, scholarships and allowances for employees' children.</p> <p><b>ASPROFOS</b> Benefits to permanent employees: school allowance, summer activities for children, childcare allowance, award to employees' children for excel school performance, extra financial support to employees due to marriage or birth.</p> <p><b>DIAXON</b> Benefits to permanent employees: summer camps, childcare allowance, loans, school allowance, students' allowance, award to employees' children for excel school or university performance, financial support to learn foreign languages, monetary allowances (marriage, child, spouse or child death), financial support to employees with children with special needs</p> <p><b>EKO Bulgaria:</b> Additional Health insurance, Food vouchers, Mobile phones.</p> <p><b>EKO Serbia:</b> lap top, mobile, private health insurance to permanent employees.</p> <p><b>HP Cyprus:</b> pension fund, welfare fund, contribution to the national social security system (legal obligation), health fund, medical insurance, life insurance program.</p> <p><b>JPK Montenegro:</b> long service allowance, humanitarian support, scholarships, Xmas presents to employees' children.</p> <p><b>OKTA FYROM:</b> long service allowance, financial help for children of employees who are pupils / students, financial help for employees (sickness, death, disaster), awards for children of employees with excel at high school, severance pay for retirement, Xmas gifts to employees.</p> <p><b>EKO &amp; HF:</b> Benefits to employees with fixed time contract: Expenses for preventive medical tests Wedding/birth allowance Shopping vouchers Company's participation in nursery expenses Awards on achieving safety goals Summer camps for employees' children.</p>
LA4	Percentage of employees covered by collective bargaining agreements.	<p> p. 65</p> <p>HEL.PE. 96%, 4 labor unions</p> <p>HP Cyprus: 3 labor unions, 100% membership (60% for financial issues)</p> <p>ASPROFOS 95,5%, 1 labor union</p> <p>DIAXON 99%, 1 labor union</p> <p>Albania, Bulgaria, Serbia: None</p> <p>JPK: 98% union members</p> <p>OKTA: 97%, 1 labor union</p> <p>HF: 100% 2 labor unions</p> <p>EKO: 94% 1 labor union</p>

LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	<p>As long as changes concern large number of employees, the notification is made by the Administration. It can be done by emails, personal appeal, personal letters, notes, or notification of decisions or Administrative Service Board.</p> <p>All major changes concerning an employee (such as collective agreements) have to be approved by the Working Council. Any change in conditions of individual contracts is disclosed to interested parties under the provisions of PD 156/94 within one month of the upcoming change.</p> <p>The minimum notice period of one month applies to all major changes.</p> <p>Depending on the local/national legislation, the minimum notice period might vary, eg in Bulgaria, Serbia, Skopje the minimum period is 30 days, in Montenegro is 5 days, in Cyprus is 2-3 months.</p>
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	<p>100% of the personnel.</p> <p> p. 51</p>
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	<p> table 5.3.3 at p. 56 (minor accidents are not included in table 5.3.3) Not all facilities keep statistics concerning accidents distribution by gender.</p> <p>Clarifications:</p> <ul style="list-style-type: none"> <li>• The Injury rate (IR) indicator corresponds to the AIF indicator of table 5.3.3, except that the multiplying coefficient of 1.000.000 (in Europe) instead of 200.000 (in USA).</li> <li>• The ODR indicator is mentioned in table 5.3.3 (last two lines), except that the multiplying coefficient of 1.000.000 (in Europe) instead of 200.000 (in USA).</li> <li>• The Absenteeism rate (AR) is mentioned at the end of table 5.3.3, but there is not a systematic documentation at all facilities.</li> </ul>
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	<p>The Greek Cardiology Institution was invited to the facilities of the Group and presented to employees and their families the lecture "<b>Prevention of cardiovascular disease - smoking, diabetes, hypertension, cholesterol, exercise, diet: their role in our lives</b>". At the end of the lecture a survey, via questionnaires, was carried out in order to collect data and information for better future selection of topics.</p> <p>In cases of serious illness or loss of a family member of the employee, the company provides support by a psychologist or social worker.</p> <p>At the facilities' infirmaries, the physicians train the shift working employees on First Aid provision, handling of respirators (recovery from major accidents), means of rescue from enclosed workplaces, etc.</p> <p>The Group's companies, ad hoc, inform their employees in case of diseases or whenever seasonal viral outbreak is observed, (by emails, bulletin boards, announcements on notice boards, etc).</p>
LA9	Health and safety topics covered in formal agreements with trade unions.	<p> Facilities certification in accordance with OHSAS 18001/EAOT 180, see also p. 67</p> <p>Health and Safety issues, agreed in collective agreements with unions, refer to the Internal Labor Code, which is accessible on the corporate network. An agreement is signed among the Group's companies and the relevant labor unions concerning safety personnel.</p> <p><b>Internal Service for Protection &amp; Prevention (ISPP)</b> operates under PD95/1999) and aims at monitoring the occupational health and safety and implementing measures to minimize accidents.</p> <p><b>Occupational Health and Safety Committees (OHSC)</b> operating at each facility, consisting of elected representatives of employees. Any employee (100%) may participate in the elections for EYAE at the facility where he/she is working. The committees participate in periodic meetings with the facility management making suggestions for improvements in their workplace, as far as occupational health and safety are concerned. Moreover, the committees highlight Health and Safety problems in the workplace, participate in the solution, improve Health and Safety procedures or audit processes. See also:</p> <ul style="list-style-type: none"> <li>• Internal Labor Code (Article 45)</li> <li>• EKO By laws (Article 28)</li> <li>• Group's Code of Conduct (Chapter 7.1)</li> </ul>



LA9	Health and safety topics covered in formal agreements with trade unions.	<p><b>Outsourced Safety &amp; Prevention Services (OHPS):</b> Where appropriate (eg DIAXON, EKO Serbia) the monitoring of the occupational Health and Safety activities are outsourced to a properly qualified external partner (OHPS). This partner is responsible for the implementation of the relevant labor legislation and reports to the management of the facility. The Health and Safety issues are covered 100% by local agreements.</p> <p>There are formal agreements covering issues such as:</p> <ul style="list-style-type: none"> <li>• Distribution and use of personal protection equipment</li> <li>• Participation of employee representatives in inspections</li> <li>• Education and information on Health and Safety</li> <li>• Submission of complaints</li> <li>• Right to refuse dangerous work.</li> </ul>
LA10	Average hours of training per year per employee by gender, and by employee category.	<p> p. 41 (environmental training), p. 46-49 (training programs, training investment and man-hours), p. 53-55 (Health and Safety training).</p> <p>Trained employees 1,710 M + 208 F (69% of the total).</p> <p>The Group's education investment was € 1,227,000 and the total training hours were 94,133 (including 8,553 training hours for Health and Safety). Training hours break down per company: HEL.PE. 76992, EKO 3690, HF 1083, ASPROFOS 6975, DIAXON 558, subsidiaries abroad 4905).</p> <p>The amount of € 482,464 was invested in refurbishing the facilities' libraries, for subscriptions to scientific journals and papers and subscriptions to various scientific associations.</p>
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	<p> p. 46-49</p> <p>The HR Department, supporting lifelong learning, aims for continuous improvement of skills of employees by implementing long in-house education &amp; training programs to ensure the "continuous employment". Indicative topics covered by these programs are: learning English, economics for non-economics, legal for non-legal persons, principles of management, basic management skills and techniques of effective presentations. See also section 5.2.</p> <p>In case of employee resignation or retirement:</p> <ul style="list-style-type: none"> <li>• a compensating payment is provided, taken into account the age and experience</li> <li>• a supporting program helping to find another job is available.</li> </ul> <p>The Group resolves labor contracts generally when employees meet the conditions for full retirement. In 2011, the Group, in order to support the employees who retired under the voluntary retirement program, addressed a specialized consulting firm providing outplacement services. Through these programs (3 month or 6 month term), implemented at the consulting company under the guidance of a personal counselor for every concerned, participants increase their chances of rapid repositioning in the market, can reliably evaluate potential career opportunities, have access to professional tools for the preparation and implementation of job search and are given opportunities for contacts and interviews across Greece and Southeast Europe. A total of 28 employees participated during the first implementation of the program, with an expenditure of around € 100,000.</p>
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	<p> p. 46</p> <p>The percentage of employees receiving regular performance and career development reviews is: at HEL. PE. 100%, at EKO 92.5%, at HF 85%, at EKO Bulgaria 100%, at EKO Serbia 100%, at ASPROFOS 100%, at HP Cyprus 40% (18 M+5 F), at JPK 98% (166M + 73F). Employees evaluation at OKTA shall start in 2012.</p> <p>The consolidation of systems, policies and procedures for human resources at Group level shall be completed in 2012.</p> <p>For senior and top management, the evaluation is made annually based on KPIs and links the performance of the company with the objectives of the staff, on issues such as sustainable development (security, environment, etc.) with weighting 20%.</p>


LA13


Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.

At the BoDs of the Group companies - included in this report - the distribution of the 58 board members is:

- 53 M (91.38%) + 5 F (8.62%)
- 24 persons (20 M + 4 F) at the age group 30-50, 34 persons (33 M + 1 F) at the age group > 50.

Women in senior management positions: approx 10%.

 p. 57 (Executive versus non executive members of BoD : 3/10).

 table 5.1.2 (HEL.PE.'s employees breakdown), p. 45

At the end of 2011, the Group employed, as permanent employees, 144 people with special needs.

#### HEL.PE.

Breakdown of employees according to age group and other indicators of diversity:

AGE			PERSONS WITH SPECIAL NEEDS	
<30	30-50	>50	MALE	FEMALE
13,71%	63,55%	22,73%	2,88%	1,53%

#### ASPROFOS

AGE	TOTAL
<30	3
30-50	108
>50	105
TOTAL	216

#### DIAXON

Distribution of permanent employees by age group & gender:

AGE	M	F	TOTAL
<30	2	0	2
30-50	77	15	92
>50	4	0	4
TOTAL	83	15	98

#### Global Albania

AGE	M	F	TOTAL
30-50	5	1	6
>50	2	0	2
TOTAL	7	1	8

#### EKO Bulgaria

AGE	M	F	TOTAL
<30	5	11	16
30-50	22	18	40
>50	4	0	4
TOTAL	31	29	60

#### EKO Serbia

AGE	M	F	TOTAL
<30	4	9	13
30-50	15	16	31
>50	1	3	4
TOTAL	20	28	48

LA13

Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.

**HP Cyprus**

AGE	M	F	TOTAL
<30	0	3	3
30-50	28	12	40
>50	11	2	13
TOTAL	39	17	56

**JPK Montenegro** (4 employees with special needs, 3M+1F)

Employee breakdown by country of origin and gender:

	MNG	SERBIA	GREECE	BOSNIA	TOTAL
M	164	5	2	1	172
F	72	1	0	3	76
TOTAL	236	6	2	4	248

Employee breakdown by religion and gender:

	ORTHODOX	CATHOLIC	MUSLIMS	TOTAL
M	160	15	7	172
F	69	7	0	76
TOTAL	219	22	7	248

Employee breakdown by age group and gender:

	<30	30-50	>50	TOTAL
M	6	88	78	172
F	9	53	14	76
TOTAL	15	141	92	248

**OKTA FYROM** (45 employees with special needs, 41 M+ 4F)

Employee breakdown by age group and gender:

	<30	30-50	>50	TOTAL
M	40	135	403	578
F	14	60	77	151
TOTAL	54	195	480	729

Employee breakdown by nationality gender:

	ALB	SRB	GR	BUL	MNG	TRK	CRT	FYROM	TOTAL
M	9	32	3	5	3	3	0	523	578
F	2	5	0	0	1	0	2	141	151
TOTAL	11	37	3	5	4	3	2	664	729

**HF**

AGE	NUMBER OF EMPLOYEES AND %
<30	4 2%
30 - 50	146 77%
>50	39 21%
TOTAL	189 100%

YEARS OF SERVICE (AVERAGE)	NUMBER OF EMPLOYEES AND %
<10	85 45%
10 - 20 years	52 28%
20 - 30 years	42 22%
>30	10 5%
TOTAL	189 100%

LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.

**EKO**

Employee breakdown by country of origin and gender:

	GR	BUL	SERB	MNG	TOTAL
M	260	2	3	1	266
F	135	0	0	0	135
TOTAL	395	2	3	1	401

Employee breakdown by age group & years of service:

AGE	NUMBER OF EMPLOYEES AND %	
<30	6	1,5%
30-50	323	80,5%
>50	72	18%
TOTAL	401	100%

Κατανομή εργαζομένων με έτη προϋπηρεσίας:

YEARS OF SERVICE	NUMBER OF EMPLOYEES AND %	
<10	73	18%
10 - 20 years	227	57%
20 - 30 years	6	24%
>30	5	1%
TOTAL	401	100%

LA14 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.

Non-essential issue because the Group does not follow any differentiation between men and women on the wage system. The fee is based on annual evaluations and follows the Greek and EU legislation on equal pay. Based on the principle of equality there is no discrimination or other economic differentiations in any company.

For example at OKTA (FYROM) the ratios of the basic salary of men and women by category are: for senior managers: 1.1: 1, for middle managers: 1: 1, for operators: 1: 1.

LA15 Return to work and retention rates after parental leave, by gender.

Complying with the relevant legislation all employees are entitled to maternity / paternity leave. At Group level: 2 Men & 51 Women (16 abroad) were entitled to maternity / paternity leave. 100% they returned to their posts.

**HR Human Rights**

HR1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.

The Code of Conduct (sections 7.2 & 7.3) and the Internal Labour Code (article 2.3) provide guidance on the protection of human rights throughout the supply chain. Both documents make clear references to the respect of the human rights. Furthermore, all employees are trained, both documents are accessible by all employees in the corporate network and copies have been distributed throughout the Group.

The Procurements Regulation - currently under review - shall include article related to sustainable development terms, which shall be an obligatory part of a new contract. In 2011, the contracts percentage was 0.




The Group's companies, where appropriate, use evaluation questionnaires, covering topics such as child labor, respect to HR, labor rights, equal opportunities, Health and Safety, etc.

HR2 Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.

Suppliers who cooperate with the Group are subject to evaluation in order to monitor their compliance with specific standards on human and labor rights. The procurement Dept has designed a relevant questionnaire, which was sent in 2011. In 2011 the rate was 0, there was no reference on incidents and no action were taken. The contractors involved in major upgrading projects were more than 300. The questionnaires have already been sent; they are part of the tender and will be enhanced by including a paragraph related to HR.


HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	<p>100% of employees were trained to HR issues through the company's Internal Labour Code and the Code of Conduct, which is available at the intranet, (ILR articles 22, 23, 26, 38 &amp; 39, CoE chapter 7).</p> <p>Moreover, in 2011, 45 employees (35 permanent and 10 supervised employees) participated in specialized training of five hours on Human Rights. For 2012 a training program is designed (of approx € 60 K) on corporate social responsibility, including the issue of protection of human rights.</p>
HR4	Total number of incidents of discrimination and corrective actions taken.	The HR Department monitors such phenomena and acts accordingly in cooperation with the union of employees. No report in 2011.
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.	The HR & Procurement Departments (in cooperation with the union of employees) monitor such phenomena and act accordingly. No report in 2011.
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	<p>The HR &amp; Procurement Departments (in cooperation with the union of employees) monitor such phenomena and act accordingly. No report in 2011.</p> <p>The recruitment policy of the Group has a lower limit for recruitment the age of 18 years. Suppliers checked by sampling on child labor. Such reference is included in procurement code. Filling in a questionnaire, along with the tender documents and contracts, is a prerequisite.</p>
HR7	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	The HR Department monitors such phenomena and acts accordingly in cooperation with the union of employees and the work councils. No report in 2011.
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	<p>All Group's security personnel is properly trained. The permanent personnel are trained, immediately after its recruitment, on HR through the Internal Labour Code and the Code of Conduct. Moreover, in 2011, 45 employees (80% of the permanent security personnel) participated in specialized training on Human Rights (a total of 140 man-hours).</p> <p>The group is outsourcing security services to a third party. This party supports the principles of the Universal Declaration of Human Rights of the UN and applies those principles in management procedures and practices. Furthermore, measures are taken to ensure that the work of employees complies with internationally accepted human rights treaties. During basic training the guards refer to the Code of Conduct of the partner company which contained elements of corruption and human rights. After completing basic training, a copy of the Code of Conduct is given to the security personnel. There are no armed guards at the premises of the Group.</p>
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	None such incident.
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	There were no reviews or assessments because it have not either arisen or reported related problems.
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	The HR Department monitors phenomena of human rights violation and acts accordingly, in cooperation with the union of employees and the work councils. No report in 2011.




**SO** Society Performance Indicators

SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	<p> p. 71-73. On 23-28.11.11 a quantitative survey took place based on a structured questionnaire and on 7-28.11.11 a qualitative survey took place involving selected individuals from local communities. The surveys, regular communication and consultation are used to determine the investment in infrastructure and other actions for the benefit of local communities and to understand the significant indirect effects locally. Assessing the findings will lead in planning activities for 2012. Recorded that local communities anticipate actions with a focus on supporting the unemployed, health services, in support of elderly and vulnerable groups in general.</p> <p> p. 74-79. Detail presentation by country (100% operations), actions taken in the framework of surveys, consultation and communication with local communities.</p> <p>Furthermore, during the design phase of a new investment, provision is made for direct and indirect impacts. An example is the project "Upgrading and Modernization of Refinery" which provides for an increase of jobs locally and support of the local market. Moreover, the operational planning of any investment (such as upgrading the Elefsina refinery) includes for the study of direct and indirect impacts on the local community.</p>
SO2	Percentage and total number of business units analyzed for risks related to corruption.	<p>All business units are controlled for risks associated with corruption; following standard internal auditing procedure. The procedure is consistent with the Group's Code of Conduct.</p> <p>No relevant report or complaint in 2011.</p> <p>There is cooperation with Ernst &amp; Young for the business units' risk evaluation including risks related to corruption.</p> <p>In 2011, the Departments of Purchasing and Chemical Supplies were audited with no significant findings.</p>
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	<p>100% of the employees (5% management employees, with minor differentiation per company) are trained on anti-corruption policies and procedures through the Internal Labour Code and the Code of Conduct (copies of the documents are distributed to all employees).</p> <p>For 2012 a training program is designed and scheduled (of approx € 60 K) with special attention to corporate social responsibility, including the issues of corruption and protection of human rights.</p> <p>Moreover, all employees (100%) are aware of Group's commitment on UNGC principles, the corporate policy and values; through the annual Group's Sustainability Report (all reports are posted at the Group's site and intranet).</p> <p>Procurement personnel attend relevant seminars and are the guardians of the Code of Procurement.</p>
SO4	Actions taken in response to incidents of corruption.	<p>No actions planned in 2011 (apart from relevant training) to address incidents of corruption and no reported incidents to the administration board, the BoD or the union representatives. However, there is provision for administrative and legal measures in accordance with the Internal Labour Code. Moreover, regular audits are planned by the relevant auditing departments.</p> <p>We participated in the sample of private sector companies examined by the OECD Committee (OECD) "... within the framework of the evaluation of Greece for applying the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions". The comment was flattering as far as the preventive actions taken, the Code of Conduct and the emphasis on the behavior of the subsidiaries.</p>
SO5	Public policy positions and participation in public policy development and lobbying.	<p>The Group participates in professional and business associations. The Managing Director is member of the BoD of the Hellenic Federation of Enterprises (HFE) and vice president of the Sustainability Council of the HFE (established in 2008 to promote sustainable development in the Greek business reality and create a framework for dialogue between business, state and society).</p> <p> p. 23, 81-82</p>
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	<p>Zero contribution, (such contribution is prohibited by the Code of Conduct).</p>








S07	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	<p>There is a procedure pending before the Supreme Administrative Court (Conseil d'état) for the annulment of a fine (circa € 5 mil.) imposed by the Greek Competition Commission. The hearing took place in 22.06.2011 and the decision is still pending. A potential rejection of HEP's appeal will not have a negative impact to the company, since the relevant fine (€ 5.8 mil.) has already been paid since 2008.</p> <p>There was one legal action in 2011 regarding dominant position of JPK in market of providing fuel storage services on geographical area of Bar.</p> <p>There was no fine imposed in that case, but just an order to implement clear and transparent commercial conditions for potential users of the fuel storing service.</p>
S08	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	<p>There were no fines from the Labour Inspectorate, on labor disputes, concerning the Group's human resources departments. There were no environmental fines.</p> <p>In 2011, 260 notices of fines were reported by the D' Customs, totaling € 135,000 for customs violations. The Tax Office (DOY) issued 10 penalty notices, worth € 85,000. The company has appealed against all the above acts and the related appeals pending before the competent administrative court.</p>
S09	Operations with significant potential or actual negative impacts on local communities.	Significant impacts may occur in the stages of: entry of a new activity, running or exit from it. Based on the strategy of the Group only the second stage (operation) considered as significant, for the next 5 years. The operation of the facilities may have environmental impacts (analytically presented at Section 4: emissions, climate change, pollutants, education, investments, protection of biodiversity) and health and safety of employees and local communities (which are discussed at section 5.3: security operation, inspection, contingency plans, training, behavior improvement, investment, indicators and targets).
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Significant impacts may occur in the stages of: entry of a new activity, running or exit from it. Based on the strategy of the Group only the second stage (operation) considered as significant, for the next 5 years. The operation of the facilities may have environmental impacts (analytically presented at Section 4: emissions, climate change, pollutants, education, investments, protection of biodiversity) and health and safety of employees and local communities (which are discussed at section 5.3: security operation, inspection, contingency plans, training, behavior improvement, investment, indicators and targets).

#### PR Product Responsibility Performance Indicators

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.	<p>All products are assessed for potential risks and impact on health and safety during design, development, production, transfer and use. The products are appropriately labeled (where appropriate), while users are provided with safety instructions.</p> <p>In accordance with REACH regulation, the communication throughout the entire supply chain is continuous.</p> <p>Objective is the quantitative or qualitative assessment of the level of dose / concentration of the substance to which humans and the environment is allowed to be exposed. Estimations carried out for all life cycle stages of each substance and include the preparation of exposure scenarios and exposure assessment.</p>
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.	No incidents of non-compliance.
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	<p> p. 70</p> <p>Printed material safety data sheets (MSDS) come with packaged products, such as lubricants. The products breakdown presented in table 3.2 at p. 19 shows the significant products. For non-packaged products (such as fuel) there is no such requirement.</p>

PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	 p. 70 No incidents of non compliance. Sections 6.3.2 and 6.3.3 analytically present the auditing and inspection processes during the products sale at a petrol station.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	 p. 66-70
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	 p. 70 Group monitors developments in legislation, international standards and voluntary codes of conduct to continuously adapt its practices and ensure compliance with best available practices. All activities, such as advertising and product marketing, agree fully with the Code of Conduct of the Hellenic Association of Advertisement Agencies and the Hellenic Advertisers Association. The marketing staff participates in educational programs and seminars to keep abreast of best practices and new regulations. Group's subsidiaries abroad follow similar approach. For example in Bulgaria, Serbia and Cyprus the Group's Code of Conduct and the codes of national / local agencies are fully implemented.
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.	No incidents of non compliance. Full compliance with relevant regulations/codes (eg unfair competition and consumer protection).
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	No complaints. Records of personal customer data fully comply with relevant legislation and are fully harmonized with EU law.
PR9	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.	In 2011 JPK paid fines amounting: <ul style="list-style-type: none"> <li>- € 46 K for various inspection findings at the network, mostly related to delivering of fiscal receipts to the customers.</li> <li>- € 17 K for breach of construction law during construction of a new petrol.</li> </ul>



OG Oil & Gas Sector Supplement Specific Indices		
OG1	Volume and type of estimated proved reserves and production.	 p. 3 Not applicable because the hydrocarbons exploration and production activity is out of the scope of this report.
OG2	Total amount invested in renewable energy.	RES development: the first 500 kW solar farm was completed (in November 2011) on land owned by HELLENIC PETROLEUM outside the Elefsina industrial complex (BEE). The investments in 2011 were € 367,000 (the total project investment is going to be € 1,224,000). See also Government Press, 2nd edition, serial number 2432, 02.11.11, tables 1-5.
OG3	Total amount of renewable energy generated by source.	The project has been connected to the grid and the produced electricity is estimated at 740 MWh per year (only solar).
OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored.	 p. 38 There are no such areas near industrial facilities of the Group. The Group undertakes voluntary initiatives to protect biodiversity in consultation with local communities and within its annual program of CSR activities.
OG5	Volume of formation or produced water.	 p. 3 Not applicable because the hydrocarbons exploration and production activity is out of the scope of this report.
OG6	Volume of flared and vented hydrocarbon.	Air fuel (hydrocarbons) flared at the refineries, based to the verified ETS reports: Aspropyrgos refinery (BEA): 12,960 Nm <sup>3</sup> Elefsina refinery (BEE): limited operation in 2011 because of the upgrading project Thessaloniki refinery (BEG): 908 Nm <sup>3</sup> Based on the GRI's definition for vented hydrocarbon (ie intentional controlled release of uncombusted gas) there was no such release in 2011.
OG7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal.	 p. 3 Not applicable because the hydrocarbons exploration and production activity is out of the scope of this report.
OG8	Benzene, lead and sulphur content in fuels.	 See EN26 indicator at p. 98. See also p. 23-25, 31-36 (less than the legislative imposed lead and sulphur content).
OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place.	No Group's operations in/adjacent to indigenous peoples' communities.
OG10	Number and description of significant disputes with local communities and indigenous peoples.	None.
OG11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned.	There were and are not going to be sites decommissioned.
OG12	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process.	None.
OG13	Number of process safety events, by business activity.	No such incident.  p. 51-52
OG14	Volume of biofuels produced and purchased meeting sustainability criteria.	 p. 26, table 4.2.3 See also Government Press, 2nd edition, serial number 2432, 02.11.11, tables 1-5.

## 7.4 Verification Statement

Since 2008 we invite a globally recognized independent body to verify and validate the Group's Sustainability Report. This year the TUV Austria carried out this assessment in accordance with the GRI Guidelines G3.1 and the Oil & Gas Sector Supplement.

Our goal is to further extend the assurance of the integrity and objectivity of the provided information.

The GRI report application level matrix and the relevant statement of assurance are following:

REPORT APPLICATION LEVEL		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures <b>OUTPUT</b>	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	✓
	G3 Management Approach Disclosures <b>OUTPUT</b>	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
	G3 Performance Indicators & Sector Supplement Performance Indicators <b>OUTPUT</b>	Report on a minimum of 20 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility		Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	

\*Sector supplement in final version



## TÜV AUSTRIA Hellas

### Assurance Statement

#### for Hellenic Petroleum's Sustainability Report 2011

#### Information on the Assurance Statement

The Assurance Provider TÜV AUSTRIA Hellas ('the Provider') has been engaged to provide external assurance on the disclosures published in the Sustainability Report 2011 ('the Report') of Hellenic Petroleum S.A. ('the Company'). The Company is exclusively responsible for the data and information within the Report. The assurance process was conducted by the Provider in terms of sample-based audits of data and information as well as audits of data collection systems and procedures.

The Provider has not offered any consulting services to the Company, apart from the inspection of Management Systems.

Economic and financial data were not audited. Instead, they were assessed with respect to the information contained in the 2011 annual report and financial statement which have been audited by other third parties.

#### Scope of Assurance

The Provider undertook the following tasks during June 2012:

1. Reviewed the Report against the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines G3.1 and confirmation of the application level (GRI Application Level Check).
2. Visited the Company's Head Offices in Athens and its refineries located in Aspropyrgos, Eleusina and Thessaloniki in order to evaluate the systems for generating, gathering and managing information included in the Report.
3. Performed checks of the reliability and accuracy of performance information disclosed in the entire Report and the processes for capturing and reporting such data.

#### Conclusions

During the assurance engagement, it was confirmed that the data and information are reliable. The accuracy of the disclosed statements and assertions was found to

be within acceptable limits. The Company provided a comprehensive and proper presentation of performance on the basis of reasonably documented information as well as that there is an effective data gathering, management and reporting system in place for issues which pertain to sustainable development.

The Provider concurs that the criteria for GRI-G3.1 Application Level “A” have been met, including the Oil and Gas Sector Supplement.

#### Opportunities for Improvement

Based on the observations and concluding remarks derived from the assurance engagement, the Provider’s recommendations for the improvement of the Company’s future Sustainability Reports are as follows:

- ☞ Harmonize the procedures and data collection systems of all subsidiaries within the boundaries of the Report.
- ☞ On site visit in more installations of the Hellenic Petroleum Group within the boundaries of the Report.

*Note: This Independent Assurance Report has been prepared as a translation of the original Greek version*

On behalf of TÜV AUSTRIA Hellas,

Athens the 20<sup>th</sup> of June 2012



Sifakis Nikolaos

Lead Auditor




Kallias Yiannis

General Manager

TÜV AUSTRIA Hellas

ATHENS: 429, Mesogeion Ave., Agia Paraskevi

Branch Offices in Greece: THESSALONIKI - CRETE

Representatives Abroad: CYPRUS - TURKEY - JORDAN - EGYPT - ALBANIA - ISRAEL

## 7.5 Abbreviations - Glossary

This list of abbreviations and terms is related to this report and aims to facilitate, the unfamiliar with such terminology, reader.

<b>AIF</b>	All Injury Frequency, is calculated from the sum of fatalities, LWIs, Restricted Workdays Injuries and Medical Treatment Cases divided by the number of hours worked expressed in millions.
<b>BAT</b>	Stands for best available techniques.
<b>BEA</b>	These initials stand for the Aspropyrgos refinery.
<b>BEE</b>	These initials stand for the Elefsina refinery.
<b>BEΘ</b>	These initials stand for the Thessaloniki refinery / Thessaloniki industrial complex.
<b>CCPS</b>	The Centre for Chemical Process Safety.
<b>COMO</b>	Company owned & company managed petrol stations.
<b>CONCAWE</b>	Conservation of Clean Air and Water in Europe, the oil companies' European Organisation for the environment, health and safety.
<b>CoP</b>	Communication on Progress, an annual report proving the company's commitment towards UNGC principles, see <a href="http://www.unglobalcompact.org/CommunicatingProgress/">www.unglobalcompact.org/CommunicatingProgress/</a>
<b>CSR</b>	Corporate Social Responsibility.
<b>EKO</b>	Stands for the Group's subsidiary EKO ABEE.
<b>HF</b>	Stands for the Group's subsidiary HELLENIC FUEL (ex BP).
<b>ΕΛΠΕ</b>	Stands for HELLENIC PETROLEUM.
<b>ELOT</b>	The Greek Standardization Organization.
<b>ESYPP (ISPP)</b>	Stands for Internal Service for Protection & Prevention, an operational unit, within an organisation, operating under PD95/1999, and aiming at monitoring the occupational health and safety and implementing measures to minimize accidents.
<b>EMAS</b>	The EU Eco-Management and Audit Scheme (EMAS) is a management tool for companies and other organisations to evaluate, report and improve their environmental performance.
<b>EUROPIA</b>	The European Petroleum Industry Association.
<b>EU - ETS</b>	European Union GHG Emission Trading Scheme.
<b>Executive/non-executive Board Member</b>	The BoD defines as executive members the members which are responsible with everyday business management; whereas non-executive are the members which are responsible for the promotion of corporate issues. The number of non-executive BoD members should be, at least, one third of the total number of BoD members.
<b>EXYPP (OHPS)</b>	Stands for Outsourced occupational health and safety & Prevention Services. Where appropriate an organisation instead of having ESYPP may outsource the monitoring of the occupational Health and Safety activities to a properly qualified external partner (EXYPP). This partner (EXYPP) is responsible for the implementation of the relevant labor legislation and reports to the management of the facility.
<b>EYAE (ECOHS)</b>	Stands for employee committee for occupational health & safety.
<b>GHG</b>	Green House Gases.

<b>GRI</b>	Global Reporting Initiative, Sustainability Reporting Guidelines. While this Report endeavours to address many of the GRI's key performance indicators, it is a summary of progress against priorities we ourselves set.
<b>ISGOTT</b>	Internal Safety Guide for Oil Tankers and Terminals.
<b>ISM</b>	Institute of Supply Management.
<b>GROUP</b>	Stands for the HELLENIC PETROLEUM Group, unless it is otherwise stated.
<b>HELLENIC PETROLEUM</b>	Refers to the HELLENIC PETROLEUM Group, unless it is otherwise stated.
<b>HEL.PE.</b>	Stands for HELLENIC PETROLEUM.
<b>HF</b>	Stands for the Group's subsidiary HELLENIC FUEL (ex BP).
<b>HFE</b>	Stands for the Hellenic Federation of Enterprises.
<b>HMA</b>	Hellenic Management Association.
<b>HR</b>	Stands for either for human rights or human resources.
<b>HSE</b>	Health - Safety - Environment.
<b>LDAR</b>	Leak Detection and Repair system.
<b>LWIF</b>	Lost Workday Injury Frequency, is calculated from the number of Lost Workdays Injuries (LWI) divided by the number of hour worked expressed in millions.
<b>LWIS</b>	Lost Workday Injury Severity.
<b>MARPOL</b>	Marine Pollution.
<b>MTC</b>	Medical Treatment Cases.
<b>OHSAS</b>	Occupational Health and Safety Accreditation System.
<b>PRTR</b>	Pollutant Release and Transfer Register, <a href="http://prtr.ec.europa.eu/">http://prtr.ec.europa.eu/</a>
<b>PSIF</b>	Process Safety Incident Frequency.
<b>REACH</b>	The European regulation for "Registration, Evaluation and Authorization of Chemicals" (1907/2006).
<b>RES</b>	Stands for renewable energy sources.
<b>RWI</b>	Restricted Workday Injuries.
<b>Sustainable Development</b>	A development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
<b>Triple Bottom Line</b>	Report not only on financial performance but, also, on the environmental and social performance of a company.
<b>Stakeholders</b>	While the term "stakeholders" holds multiple meanings, the Group defines its stakeholders as its employees, shareholders, suppliers, service providers, and those communities, indigenous groups, investors, debt holders, governments, regulators and Non-Governmental Organizations (NGOs) affected by, or that can affect, HELLENIC PETROLEUM's operations.
<b>UNGC</b>	HELLENIC PETROLEUM is a signatory to the United Nations-led Global Compact, a network of companies, governments, non-governmental and labour organizations who have agreed to work with the UN to support 10 principles in the areas of human rights, labour, the environment and anticorruption.
<b>VOC</b>	Volatile Organic Compounds.

## 8. Sustainability Report Feedback

HELLENIC PETROLEUM Group's Corporate Affairs / CSR Department coordinated and was responsible for the preparation of this annual "2011 Sustainable Development Report". However, other departments within the Group also contributed to its preparation such as the Human Resources, Environment and Health & Safety, Internal Audit, Finance, Marketing, Purchasing and Legal Departments. The Group's subsidiaries also contributed data which is included in the Report.

The report is addressed to all of our stakeholders who wish to keep track of all of HELLENIC PETROLEUM's advancements in all areas of Sustainable Development.

We welcome any suggestions or comments that may help us improve this two way form of communication. Any comments that you may have can be sent to the address below.

### Group contact details and headquarters:

Group Corporate Affairs Division  
Group CSR Department  
8A Chimarras St., Maroussi 151 25  
Tel.: +30 210 630 2241, +30 210 630 2894,  
Fax: +30 210 630 2573  
e-mail: [info@helpe.gr](mailto:info@helpe.gr)

Readers of this report who would like more information or clarification may contact the Group's CSR Department at the above address or visit the Group's website: [www.hellenic-petroleum.gr](http://www.hellenic-petroleum.gr) or [www.helpe.gr](http://www.helpe.gr)



# Report's Improvement Questionnaire

Take a few minutes to fill out the questionnaire as we are asking for your opinion on the 2011 HELLENIC PETROLEUM Sustainability Report. We value your opinion as it helps us to improve.

## 1. Which of the following interest you the most?

*(please mark with an X)*

- Corporate Governance & Transparency
- Social Responsibility & CSR Actions
- The Environment
- Health & Safety
- Our People
- Stakeholders' information (shareholders, employees, neighbouring municipalities, customers, suppliers, NGOs etc)

## 2. Mark the statements (with an X) as to how much you agree with the following statements.

*(1) Completely disagree (2) Disagree (3) Neither agree/neither disagree (4) Agree (5) Completely disagree*

	(1)	(2)	(3)	(4)	(5)
The principles and issues are sufficiently covered in accordance with the company's sustainable development strategy.					
The content is complete and clear.					
The Report's structure is functional and sufficient.					
The presented information is reliable and accurate.					
The tables and charts are easily understood and depicted in a satisfactory manner.					
The photographs and images positively enhance the Report making it easier to read and more attractive.					
The printed version conforms to a Sustainable Development publication.					
I prefer the electronic version of the Report.					
I will recommend the report to other readers.					



3. Assess in the order of priority from 1 to 5 the following areas which the company has developed significant initiatives and activities in, in your opinion.

- Safety
- Working environment
- Protecting the environment
- Caring for society and the environment
- Programs supporting local communities
- Transparency
- Human Rights

4. Please specify any issues which haven't been included in the 2011 Sustainability Report which you would like to see featured in the next issue or areas that need improving.

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5. After reading the 2011 Sustainability Report, has your opinion of HELLENIC PETROLEUM been influenced at all?

*(mark only one of the below with an X)*

- Positively influenced                       Has not been influenced                       Negatively influenced

6. Which of the following groups of stakeholders do you belong to?

- |  |  |                                      |
|--|--|--------------------------------------|
| <input type="checkbox"/> Employee organization | <input type="checkbox"/> Local community | <input type="checkbox"/> NGO         |
| <input type="checkbox"/> Media                 | <input type="checkbox"/> Supplier        | <input type="checkbox"/> Customer    |
| <input type="checkbox"/> Citizen               | <input type="checkbox"/> Authorities     | <input type="checkbox"/> Other ..... |

Thank you for your cooperation.

The above data will be collected and used so that we can improve our Sustainability Report as well as actions and initiatives in regard to the HELLENIC PETROLEUM Group's Corporate Responsibility.

Send to:

- Address: HELLENIC PETROLEUM, Group CSR Dpt., 8A Chimarras St., Maroussi 151 25
- Email: [rsoulaki@helpe.gr](mailto:rsoulaki@helpe.gr)
- Fax: +30 210 63 02 573



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