Sustainability Report 2020 IPTO

ipto
INDEPENDENT POWER TRANSMISSION OPERATOR

Sustainability Report 2020

IPTO

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INDEPENDENT POWER TRANSMISSION OPERATOR

Contents

Message from the Chairman and Chief Executive Officer

Dear shareholders,

The second Sustainability Report comes in a year full of achievements for IPTO Group but also of important challenges, in the midst of a pandemic and climate crisis.

A key priority for the Operator is to shield the health and safety of its employees and associates. For this reason, all the provided health and safety protocols came into force based on the instructions of the competent national bodies, from very first moment of the Covid-19 pandemic. Apart from its own people, IPTO stands consistently by the side of the society, supporting the public healthcare system with equipment donations amounting to 863 thousand euros, which were distributed during 2020 to hospitals in Attica and the rest to the mainland and the islands.

Despite the adverse conditions created by the health crisis, our immediate and effective response to the new circumstances became the starting point for accelerating modernization of procedures and digital transformation of the Company. The transformation into a sustainable, digital Transmission System Operator (Digital TSO) is a strategic goal of IPTO Group. We have taken significant steps towards this goal: digitization of the Energy Control Centers, creation of a Network Operation and Cybersecurity Control Center and installation of state-of-the-art software systems.

Last year, the long-term teleworking of the staff made necessary to create Internal Communication channels for continuous updates on developments regarding the pandemic and the Company's policy against it. In this context, «IPTOnet», the intranet of the Group, was introduced through which employees are informed on a daily basis about corporate news as well as news from around the world on Energy, Environment and Sustainable Development.

The Group is also a major enabler of the digital transformation of the whole country. Through its subsidiary, Grid Telecom, which operates in the field of telecommunications, the Operator actively, contributes to the upgrading of the broadband infrastructure through an extensive fiber optic network that in 2020 reached 3,760km and is constantly developing along with the electricalinterconnection projects.

Another important achievement of the past year was the launch of the Target Model, the single wholesale market model, applicable in all countries of the European Union. The Model's implementation was a very demanding and multi-component process, for which we took a series of intensive and coordinated actions. The transition into the Target Model strengthens the country's security of supply, leads to fairer electricity prices for consumers and contributes to the more efficient integration of RES in the energy mix.

In the midst of increasing challenges, the primary goal of IPTO Group is to ensure business continuity. Indeed, the 5 billion-euro investment plan until the end of the decade is being implemented according to schedule. In 2020, significant electrical interconnections projects were completed. At the beginning of the year, the new submarine cable connecting Andros with Tinos was installed. In autumn, Naxos was interconnected with the mainland grid through Paros and the second Lavrio-Syros submarine interconnection was electrified. Within the same year, the first circuit of the Crete-Peloponnese interconnection was successfully tested. The project's construction was completed in May 2021 and put into commercial operation two months later, transmitting the first electrical loads from the mainland grid to Crete.

2020 was a milestone year also for the interconnection of Crete with Attica, the greatest project in the history of the Hellenic Electricity Transmission System. The contracts were signed in June and the project, amounting to 1 billion euros, is now in the process of implementation by the subsidiary «Ariadne Interconnection». Crete-Attica interconnection comprises significant technical challenges on a global level and is expected to lead to multiple economic, environmental and social benefits both for the residents of Crete and the consumers of the whole country.

Despite the adversities, IPTO Group strengthened its financial position, achieving strong results for 2020. The total consolidated revenues amounted to 287 million euros, increased by 14.8% compared to the previous year, while the net profits amounted to 85 million euros. At the same time, with the rapid expansion of CapEx, which recorded an annual change of 81%, the Group achieved significant savings in financial and operational terms by reducing the borrowing cost and by streamlining its operating expenses.

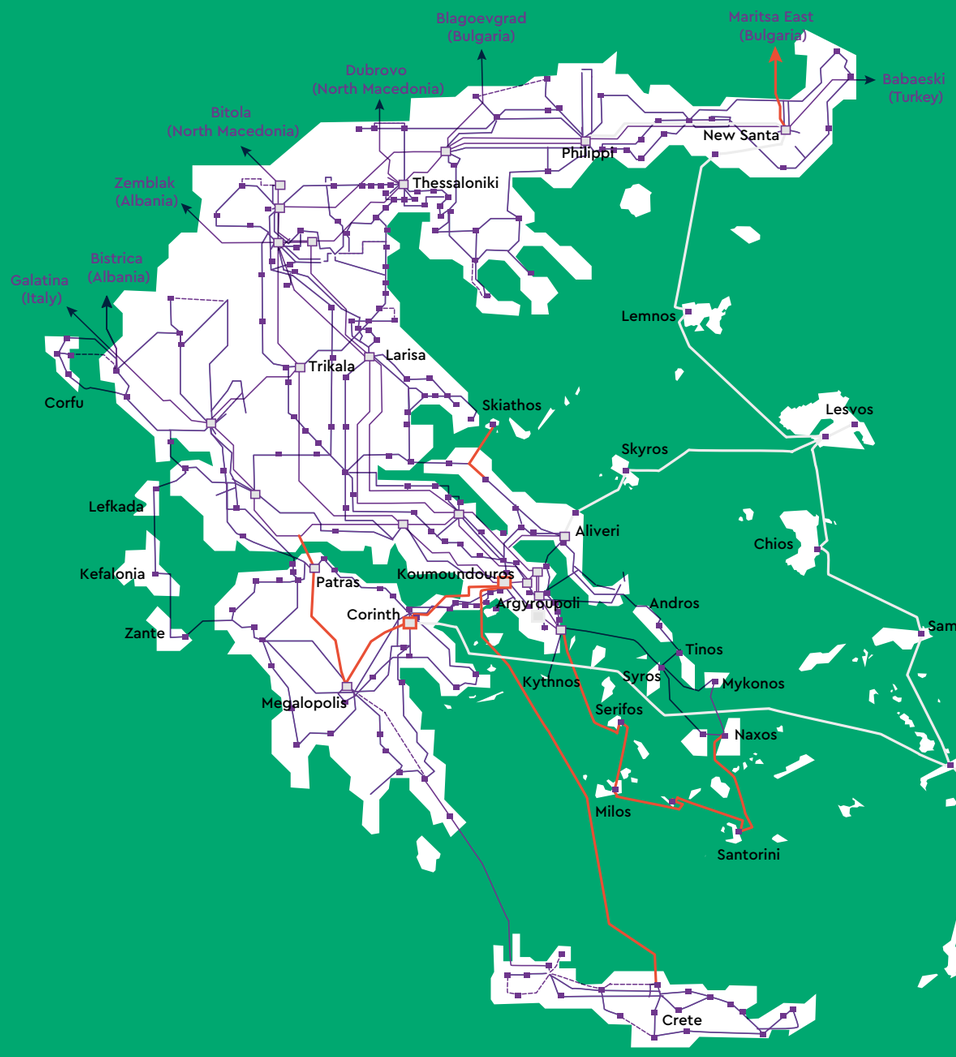
With the implementation of the island interconnections, IPTO plays a key role in the achievement of the national strategy for the energy transition, contributing substantially to the establishment of a low carbon economy.

At the same time, the climate crisis, reflected in the increased intensity and frequency of natural disasters, puts the durability of the Transmission System to the test. Resilience to the unprecedented challenges of climate deregulation is a major concern for the operators of critical infrastructure internationally. For this reason, IPTO Group proceeds to the strengthening and acceleration of the Fixed Assets Renewal program, with the aim of modernizing and upgrading critical components of the electrical system within the coming years.

Our vision is to ensure the uninterrupted power supply of the country's consumers on two pillars: the development and -at the same time- the shielding of the electrical system. In all aspects of our activity, we act responsibly and with respect for the people, the environment and the local communities in the areas where we operate, creating value for shareholders, consumers and society at large.

MANOS MANOUSAKIS
Chairman and Chief Executive Officer

Map of the Hellenic Electricity Transmission System



Transmission System

Major projects to be constructed by 2024

- Interconnection of Crete
- Interconnection of Northern Cyclades
- Interconnection of Southern and Western Cyclades
- Second interconnection between Greece and Bulgaria
- 400kv System Expansion in the Peloponnese
- Reconstruction of Koumoundourou HVC

Major projects planned by 2030

- Interconnection of the Dodecanese
- Interconnection of the northeastern Aegean
- New 400kV Filippi–Nea Santa station
- Argyroupoli HVC

2 subsidiaries

- Ariadne Interconnection
- Grid Telecom

Participation in the share capital of 2 companies

- Hellenic Energy Exchange (EXE)
- Southeast Electricity Network Coordination Center (SEleNe CC)

50 TWh
of transmitted electricity

overhead lines	submarine lines	underground lines	total length of transmission lines and cables
11,147 km	911 km	335 km	**12,393km**

overhead	submarine	underground	fiber optic network
2,809 km	727 km	223 km	**3,759km**

400kV	150kV	30kV	Ultra-high Voltage Centers
			22

7,159 MW
total RES installed capacity

786 MW
of RES capacity installed the System in 2020

361
Substations (400kV-150Kv-20kV)

5% increase
of RES rate (grid and S/S) in energy balance

9% reduction
in lignite production

€ 5 bn.
investments by 2030

€ 287 mil.
total revenue in 2020 (Group)

1,607 employees
1224 men
383 women

3% increase
in percentage of women

€ 54.11 mil.
total salaries and benefits in 2020 (Group)

11
Horizon Europe funded research projects

IPTO

IPTO aims to provide the country with reliable, efficient and green electricity, promoting the development of free competition in the Greek electricity market.

Our role as HETS Operator

IPTO S.A. (Independent Power Transmission Operator) is the Operator of the Hellenic Electricity Transmission System (HETS).

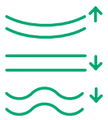
The purpose of the Company is the operation, control, maintenance and development of the HETS, in order to ensure the adequate, secure, efficient and reliable supply of electricity to the country, including the operation of the Balancing Market and cross-border trade in accordance with the principles of transparency, equality and free competition.

Given the Company's pivotal role, all necessary measures have been taken and all required procedures have been set to ensure its independence, strict adherence to the "equal treatment" principle for all System Users and Electricity Market Participants, transparency in its operation and adherence to the principle of confidentiality regarding the information handled by IPTO.

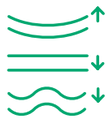
At the end of 2020, the Hellenic Electricity Transmission System covered 12,393 km of transmission lines and 543 substations with a total installed capacity of 21,952MVA:

2,792km of 400kV lines (overhead and underground)

107km of 400kV D.C. lines and cables (overhead)



9,380km of 150kV lines and cables (overhead, submarine and underground)



114km of 66kV lines and cables (overhead, submarine and underground)

The Hellenic Electricity Transmission System

The purpose of the Hellenic Electricity Transmission System (HETS) is the smooth, safe and uninterrupted transmission of electricity from power plants (Conventional or RES) to consumption points (Urban Centres, Industries, etc.).

As large-scale power stations are usually located far from urban centres and in order for electricity to be transmitted in the best and most efficient way, the voltage is raised in the substations of the power plants to 400kV and 150kV levels, so that the energy is transmitted by high and ultra-high voltage transmission lines either:

- to the high-voltage substations of selected Customers, or
- to the substations connected to the Hellenic Electricity Distribution Network (HEDNO) where the voltage is reduced to the average level (20kV). Distribution lines start from these substations, ending at the distribution substations where the average voltage is further lowered to 220/380V, which is used by most consumers.

The main elements of HETS are:

400kV and 150kV Overhead transmission lines

400kV and 150kV Underground and submarine cable lines

150/20kV Substations

400/150kV Ultra High Voltage Centres (HVCs)

The Hellenic System operates in parallel with the interconnected European System under the overall coordination of ENTSO-E. The parallel operation of the Hellenic and European Systems is achieved through interconnection transmission lines (mainly 400 kV) with the Systems of Albania, Bulgaria, Northern Macedonia and Turkey. In addition, the Hellenic System is connected asynchronously (via a 400 kV DC submarine connection) to Italy.

Hellenic Electricity Transmission System Grid Code

IPTO exercises its role as Hellenic Electricity Transmission System Operator, based on the Hellenic Electricity Transmission System Grid Code, which regulates all issues related to the management of the System.

- In particular, the HETS Grid Code mainly regulates the following:
- The technical specifications for the design, operation and maintenance of the System,
- The procedure for the preparation of the System maintenance program,
- The terms for applying for access to the System, the required supporting documents, the minimum technical and functional specifications for access to the System,
- The obligations for the absorption of electricity by the HETS in relation to the assurance of capacity adequacy in the System and the manner of fulfilling these obligations,
- The conditions and the procedure to be followed by the Transmission System Operator for the conclusion of contracts,
- The type and minimum content of contracts for connecting power plants to the System and any other relevant issues,
- The approval procedure followed by installation license holders for power plants connections to the System, as well as for auditing and approving these projects by the Operator,
- Accounts that the Operator must keep for charges arising from the management of the HETS,
- The procedure for the out-of-court settlement of disputes between Users and the HETS Operator,
- The procedures applied and the transactions carried out by the HETS Operator for the calculation and allocation of long-term and short-term capacity at the bidding zone borders to Participants,
- Any other regulation necessary for the smooth, safe and efficient management of the System.

Vision and values of sustainable development

The values that guide our daily steps:

Commitment for uninterrupted energy supply of the country

Ensuring the country's continuous and uninterrupted electricity supply, fulfilling all quality, safety and performance criteria, is our foremost objective, which runs through all our activities as the Hellenic Electricity Transmission System's Operator.

Impartiality

Guaranteeing equal and non-discriminatory access to the System for all users.

Transparency

Applying procedures of absolute transparency and providing electricity market agents with the necessary information for promoting healthy competition.

Efficiency

Performing our duties as System Operator in the most efficient manner, with optimal utilisation of all available resources. Contributing to the country's development in serving the public interest and creating value for all of our stakeholders.

Sustainability

Performing our duties according to the principles of sustainable development, under economic, social and environmental terms. Contributing to research and development, professional training and skills development of our human resources.

Our vision is to be one of the most efficient electricity transmission operators in Europe, providing added value to all stakeholders in the context of sustainable development, respecting people and the environment, for the benefit of System Users and society as a whole.

The history of IPTO

2012

Establishment, organisation and operation of IPTO based on Law 4001/2011.

Certification by RAE of IPTO's compliance with the requirements governing the model of the Independent Electricity Transmission Operator.

2017

Listing of IPTO HOLDING on the Athens Stock Exchange.

IPTO HOLDING holds 51% of the share capital of IPTO S.A.

Acquisition of a 24% share from State Grid Corporation of China.

2018

IPTO participation in the share capital of the Hellenic Energy Exchange (EXE) with a 20% holding.

Establishment of the special purpose vehicle Ariadne Interconnection.

2019

Establishment of the subsidiary Grid Telecom.

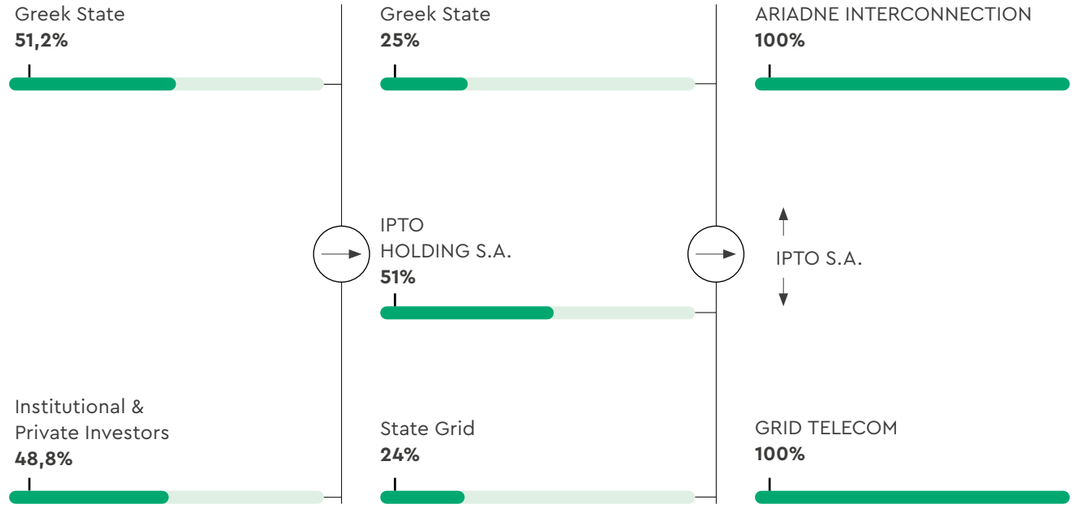
2020

Establishment and participation in the share capital of the Regional Control Centre in Thessaloniki, SEleNe CC with a percentage of 25%.

Shareholder structure

As of the 20th of June 2017, IPTO follows the Ownership Unbundling model, and is fully in line with Directive 2009/72/EC. The Company's registered office is located at 89 Dyrrachiou Street, Athens.

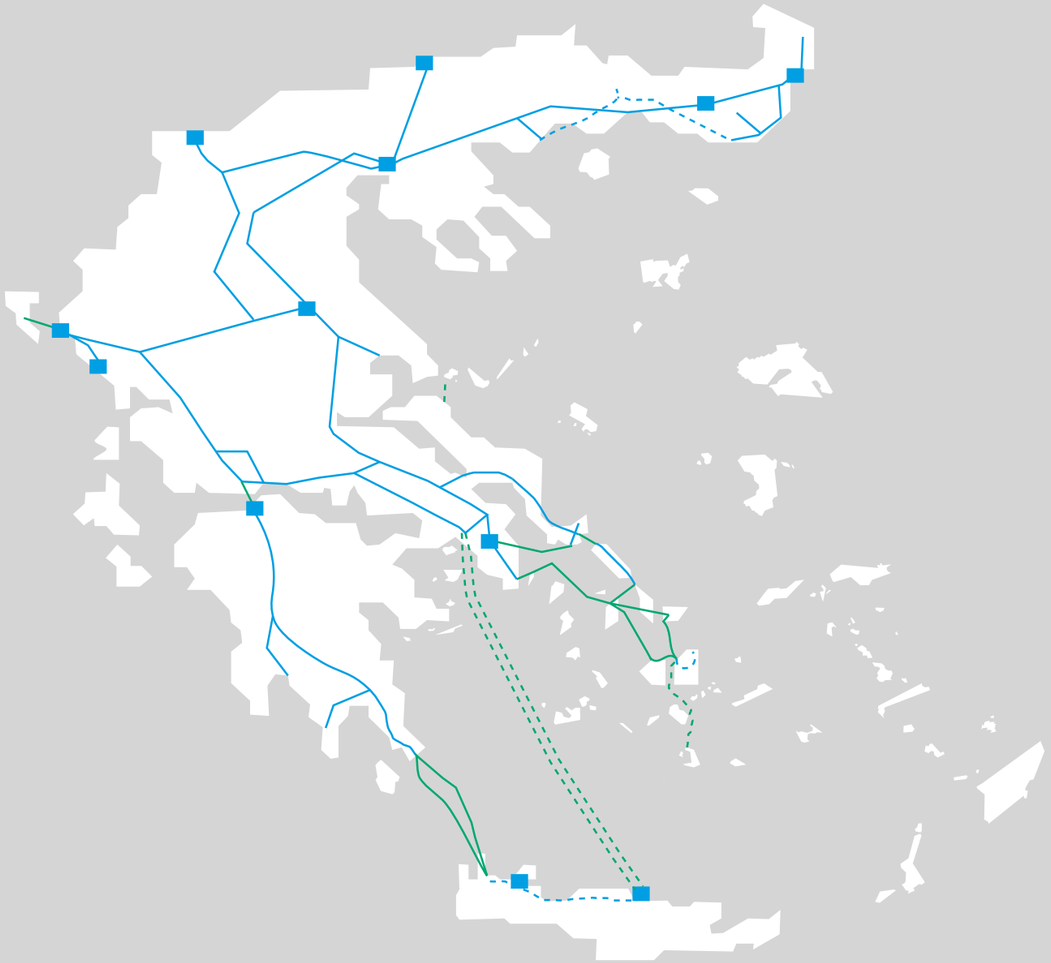
The shareholder structure of IPTO is as follows:



IPTO Holding holds 51% of IPTO S.A. and is listed on the Athens Stock Exchange. The goals and strategy of IPTO Holding are the effective and efficient implementation of IPTO's purpose. IPTO S.A. is the sole asset of IPTO Holding and IPTO Holding exercises control over it.

Fiber optic infrastructure map

Completed and under construction optical fibers coupled with HV power lines.



Terrestrial
Terrestrial under development
Submarine
Submarine under development

Subsidiaries

Apart from the parent company, the IPTO Group includes the affiliated companies "ARIADNE INTERCONNECTION S.P.L.C." and "GRID TELECOM SINGLE MEMBER S.A., which are 100% subsidiaries.

Ariadne Interconnection S.P.L.C.

The Interconnection of Crete with Attica is the largest project in the history of the National Transmission System and, by extension, in the history of IPTO. The total budget for this emblematic project amounts to 1 billion euros.

In terms of technical specifications, the project represents a challenge, as very few such projects are carried out worldwide. With the implementation of this project, through Ariadne Interconnection, IPTO paves the way for the future utilisation of the know-how developed at business level.

The headquarters of Ariadne Interconnection is located at 89, Dyrrachiou and Kifissou Street, Athens.

More information about Ariadne Interconnection S.P.L.C. is provided on the Company's website (www.ariadne-interconnection.gr/en).

GRID TELECOM expands the scope of the IPTO Group's activities in the operation, exploitation, management and development of fiber optic networks, providing integrated electronic communications services.

GRID TELECOM S.A.

GRID TELECOM, founded in 2019, is a 100% subsidiary of IPTO. Its aim is to provide telecommunication services in the domestic and international markets by utilising the 3,759km fiber optic network already installed in the Operator's high and ultra-high voltage lines, with the possibility of its further expansion through the overhead and submarine cable transmission lines, covering a total length of 12,000km, throughout the Greek territory.

To a large extent, this fiber optic network offers alternative routes which ensure high availability of services to customers. Initially, GRID-TELECOM services mainly concern the provision of dark fiber to telecommunications providers, as well as to large companies and organisations with requirements for high-speed broadband services.

In 2020, GRID TELECOM signed a 15-year framework contract with WIND, concening the the lease of multiple pairs of fiber optic cables in parts of the IPTO network in mainland Greece, covering a total length of 1,600km

The Company's net income for 2020 amounted to 150,426 euros. The Company's heartquarters are located at 89, Dyrrachiou and Kifissou Street, Athens.

More information about GRID TELECOM S.A. is provided on the Company's website (www.grid-telecom.com).

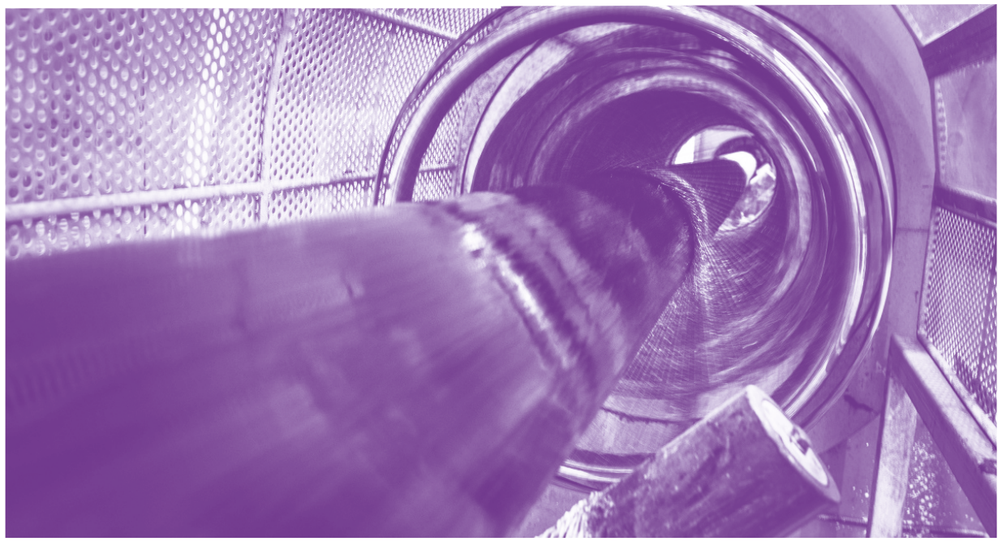
Strategic priorities and sustainable development goals

Over time, our mission, in the context of our role as Operator of the Hellenic Electricity Transmission System, focuses on continuous improvement and value creation for all of our stakeholders, thus contributing to the sustainable development of the entire country.

It is in this context that we have defined our strategic priorities for the coming period, which brings us even closer to our vision: a future with secure, fair and affordable zero-carbon energy.

The following strategic priorities confirm in practice the importance of our role as the main actor in implementing the national strategy for the transition to a low-carbon economy and, by extension, our decisive contribution to sustainable development for the country's economy, environment and society.

These strategic priorities are the result of consultation with our stakeholders and contribute significantly to the achievement of some of the United Nations Sustainable Development Goals for our country.



True to its mission, IPTO designs and develops reliable, sustainable and resilient electricity transmission infrastructure, most notably the electrical interconnections between the islands and the mainland System, in order to support economic growth and human well-being, with emphasis on equal access for all.

Accelerating the modernisation of the Electricity Transmission System	In order for the Group to improve the security and reliability of the System, it plans the following actions: a) inspection of transmission lines by manned and unmanned aerial vehicles, b) digitisation of substations and c) upgrading of the Geographic Information Systems (GIS) platform with new applications.
Electricity market development	Given the Company's pivotal role in the new dynamic Target Model market, a series of reforms in the wholesale electricity market are planned in 2021.
Further development of the fiber optic network	The plan for 2021 includes the construction of telecommunication hubs in IPTO's high voltage centres, as well as the provision of capacity services through a state-of-the-art DWDM network to be installed by IPTO.
Digitalisation of the Group's operations	The implementation of a new integrated Operational Information System (ERP/EAM/WFM) will allow the Company to facilitate information flows at all levels. This system will become an important tool for Group modernisation.
Further development of international interconnections	The development of international interconnections contributes substantially to the stability of the System and the convergence of prices between different European regions. In this context, IPTO cooperates with the neighbouring Operators (Bulgaria, Italy, Albania, North Macedonia and Turkey) to strengthen transnational interconnections. At the same time, IPTO examines opportunities for developing new international connections with neighbouring states in the SE Mediterranean region (Cyprus, Egypt, Libya).
Electricity storage	The new Ten-Year Development Plan includes pilot projects regarding battery systems installation in Thebes and Naxos, set to be completed in 2022. These projects will provide IPTO with significant experience in the management of battery systems, necessary for acheiving the objectives of the National Energy and Climate Plan (NECP) for the year 2030.
Increased penetration of renewable energy sources	Both the National Energy and Climate Plan and the Long-Term Energy Plan for 2050 call for the acceleration of large-scale integration of new renewable energy plants. The interconnection of the Aegean islands and the expansion of the 400kV Transmission System to the Peloponnese is the base for the integration of up to 3GW new renewable energy plants, into the domestic energy system.
Development of offshore wind parks	The extension of the Interconnected Transmission System to the islands enables the development of offshore wind parks. Consequently, there is a need for integrated planning for developing of strategic sea infrastructure. IPTO aims to contribute to the public debate for a transparent and robust regulatory framework, by utilising its experience from RES development in the mainland system.
Developing a Green Strategy	The strategy of the next four years will include action for combating climate change as well as the ways in which IPTO will contribute to the reduction of GHGs.
Calculation and reduction of carbon footprint and energy performance improvement of the two headquarters	
Exploring opportunities for listing the Company to an international sustainability stock exchange index	
Training personel on sustainable development issues	
Optimal waste management from IPTO operations	
Protection of employees health and development of an Occupational Health and Safety Management System in accordance with international standards and certification by an independent body	
Introduction of social and environmental criteria in the procurement procedures ("green procurement")	

Corporate governance

In order to achieve long-term and sustainable development for IPTO and its affiliated companies, as well as to maximise the benefit for society, we adhere to high standards of corporate governance.

Governance Structure

Board of Directors

The Company's Board of Directors consists of nine members, elected by the General Meeting of Shareholders. A member of the Board of Directors represents the employees of the Company. The composition of the Board of Directors on 31/12/2020 is presented below.

Board of Directors

Name	Position	Role	Gender
Manousakis Manousos	Chairman & CEO	Executive	Male
Dong Chen	Deputy CEO	Executive	Female
Margaris Ioannis	Vice-Chairman – General Manager	Executive	Male
Hong Li	Independent Member	Non-executive	Male
Yunpeng He	Independent Member	Non-executive	Male
Roussopoulos Iason	Member – Deputy General Manager	Executive	Male
Nikolopoulos Fotios	Member – Employee Representative	Non-executive	Male
Aspras Antonis	Independent Member	Non-executive	Male
Ignatiadis Stavros	Member	Non-executive	Male

Distribution of BoD members by age

Age group	<30	30–50	50>	Total
Number of BoD members per age group	0	6	3	9

The main role of the Board of Directors is to define the Company's strategy and development policy, as well as to supervise and control the management of its assets, especially in terms of the maintenance and management of the Transmission System and the preparation of the Ten-Year Development Plan of the Hellenic Electricity Transmission System. The Company's CEO also serves as Chairman of the Board of Directors. In this way it is possible to take decisions more directly and to effectively coordinate the work of the General Divisions.

Given its role as TSO, the appropriate management of sustainable development issues is important for IPTO

Board Committees

The Company's Board of Directors is supported within the framework of its responsibilities by the following three advisory Committees:
- Financial Audit Committee
- Strategic Planning Committee
- Remuneration and Appointments Committee

Financial Audit Committee

The Financial Audit Committee consists of four members and its main responsibilities are the following:
- supervision of relevant information's collection and the preparation of the Company's financial statements,
- monitoring the accounting practices and rules applied by the company,
- monitoring the Company's business plan together with the Strategic Planning Committee,
- briefing from the external or any internal auditors of the Company; and
- submitting proposals to the Board of Directors regarding the appointment, renewal of office term and remuneration of the Company's external auditors.

Strategic Planning Committee

The Strategic Planning Committee consists of four members. Its responsibilities, among others, include the monitoring of the Company's business plan together with the Financial Audit Committee and the submission of strategic planning proposals to the Board of Directors.

Remuneration and Appointments Committee

The Remuneration and Appointments Committee consists of four members. Its responsibilities include, inter alia, monitoring the appointment of employees by the Company and determining the relevant remuneration.

Managing sustainable development issues

Given its role as TSO, the appropriate management of sustainable development issues is important for IPTO. For this reason, although there is no separate committee at Board level, an appropriate governance structure is applied through which such issues are managed.

More specifically, the heads of the General Divisions report to the Chairman and CEO, who approves the actions and programs for the management of various issues related to sustainable development. The Chairman and CEO regularly informs the IPTO BoD about the actions taken.

Performance evaluation of the highest governance body

The Company's highest governance body is the General Meeting of Shareholders. The Board of Directors is supervised and elected by the General Meeting of Shareholders.

General Divisions

The General Divisions of IPTO are the following:
- General Division of Financial Services
- General Division of Technology, System Planning & Strategy
- General Division of Operation, Infrastructure & Market
- General Division of Human Resources, Legal & Regulatory Issues
- General Division of Asset Management & Maintenance

Organisational changes – new Divisions

Two new divisions were created in 2020. The first is the new General Division of Asset Management & Maintenance. Its mission is the optimal asset management of the Electricity Transmission System (transmission lines, HVCs and Substations) through the design and implementation of the appropriate methodologies and the necessary information systems. In addition, an International Relations Division was created, highlighting the importance of strengthening international interconnections for electricity transmission.

Contribution to sustainable development

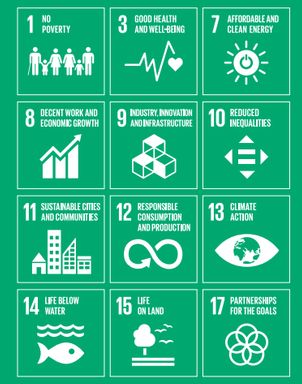
The main objective of our operation is to develop a reliable, sustainable and resilient Transmission System that allows equal access to electricity for all, while contributing to the country's sustainable economic growth.

365 days 24 hours
Ensuring electricity transmission in the country

€ 264 mil.
«Social product» in 2020

Consultation with Local Communities
Prior to decision making for the implementation of projects

89%
Local suppliers in 2020



Sustainable development strategy

Our role as Operator of the Hellenic Electricity Transmission System means that we have increased responsibility for the sustainable development of the entire country. As the energy mix in Greece is changing rapidly, IPTO, like other European Operators, aims to facilitate and accelerate this transition, by exploring more and more new possibilities and opportunities in the new conditions being formed both at national and European level.

To further integrate the principles of sustainable development in the way we operate and to optimally manage sustainable development issues related to our operation, we decided to proceed with the mapping of our strategy's main elements regarding sustainable development, as well as our priorities and goals.

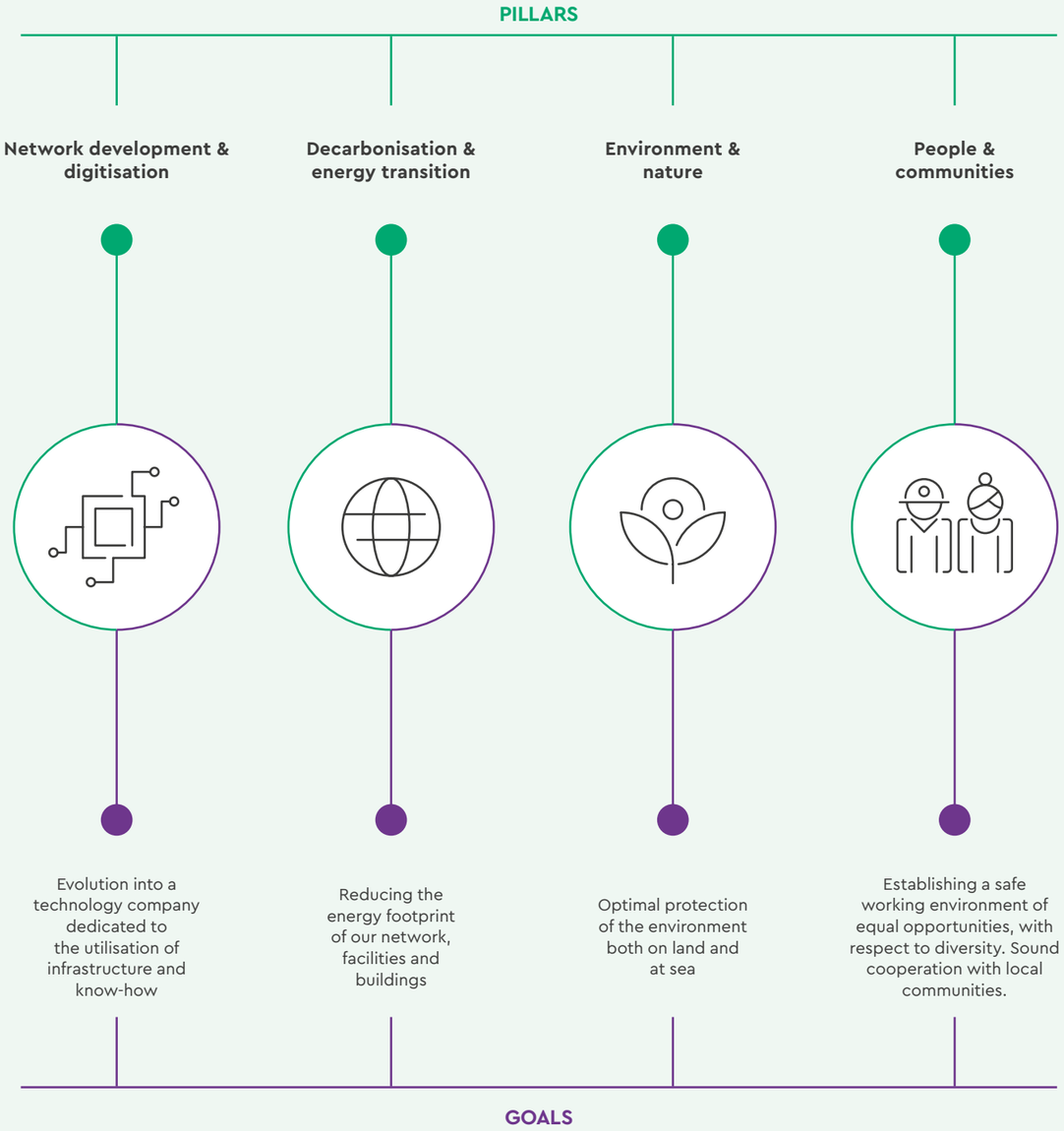
To achieve this, we took into account both the opinion of our stakeholders and the United Nations Sustainable Development Goals, as well as the results of our materiallity assessment regarding sustainable development.

The main pillars of our sustainable development strategy concern the Company's further network development and digital transformation, allowing it to become a technology company dedicated to the utilisation of infrastructure and know-how.

At the same time, IPTO will contribute substantially to the implementation of the national strategy for decarbonisation and energy transition, through the Aegean islands interconnections, expected to be completed by 2030, and through mainland upgrades, which will allow the connection of additional RES to the country's Transmission System. In this context, IPTO's goal is to reduce the energy footprint of its network, facilities and buildings.

The third pillar of IPTO's strategy for sustainable development is the protection of environment, aiming at minimising the impact on land and marine environment from the network operation as well as from new interconnection projects.

Finally, emphasis is also placed on smooth cooperation with local communities in the areas where we operate and implement new projects, as well as in our internal working environment, with a focus on creating conditions of safety and equal opportunities and with respect to diversity.



Our role as Operator of the Hellenic Transmission System is de facto interrelated with the sustainable development of the country itself as it is closely linked to the transition to a low-carbon economy

Our role as Operator of the Hellenic Transmission System is de facto interrelated with the sustainable development of the country itself as it is closely linked to the transition to a low-carbon economy. Our sustainable development strategy represents our vision for our responsible operation and our development as HETS Operator in the upcoming period, contributing decisively to the country's sustainable development.

Our contribution to the Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) aim to address the main challenges humanity is facing worldwide, such as poverty, climate change, environmental protection, gender equality, hunger, access to education, etc.

Through our role as Operator of the Hellenic Electricity Transmission System, we clearly and significantly influence the course of achieving the Sustainable Development Goals in the country. The following table shows how we contribute to the achievement of the United Nations Sustainable Development Goals at national level.

Presentation of the IPTO's Group contribution to the achievement of the United Nations Sustainable Development Goals (SDGs) for 2020

Sustainable Development Goals and sub-goals related directly or indirectly to our activity	IPTO's contribution
1.2) We are helping to reduce the number of men, women and children living below the poverty line in all its forms. 1.3) We have in place appropriate social protection systems and measures to achieve effective coverage of vulnerable populations. 1.5) We help to eliminate the exposure of vulnerable populations to economic, social and environmental problems.	• **We provide income to 1,607 permanent and temporary staff** on an annual basis. • **We are developing** the network in order to **ensure that all citizens have** an adequate and safe **supply of electricity**. • Through new interconnections and the supply of green electricity to the country, we **help reducing the cost of energy**, making it more **affordable for all**, while contributing to the **reduction of the cost of Utilities** for all.
3.9) We help reduce the number of deaths due to hazardous chemicals, air, water and soil pollution and contamination	• We implement interconnection and integration of RES **achieving decarbonisation** at local and national level. • We connect the Aegean islands with the Mainland System paving the way for the closure of polluting local production units. • We design and implement projects that are in **full compliance** with current environmental legislation. • We apply strict measures to **limit electromagnetic radiation within the permissible limits** established by the World Health Organization.
5.1) We contribute to ending all forms of discrimination against women.	• **3% increase** in female employees compared to the previous year. • **1% increase** in the representation of women in positions of responsibility.
7.1) We ensure equal access to affordable, reliable and modern energy services. 7.2) We contribute to the increase of the renewable energy sources' share in the global energy mix. 7.3) We contribute in the energy efficiency improvement. 7.a) We support research on clean energy technologies and promote investments in energy infrastructure and new technologies. 7.b) We are expanding our infrastructure to achieve the provision of sustainable energy services in the country's islands.	• We implement **new interconnections** of the Aegean islands with the Mainland System, allowing the **connection of a greater rate of RES to the System**, addressing the **energy isolation** of the islands and **increasing the reliability of supply**. • Commencement of commercial operation of RES units of up to 15MW power in the Interconnected System: **649 MW** • New RES installed capacity in the Interconnected System: **786 MW** • We are developing the **International Interconnection Network** with Bulgaria, Italy, Albania and North Macedonia for **decarbonisation transition**. • Through the Research, Technology and Development Division (DETA) we actively participate in **11 European Research Programmes in the framework of Horizon 2020** and **1 research collaboration with the European Space Agency (ESA)** in order to ensure the optimal integration of future RES penetration rates.
8.1) We contribute to the country's per capita economic growth. 8.4) We contribute to our economic growth by separating it from environmental degradation, promoting a framework of sustainable production and consumption 8.5) We contribute to full and productive employment and decent jobs for all women and men and for young people. 8.8) We protect labour rights and promote safe working conditions for all employees without discrimination.	• Our total activity created **€ 295.85 million** in **added value** in the country's GDP. • We apply a **Strategic Environmental Impact Assessment (SEIA) to the Ten-Year Development Plan projects** in order to identify, describe and evaluate the potential impacts of our activities. • **We cover 100% of our employees** with full-time contracts and a collective bargaining agreement. • In 2020, we spent 48,644 euros on employee training and development.
9.5) We contribute to the strengthening of scientific research and the upgrading of technological capabilities in the industry sector.	• **We are making investments of €5 billion** over the next 10 years. • Through the Research, Technology and Development Division, we participate in the preparation of the **ENTSO-E Research, Development & Innovation Roadmap** for the implementation of new methods and technologies in the Greek and European Energy System. • We work in partnership with **innovators**

11 SUSTAINABLE CITIES AND COMMUNITIES	11.1) We contribute to the strengthening of local infrastructure. 11.4) We contribute to the effort for the protection and safeguarding of our cultural and natural heritage.	• We have upgraded the telecommunication services in Greece by expanding the fiber optic network up 3,760km . • We cooperate with **Archaeological authorities** to ensure compliance with Greek legislation in the areas covered by our network. • **We have invested** €715,500 for the prevention and suppression of forest fires.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.4) We contribute to the proper management of all waste in accordance with internationally agreed frameworks and legislation. 12.5) We contribute to the reduction of waste production through prevention, reduction, recycling and reuse.	• **We manage the waste produced** in accordance with the existing legislation and regulations. • We have proceeded with the implementation of insulating oil regeneration practice, achieving a **90% regeneration rate**.
13 CLIMATE ACTION	13.1) We strengthen the resilience and adaptability of our activities to the risks arising from climate change 13.2) We contribute to the integration of climate change measures into national policies, strategies and their design.	• We have contributed to the **reduction** of lignite production by **9% in 2020**. • **We have replaced the vehicles of older technology** in our corporate fleet **with 14 purely electric** vehicles with almost zero CO_2 emissions. • We contribute to the development of the **regulatory framework for energy storage** and **offshore wind parks**
14 LIFE BELOW WATER	14.1) We contribute to the prevention of all forms of marine pollution.	• **We protect the environment** and minimise any environmental impact as much as possible.
15 LIFE ON LAND	15.1) We contribute to the protection of natural habitats and the prevention of biodiversity loss.	• **In the context of biodiversity protection**, we conduct environmental studies for the Company's projects, as well as special studies, such as Special Eco-friendly Utilisation Studies. • In **consultation with local communities, we explore ways to reduce the impact of** any project in the construction phase. • We have replanted **4,810 trees** in forest areas after the implementation of our projects.
17 PARTNERSHIPS FOR THE GOALS	17.17) We seek for corporate partnerships and effective synergies between the public and private sector as well as with Civil Society.	• **We are in close cooperation** with the competent authorities of the Ministries, Regions, Forestry and Archaeological Services, constantly taking into account the concerns of local communities for the achievement of our goals. • **We participate in the ENTSO-E's RDIP and Flexibility & Markets working groups** for research and innovation development.

Material sustainability issues

The materiality analysis for sustainable development is a useful tool through which we define our approach for creating value for all of our stakeholders.

Both our sustainable development strategy and the Sustainability Report focus on the most material sustainable development issues related to our operation and activities.

In particular, to apply the requirements of the GRI Standards, we analyse the sustainable development issues related to our operation through a specific, suitably structured process, and conclude on the most material ones, always incorporating the opinion of stakeholders. In this context and with a view to the implementation of the principles of the GRI Standards for determining the content of the Report (Stakeholder inclusiveness, Sustainability Context, Materiality and Completeness), a structured process/ methodology with the following steps was followed:

a) initially, the sector's material issues were identified, taking into account the wider trends as well as the latest developments in the field of sustainable development at national, European and international level,

b) these issues were then prioritised and finally

c) the outcome of the procedure was verified as to its completeness and correctness and the results were validated.

The final result was reviewed and approved by the top management of the Company.

For the effective recognition and prioritisation of material issues, a special workshop was held with the participation of executives from all Company Divisions. During the workshop, issues related to the Company's sustainable development were discussed extensively, evaluated and received a score, taking into account both the degree of each issue's impact and the relative interest of our stakeholders. Issues with low score both regarding their impact assessment and the relevant stakeholders' interest were assessed as not material. Throughout this process we made sure that both the principles of the GRI Standards for defining Report content, alongside our stakeholders' views and concerns, were properly incorporated.

In order to capture these issues, both the significance of each issue's impact and the relevant interest of IPTO stakeholders are assessed. In addition, we took into account the United Nations Sustainable Development Goals (SDGs) as well as other relevant standards and initiatives such as the GRI Standards, SASB Standards and TCFD recommendations. The results of this process are presented in the following materiality matrix.

Classification of material issues for IPTO

1. Network adequacy, security, stability and reliability
2. Energy transition, increase of RES integration and cost reduction
3. Network development (domestic and interconnections)
4. Efficiency of corporate governance
5. Project quality and on time delivery
6. Contribution to regulatory framework reform
7. Contribution to the efficient functioning of the energy market
8. New technologies for adaptation and tackling climate change
9. GHGs emission management
10. Environmental compliance
11. Communicating with stakeholders on critical issues
12. Waste management
13. Local effects and visual disturbance of the network
14. Management of climate risk and opportunities
15. Innovation, development and digitalisation
16. Financial strength
17. Occupational Health and Safety
18. Training & development
19. Electromagnetic radiation
20. Equal opportunities & diversity

Importance of social, environmental and economic impacts

IPTO's approach regarding the material sustainability issues, as well as the Company's performance in each of them, are presented in detail within the relevant sections of this Report.

Boundaries of material issues

The presentation of the performance on material issues concerns all the activities of the IPTO Group in Greece. The companies of the IPTO Group included in the annual consolidated financial statements are stated in the Annual Financial Report 2020 (Annual Financial Report for the year from 1 January to 31 December 2020, p. 6-7, Company website, Section Our Company, Financial Results, IPTO Group). The scope and boundaries of the material issues are defined within the IPTO Group.

Consultation with our stakeholders

The particular nature of IPTO's role as Operator of the Hellenic Electricity Transmission System, both in the context of its operation and of the new interconnections at national level, requires constant contact, cooperation and consultation with its stakeholders. As stakeholders we define the social groups that are affected by and/or affect the operation and decisions of the Company.

Main stakeholder groups

Based on our activities to date, the Company has identified the main groups of its stakeholders as follows:

Financial environment

- Creditors (Banking institutions & other providers of capital)
- Shareholders
- Financial analysts and rating agencies

Social environment

- Government, Institutions, Public Authorities, Decision-making centres (in Greece and abroad)
- Other Operators
- Local communities & NGOs
- Landowners
- Media
- Final consumers (through energy suppliers)

Business environment

- Employees
- Suppliers of energy, materials and services
- Contractors
- Customers-Network users
- High-voltage producers
- Innovation players (educational institutions, research centres, etc.)

Our role requires us to be in constant two-way communication with our stakeholders, at institutional level, at local level and at market level. The company through its executives as well as the CEO himself, participates actively in communication and consultation processes with stakeholders. In addition to the statutory consultation process with stakeholders that takes place as part of the development of the Ten-Year Development Plan, the Company proceeds with both informative actions and direct communication with representatives from the local communities, before starting a project.

It is clear that both our Company's strategy and our priorities are shaped on the basis of our stakeholders' views, expectations, concerns and priorities.

Moreover, given that the views of our stakeholders are taken into account for formulating the list of important/material sustainability issues, the current Report includes both those issues and our responses, as well as the most important sustainability issues according to our own prioritization.

Stakeholder consultation and our activities' impacts management

The projects for the development and maintenance of the electricity transmission network cover the entire Greek territory and are particularly important as they result to a number of benefits for consumers, society, the economy and the environment, by reducing electricity bills and paving the way for gradually eliminating the dependency on polluting power plants.

Although the development of new projects in some cases causes disturbance at local level, through systematic dialogue and consultation IPTO seeks to meet the expectations and concerns of our stakeholders by undertaking specific actions for ensuring a sustainable future for local communities. Specifically, we follow the following general principles for managing the effects that may result from our activities:

- We engage in systematic dialogue with the local communities in which we operate, so that there is mutual understanding and effective communication about the benefit resulting from our projects.
- We work out alternatives for the routing of transmission lines in each of our projects, aiming at achieving consensual solutions and creating the least possible inconvenience during their construction.
- We inform the owners regarding the process of collecting their compensations, where expropriation of private land is required.
- We take continuous action and initiatives to support local communities following an open dialogue with them and we sometimes implement projects for the public benefit.
- We adhere strictly and rigorously to the limits set by the Greek legislation regarding electromagnetic fields, both for the general public and for our employees.
- We study and evaluate in detail the potential impact of our projects on protected species and habitats.
- We take mitigation measures that eliminate, prevent or reduce to a negligible level the potential impact of a project. These measures include changes in the size, location and design of parts of our projects (e.g. deploy low noise transformers to reduce noise pollution) or may take the form of temporary adjustments during the construction and operation phases (e.g. avoidance of construction work during the migratory bird season).
- We consider alternatives when the effects of the planned project continue to be significant, even after mitigation measures (e.g. different location or undergrounding of the project, change of scale or development plans).
- We implement projects for the restoration and protection of the natural environment following completion of our projects.

Direct contact with our stakeholders at local level

In 2020, great emphasis was placed on properly informing the local communities in relation to the projects we have included in our plan. For this reason, it was decided that for every major interconnection project to be contracted, before the start of any works, a senior-level information meeting should be held (in the presence of the IPTO's Management), to directly and appropriately inform the local community about the necessity of the project, its description, milestones and benefits, the alternatives explored, the advantages and disadvantages of each alternative as well as the reasons that led to the proposed solution. Such meetings were held with the municipalities involved for the Crete-Attica electricity interconnection project (meetings with the Region of Crete, the Municipalities of Malevizio, Megara, Elefsina, Aspropyrgos), for the Skiathos electricity interconnection project (with the Municipality of Skiathos) and for the creation of the substation in Tinos (with the Municipality of Tinos).

Survey for the interconnection project between Crete-Attica and Crete-Peloponnese

During the projects for the electrical interconnection of Crete-Attica and Crete-Peloponnese we acknowledged the importance of the local community and we have designed and implemented a careful communication strategy in order to mitigate possible reactions and remove reservations. The communication strategy promoted the benefits that the local community will derive from the project and refuted any inaccurate information about possible negative effects.

Within this strategy we carried out an extensive study that reflected the current attitudes and perceptions of the inhabitants of Crete towards the interconnection project of the island with the mainland, its benefits and potential disturbances.

More specifically, we conducted a telephone survey targeting the permanent residents of Crete (sample: 1,000 persons), which mainly attempted to investigate the recognisability of both IPTO and the project itself. Subsequently, with targeted questions, we attempted an examination of attitudes and perceptions for the interconnection project, with particular emphasis on the potential benefits that will arise, the concerns of the local community as well as issues related to the utilisation of the island's renewable energy sources.

In addition, we carried out an electronic survey targeting Crete's permanent residents (sample: 1,537 persons) with the objective to verify, using different techniques, the recognisability of IPTO and the project, as well as to detect emotions emerging from the visual contact with power plants and facilities and with projects utilising renewable energy sources.

This survey was an important step for the interconnection of Crete-Attica and Crete-Peloponnese, as it led to significant benefits both for the successful implementation of the project and for the local communities.

Development of new tools and communication channels with our stakeholders

In order to better inform IPTO stakeholders and to provide more effective access to information on HETS and on the achievement of the national and European objectives for energy transition, various communication channels were created.

The first step was taken with the creation of a new IPTO website (in Greek and English) that provides up-to-date information on an ongoing basis on:

- all the new projects we are implementing and their financing,
- the procedure for registration in the HETS Operator Registry
- short-term load adequacy forecasts
- weekly balancing market reports
- monthly energy reports
- financial results

At the same time (2020) a corporate page was created on facebook and a group of employees was formed to manage IPTO's central communication e-mail (info@admie.gr), with the aim of responding immediately to the public's requests, while for 2021, we have planned our call centre reconstruction.

Contribution to the dialogue on improving the regulatory framework

In the context of IPTO's responsibilities and in accordance with the provisions of Law No. 4001/2011 and the System Operation Code (SOC), IPTO prepares and publishes the Ten-Year Network Development Plan (TYNDP) of the Hellenic Electricity Transmission System, which is issued annualy on a rolling basis. Once completed, the Preliminary Draft of the TYNDP is put to public consultation by IPTO, in accordance with the provisions of Article 229 of the Grid Code of the HETS, inviting interested parties to submit their views to IPTO's e-mail.

One of these tasks is to improve the regulatory framework of the country to which the Directorate for Legal and Regulatory Affairs makes a decisive contribution. With its help, IPTO performs the following tasks:

- It follows the developments and amendments made to the Greek, European and international legislation and case law regarding the regulatory framework.

- It monitors international regulatory practices and trends, developing its strategic approach, managing regulatory issues and coordinating the relevant communication with the competent bodies and entities.

For example, IPTO's contribution is significant for the development of regulatory frameworks for offshore wind parks, as well as for including low-cost energy storage systems into the energy mix.

Participation of IPTO in offshore wind parks consultation

One of the main IPTO activities is the design and rational development of high voltage networks. It is often necessary to modify a project's design in order to speed up licensing procedures, while it is important to have a clear institutional national framework for RES development.

The distance between offshore wind potential locations and the electricity grid is reduced due to the interconnections of Aegean and Ionian islands that bring the electricity industry closer to offshore wind energy.

In order to facilitate stakeholders (investors, local communities, Ministry of Environment and Energy, RAE) to plan their next steps, IPTO participates actively in the public debate, proposing the development of a long-term strategy based on the following pilars:

- The integrated design and development of the Transmission System by IPTO, taking into account island interconnections in the Aegean, which are expected to be completed by 2030, and upgrades of the terrestrial network.

- The development of a transparent and robust regulatory framework based on the know-how from the development of RES in the mainland system.

- The construction of offshore networks in a way that minimises total cost and safeguards the operation of the Transmission System.

- The division of roles and responsibilities of stakeholders (state licensing bodies, RAE, IPTO, wind producers, etc.)

In particular, IPTO proposes the design of an integrated approach within a National Master Plan that includes data on wind capacity in different geographical areas and taking into account the requirments for Transmission infrastructures and the existing spatial constraints. This proposal will create a solid framework for stakeholders and investors initiatives.

Operating with respect to local communities and the environment

IPTO ensures that maintenance work and development activities of the transmission system are performed with the maximum possible respect for the natural environment and the local communities in the areas where IPTO operates.

Benefits for local communities

IPTO is in constant consultation with local communities, taking into account the disturbance that may be caused during the implementation of a project as well as the concerns that may arise at a local level. In this context, meetings or informative events are held with the public authorities of local communities.

Also, in the context of the Company's policy for broad acceptance of its projects, it may:

- proceed to technical improvements of a project in order to minimise visual disturbance,

- agree with local communities on the implementation of public works projects.

Implementation of a cost-benefit study for the Crete-Attica electricity interconnection and the Cyclades' 4th phase

In 2020, cost-benefit studies were completed for the Crete-Attica electricity interconnection project and the 4th Cyclades Stage. These studies took into account indicators of socio-economic well-being, CO_2 differentiation, RES integration, non-CO_2 emissions, environmental and social impacts.

The results of this cost-benefit study highlight and quantify the expected benefits from the implementation of the project, as described in the objectives of the project:

- Ensuring the smooth, reliable and cheaper supply of electricity to the Cyclades and Crete compared to the current situation.

- Ensuring security of electricity supply from the HETS and putting an end to energy supply isolation of islands.

- Reducing the environmental impact and burden caused to the environment of the South-West Cyclades island complex and Crete by the existing oil production plants. These plants operate near residential and tourist areas and will gradually restrain their operation until definitive closure.

- Making the most of the region's rich RES potential.

- Reducing the cost of Utilities.

IPTO covered the cost for the restoration study of a historical building in the Municipality of Skiathos

During the interconnection of Skiathos with the High Voltage System of Evia, IPTO approved the request of the Municipality of Skiathos and covered the cost for the restoration study concerning an iconic building of Skiathos, the Bourtzi, built in 1906 based on the two-class educational institute typology of that time. Nowadays the building is used for cultural events of the Municipality and other agencies.

The Municipality had secured funding for the restoration of the building and the surrounding area.

The request for restoration study costs was made by the Municipality of Skiathos during a meeting regarding the island's interconnection with the High Voltage System through Evia. IPTO approved the request and then assigned the study to the office of Giannis Kizis, Emeritus Professor at the National Technical University of Athens. The study will be submitted to the Central Council of Modern Monuments of the Ministry of Culture, through the Service of Modern Monuments and Technical Works of Thessaly and Central Greece.

The Bourtzi requires immediate repairments of roofs, façades, window frames and the surrounding area, while the most important work will be the restoriation of the north-eastern area of the retaining wall. Moreover, the works will include all the necessary infrastructrure for people with disabilities or limited mobility.

Measures to reduce visual disturbance and electromagnetic radiation

In some cases, the Company's new projects development and/or its existing infrastructure may cause visual disturbance at local level. IPTO is committed to reduce, as much as possible, disturbance and any negative effects in general, caused by new projects or the existing infrastructure.

In particular, with regard to electromagnetic (E/M) radiation, IPTO strictly adheres to the limits set by the international non-profit scientific organization for the protection of humans against non-ionizing radiation (ICNIRP), which operates under the World Health Organization (WHO) auspices. In fact, the usual measurements related to our activities prove that the observed electric fields are well below the limit set by the relevant Joint Ministerial Decision of 2002, (Electric field intensity E ≤ 5,000 V / m), and the magnetic fields are often 50 to 100 times below the specified limit (Magnetic induction B ≤ 100 μT).

Respectively, in the case of visual disturbance, its reduction is always sought in the direction of the optimal cost-benefit balance for both the local communities and for the wider society as a whole. Undergrounding of transmission lines entails increased costs compared to overhead lines, which results in increased costs in the electricity bills. It is therefore important to choose the appropriate mode of transmission for electricity based not only on the reduction of visual disturbance, but in a balanced way, taking into account the corresponding increase of the electricity bills.

In order to achieve visual disturbance reduction to the lowest possible levels, the following practices are applied:

- The route for all new overhead lines is far from residential areas, including individual farmhouses or warehouses.
- Transmission lines near or within residential areas are placed underground and not overhead.
- When the transmission lines are close to settlements, tubular poles (masts) are used instead of lattice towers (pylon). The area and volume occupied by a mast is much smaller than the area occupied by a transmission tower.
- The construction of a substation and a high voltage centre within the cities or areas with special physical characteristics, such as the Cycladic islands, is a closed type GIS (Gas Insulated Switchgear).

Consensual solution with the Municipality of Malevizi for the creation of the minimum visual disturbance of the Crete-Attica interconnection project

A series of consultations were organised with the Malevizi Municipality and the local community following their strong concerns about the possible impacts of the transmission line crossing from the Korakia area to Damasta and the installation of a conversion station in the village of Damasta,.

The residents' initial concerns focused on:

- matters relating to the effects that electromagnetic radiation may have on their health and
- the visual disturbance that will be caused in the historic settlement of Damasta by the conversion station constrution and along the transmission lines.

These concerns led residents and the Municipality to oppose the project and call for a route change. During the first meeting with the Municipality and in order to address the residents' concerns on health issues, IPTO proposed that the Municipality should assign to a research institution of its choice, to audit the Environmental Impact Assessment of the project and asses whether there is a health risk and whether the chosen location for the conversion station is the best of all alternatives proposed for the stability of the System of Crete.

The Municipality chose as its technical advisor the Technical University of Crete (TUC). After carrying out a thorough research, TUC assured the Municipality through a public announcement that based on the technical characteristics of the project there is no risk for the health of the residents. It also explained that the alternative location of the station in the Korakia area proposed by the residents had been investigated by IPTO, but it appears that it would have a greater impact on Damasta in terms of System security, causing even more visual disturbance.

Following the consultations with the Municipality of Malevizi, IPTO made improvements to the project in order to minimise the visual disturbance. Specifically, the transmission line from Korakia to Damasta will be underground and the Conversion Station will be constructed in greater depth so that it is not visible from the village of Damasta.

The City Council of Malevizi and the people's assembly of Damasta accepted almost unanimously the improved proposals of IPTO and consented to be part of the project's route.

IPTO is committed to reduce, as much as possible, visual and electromagnetic disturbance and any negative effects in general, caused by new projects or the existing infrastructure

Supporting organisations and institutions

In order to actively participate in developments regarding the country's energy issues as well as sustainable development issues, we participate in a number of organisations and support initiatives related to sustainable development.

— G.E.MI.
General Electronic Commercial Registry

— EASE
Association of Chief Executive Officers

— ACCI
Athens Chamber of Commerce & Industry

— HAEE
Hellenic Association for Energy Economics

— HIIA
Hellenic Institute of Internal Auditors

— IENE
Institute of Energy for South East Europe

— UHCC
Union of Hellenic Chambers of Commerce

— SEV
Hellenic Federation of Enterprises

— TEE
Technical Chamber of Greece

— ACC
Association of Corporate Counsel

— CIGRE
International Council on Large Electric Systems (Greek & International)

— CSR HELLAS
Hellenic Network for Corporate Social Responsibility

— EACD
European Association of Communication Directors

— IAM
The Institute of Asset Management

— ENTSO-E
European Network of Transmission System Operators for Electricity

— Med-TSO
Mediterranean Transmission System Operators

IPTO also participates in the following organisations:

— JAO
Joint Allocation Office

— SEE CAO
Coordinated Auction Office in South East Europe

— SEleNE CC
Southeast Electricity Network Coordination Center

We participate actively: European Network of Transmission System Operators for Electricity (ENTSO-E)

The European Network of Transmission System Operators for Electricity (ENTSO-E) represents 42 Transmission System Operators from a total of 35 EU countries and its mission is the integration of the European internal electricity market and its optimal operation.

IPTO is a member of ENTSO-E and has an active role in all of its activities, participating in the committees and the corresponding working groups for the design and implementation of Grid Codes, the implementation of pan-European Network development plans, the preparation of System adequacy studies and the coordination of research programs for the promotion of Research and Innovation (Market Committee, System Development Committee, System Operations Committee, Research and Development Committee). IPTO also participates in consortia for the implementation of projects related to the operation and development of ENTSO-E networks and chairs th Project Group "Turkey" for the interconnection of Turkey with the ENTSO-E Network.

Finally, IPTO has increased representation in the decisions of the Network, as its Chairman and CEO, Manos Manousakis, has been an elected member of the Board of Directors of ENTSO-E since June 2019.

Our "social product"

IPTO's operation is particularly important for the country, not only because of its role as the Hellenic TSO, but also because of the important "social product" produced as a result of its operation. IPTO's social and economic contribution is significant for the areas of its activity and for the country's economy in general due to creation and preservation of jobs, added value creation and taxes paid to the state. In addition, significant value is also generated through expenses for the Company's suppliers, as well as donations and sponsorships for the entities we support. Moreover, these ammounts of money function as a positive contribution and often as a multiplier of the to the GDP.

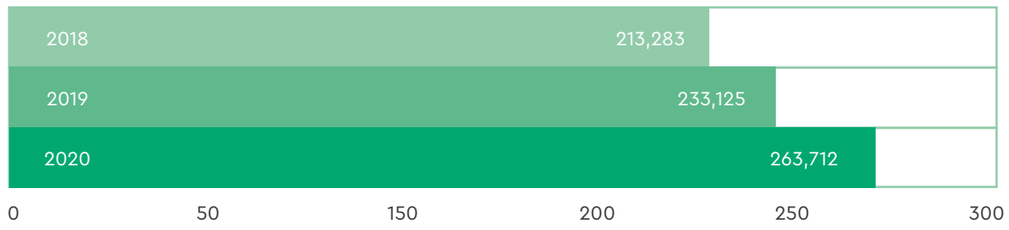
Specifically, in 2020, the "social product" of IPTO Group amounted to a total of 263.7 million euros. In particular, the Group spent 165 million euros on salaries and benefits for its staff during the three-year period 2018-2020, actively contributing to the development of local communities and the Greek economy in general.

Moreover, payments to government agencies (taxes, VAT, employers' contributions, etc.) amounted to 34.46 million euros in 2020, while for a total of 3 years (2018–2020) this amount sums up to 90.25 million euros.

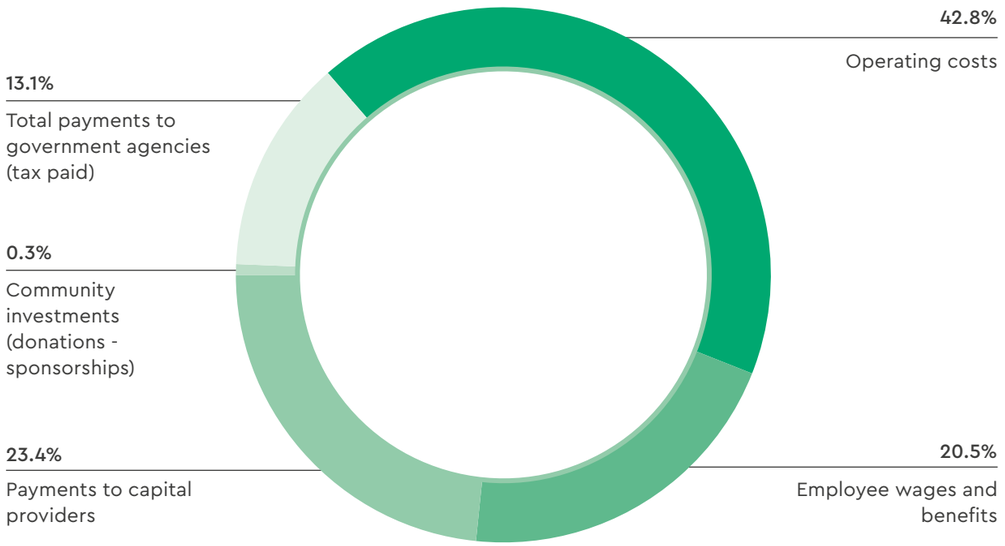
Social product (thous. euros)	2018		2019		2020	
	Company	Group	Company	Group	Company	Group
Economic value generated						
Total revenues	266,490	267,074	296,155	300,381	293,667	295,854
Economic value distributed						
Operating cost	72,514	72,717	108,581	109,181	111,795	112,778
Employee wages and benefits	69,981	69,981	40,771	40,859	54,037	54,105
Payments to providers of capital	41,114	41,114	55,151	55,152	61,612	61,617
Total payments to government (taxes paid)	29,046	29,046	27,886	27,909	33,296	34,462
Community investments (donations - sponsorships)	425	425	24	24	750	750
Total "Social product"	**213,080**	**213,283**	**232,413**	**233,125**	**261,489**	**263,712**
Economic value retained	53,410	53,791	63,742	67,257	32,178	32,142

IPTO's social and economic contribution is significant for the areas of its activity and for the country's economy due to creation and preservation of jobs, added value creation and taxes paid to the state

Annual contribution to social development - "Social Product" (in thous. euros)



IPTO's "social product" allocation - 2020



Responding to climate change

The steadily accelerating course of climate change causes an increasing number of adverse effects of rising tension, while at the same time climate change has a chronic impact on the environment and human beings.

IPTO's strategic planning takes into account the new conditions created by climate change in order to adapt to the new environment. Based on the current data and upcoming changes, the Company identifies the risks associated with climate change, as well as the potential opportunities.

In this context, one of the pillars of the new IPTO Strategy for the years 2021-2024 is to achieve security and reliability in a difficult environment. Specifically, IPTO accelerates and expands the System's asset renewal program, aiming to the renewal of all critical equipment of the System by the end of 2023.

This planning takes into account a number of parameters, including climate parameters which change at multiple levels, as the occurrence of extreme weather phenomena is now more and more frequent in our country. More details are provided in p. 67.

At the same time, IPTO's contribution to climate mitigation is particularly important at a national level. New interconnections enable the change of the country's energy mix by allowing the integration of a greater percentage of RES, and thus contribute to the transition to a low-carbon economy and the gradual decarbonization. This new environment also presents new opportunities for action, as the transition to a low-carbon economy can only be achieved through radical structural and technological changes in the energy system.

For more information, see Energy network and infrastructure.

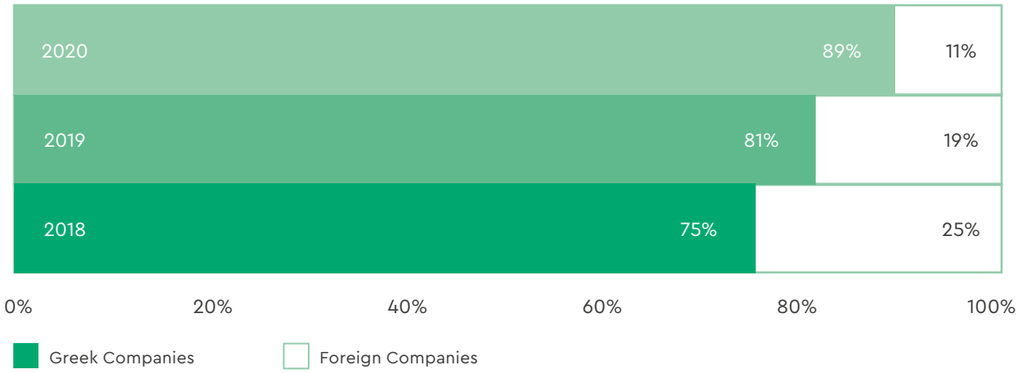
Sustainable procurement

Procurement of the appropriate goods (e.g. infrastructure, equipment, materials, services) in the appropriate quantity and quality, at the best possible price and at the desired time are an essential condition for our activities.

The main categories of IPTO contractors/suppliers are:

- Contractors/Manufacturers
- Civil engineering work contractors
- Material suppliers and service providers
- Hardware/Equipment manufacturers
- Tansport companies

Percentage of expenditures concerning contractors



Fro the period 2018-2020, the total number of suppliers/contractors amounted to 363, with total supply costs being 671 million euros and the ratio of domestic to foreign suppliers being 89%/11% for 2020.

The objectives set for 2021 concern the creation of a Supplier Registry, taking into account that our Company's cooperation with the best suppliers is not only necessary but also essential, since the works, materials and services are critical and directly related to our operation. Another benefit of the Registry is to shorten tender procedures and, by extension, to increase IPTOs performance.

The transition to a low-carbon economy can only be achieved through radical structural and technological changes in the energy system

Energy network and infrastructure

The Independent Electricity Transmission Operator (IPTO) aims to supply the country with reliable, efficient and green electricity, promoting the development of free competition in the Greek electricity market.

€ 1 Bn.
Investment for the Crete – Attica interconnection

786MW
New RES capacity installed in the system for 2020

Transformation
of IPTO into a Digital TSO

€ 550 Mil.
Annual benefit for all through reduced utilities cost after the operation of the two electrical interconnections of Crete

7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

Network adequacy, security, stability & reliability

IPTO's mission is the safe and uninterrupted supply of the Hellenic Electricity Transmission System (HETS) 24 hours a day, 365 days a year. According to the laws of physics, the production and consumption of electricity must be balanced at all times.

Employees in the Transmission System Operation & Control Department ensure this very balance, increasing production when more power is required or reducing production when there is more power than can be absorbed or transmitted.

Balancing is a fairly complex task and becomes even more perplexed with the constantly growing penetration of Renewable Energy Sources in the HETS which have a volatile and stochastic nature, as their injection to the HETS may change over very short time periods, depending on the time of day and weather conditions.

Responding to the challenges imposed by the high penetration of RES in the System operation

Despite the initial reservations expressed in the past, RES power plants have proved to be extremely reliable and functionally robust. Most wind and photovoltaic parks are connected to the System or the Network with power electronic devices which allow them to satisfactorily address any possible disturbances of the System (short circuits, voltage and frequency dips, etc.).

In addition, the new System codes, which have been drawn up by ENTSO-E and have been approved by the European Commission, currently constituting Community legislation, impose - among other things - specific technical operational characteristics for RES power plants, to ensure safe operation of the System in large-scale penetration of alternative energy sources. To date, these codes are in their implementation phase, during which all European Operators in cooperation with ENTSO-E, carry out the necessary preparatory actions for their transposition to the Member-States' national law.

Overall, the operation of the system is designed and planned taking into account all the factors that affect it (weather conditions, special restrictions, data availability, etc.) and it is then monitored in real time by the Energy Control Centre in Kryoneri, Attica and backed up by the other Control Centres.

IPTO's contribution to the country's energy security is crucial as the smooth, safe and uninterrupted transmission of electricity from the production points to the consumption ones must be ensured.

Four key parameters for the energy security of the country are listed below:

Availability

We are in charge of serving the country's demand and supply of electricity uninterruptedly and under any conditions. We meet the demand for electricity in all parts of the country that are connected to the Transmission System, regardless of whether it is limited or extremely high.

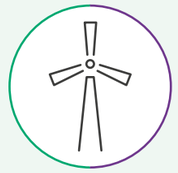
Reliability

Our responsibility is to ensure that the country's electricity supply is conducted in a safe, efficient and reliable way, anticipating the needs that will be created, taking care to implement maintenance and expansion projects of HETS and responding immediately in case of failure.

Affordability

The development of the HETS is guided by ensuring the long-term capacity of the System to meet the reasonable needs for electricity transmission, under economically viable conditions, helping to reduce the cost of Public Utilities for all.

Sustainability



An important parameter for the System's development is the need to serve the large penetration of RES so that the National and European policies are implemented, ultimately aiming to reverse climate change with the electricity sector's contribution.

Respectively, the main factors that determine the adequacy of the production system in terms of reliable service of demand (energy and peak) are:

- Load variation (capacity and energy demand)
- Availability of production units
- Hydraulic conditions
- Capacity availability for net imports from international interconnections
- Level of RES units penetration

The most critical factor related with production units, in terms of their contribution to the capacity adequacy of the production system, is their availability. Production units may be out of operation due to scheduled maintenance or due to accidental failure. Accidental failures may have an adverse impact on the adequacy of the System, since both their occurrence and their duration cannot be foreseen. For this reason, the impact of unforeseen unavailability due to accidental failures is assessed by a probability simulation of production units function. As regards the other parameters that affect the adequacy of the System, due to their stochastic nature, their impact is assessed by analysis of alternative scenarios and hypotheses. In this light, it is virtually impossible to guarantee that an electricity generation system will be able to fully meet the needs of demand under any conditions. Therefore, it is necessary to determine the desired level of reliability that the electricity generation System should ensure, so that the risk of not meeting the demand is economically and socially tolerable.

Subsequently, in order to ensure the adequacy of the country's electricity generation system, IPTO prepares annually a detailed Electricity Generation Adequacy Study with the purpose of identifying possible future risks in the system's ability to adequately respond to the anticipated demand for electricity over the years to come. Additionally,

this Study allows to determine the requirements in newly installed production capacity, so that the energy demand is safely met during the period considered.

Immediate response to damages caused by severe weather events

We are fully committed to confront extraordinary and extreme phenomena affecting the System. In such cases, the Operator responds promptly and effectively by carrying out its nationaly crucial operation.

Such an event was the repairment of a double failure in the overhead transmission system of Andros, caused by gale force winds. These failures resulted in the power outage of two islands (Andros and Tinos) for some hours on 6/1/2020. However, power supply was restored within a few hours thanks to the immediate mobilisation and close cooperation of IPTO, HEDNO and the PPC, which allowed the rapid launch of the Autonomous Power Station (APS) of Andros and the supply of the island through the network of HEDNO. The uninterrupted supply continued via the APS until IPTO's technicians could travel to the island (immediately after the travel restrictions for ships were lifted) and repair the problems.

The Operator remains in full readiness to ensure secure power supply for the entire country and immediately intervenes, in so far as the weather conditions allow and always ensuring the safety of its staff, in order to repair any HETS problems caused by extreme weather events.

Development of the energy transmission system

The development of the HETS is one of IPTO's main tasks based on its role as TSO.

IPTO consistently and quickly implements its Ten-Year Development Plan by utilizing its 5 billion euros investments and by interconnecting almost every Aegean island with the mainland system by 2030. The development of the System includes planning and making significant investments to ensure the adequate, safe, efficient and reliable supply of electricity across the country. At the same time, these investments secure the long-term ability of the System to meet demand needs, under economically viable conditions and for the benefit of society and the environment.

The main vehicle for planning and scheduling these investments is the Ten-Year Development Plan.

The Ten-Year Development Plan (TYDP)

The Ten-Year Development Plan of the country's Transmission System is drawn up on an annual rolling basis and includes the System development projects for its respective reference period, as well as the basic philosophy followed for their design, configuration and planning, also including the necessary infrastructure for RES penetration, as well as timeschedules and estimated financial flows.

In particular, according to the latest ten-year plan (2021-2030), development projects include, among others, the following:

- necessary reinforcements of the System, such as new transmission lines, upgrades of existing transmission lines, new Ultra High Voltage Centres (HVCs) and substations, as well as extensions of existing Ultra High Voltage Centres or substations, as required for the safe transmission of the power;
- modernization and upgrading of existing infrastructure (e.g. Substations and Ultra High Voltage Centres), as well as their respective control infrastructure, necessary works to improve operation and economy of the System, such as the reinforcement of the existing Ultra High Voltage Centres and construction of new transmission lines to best serve the needs of System Users,
- integration into the System and/or the upgrading of new interconnections with neighbouring countries,
- projects for connection to the System (transmission lines and substations) required for integrating new power plants and new high-voltage consumers (high-voltage customers and Network Operator). Relevant connection studies have been completed,
- development of the necessary infrastructure, such as measurement collection systems (SCADA), telecommunications backbone network, telecommunications links between Substations - Ultra High Voltage Centres and the Energy Control Centres, development and software installation in accordance with the requirements for safer and more efficient operation of the System and the electricity market.

INTERCONNECTION IMPLEMENTATION PLAN UP TO 2030

Category	Interconnection area	Phase	Delivery and operation
Domestic interconnections	Cyclades	Phase A: Lavrio-Syros and Syros-Tinos-Mykonos-Paros	Completed in 2018
		Phase B: Paros-Naxos, Naxos-Mykonos	The project was completed in 2020
		Phase C: Second interconnection Lavrio-Syros	The project was completed in 2020
		Phase D: Western and Southern Cyclades (Santorini, Milos, Folegandros and Serifos)	In 2020, two tenders were announced for the interconnection of Santorini, while the expected completion of the project is in 2024

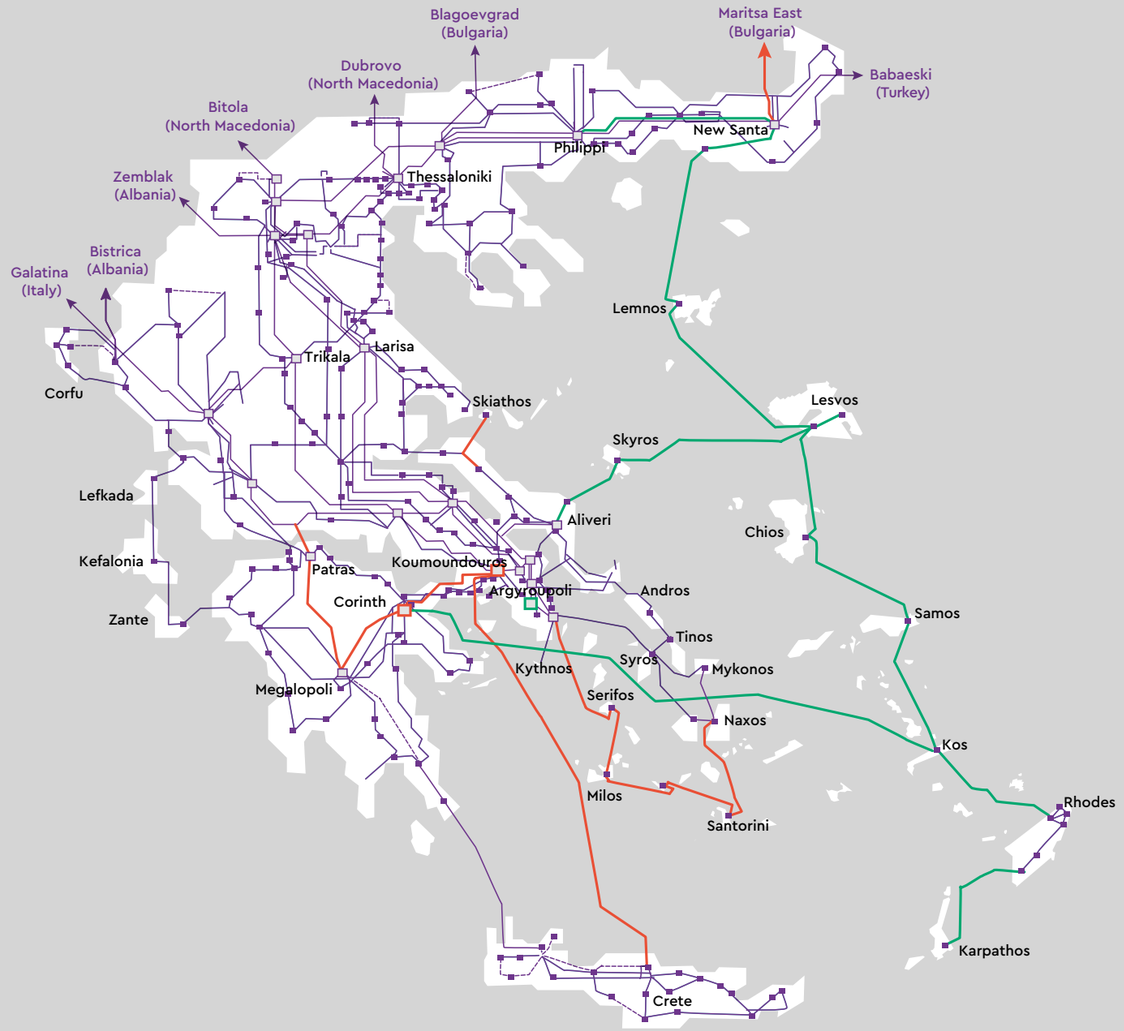
Domestic interconnections	Crete	Crete-Peloponnese	In 2020, electrification trial was successfull, while the completion of the project will follow in the first half of 2021
		Crete-Attica	The tender for cable and converters contractors was completed in 2020. The project is expected to be completed in 2023 or early 2024
	Skiathos	Mantoudi-Skiathos	In 2020, the submarine cable project between Skiathos and Mantoudi was completed. The project is expected to be completed in 2022 with the construction of a new substation in Skiathos
	Peloponnese	Megalopolis-Korinthos, Attica (Eastern corridor)	In 2020, electrification trial was successful. The project will be completed in 2021
		Megalopolis-Patras-Western Mainland (Western Corridor)	95% completed
	Dodecanese	Korinthos-Kos-Rhodes-Karpathos	2027: Estimated completion of interconnection 2028: Estimated year of operation
	Islands of the Northeastern Aegean	Phase A: Nea Santa-Limnos-Lesvos Phase B: Aliveri-Skyros-Lesvos-Chios-Kos-Samos-Rhodes-Karpathos Phase C: Lesvos-Chios-Samos	2029: Estimated completion of the three phases of the project 2030: Estimated year of full operation
International interconnections	Bulgaria	2nd interconnection with Bulgaria	In 2020, the part of the interconnection with Bulgaria was contracted. The tender for the Greek part will take place in 2021. The completion of the second Greek-Bulgarian interconnection is expected in 2022

Upgrading of the Koumoundourou Ultra High Voltage Centre (HVC)

Apart from the aformentioned projects, reinforcement and development of the System projects are scheduled, with the most important being the reconstruction of the Koumoundourou Ultra High Voltage Centre.

In 2020, a tender was announced for replacement and extention of 400kV and 150kV switchgear of the Koumoundourou Ultra HVC in Aspropyrgos with modern closed type equipment (GIS), and the addition of new power autotransformers and compensation self-inductors. The new Ultra HVC will supply twenty one 150kV lines and four 400kV lines, taking over a significant share of the electricity load in the Attica basin. The Attica-Crete cable (through the - under construction- Koumoundourou Converter Station) and the Eastern Corridor of the Peloponnese (Megalopolis-Korinthos-Attica) will be interconnected to the new facilities of the Ultra HVC. The total budget for the project amounts to 46 million euros and its construction is expected to last for 30 months.

IPTO's Interconnected Electricity System by 2030



Transmission System

Major projects to be constructed by 2024

- Interconnection of Crete
- Interconnection of Northern Cyclades
- Interconnection of Southern and Western Cyclades
- Second interconnection between Greece and Bulgaria
- 400kv System Expansion in the Peloponnese
- Reconstruction of Koumoundourou HVC

Major projects planned by 2030

- Interconnection of the Dodecanese
- Interconnection of the northeastern Aegean
- New 400kV Filippi–Nea Santa station
- Argyroupoli HVC

Development of the Transmission System: Projects completed in 2020

Completion of Phases 2 and 3 of the Cyclades

Phase 2 of the project for the Cyclades interconnection was completed in September 2020 with the interconnection of Naxos to the High Voltage System and includes the following sub-projects:

- Connection of Paros and Naxos with a 7.6km long three-core submarine cable.
- Connection of Naxos and Mykonos with a 40km long three-core submarine cable.
- New GIS Substation on Naxos, as well as the connection works at the Substations of Paros and Mykonos.

Along with Phase 2, oil-cable connections Andros-Livadi (14.5km, South Evia) and of Andros-Tinos (4km) were replaced with new submarine cables. The upgrade was completed in early 2020.

Phase 3 of the Cyclades interconnection will be completed with the installation of the second subsea cable of Lavrio-Syros and the required connection works at Lavrio and Syros. The aim of Phase 3 is to ensure operational reliability for any demand variation of the interconnected islands. This project was completed and commissioned in October 2020.

Crete - Peloponnese Interconnection

The Crete-Peloponnese interconnection is the first phase of the interconnection of Crete with the HETS. In 2020, the Substations at the Peloponnese and Chania were completed, as well as the underground transmission lines in Crete and the Peloponnese, one subsea cable line and most of the overhead lines in the Peloponnese, which allowed for a successful electrification test in December 2020. The second submarine cable, final arrangements of the overhead lines in the Peloponnese and the STATCOM will be completed in the next period, to ensure that the interconnection will be operational before the summer of 2021. The project is co-funded by the EU and the NSRF (2014-2020) and is financed by the European Investment Bank. The total budget ammounts to 356.4 million euros.

The Crete-Peloponnese interconnection is called the "record-breaker interconnection" as it is:

- The longest AC cable interconnection in the world (174km)
- The longest high voltage submarine cable with triplex XLPE insulated cable in the world (132km)
- The deepest submarine high voltage interconnection with triplex XLPE insulated cable in the world (depth 1,000m)

Crete-Attica Interconnection: A decades-long vision becomes reality

The energy interconnection of Crete with Attica becomes a reality with Ariadne Interconnection, a 100% subsidiary of IPTO Group. The largest project in the history of the Greek electricity system, worths 1 billion euros and ensures significant economic and environmental benefits for all citizens.

Identity
The electrical interconnection between Crete and Attica is one of the top five most innovative direct current projects in Europe. It includes two 335km long submarine 500kV cables with 1,000MW total transmission power. The cables are submersed to a record depth of up to 1,200m, on the seabed of the Aegean.

Two state-of-the-art ultra-high voltage centres are being constructed at the interconnection's ends -the Koumoundourou converter station in Attica and the Damasta converter station in Heraklion- as well as a 150kV GIS substation. During the preparation of the project, IPTO took into account the requests of local communities for minimisation of visual and environmental disturbance.

Progress
The project was contracted in June 2020 in Heraklion, Crete between Ariadne Interconnection and the contractors Prysmian, Nexans, NK-Hellenic Cables and Siemens-TERNA.

The Environmental Terms Approval Decision (AEPO) was issued in April 2020. The estimated completion date of all the electrical interconnection sections is the end of 2023 or early 2024.

Innovation
The Crete-Attica cable interconnection uses a 500kV DC voltage utilising the latest Voltage Source Converter (VSC) technology, which makes it the first interconnection of this type in the Mediterranean. With a transfer capacity of 1,000MW, it is the most powerful island interconnection in the world, together with that of Sardinia. The submersion of cables in depths reaching 1,200m, places the project among the top three of the deepest interconnections worldwide. It is the largest energy infrastructure that the country has acquired and it engages some of Europe's leading manufacturers.

Benefits and added value
The new interconnection has important economic, social and environmental benefits. In economic terms, the first full year of operation (2024) of the two electricity interconnections of Crete, consumers on country level will save 550 million euros per annum through reduced electricity bills. This benefit will gradually increase, reaching 1 billion euros in 2030. The social benefit of the project will be the opening of more than 2,000 jobs needed for the construction works. Finally, local stations will be permanently shut down leading to CO2 emissions reduction by 500,000 tonnes while pollutants for energy production on the island will be reduced to zero.

The higher quality and reliability of electricity supply is expected to be immediately noticed especially during the summer, when the demand for electricity peaks due to tourism. From the first moment of Crete's full integration into the electrical System, everyone will enjoy the benefits of a cleaner atmosphere together with a more sustainable environment.

335km
Two underwater cables

500kV
Voltage

1,000MW
Transmission Capacity

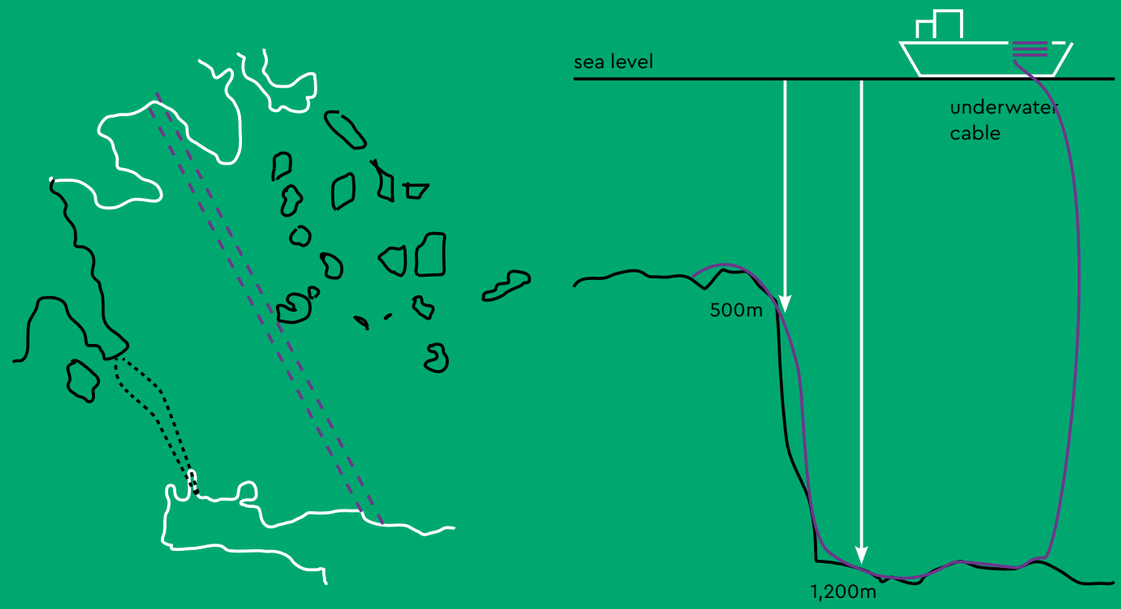
1,200m
Depth

0
CO_2 emissions for energy in Crete

€ 550mil.
annual benefit for everyone

2,000
Jobs

It is the largest energy infrastructure that the country has acquired and it engages some of Europe's leading manufacturers



International interconnections

A tender for the Greek part of the second international interconnection between Greece and Bulgaria will be completed in 2021. At the same time, IPTO is very close to an agreement concerning the construction of a second interconnection with Italy, while there are discussions about new interconnections with Albania and North Macedonia. Moreover, the plans to upgrade the Greece-Turkey interconnection (the interconnection of the European with the Turkish Transmission System) are maturing.

The development of international interconnections plays a central role in the development strategy of the Operator, as it contributes substantially to the stability of the System and the convergence of prices between different European regions. In this context, IPTO cooperates with neighbouring Operators to assess possible alternatives to strengthen transnational interconnections.

1. Greece-Bulgaria: The construction of the new interconnection involving a 400kV overhead line between the Ultra High Voltage Centre of N. Santa and the Maritsa East 1 Substation, will be completed six-months earlier than planned, so it will be ready by mid-2022.

2. Greece-Italy: IPTO and TERNA will soon examine alternatives for the development of a new subsea interconnection between the Hellenic and the Italian Systems, while the two TSOs will expole the possibility of leveraging existing infrastructure. Current estimates indicate that the need for increased interconnection capacity ranges between 500–1000MW.

3. Greece-Albania: The two TSOs are considering the design of a new 400kV connection line between the southern transmission system of the neighbouring country and an Ultra High Voltage Centre in Greece.

4. Greece-North Macedonia: Operators shall consider scenarios for upgrading the existing 400kV interconnection.

Project quality and on time delivery

Given the crucial role of IPTO's infrastructure, project quality and on-time delivery are significant parameters for design and implementation of projects. In this context, IPTO takes special care to ensure project completion within the required time limits, so that they can meet the needs at national and local level, thus IPTO contributes decisively to the implementation of the national strategy for a low-carbon economy transition.

Energy transition

Climate change is nowadays an undeniable reality which manifests itself through severe weather events. Therefore, the need to shield the country from its devastating consequences seems more urgent than ever.

Part of the solution is to limit the combustion of fossil fuels which are responsible for the release of greenhouse gases (GHGs), whilst the industry is moving towards renewable energy production. According to the National Plan for Energy and Climate, Greece aims to drastically reduce GHGs emissions in order to achieve the transition to a climate-neutral economy by 2050.

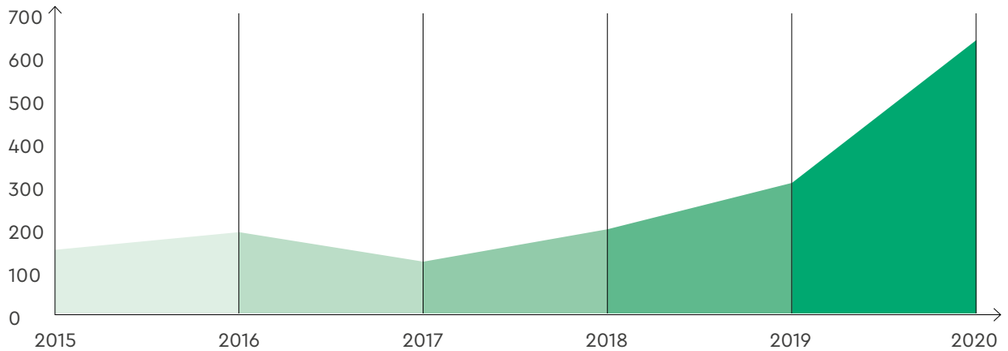
Increased penetration of RES

IPTO is responsible for implementing the country's large-scale interconnections paving the way for green investments and increased integration of RES into the HETS. Such projects produce important benefits for the society, the environment and the economy.

In particular, reduction in the cost of energy production as well as carbon intensity (decarbonization), alongside reduction in atmospheric pollution, are achieved through the reduction of air emissions due to fossil fuel combustion.

This trend is also reflected in the chart below. There is a significant increase over the last three years, prompted by the operation of 649 MW new renewable energy projects, as well as a newly installed RES capacity of 786MW in the HETS in 2020.

Commencement of commercial operation of RES* (MW)



*wind, photovoltaic and hydroelectric up to 15MW

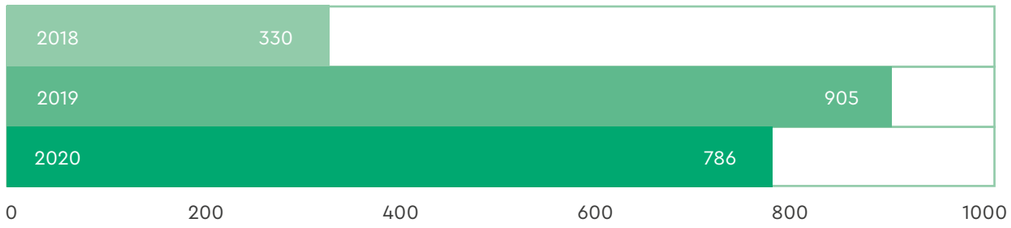
Newly installed RES capacity (MW) in the Interconnected System

Year	Wind	Photovoltaics	SHP*	Biomass	Cogeneration	Total
2018	253	46	9	21	1	330
2019	746	149	1	5	4	905
2020	430	343	3	8	2	786

*Small hydroelectric power plants

Climate change is nowadays an undeniable reality, the transition to RES energy production is part of the solution to combat it.

Newly installed RES capacity (MW) in the Interconnected System



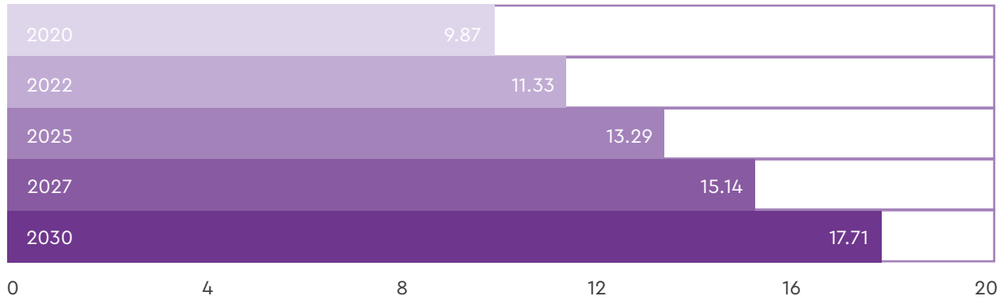
Moreover, restructuring of the country's energy mix is planned by 2030 as well as an increase in the share of RES to at least 35% of the total gross final consumption. To achieve this goal, the National Plan for Energy and Climate prescribes a radical transformation of the electricity sector, as RES will replace fossil fuels more than 60% of gross final electricity consumption. According to the National Plan for Energy and Climate the target for 2030 is to eliminate the share of lignite in electricity production.

The rapid penetration of RES in electricity generation, expected by 2030, is also shown in the following table:

Evolution of installed RES capacity for electricity generation, until 2030, according to the National Plan for Energy and Climate

Power Generation – Installed Capacity (GW)	2020	2022	2025	2027	2030
Biomass & Biogas	0.07	0.09	0.12	0.23	0.32
Hydroelectric (incl. Mixed pumped)	3.42	3.66	3.72	3.83	3.86
Wind	2.83	3.19	4.04	5.16	6.62
Photovoltaics	3.54	4.38	5.33	5.81	6.76
Solar thermal stations	0.00	0.00	0.07	0.07	0.07
Geothermal energy	0.00	0.00	0.00	0.03	0.08
Total	**9.87**	**11.33**	**13.29**	**15.14**	**17.71**

Total installed RES capacity (MW) for electricity production up to 2030



At the same time, an important priority in the Ten-Year Development Plan is the interconnection of the Aegean islands with the mainland System. These interconnections tackle energy isolation, increase reliability of supply, reduce the cost of energy produced and consequently the cost of Utilities, protect the environment and leverage the high potential of RES. Alongide the termination of Aegean islands "energy isolation", an increase in the size of the domestic electricity market will occur.

It is clear that IPTO plays a crucial role for the realization of the aforementioned plas and objectives and it will continue to play this role in the future to an even greater extent.

Affordable energy for everyone

IPTO aims to provide reliable, efficient and green electricity to the country, promoting the development of free competition in the Greek electricity market. A reduction of energy costs is achieved through IPTO's activity and the new interconnection projects, as well as through the development of free competition. The result is to provide consumers with clean and affordable energy. An indicative example is the annual saving of 550 million euros that will occur since the first full year of operation of both Crete's electricity interconnections (2024). This benefit will be visible in the reduced cost of Utilities in electricity bills for consumers nationwide.

IPTO aims to provide reliable, efficient and green electricity to the country, promoting the development of free competition in the Greek electricity market

Target Model's operation

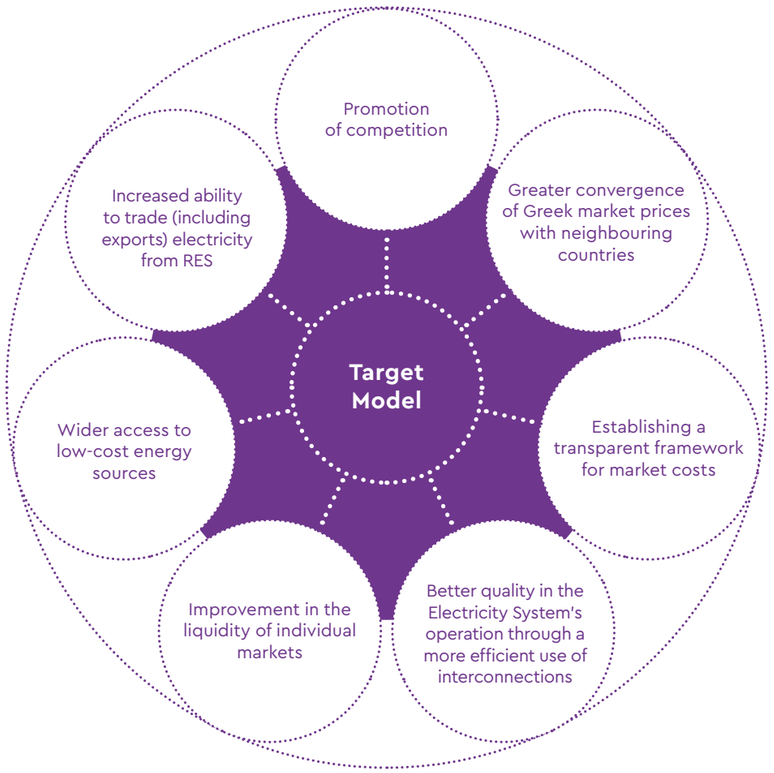
IPTO entered the new electricity market on 1 November 2020. The new market that is fully compliant with the European Target Model, introduces competition by providing significant incentives for new market participants as well as attracting new investments and more efficient integration of renewable energy sources into the electricity market.

The Target Model

The so-called "Target Model" is the single wholesale market model applied in all countries of the European Union.

Its aim is to create a single European electricity market that removes trade restrictions, allows interaction between national markets and ensures equal access for everyone, so as to enhance competition and ultimately benefit the consumer.

This process will gradually bring significant benefits such as:



IPTO's role is central to this new model of operation for the national wholesale electricity market, as it is responsible for five distinct functions:

- calculation of the interconnections long-term capacity,
- long-term capacity distribution using a common methodology,
- capacity allocation in the day-ahead market
- intraday markets operation
- electric energy balancing

In addition, IPTO manages and operates the Balancing Market which ensures the balance of supply and demand and in effect the System's security. The Balancing Market consists of three stages: The Balancing Capacity Market, the Balancing Energy Market and the Imbalances Settlement.

The information systems which support the Balancing Market operation are the market management system (MMS platform), the collection and certification of measurements (MODESTO system), the management of interfaces (XBMS system) and the clearing of the Balancing Market (MSS system).

During 2020, IPTO's new website was also launched, hosting a large amount of public market data mainly related to the Market and the System's Operation. The data are accessible through all digital media, including the HTTP File Download API, used for automatically receiving files by external Information Systems. Additionally, in the context of the increased extroversion of the Operator, the website contains general information for users, such as graphs and key indicators, as well as a detailed description of the national regulatory framework, further enhancing the transparency and ease of access for the user. Finally, specific analyses are published, such as the highly detailed and easy-to-use weekly balancing market reports.

Creating a common European electricity market brings benefits from cross-border competition, leads to fair and competitive wholesale market prices, enhances Europe's security of energy supply, contributes to the international goal of reducing GHGs emissions and to a decarbonised European economy. Such benefits are reaped not only by market participants, but also by all European citizens.

Integrating the Greek energy market with neighbouring markets

In the context of the Single Day-Ahead Coupling Project (SDAC), the Greek Day-Ahead Market was coupled with the Italian one in 2020.

The Greek energy market coupling with that of Bulgaria is planned in May 2021, followed by the integration of Greece in the continuous intraday trading (XBID) for both interconnections with Italy and Bulgaria, by the end of 2021.

Market coupling achieves optimal use of interconnections capacity, the convergence of energy prices between neighbouring countries and the promotion of adequate cross-border capacity. IPTO plays a key role in both Day-Ahead Market coupling and the Day-to-Day Markets, as it operates the critical interconnection capacity of electricity transmission.

IPTO as member of the RSC (Regional Security Coordinator-SEleNe CC) at Thessaloniki, will bear the responsibility for calculating the capacity for the interconnections between Greece-Italy and Greece-Bulgaria, alongside the interconnections with non-member states, to determine its long-term availability via transmission rights. The estimated quantity is distributed through transmission rights auctions, carried out by Auction Houses, in which IPTO is a shareholder together with other Operators, such as: the Joint Auction Office (JAO) for the European borders, and the South East Europe Common Auction Office (SEE CAO) for the connections of Greece with Albania, Northern Macedonia and Turkey.

Establishment of a new Regional Security Coordination Centre in Thessaloniki

In May 2020, the new Regional Security Coordinator (RSC) for Southeast Europe under the name SEleNe CC (Southeast Electricity Network Coordination Center) was successfully established by four Energy Transmission System Operators: IPTO (Greece), ESO-EAD (Bulgaria), TERNA SpA (Italy) and Transelectrica (Romania). RSC headquarters are located in Thessaloniki (Greece), that is also the energy centre for Southeast Europe and the Greek-Italian borders.

RSCs play a key role in the operation of the electricity market and systems. On the one hand, they aim to maximize the capacity available in the market for energy exchanges, thus, ensuring optimal use of infrastructure and increasing competition in the wholesale market resulting in reduced electricity cost. On the other hand, RSCs secure the electricity systems and their short-term adequacy by offering the best option at an international level. Morover, they contribute to cost reduction of TSOs activities and minimize the likelihood of adverse incidents occurance (e.g. power outages, frequency disturbances) in large geographical areas.

At the same time, RSCs are promoting regional cooperation between TSOs which is now more urgent than ever due to challenges for Systems balancing caused by the increased penetration of RES, increased volume and variability of cross-border flows, including the gradual integration of energy storage.

Greece as a regional energy hub

In the context of enhancing and utilising the geopolitical role of Greece, international connections are also deemed considerably important (integration of existing and planning of new ones). Regarding the electricity market, the implementation of the following interconnection projects will be promoted within the next decade:

- Second interconnection between Greece and Bulgaria
- Contribution to the Greece-Cyprus-Israel interconnection project through the implementation interconnection of Crete
- Upgrading the Greece-Republic of North Macedonia interconnection

Energy mix determination

Electricity transmission from producers to consumers requires a smooth cooperation between power grids of different voltage. To ensure this, the grid control and management is achieved through appropriate tools and the regulatory effect of market. As a result, the System's operation and control uses solutions drawn from the electricity market, based on technical and financial offers, that are subsequently implemented in real time, mainly by the National Energy Control Centre and the three Regional Energy Control Centres.

The main factors affecting the country's electricity demand on a medium to long term basis are the following:

- The country's economic conditions, with GDP being the key indicator
- Changes in consumer habits (air conditioning, use of electricity in transportation, use of computers, use of LED lamps, etc.) due to improved living standards, notwithstanding the improvement of living conditions for certain population groups (e.g. economic migrants)
- The general situation in the energy sector and the electricity market (level of electricity prices, competition with natural gas industry, etc.)
- Special conditions (e.g. development and implementation of financial mechanisms)
- Population growth
- Implementation of governmental policies, such as energy saving, upgrading buildings energy performance, etc.

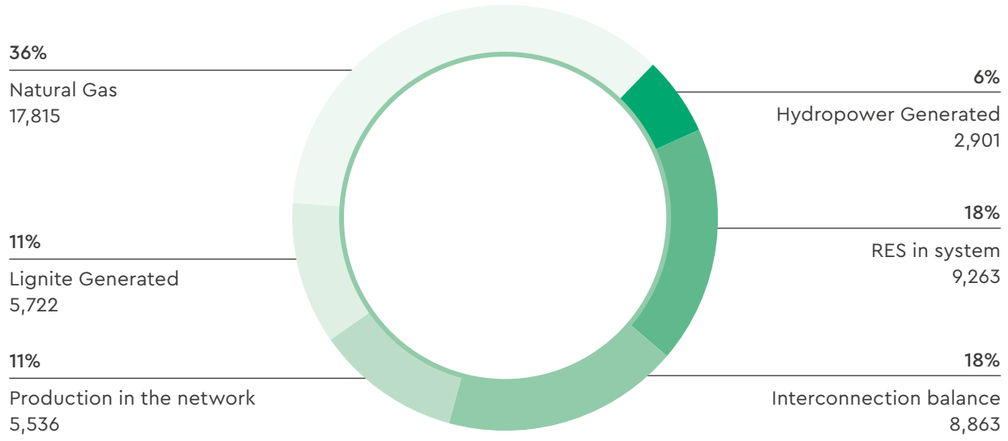
Operational Planning aims to a safe operation of the HETS. Its basic procedures concern the planning of cut-offs for interconnections and main elements of the HETS and for the Production Units, to ensure the uninterrupted electricity supply of the country and the reliable operation of HETS.

At the same time, the main pillars for the Operational Security Analysis of the HETS are the studies for capacity adequacy and reserve margins, as well as the creation of the Individual Grid Model, which records the network topology, regarding forecasts about production, load, and flows through the interconnections.

According to the data presented in the "Monthly Energy Report (2020)", the total production and imports-exports balance traded in 2020 amounted to 50,106GWh, out of which 44,570GWh were handled through the Transmission System. The remaining 5,536GWh concerned production in the Network (ranging from photovoltaics, biogas and small hydropower plants to high-efficiency combined heat-power units).

The distribution of electricity production based on different fuel sources is shown in the figure below. It should be noted that in 2020 the production share from RES and the Network was slightly increased (to 29% cumulatively from 24% in 2019) and the share of lignite production was reduced by half (to 11% from 20% in 2019).

Production estimate & interconnection balance (GWh)
50,106 GWh



Demand in non-interconnected islands is not included.
- Production refers to the injection point in the System.
- Production in the Network is derived from certified measurements for Medium Voltage and estimates for Low Voltage.
- A positive sign shows imports in the interconnection balance.

Asset management

Asset management includes activities that allow IPTO to operate and maintain its assets in accordance with the principles of sustainability, operational efficiency, quality and security, while optimizing investment returns to create value for its stakeholders.

This requires a structured approach, based on best practices that include the life cycle of infrastructures, taking into account both relevant costs and potential risks. At the same time, financial and technical parameters are combined with the management of the various phases that constitute the life cycle of an asset: design, construction, commissioning, monitoring, maintenance, repair/replacement, shutdown and finally removal (decommissioning).

The HETS consists of the Interconnected System of mainland and connected islands at high (150kV and 66kV) and ultra-high (400kV) voltage levels. The high voltage underground cable network that serves the needs of the capital area, falls under the remit of the Network Operator (HEDNO), which is responsible for its operation and development planning.

The basic HETS Equipment data, as of 31.12.2020, are described in the following table:

Transmission System Equipment

Transmission Lines (km)		Total
Overhead	11,147.43	12,393.39
Submarine	910.61	
Underground	335.35	
Substations with IPTO fixed assets (number)		
Converter	353	361
link	8	
IPTO Transformers		
Number		68
Power (MVA)		17,787
Connected User Transformers		
Number		710
Power (MVA)		40,437

The Asset Management Department is responsible for the optimal management of the HETS assets, through the design and implementation of appropriate methodologies and necessary software systems.

Its main objective is to maintain a sound, strong and cost-effective power network infrastructure. In this direction, inspections and proposals are made to improve scheduled maintenance and to plan the renewal of electromechanical equipment, using available data about the condition and life cycle of fixed assets.

In this context, Asset Department coordinates the renewal and modernisation plan of the Transmission System's equipment and facilities over a five year period and implements important projects throughout the Greek territory as part of the Ten-Year Development Plan.

Asset management main objective is to maintain a sound, strong and cost-effective power network infrastructure

Assets renewal programme

Security and reliability in a challenging environment is one of the new IPTO Strategy pillars for 2021-2024. The fact that the System is changing overall and the network is growing, creates new technological requirements. At the same time, increasing challenges arising due to climate change, render equipment renovation urgent. Even secondary elements of the system have to be upgraded in order to prevent power supply failures.

To this end, IPTO accelerates and expands the System's asset renewal program, which was drawn up in 2018. This was a rotating program, with a 80-90 million euros budget for the years 2021-2024. Following the Company's decision to accelerate and expand the Asset Renewal Program, a 200 million euros front-loaded plan was designed, with the first 150 million euros to be invested in the current three-year period. The program includes a replacement of all critical operating elements aged above 24y, at national level. So, all critical System equipment will have been renewed, by the end of 2023.

This plan takes into account a number of parameters, including climate change, among others, as the occurrence of extreme weather events is now more and more frequent in our country. Moreover, the asset renewal program also includes cybersecurity, as the digital transformation of the Company is in progress.

Introduction of an Asset Performance Management System

One of IPTO priorities for 2021 is the introduction of an Asset Performance Management System (APMS), which will ensure optimal management of the Operator's assets through the control and evaluation of their condition, while permitting timely interventions to prevent errors and thus, significantly enhance the System's security and efficiency.

The new Asset Performance Management System, combined with an Online Condition Monitoring system, can support IPTO's strategy for the transition from Time Based Maintenance (TBM) to Condition Based Maintenance (CBM) of assets. It is estimated that the specifications for the procurement, development and operation of an integrated Asset Performance Management System will be completed by the end of 2021 and the start of the project is expected in the first quarter of 2022.

The new Asset Performance Management System will be fed by the existing GIS system, the new Enterprise Asset Management system and by operating data, in order to display assets in real time and provide results with great accuracy.

Digital transformation

In order to adapt to the developments of the new digital era in the energy sector and the global economy, IPTO has placed the digitalisation of its operations at the centre of its strategy, contributing that way to the digital transformation of the whole country.

IPTO is transforming into a digital Transmission System Operator (Digital TSO). During this course it focuses on the following main business areas based on innovation and desired digitalisation.

Energy Control Centres turn digital

Part of the digital transformation pursued by IPTO, where significant efforts are being made, is the digitalisation of the Energy Control Centres. To this end, Display Walls in the Energy Control Centres of the whole country were replaced with digital ones after more than 20 years of operation.

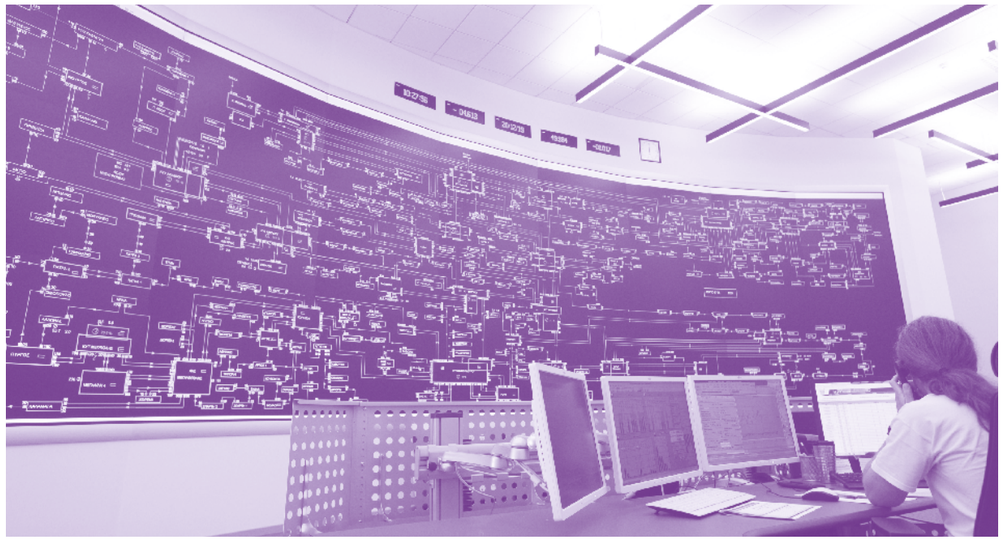
Specifically, control centres in Kryoneri, Ptolemaida and Thessaloniki were technologically upgraded, by modernizing both the software and technological equipment of the control rooms.

Accordingly, the preparation of a new Energy Control Centre in Crete was completed in 2020, while its operation started in early 2021. The need for such actions is dictated by the interconnection of IPTO's Mainland Transmission System with that of Crete. Main pillar of these interventions is to ensure an effective response to the new situation in the energy market. Something that is impossible to be accomplished with the existing means and infrastructure of the Energy Control System due to incompatibility with new technologies. Moreover, the Energy Control System maintenance became extremely difficult and costly, as it was impossible to find spare parts and experienced technicians required for older technologies.

At the same time, the Southeast Electricity Network Coordination Center under the name "SEleNe CC" was established in Thessaloniki, jointly with the Electricity Transmission Operators of Italy (TERNA SpA), Romania (Transelectrica) and Bulgaria (ESO-EAD) and is expected to begin its commercial operation in 2021. The four Operators have equal equity shares of the new Centre.

According to the European regulatory framework, SEleNe CC has advisory competences regarding network security at regional level.

This is deemed an important step towards complying the region with EU's third policy package. As part of the Clean Energy Package (CEP), SEleNe CC will transform into a Regional Coordination Center (RCC) in July 2022 with increased obligations and competences. The necessary preparations for this transition are underway.



Control Center at Kryoneri, Attica.

Creation of a Network Operations Centre (NOC)

The System's operation depends heavily on the reliability of communications, without which it could not function. A Network Operations Centre is the backbone of every digital Company which relies on telecommunication services. As part of the System's operational upgrade, IPTO started to design its own new Network and Communications Control Centre.

The main role of the Network Operations Centre (NOC) is to monitor 24/7, control and manage the Company's telecommunications networks, ensuring a high level of availability. Therefore, a NOC is the basis of a Company's "nervous system". In terms of security, the NOC is the first line of defence against any potential attacks or external threats on the Company's telecommunications networks. It should be noted, that the new Network Operations Centre will also provide services to the telecommunications subsidiary Grid Telecom. Its contracting is expected in August 2021 and its operation in September of the same year.

Creation of a Cyber Security Operations Centre (SOC)

IPTO's digital transformation and the recent legislation on cybersecurity of Operators of Essential Services (OES) oblige the company to ensure protection of its digital infrastructure from cyber attacks. In the past, such events were rare, but in the modern, digital environment of OES the risks, even for blackout, are increasing, as recent cases have shown (Ukraine 2015). Apart from security design and integration of additional malware protection systems, it is also extremely important to have continuous monitoring, correlation and evaluation of events generated by digital infrastructure. Therefore, it is possible to identify cyberattacks in a timely manner and take immediate action to combat them.

For this reason, the Cyber Security Operation Centre (SOC) performs a vital function within an organisation that employs people, processes and technology, to continuously monitor and improve IPTO's cyber security, while preventing, detecting, analysing and responding to incidents in cyberspace. SOC's main advantage is the improvement of security incident detection through continuous monitoring and analysis of data activity. By analysing the activity of networks, endpoints, servers and databases around the clock, the SOC team is critical for timely detection and response to security incidents. 24/7 surveillance provided by SOC gives IPTO the advantage to defend against incidents and intrusions, regardless of the source, time of day or type of attack. In this way, SOC prevents malicious actions by groups that may try to harm the company and the country by creating problems in the uninterrupted electricity supply of businesses and households.

On that note, IPTO's cybersecurity mechanisms block (prevent) 20,000-30,000 malicious messages every day and 80,000-100,000 malicious attempts for connection with the company's network.

In fact, no critical cybersecurity breach has been identified in IPTO's systems to date. Moreover, no system has collapsed due to a cyber-attack and no shutdown has occurred.

However, for 2021-2023, to further enhance cybersecurity and infrastructure resilience (Cybersecurity Resilience), the Cyber Security Operations Centre (SOC) plans to acquire new generation equipment & software, consisting of:

1. A Modern Platform for the Management of Security Incidents (SIEM & SOAR Platform)
2. IT & OT (ICS) Threat Detection System
3. Network Access Control
4. Platform for Intelligent Analysis of Cyber Attacks and Threats
5. Cloud and Remote Access Security
6. NG endpoint protection
7. New Generation Firewall (NGFW) network security for both data centres and perimeter security
8. Multiple Factor Identity Verification

It will also acquire an integrated risk management and business continuity system, that will include the following:

1. Enterprise Risk Management (ERM)
2. Business Continuity Plan (BCP)
3. Incident Response Plans (IRPs)
4. Penetration Testing
5. Cybersecurity Awareness Training
6. ISO-27001 Certification
7. Review and revision of policies and procedures or preparation of new ones
8. Cloud-based System (IaaS & SaaS) Security Strategy.

Digital map of transmission towers

IPTO initiated a procedure for the identification of transmission towers geographical coordinates, in order to digitize this information. For this digitisation IPTO used orthophotographs from 2016, granted to it for free by the National Cadastre. The method used is considered to be the most cost-efficient and the fastest for updating the tower centre for the entire country, achieving a great level of accuracy (97%). The advantages of this project are that available data now meet the National Cadastre's specifications for safeguarding IPTO's assets, such as its transmission towers and the land parcels in which they are located.

Moreover, apart form the aforementioned Asset Performance Management System, the goals for the next four years are:

- The first until now large-scale inspection of transmission lines, with combined use of manned and unmanned aerial vehicles and other technologies such as LiDAR, multispectral cameras, optical and infrared cameras for vegetation and works' management, pilot use of satellite data, creation of digital terrain models and preventive maintenance.
- The upgrade of HETS GIS platform by using fiber optic networks as well as state-of-the-art functionalities.
- Coordination of an extensive plan for the renovation of the HETS by 2025, which will modernise the equipment and ensure network reliability.

New software systems

The company is in the process of acquiring and installing three modern and sophisticated systems: (a) Enterprise Resource Planning (ERP) Software, (b) Enterprise Asset Management (EAM) and (c) Workforce Management (WFM). During 2020, IPTO determined the scope jointly with the potential suppliers and business owners, compiled complex technical and operational specifications, coordinated five operational departments of the company and successfully completed the tender procedure.

The successful installation and operation of these systems will contribute to the accomplishment of the strategic objective of IPTO's Management for digital transformation.

More specifically, some of the benefits for the Company are summarised below:

1. Modernization of its operating procedures with the introduction of information technologies to meet existing, short-term and medium-term needs.
2. Simplification/optimization of the Company's business processes.
3. Creation of a single database (single source of truth) to support the main operations of the company, avoiding the dysfunctional, unsafe and costly phenomenon of "Shadow IT".
4. Improving the accuracy and completeness of information for managerial and strategic decision-making.
5. Guaranteeing the confidentiality, integrity and availability of data (security) for authorized users and business owners.

Successful response to the conditions set by the pandemic

Despite the unprecedented circumstances, the Company remained operationally alive, achieving the following within a short period of time:

1,100 employees
are digitally connected to the Company's systems

900 employees
have an active VPN account

900 users
have an Office 365 license and a cloud account

400 laptops
were distributed to the employees, along with headphones & cameras

600-700 employees
are connected via e-mail every day

800 employees
can organise teleconferences (MS Teams, Webex)

200 requests/day
Handling over 200 technical and network support requests per day

5 Digital ICT Support Groups
were created (Teleworking, Teleconferencing, IT Requests & Equipment Service, Digital Signatures, Collaboration)

All employees have Collaboration tools (MS Teams) available in the cloud

Digital signature for almost all internal and external documents

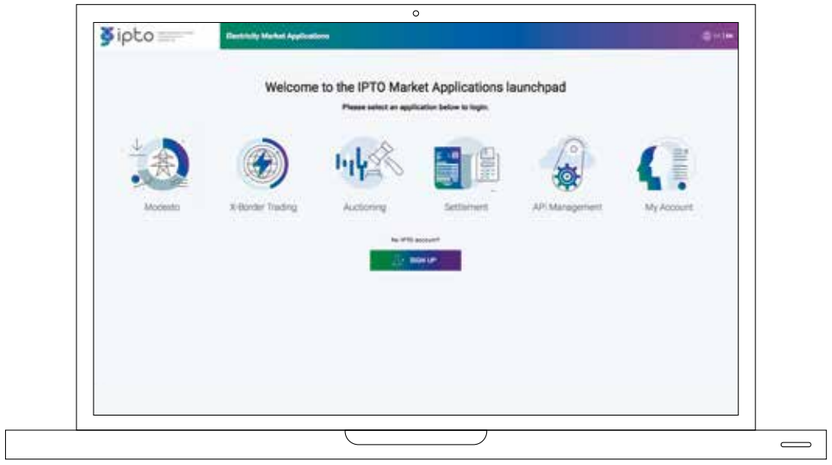
Meanwhile, the Electricity Market Applications Platform "Market Extranet" (https://market-extranet.admie.gr/home/main) was launched in 2020, which offers safe (through multi-factor authentication) and connection to Target Model systems:

- The new Cross-Border Management System (XBMS) implements the link between the Greek electricity market and neighbouring European day-ahead markets and the European cross-border intraday market, XBID.
- MODESTO, a modern software used to processing and certify energy balance measurements and calculations for the balancing market.
- The Market Settlement System (MSS), a software used for the debit/credit calculation in relation with balancing providers services and contracting parties with balancing responsibility in the new balancing market.

This platform also features:

- My Account: Uniform mechanism of access for electricity market systems. It allows a single registration and a single user authentication mechanism for electricity market participants, for all applications.
- API Management: It allows users to download the necessary certificates for submitting requests via webservices.

At the same time, the corporate website was upgraded to provide easy access and navigation through all devices (PC, laptop, tablet, mobile phone), but also to give access to a large amount of information (about 70,000 files of the Market and the Operation), easily manageable from the content menu. Graphs presenting important parameters of the electricity market were also added to emphasise the Operator's extroversion.



Finally, IPTO's objectives for the next year include the following:

- Creation of a system for utilizing the Company's data (Modern Data Analytics Ecosystem) and further development of its digital channels.

- Development of digital actions to access any corporate application from anywhere with the sole requirement of being connected to the internet (Work From Anywhere) and implementation of the Integrated Business Information System in a cloud, providing secure access to Microsoft Office 365 applications from anywhere. The aim of the system is to modernize and upgrade IPTO's Enterprise Resource Planning (ERP), Human Resource Management (HRM), Enterprise Asset Management (EAM), Workforce Management (WFM) and Project System (PS) management. The implementation of the new system will be based on internationally accredited technologies and solutions and is expected to meet both the needs of IPTO and the Group's subsidiaries.

- Upgrading of digital signature and file handling system.

Research & Development and innovative energy technologies

An important factor for IPTO's development in the new energy reality, is the continuous investment in Research and Development.

Established in 2014, the Department of Research Technology and Development (DRTD) makes IPTO one of the most active TSOs in Europe in research and, as a result, it participates in consortia and a growing number of proposals for European projects.

IPTO participates in European consortia by transferring the necessary know-how and experience it has gained from the aforementioned projects during this transitional period for both the Greek and European Energy System, contributing to the implementation of new methods and technologies. In this context, it has been actively involved for the last 6 years in the preparation of ENTSO-E's Research, Development and Innovation Roadmap (RDI Roadmap) through RDIP and Flexibility & Markets Working Groups, of ENTSO-E's Research, Development & Innovation Committee (RDIC).

Among IPTO's priorities are the connection of the Company's Research and Development with Universities & Research bodies and the acquisition of further know-how on issues such as flexibility, storage, digitalization and smart management of the Transmission System's assets. Furthermore, IPTO is developing synergies with other Transmission and Distribution System Operators so that Systems can integrate large percentages of RES in the future, in line with the objectives of ENTSO-E and the EU (Green Deal) for decarbonising the EU energy system. To this end, IPTO participates in many research project proposals at national and European level. In 2020, IPTO actively participated in eleven European Research Programmes (Horizon 2020) and collaborated with the European Space Agency (ESA). The results of the research projects are focused on resolving existing business, operational and strategic problems of Transmission System Operators in view of the energy challenges that they have to deal with.

Cooperation with the European Space Agency

Within the framework of ENTSO-E's Research, Development & Innovation Committee, it was decided to launch a cooperation between the European Space Agency (ESA) and 10 European Electricity TSOs, including IPTO, in order to design a pilot project that will investigate whether it is possible for ESA satellites to provide monitoring services to the European Transmission Systems. The areas of interest are vegetation management near transmission lines, management of disaster and extreme weather events.

It is worth noting that IPTO's participation in these research projects, requires its active involvement in working groups for the preparation of individual studies and applications, conferences, but also drafting of/contributing to deliverables, as defined by the respective project. Moreover, IPTO participates in pilot projects for demonstrating research applications, such as, the Active Power Flow Controller tests at the Megalopolis Ultra High Voltage Centre, while the application of other innovative technologies (e.g. DLR, WAMAC, 5G, SDN) is currently in progress.

However, apart from the cash flows and the know-how acquired, IPTO contributes significantly to addressing the country's "brain drain", having employed nineteen researchers, who either returned from abroad or never left the country because of the opportunity they were given to work for European-wide, prestigious research projects.

Among IPTO's priorities are the connection of the Company's Research and Development with Universities & Research bodies and the acquisition of further know-how on issues such as flexibility, storage, digitalization and smart management of the Transmission System's assets.

Energy storage

Another dynamic sector being mobilised in our country is energy storage. IPTO plans to actively participate in the transition towards a cleaner energy mix that makes the most of stochastic electricity sources. As the regulatory framework has not yet been formed in Greece, the Operator has already submitted proposals to the Ministry of Environment and Energy, regarding the role it can - and should - play.

At the same time, IPTO is in contact with companies that provide equipment, technology providers and developers, in order to collaborate on large storage projects in Greece, so as to meet the Transmission System's needs for increased capacity.

Innovation competition for IPTO employees

In addition to its external collaborations for Research and Technology and the ultimate goal of responding to developments in the energy sector, IPTO has already started to design an innovation competition exclusively for its staff since last year. It involves an intra-entrepreneurship programme called "IPTO Innovation Challenge", aspiring to give all company employees the opportunity to develop innovative ideas that aim to transform the company itself.

Through this initiative, participants are invited to:

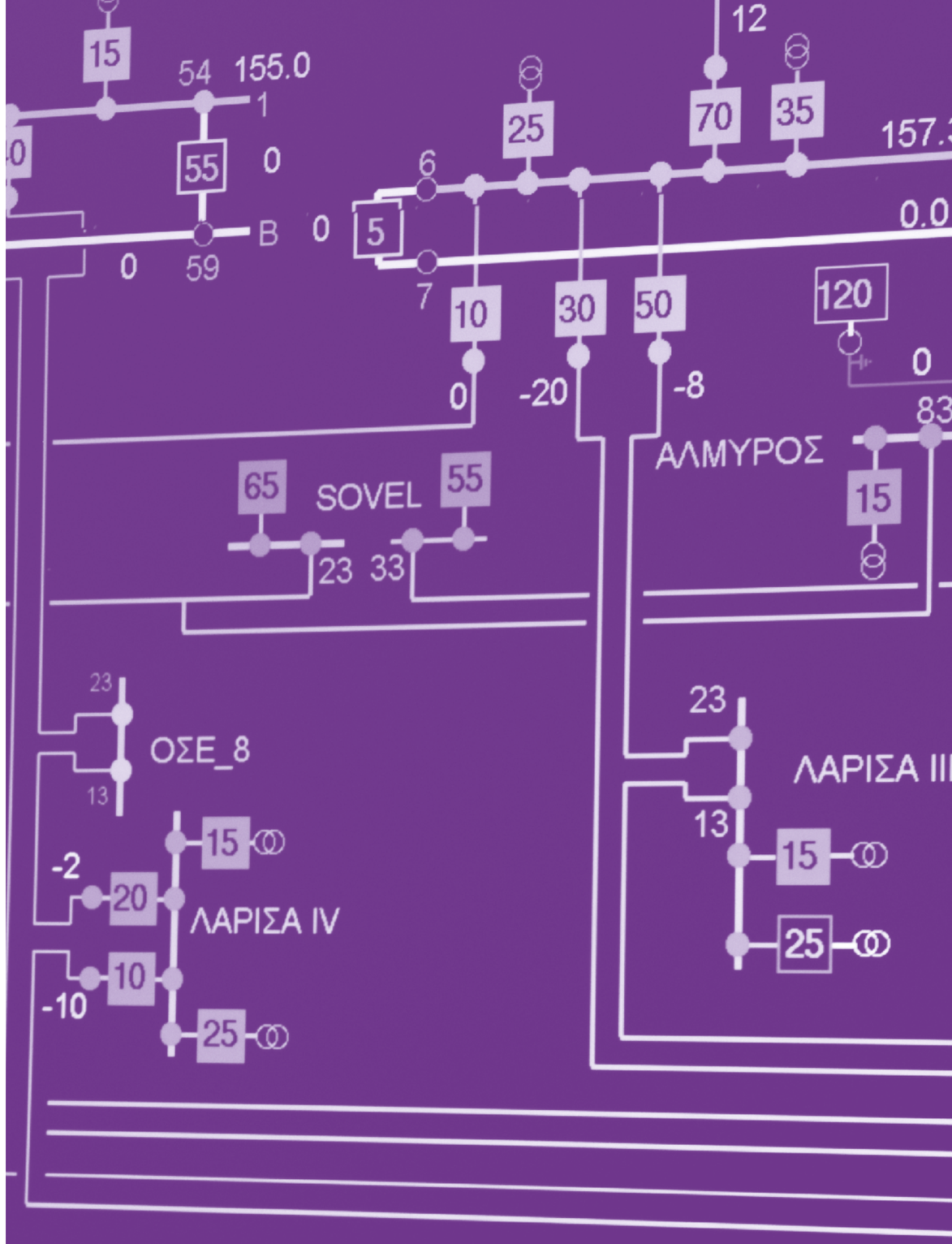
- improve an existing process or create a new one
- develop a new product/service or improve an existing one
- develop a new business model

Apart from benefiting the employees in further developing skills they already have, the company also benefits through a faster approach to its digital transformation.

For 2020, the implementation schedule of this programme was as follows:

Submission of Applications	Evaluation of proposals	Seminars and Counselling Sessions	Idea Demo Day	Implementation of ideas
Employees are asked to submit their ideas	10 teams are selected for the next round	Participation in workshops and personal counselling	Open event where the teams will present their idea before a special committee and the best ideas will be awarded	The ideas presented will be evaluated and efforts will be made to implement some of them
To 12 December 2020	To 20 December 2020	January – March 2021	May 2021	From September 2021

"IPTO Innovation Challenge" is scheduled to also take place in 2021, thus establishing a permanent motivation mechanism for its employees and an initial step towards the development of open innovative actions. IPTO's ultimate goal is to combine the internal knowledge (and experience) with that of startups and researchers, leading to the participatory development of new processes, products, services and business models, so as to meet the Company's needs.



Caring for the environment

Environmental protection is one of our top priorities, both for our operation and for our new projects. We take all the necessary measures to reduce our environmental footprint to a bare minimum.

14 Electric Vehicles

Drones For overhead networks' inspection

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND
17 PARTNERSHIPS FOR THE GOALS

Protecting the natural environment is one of IPTO's top priorities. For this reason, we seek to implement practices that ensure the smallest possible footprint from our operation and projects.

Therefore, we comply with existing environmental legislation and licensing regulations, while continuously improving our performance in terms of environmental protection.

Furthermore, we take actions to reduce our energy and carbon footprint, proper management of the waste resulting from our operation as well as the maximum possible protection of nature and biodiversity in the areas where we operate our network and carry out projects.

Energy consumption managememt

Our role as Operator of the Hellenic Electricity Transmission System is intertwined with tackling climate change. In this context, we seek to continuously reduce energy consumption, where possible, thus decreasing our carbon footprint.

Management of energy consumption in buildings

IPTO's goal is to reduce energy consumption of its buildings but also across its operation with a corresponding increase in energy efficiency.

In the context of reducing its emissions, IPTO, in 2021, will measure energy and carbon footprint of its facilities, starting from the two headquarters. Moreover, there is a plan for energy upgrade of the headquarters building envelope.

IPTO's goal is to reduce energy consumption of its buildings but also across its operation with a corresponding increase in energy efficiency.

Actions aimed at saving energy in IPTO's two main buildings

In order to increase energy efficiency and save energy, the following interventions for energy upgrading have been planned for IPTO's two main buildings, with expected completion date in 2024:

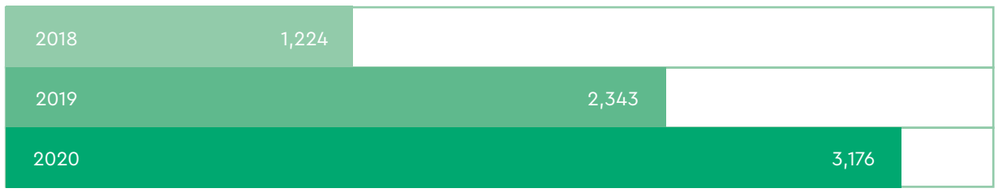
Konstantinoupoleos Avenue Building

- Replacement of heating oil with natural gas for the needs of central heating
- Replacement of lamps with new low-consumption ones
- Replacement/installation of thermal insulation, waterproofing and construction of a green roof
- Upgrade of the existing Building Management System (BMS)

Dyracchiou Street Building

- Replacement of three central cooling units with higher energy efficiency ones and lower primary energy consumption
- BMS System Installation
- Replacement/installation of thermal insulation and waterproofing

Total electricity consumption in the two main buildings (MWh)



It is worth noting that the increase identified in energy consumption is due to the fact that one of IPTO's headquarters started operating in August 2019, so it was not used from the beginning of the same year until May (renovation works were carried out in the period from May to July).

In 2020, electricity consumption in the two main buildings amounted to 3,176MWh. The increase in energy consumption during 2020 is due to the emergency circumstances of the pandemic and the special measures implemented, in order to protect the health and safety of its employees.

Total energy consumption of two main buildings	2018	2019	2020
Natural Gas (MWh)	561	584	664
Electricity consumption (MWh)	1,224	2,343	3,176
Diesel consumption (lt)	-	5,000	27,091

Energy consumption from vehicle fleet and promotion of electric cars

In order to reduce the energy consumption of its corporate fleet, IPTO has replaced older vehicles with new ones that consume and emit less, as well as with electric cars, of almost zero CO2 emissions.

To further promote electric mobility, the company acquired an additional 14 purely electric vehicles in 2020 and installed charging stations in its premises.

This way, IPTO became one of the first companies of the wider public sector to align with the new legislative framework enforced by the Greek Government, which sets a mandatory quota on the supply of clean vehicles from August 2021, together with the provision of infrastructure for charging electric vehicles, from January 2022.

Energy consumption by fleet vehicles

Fuel type	2018		2019		2020	
	lt	GJ*	lt	GJ*	lt	GJ*
Petrol (unleaded)	127,200	4,350	143,355	4,903	142,160	4,862
Diesel	609,975	23,545	658,239	25,408	676,452	26,111
LPG	57.00	1.44	170.00	4.30	0.00	0.00
Total	-	27,897	-	30,315	-	30,973

** Conversion factors: petrol 34.2 MJ / lt, diesel 38.6 MJ / lt, LPG 25.3 MJ / lt (https://w.astro.berkeley.edu/~wright/fuel_energy.html)

Energy consumption from electric vehicles (2020)

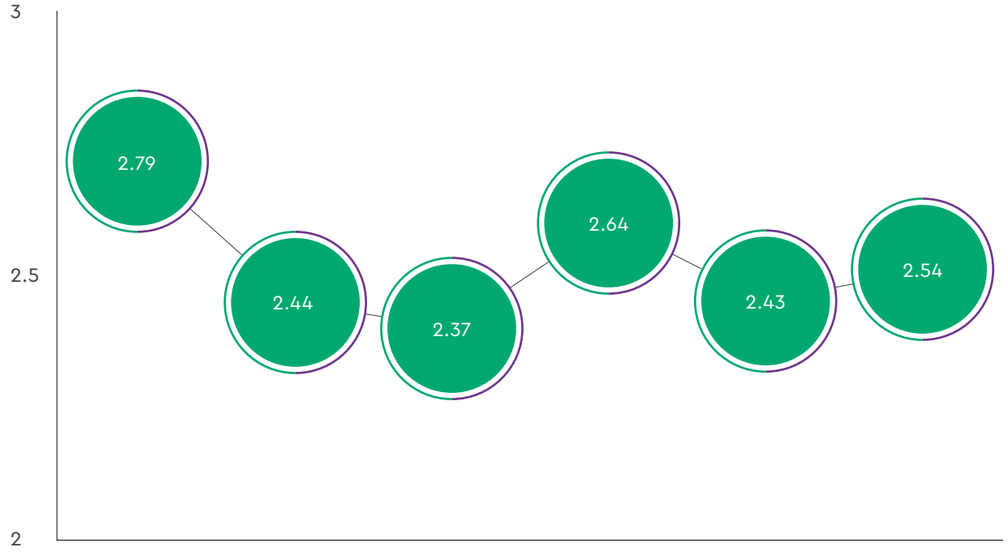
Year	Total km	Average kW/km	Total kW
2020	32,092	0.141	4,525
2019	45,461	0.141	6,410

Transmission System Losses

The losses in the Transmission System are due to the conversion of electricity into heat, both due to the electrification of the equipment and due to the distances to which the energy is transferred. As a result of the losses, more electricity needs to be produced than is ultimately used by consumers. Although IPTO constantly aims to reduce losses as much as possible, in reality, the measures that can be taken towards this direction are limited. The development of the 400kV System in the Peloponnese contributes to the reduction of the Systems's total losses.

The percentage of losses on the net load of the System over the last five years ranges from 2.37% (2017) to 2.79% (2015). In 2020, the system's losses were 2.54%.

Percentage of losses on the net (*) load (%)



* where net load means the load transmitted within the System

In its effort to reduce load losses, IPTO has installed an automated system since 2011, which operates continuously and efficiently having benefited from the reduction of energy losses due to the optimisation of the compensation of inductive loads.

Innovative technologies for resources consumption reduction

The company aquired two drones in order to perform visual inspections of the interconnected Transmission System's overhead high and ultra-high voltage transmission lines. Such technologies aid the Company's digital transformation, promote efficient use of resources and reduce costs and environmental impacts.

The use of drones allows for quick inspection and recording findings in various elements of the transmission lines, including any vegetation growing around them. Then, findings are evaluated with appropriate software and our technicians plan appropriate interventions (fault restorations, pruning, etc.). Temperature measurements (thermovision) is also possible with special cameras mounted on the drones, thus preventing possible future damage.

In 2020, 8 technicians received training and a professional UAV (Unmanned Aerial Vehicle) permit.

Waste management & circular economy

Operation and maintenance of the System and construction of new projects generate liquid and solid waste which we always manage in accordance with the existing legislation and regulations.

In order to minimise waste generation we give emphasis, where possible, to prevention and re-use by applying the principles of circular economy. We record waste generated and sold in the Electronic Waste Register on an annual basis. The procedure used until now is expected to be modernised in order to create a new waste management policy in collaboration with the Company's Legal and Regulatory issues Department.

The types of waste we manage are divided into two main categories, non-hazardous and hazardous. Non-hazardous waste includes the following:

- Waste metals (steel, copper, aluminium scrap)
- Mixed materials (switches, lightning arresters, cables, conductors, power transformers not containing PCBs, voltage transformers, current transformers, disconnectors, wave traps, connectors, inductors, capacitors not containing PCBs, etc.)
- Fire extinguishers
- Rubber parts
- Packaging materials (tanks, barrels).

Respectively, the hazardous waste that arises during our operation comprises of the following:
- Oils
- Batteries (Ni, Cd, Pb), electrolytes
- Materials that may contain PCBs, PCTs

Generally, oils are placed in tanks or barrels, batteries in suitable containers and other waste considered non-hazardous is separated according to raw material or category of disposal. In the case of materials that cannot be sold the recycling process is followed in cooperation with an appropriately licensed operator.

Oils are considered a waste with serious impacts, which is why IPTO apart from leaks control, separates them from other materials.

Reuse of oils generates significant economic and environmental benefits

During 2020, IPTO successfully applied the principles of circular economy on insulating oil regeneration., using a system that processes used and degraded insulating oils. In this way, used oils are upgraded in order to recover their properties and be reused.

In the first year of applying this method the regeneration rate reached 90%, while it is expected to reach 98% in the next year. This business practice resulted in a significant reduction of our environmental footprint and our expenditure for new oils.

Additionally, significant quantities of paper and toners are now saved due to IPTO's digitalisation of internal communication, with the ultimate goal of reducing or even eliminating paper consumption. Some Company Departments are exclusively using digital briefing notes, while this practice will be extended to other Departments in the near future.

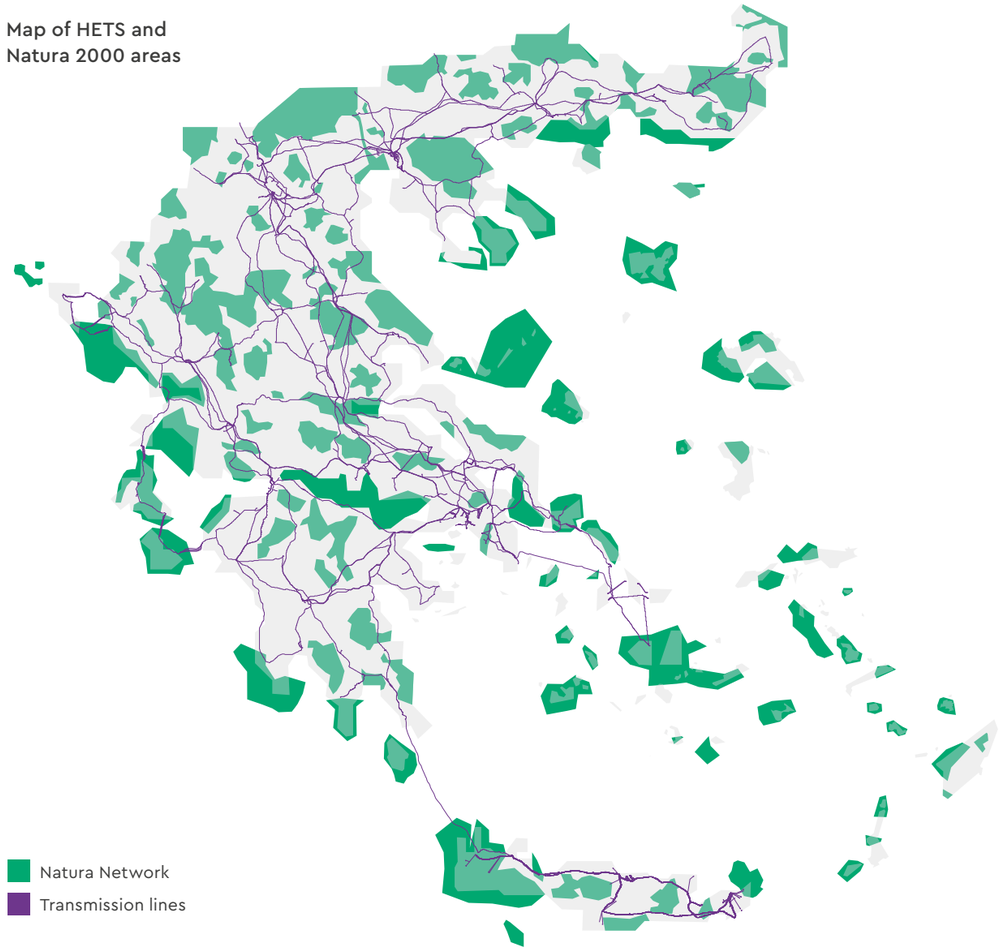
Biodiversity conservation and environmental restoration

In recent years our planet experiences a significant decline in biodiversity due to a number of causes, all of which are anthropogenic: environmental pollution, forest destruction, desertification, water pollution and increased hunting, resulting in reduced stability of ecosystems and a lack of substances that may prove valuable in protecting human health.

Although IPTO projects have limited environmental impact, as they do not concern productive activities but "clean" projects, special attention is paid to the protection of the environment and appropriate management of any environmental impact that may arise. In any case, during the construction phase of projects, works are in compliance with all environmental laws and licensing regulations prerequisites.

Due to the nature of the Company's activity and energy demand, the area occupied by its network is extensive, with transmission lines passing through several protected areas. In particular, they pass through 172 of the 446 Natura 2000 protected areas in Greece.

Map of HETS and Natura 2000 areas



We constantly monitor developments in the European legal and institutional framework for biodiversity protection and ensure that environmental studies carried out for the Company's projects are fully in line with this framework and always in compliance with Greek legislation. In certain cases, special studies are carried out (Special Eco-Friendly Utilisation Studies, Ornithological Studies) and in cooperation with the competent authorities (Ministries, Regions, Forestry, Archaeology, etc.) we abide with all the required protocols for biodiversity protection and protected areas.

Protecting the environment and biodiversity

IPTO's constant concern is to design, arrange and construct projects with the greatest possible environmental awareness, always taking into account the concerns of local communities.

IPTO's activities that have an impact on biodiversity are mainly related to transmission lines which usually cover long distances (several kilometres) and pass through various ecosystems (protected areas, forests, etc.). Substations, with a few exceptions, are located outside protected areas or areas of high environmental significance, covering a total area of 5,000-10,000 square meters. The measures taken to reduce any visual disturbance include flora restorations, tree plantings or embankments.

IPTO's projects when electrified do not emit air pollutants or generate liquid or solid waste. Therefore there is no effect on the flora of the area or the surface water and groundwater. Moreover, it is estimated that the operation of transmission lines neither changes the composition of vegetation nor alters the overall form of the landscape.

However, the impact on biodiversity is mainly related due to the construction phase of infrastructure and to a minimum extent due to their operation. For this reason, the impact is mainly short-term (lasting as long as the construction period) and the area balance is being fully restored following project completion, either from the regeneration of nature itself or from IPTO's studied interventions which are licensed by the appropriate public bodies. As regards the long-term impact such as noise, electromagnetic radiation and visual/morphological disturbance, IPTO takes mitigation measures which eliminate, prevent or reduce to a negligible level the potential negative impact of a project.

The main impact of projects concerns limited deforestation for the construction of new substations or high voltage centres. As regards fauna, due to increased mobility and noise of equipment, animals in the area leave their habitats and move out of fear, only to return after the end of the construction period. No accidents involving animals have been recorded during the construction phase of the projects.

Environmental protection measures

The most common measures we take to address the impact on flora and fauna during the construction of projects for transmission lines, substations or high voltage centres can be summarised as follows:

- The area of the project's occupancy zone is limited to what is strictly necessary for the construction of the project.
- Any uncontrolled disposal of debris, lubricants and other waste or rubbish is prohibited at all areas within the project site.
- Deforestation areas are limited to those strictly necessary. For this reason, before the beginning of a construction there is precise demarcation of these sites, carried out by a special team of surveying engineers.
- Potential damage to vegetation is limited to the minimum possible extent and always takes place in accordance with the instructions of the competent Forest Agency.
- The construction areas are restored based on a environmental rehabilitation studies.
- During earthworks, dust dispersion is limited by wetting the soil in case of adverse weather conditions.
- During construction and the operation phases, employees are informed in detail to ensure that all environmental conditions, especially those relating to the natural environment, are met.

Finally, where necessary, appropriate compensatory measures are implemented, while a monitoring programme is also proposed for all significant environmental parameters in relation to the projects' impact.

Within 2021, in order to prevent and eliminate potential threats to the population of Bonelli's Eagle and other birds of prey in the eastern Mediterranean from the development of electricity transmission networks, IPTO will sign a memorandum of understanding with the Ministry of Environment and Energy as part of the LIFE Bonelli eastMedproject.

In the context of the same memorandum and despite that there have been no reports so far of incidents involving birds of prey hitting transmission lines, IPTO will explore the possibility of interaction between its network and the population of Bonelli's Eagle in Natura 2000 breeding sides (Special Protection Areas - SPAs). This will be done by using power lines marking in the areas of Andros, Evia and Laconia.

There is no significant negative impact for other species of fauna (other than avifauna) during the operation phase, as mitigation measures are taken for the noise of substation transformers, which may disturb animals and remove them from their nests, therefore balance is restored after construction phase ends.

IPTO's projects when electrified do not emit air pollutants or generate liquid or solid waste. Therefore there is no effect on the flora of the area or the surface water and groundwater.

Prevention and management of forest fires

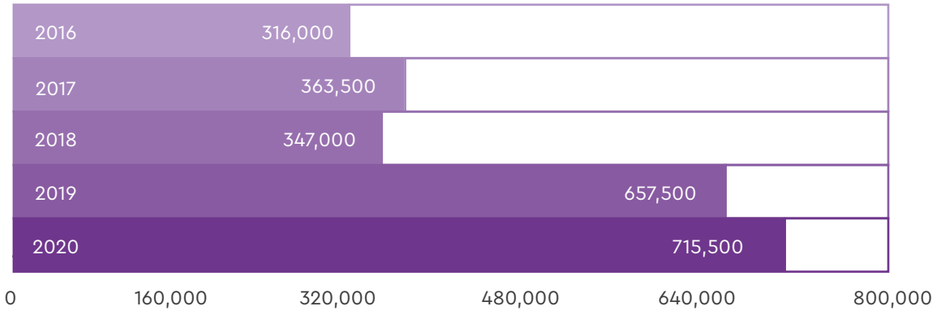
IPTO has fully integrated the environmental aspect both to its maintenance and new constructions, in accordance with the applicable rules of environmental licensing, providing all the necessary guarantees and meeting all the specifications required by the environmental legislation.

Our Company, according to its regulatory obligations and its institutional role to secure electricity transmission infrastructure, carries out works to reduce the thermal load at the bases of the transmission line transmission towers and to ensure that power lines are placed at necessary safety distances from potential dangers; in particular, it carries out works along transmission lines, especially when they pass through forest areas. These works are always carried out in cooperation with the competent forest agency, the local competent forest offices and in full compliance with their recommendations. The main objective is the uninterrupted and safe operation of power lines and their smooth maintenance.

The expenses incurred for the pruning of trees near overhead networks within our remit, as well as for deforestation works in substations and ultra-high voltage centres, are presented in the following table.

Cost of works (€)	2016	2017	2018	2019	2020
Vegetation removal at Substations and High Voltage Centres	136,000	143,500	152,000	195,000	225,000
Cleaning and vegetation removal at the bases of the transmission line towers (transmission towers)	180,000	220,000	195,000	360,500	375,000
Pruning and vegetation removal near overhead high voltage transmission line networks	-	-	-	102,000	115,500
Total	**316,000**	**363,500**	**347,000**	**657,500**	**715,500**

Total cost of works (€)



As shown by the relevant data, these expenses present an upward trend proving that IPTO pays particular attention to the prevention of forest fires by taking all necessary measures and always in cooperation with the competent authorities. It is worth noting that the planning for the implementation of these works is not related to the maintenance schedule of the Transmission System.

Reforestation after project completion

After the "Mantoudi-Skiathos" Transmission Line construction, reforestation was implemented at the location "Tourla" of the Municipal Community of the Mantoudi-Limni-Agia Anna Municipality located in the Regional Unit of Evia.

The total reforestable area is 47,500 square metres, for which the forest agency of Limni is responsible. The budget for the project amounted to 54,000 euros and concerned the planting of 4,810 saplings and included construction of a fence.

Adoption of stray dogs for guarding facilities

During 2020, IPTO continued the adoption programme for stray dogs living outside substations and Ultra High Voltage Centres. As a result, 24 more dogs were neutered, vaccinated, acquired an electronic identity and are now kept in 24 facilities of the Company, reaching a total of 59.

The company covered all means for this effort by providing shelter, food, vaccinations and medicines for all dogs, while members of the Company's human resources in the specific facilities are responsible for the most essential task: the daily care of the animals.

Now, dogs are considered part of IPTO's workforce and in addition to being a good companion for the handlers-supervisors, they are also excellent guardians of our equipment. They are not allowed to move outside the premises and their presence has helped to eliminate theft, sabotage and reduce damage caused by other animals (e.g. birds, small mammals).

Environmental protection in new projects

When implementing projects, our constant concern is to protect the environment as much as possible and to limit any environmental impact to a bare minimum. In this context, IPTO has prepared a Strategic Environmental Impact Assessment for the Ten-Year Development Plan of the Hellenic Electricity Transmission System for the period 2017-2026. The objective of the Strategic Environmental Impact Assessment is to identify, describe and evaluate any significant impacts that the implementation of the development plan proposals may have on the natural environment and propose measures to address these impacts.

Furthermore, the Strategic Environmental Assessment (SEA) is applied so that on the basis of a balanced and sustainable development, the environmental aspect is integrated before plans and programmes are adopted by establishing the necessary measures, terms and procedures. Therefore, an evaluation and assessment of the potential impact on the environment is carried out, thus promoting sustainable development and a high level of environmental protection.

The design and management process for a new project is presented in the following figure:

01
The need to design a new project

Arises when:
- an area presents increased electricity consumption that cannot be covered by the existing infrastructure,
- there is a need to connect with renewable energy utilisation projects;
- there is a need to interconnect the HETS with island complexes to ensure renewable energy sources utilisation and the reduction of Utilities costs,
- there is a need to increase interconnecting lines with foreign countries.

02
Project design

Is carried out by IPTO and is included in the Ten-Year Development Plan. The project can be:
- To enhance the HETS or
- To extend the HETS

03
Consultation and maturity

Once a project has been thoroughly studied and included in the Ten-Year Development Plan, it subsequently moves to the phase of consultation and final approval by RAE. The project to be approved is accompanied by a budget, financial flows and an implementation schedule. Projects of national importance are also accompanied by cost-benefit studies.

04
Project licensing

All necessary steps are followed to obtain the necessary permits and environmental studies for the implementation of the project (receiving updates for studies, task assignment, obtaining all necessary permits, drafting Environmental Impact Studies, file submission, obtaining a Decision for the Approval of Environmental Terms).

05
Project implementation

The implementation of the project is undertaken by IPTO, using its own resources (self-monitoring) or by assignment to third parties (turn key projects). Where applicable, implementation is supervised by IPTO, a third party, or a special purpose vehicle - SPV (see Ariadne Interconnection).

06
Project completion

The project is electrified upon completion

07
Operation and maintenance

Subsequently, the project is then electrified, maintened or repaired in cases of damage or upgraded in cases of infrastructure renewal.

08
Decommissioning

When the life cycle of the project is completed, it is removed and decommissioned.

When implementing projects, our constant concern is to protect the environment as much as possible and to limit any environmental impact to a bare minimum.

Environmental compliance

IPTO's main concern is that projects are designed, located, constructed and operate always in line with existing environmental legislation. IPTO is carrying out all necessary studies and complys with the relevant environmental terms approved on a case-by-case basis.

In this context, IPTO follows rules and practices in accordance with the precautionary approach principle during preliminary design and planning of new projects, always aiming to environmental protection and biodiversity preservarsion. The design of new energy infrastructure and upgrading - modernisation or modification of existing ones are among the main tasks of the System Operator, while caring for the environment. Final decisions about lines routing and infrastructure locations (substations, terminals, high voltage centres, etc.), always consider minimisation of environmental impact by taking into account all the following criteria:

- mapping areas of concern and preliminary estimation of possible impacts,
- thorough impact assessment is contained in environmental studies of projects
- assessment of the consultation outcomes concerning environmental impact studies,
- full compliance with environmental licensing decisions concerning our projects.

Our continuous efforts to protect the environment are clearly successful. Until now there has not been any adverse impact on the environment and biodiversity, reported by an official management body or institutional agency. In the few cases where additional measures are required during the project construction phase, IPTO executives cooperate and respond in a prompt and effective manner in accordance with the instructions of the competent authorities (e.g. forest agencies). A major concern of the Operator is local communities acceptance of IPTO projects and recognition of their benefits for the regional economic and social development.

Substation at Naxos island, Cyclades.

However, despite a series of good practices such as corporate social responsibility actions, public consultation during the approval phase of environmental projects, participation of locals in the workforce, taking of necessary and additional measures, there have been cases where IPTO faces complaints, objections or even requests for the annulment of the environmental terms that have already been granted. It is important to mention that IPTO's implementation of new energy infrastructure projects, in accordance with the European Union strategy for a climate-neutral economy, is an obligation for our country, as these projects will contribute to promoting renewable energy sources in the energy mix and delignitisation. A typical example of protest is the case of the Western Corridor of the Peloponnese. The project aims to relieve Peloponnese's overloaded energy system and increase the penetration of renewable energy sources by constructing a new 400kV transmission line. Expected to be completed during 2021, this line will connect the high voltage centre of Megalopolis with the high voltage centre of Patras.

Despite the fact that the Company obtained all the legal licenses (including the environmental terms approval decision of the Ministry of Environment and Energy), it received in November 2020 an application for interim measures by nuns of the Holy Monastery of Aroania in Kalavryta, requesting to stop the construction of the last two ultra high voltage transmission towers.

These objections were expressed when the project was 95% complete and not during the licensing phase, as stipulated by the legislation for entities or citizens who disagree with the design of an infrastructure project. It should be noted that, following the same rationale, the Council of State has rejected -as unfounded- an application for annulment on the grounds of radiation being present, irrevocably ruling that the project entails no harm for human health.

As expected, the aforementioned delay is affecting many significant investments concerning Renewable Energy Sources in the region, causing a negative impact on the environment as well as on the cost of energy for consumers.

At the same time, this case shows that large infrastructure projects with significant social and environmental benefits, are at risk of stoppage at any time, even when all the stages of their licensing have been completed. Such a situation entails particularly adverse economic, social and environmental consequences for the country.

IPTO's main concern is that projects are designed, located, constructed and operate always in line with existing environmental legislation

Human resources

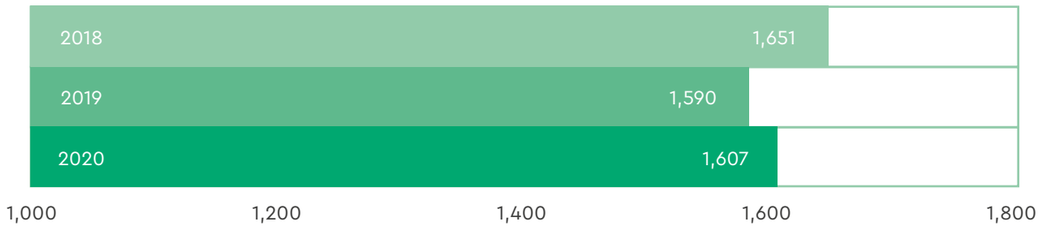
We nurture a safe working environment, with respect for diversity and human rights. We provide equal opportunities and support the development of our people through training and development programs.

942	Hours of H&S training
3,981	Total training hours
100%	Employees evaluated in 2020

Employment

At the end of 2020, IPTO had 1.607 employees in total, 100% of which were covered by full-time contracts and a collective labour agreement.

Total employees by year



Total employees by gender (31/12/2020)	Men	Women	Total
Permanent staff	973	255	1,228
Temporary staff	251	128	379
Total	**1,224**	**383**	**1,607**

Breakdown of permanent employees by employment contract	2018	2019	2020
Full-time	1,314	1,232	1,228
Part-time	1	0	0
Total	**1,315**	**1,232**	**1,228**

Number of employees on a 24-hour shift	2018	2019	2020
Total	**295**	**285**	**254**

Collective bargaining agreement

In order to address a series of employment, a collective bargaining agreement between Management and employees has been signed and is being implemented. This agreement modernised and updated the provisions governing the relationship between the Management and the Company's employees.

Staff Regulations

In addition, IPTO has developed and implements staff regulations applicable to all employees, which meet the requirements and perceptions of a modern working environment, while guaranteeing the rights of employees established over the years through collective bargaining.

The Regulation concerns issues such as rights and obligations of employees, recruitment, remuneration, working hours and others, and provides for the following:

- Securing staff jobs
- Disconnection of salary maturity scales from evaluation
- Granting of paid leave for employees who are bone marrow donors and employees with children suffering from serious mental illnesses
- Increase of parental leave by two days
- Modernisation of the provisions on disciplinary control
- Inclusion of new recruits in regular staff after seven months, not after two years as previously applicable.

Additional benefits: Provision of group insurance for employees

Additional insurance is provided for all employees. This covers life insurance, insurance of permanent total disability due to illness (for people up to 65 years old), death insurance, as well as permanent total disability insurance due to accident.

There is also provision for hospital or outpatient care due to an accident or illness for both employees and their dependants.

Other benefits offered to IPTO employees are food vouchers, as well as provision for nurseries and summer camps for their protected members.

Occupational Health and Safety

Our approach

Protecting the Health and Safety of our employees and partners is a top priority for us. In this context, we implement a Health and Safety policy and take all necessary measures to protect the Health and Safety of our employees as well as third parties who collaborate with IPTO or visit our areas of work.

We also organise Health and Safety training while, in 2020, special care was taken to ensure business continuity and provide maximum protection to our employees against the impact of the COVID-19 pandemic.

Health and Safety Policy

With a view to an integrated approach regarding Occupational Health and Safety issues, we implement a Health and Safety Policy approved by the Company's Management, which is binding for all employees for every hierarchy level, as well as for third parties who have an employment relationship with us.

Our Health and Safety Policy defines the objectives, principles and measures implemented to protect Health and Safety, covering all the Company's human resources as well as third parties who cooperate with IPTO or visit our workplaces.

The implementation of this Policy constitutes the framework for the improvement of the Company's performance in the field of Occupational Health and Safety; the purpose of the Policy is to create a strong corporate culture on Health and Safety, in order to identify occupational risks as well as prevent and minimize occupational accidents and diseases.

Health and Safety measures, services and programs

One of the basic principles IPTO follows Health and Safety protection, is the adoption of a preventive approach to address work-related risks at their source. In this context, and with a view to identifying and recording health and safety risks, safety specialists and occupational physicians visit work areas, while occupational risk assessment studies are also drafted.

In addition, all employees have access to health care workers, working in nine work areas throughout the country. In particular, the following health services are provided to our employees:

- Staffed clinics in facilities with a large number of employees throughout Greece.
- Occupational physicians at all facilities having employees throughout Greece.
- Occupational medics at facilities with large number of employees throughout Greece, in addition to Occupational doctors dedicated to the coronavirus pandemic.
- Nurses/health Visitors at clinics throughout Greece.
- Medical check-ups for employees and psychological support over the phone in cooperation with a specialised company.

Moreover, a mandatory periodic occupational health check is performed every year for permanent employees engaged in high-risk jobs, and every two years for all remaining employees. Certificates of suitability are then issued to the regular staff, always assuring medical confidentiality and protection of employees personal data.

Health and Safety Training

Improved Health and Safety performance requires a change of culture. In this context, training programmes on Health and Safety, proper use of personal protective equipment and specific occupational hazards and hazardous work or dangerous situations are held on an annual basis.

Training to create a safety culture for employees

Aiming to create a safety culture in the company, training programs and experiential workshops are held annually on the prevention and management of adverse effects with respect to the Health and Safety of employees.

These seminars aim to help employees develop skills pertinent to personal protective equipment, as well as to the occupational risks they face. The seminars last for a day while participant numbers vary.

Depending on their post, employees are asked to identify the personal protective equipment they use, to share relevant experiences and to report situations and accidents in which they were present or that happened to them.

Due to the pandemic and in order to protect the Health and Safety of employees, not all planned H&S seminars were held, resulting in a lower total number of seminars held in 2020 compared to 2019. This was in part due to the nature of work for the majority of potential participants, as most are engaged in field work.

H&S training	2018	2019	2020
Seminar title	Occupational Health and Safety – Protective equipment		
Seminar series	6	33	13
Trainees	73	391	151
Total training hours	550	2,592	942

We aim to create a strong corporate culture on Health and Safety, in order to identify occupational risks as well as prevent and minimize occupational accidents and diseases.

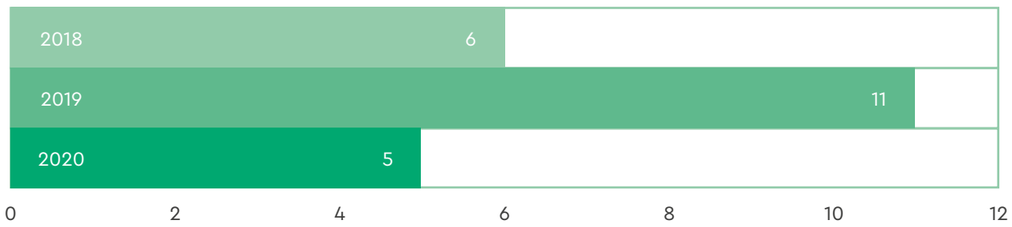
Health and Safety performance

Our ultimate goal is zero accidents. The following table shows our Health and Safety performance over the last three years.

M: Men W: Women T: Total

Health and Safety Performance Indicators	2018			2019			2020		
	M	W	T	M	W	T	M	W	T
Number of deaths due to injury	0	0	0	0	0	0	1	0	1
Percentage (*1) of deaths due to injury	0	0	0	0	0	0	0.089	0	0.071
Number of serious injuries (excluding deaths)	1	0	1	0	0	0	0	0	0
Number of recordable injuries	5	1	6	6	5	11	5	0	5
Percentage of recordable injuries (*3)	-	-	-	-	-	0.920	0.447	0	0.354
Total working hours	-	-	-	-	-	2,390.960	2,238.383	586,627	2,825.010

Number of recordable injuries



(*1): Percentage of deaths due to serious injury = (Number of deaths due to injury / total working hours)*200,000
(*2): Percentage of serious injuries (excluding deaths) = (Number of serious injuries / total working hours)*200,000
(*3): Percentage of recordable injuries = (Number of recordable injuries / total working hours)*200,000
Where serious injuries are injuries with loss of working days of more than 6 months and recordable injuries are injuries of any kind, even if they did not result in lost days, or first

Response to the pandemic: Supporting our employees and protecting their safety

With the outbreak of the unprecedented COVID-19 pandemic, the Company's priority was to ensure safety at its workplaces, offices, construction sites and in fieldwork. In this context, IPTO took a number of necessary measures for protecting the health and safety of its employees, their families and society at large.

In addition to an immediate switch-over to teleworking for its staff, with emphasis on vulnerable groups, the Company has undertaken a series of measures to ensure the uninterrupted continuity of its operations.

Indicatively, we summarise below some of the rules put in place:

- Availability of antiseptics in all company areas and facilities.
- Distribution of personal masks and other personal protective equipment to all the staff and mandatory use indoors (and outdoors when required).
- Periodic disinfection of premises and company vehicles.
- Installation of protective plexiglass panes at specific places and necessary changes in the layout of central buildings and critical infrastructure.
- Availability of doctors for staff at all key facilities.
- Incorporating special measures for the operation of air conditioning units.
- Installation of information signs in the premises.
- Restriction of travel to strictly necessary, following permission from the Company's supervisors.
- Holding all meetings through a digital platform as a mandate; limited physical meetings that took place required the permission of the relevant General Manager.
- 70% of staff working from home, with only 30% physically present.
- Obligatory testing for COVID-19 using the PCR method for staff with physical presence at the Company's premises.
- Compulsory temperature check at building entrances for staff and visitors.
- Work-from-home regime for crew members throughout Greece, to avoid overcrowding at the Company's premises.
- Free molecular COVID-19 tests for employees at a diagnostic centre.
- Employing measures regarding the use of common areas, such as stairs, kitchens, toilets, break areas (including the restaurant) and machinery (e.g. water coolers, photocopiers).

At the same time, those doing fieldwork, working in Energy Control Centres, residing away from home, etc. followed specific preventive practices.

Support by medical staff continued this year, while in 2020 we started providing psychological support through a mental health centre, to allow our people to feel safe and remain calm in the face of the difficulties brought about by the pandemic.

The results of the above measures and practices were prevention of COVID-19 dissemination in our facilities and zero deadly incidents.

A strong measure against COVID-19 pandemic is the obligatory PCR testing for all employees with physical presence at the Company's premises

Response to the pandemic: Initiatives to support society

Through a series of initiatives, IPTO contributed substantially to the efforts of society as a whole to deal with the pandemic.

More specifically, at the beginning of 2020, in the midst of the pandemic's outbreak in Greece, IPTO supported the National Health System with donations of equipment totalling €863 million. These were provided to the National Service for Emergency Care (EKAV), the University General Hospital of Heraklion, the General Hospital of Chania "Agios Georgios", the University Hospital of Patras "Panagia i Voitheia" and the Thoracic Diseases General Hospital "Sotiria". The donations concerned personal protective equipment (plain masks and increased protection masks), ventilators, bedside monitors and prefabricated isoboxes for patient screening.

Additionally, in the spring of 2020, the Company's strategic partner, State Grid Corporation of China and IPTO donated 500,000 protective masks and 200,000 N95 masks (type FFP2) to the Ministry of Health, which were flown in from China on a special Aegean Airlines flight. This donation was made at a period when the Greek market was faced with a great shortage of masks, meaning that front-line health staff could not meet their needs.

Furthermore, in an expression of solidarity towards Greek islands, IPTO delivered to the EKAV three portable negative pressure chambers for transportation of patients with infectious diseases by air or sea, aiming to the maximum protection of the islands and hard-to-reach areas in the midst of the spread of the disease. IPTO procured the special high strength "capsules" from a specialised Norwegian company and delivered them to the EKAV, while also arranging for special training of their crews (by the supplier).

Finally, IPTO made a donation of approximately €20,000 to the microbiological laboratory of the AHEPA University General Hospital of Thessaloniki, a COVID-19 reference hospital, delivering essential tools such as a freezer for sample storage, a chamber for the protection of samples and consumables used for samples classification.

To date, IPTO has donated at total of €1,369,404 to the NHS. True to its commitment to support the fight against the pandemic, IPTO will continue to support the work of public hospitals.

Periodic disinfection of premises

Training and development

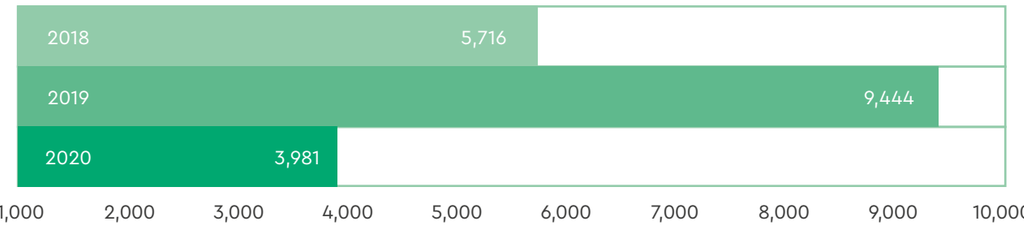
Both the nature of the Company's activities and the speed at which radical changes take place in the country's broader energy landscape, raise the bar for our human resources even higher. In this context, we constantly invest in our people, designing and implementing training programs on various topics.

We design and implement the most appropriate training programs for employees, allowing our staff to strengthen their technological and organisational knowledge, develop their creative thinking and test their skills in innovative programs.

The implementation of our training programs is an important component for achieving the necessary competitiveness and implementing the Company's business strategy.

The Company organises staff training on an annual basis, with employees participating in seminars and educational events, as well as postgraduate and post-secondary programs, while emphasising new innovative practices (experiential and distance learning), enhancing the quality and quantity of training and development programs.

Total hours of employee training per year



Training hours per thematic area, 2020

Training is provided to all employees who wish to improve their knowledge of technical and financial subjects, as well as their soft skills.

The Company's training needs are identified through either, or a combination, of the following two ways:

- by compiling a list of training needs on specialised topics from all Company Divisions, and prepared for the Company's employees. This is implemented based on the priority of the needs as they arise.

- by conducting a questionnaire survey, where all employees can participate. After processing the survey results, an annual training plan is designed

In 2020, a total of 3,981 hours of training took place during 91 seminars, that were attended by 873 participants. More information on the topics and the hours spent are presented in the following tables:

M: Men W: Women T: Total

Average of training hours per employee	2018			2019			2020		
	M	W	T	M	W	T	M	W	T
Directors of Departments & Divisions	7.6	8.6	**7.9**	25.9	26.1	**26.0**	5.6	8.6	**6.3**
Heads of Departments, Deputy Heads of Departments	8.8	8.4	**8.7**	19.4	16.2	**18.2**	10.1	8.0	**9.3**
Employees	2.7	8.1	**3.6**	4.7	7.8	**5.2**	1.9	3.1	**2.1**
Total	**3.4**	**8.2**	**4.3**	**6.9**	**10.7**	**7.7**	**2.9**	**4.6**	**3.2**

Total employees by category	2018			2019			2020		
	M	W	T	M	W	T	M	W	T
Directors of Departments & Divisions	32	11	**43**	32	11	**43**	35	11	**46**
Heads of Departments, Deputy Heads of Departments	105	57	**162**	103	62	**165**	105	66	**171**
Employees	926	184	**1,110**	848	176	**1,024**	833	178	**1,011**
Total	1,063	252	**1,315**	**983**	**249**	**1,232**	**973**	**255**	**1,228**

In 2020, we spent 48,644 euros on employee training and development.

Average of training hours per employee

Total employees by category

Equal opportunities and performance evaluation

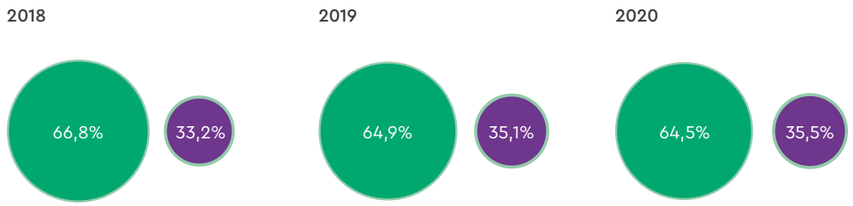
We seek to create a working environment of equal opportunities for all, with respect to diversity and human rights. IPTO remains committed to the support and implementation of human rights and opposes all forms of discrimination. All employees are treated equally, based solely on performance at work. Within this framework, employees undergo an annual performance evaluation.

Despite our policy for equality and non-discrimination, the overall rate of female employees remains lower than that of men. This is mainly due to the nature of the Company's operations and the relatively lesser interest of the women it attracts.

The representation of women in positions of responsibility over the last 3 years stands on average at 30% of the total number of the Group's Directors, while, in 2020, this percentage is 35,5% for all kind of responsible positions.

Men to women ratio (2020)

Men to women ratio at responsible positions



Employee evaluation

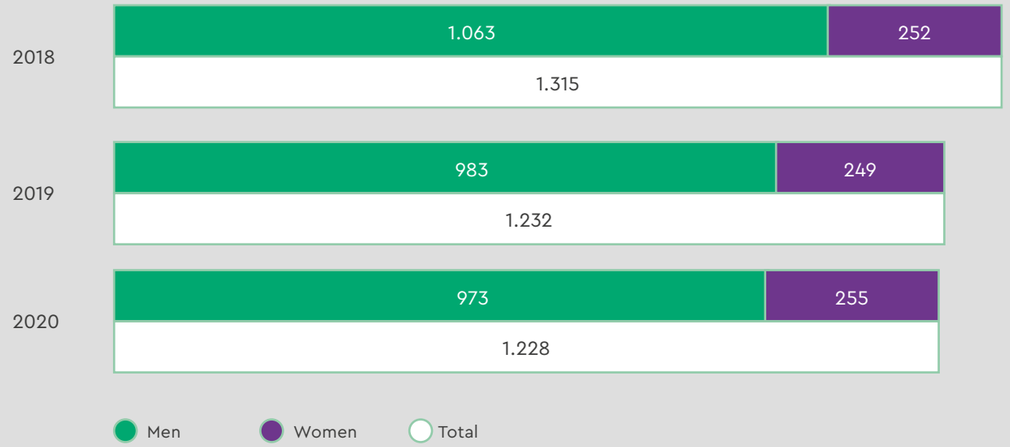
Since 2020, IPTO has been implementing a new modernised electronic evaluation system, the Performance Management System (PMS), which replaced the previous outdated paper-based evaluation procedure.

The new innovative PMS is based on qualitative and quantitative criteria; it includes self-assessments for each employee, providing a forum for all involved parties, evaluated and evaluators alike, to assess their performance, to agree or disagree with the assessment and to gain a better understanding of their role in the achievement of the Company's strategic goals, through feedback meetings.

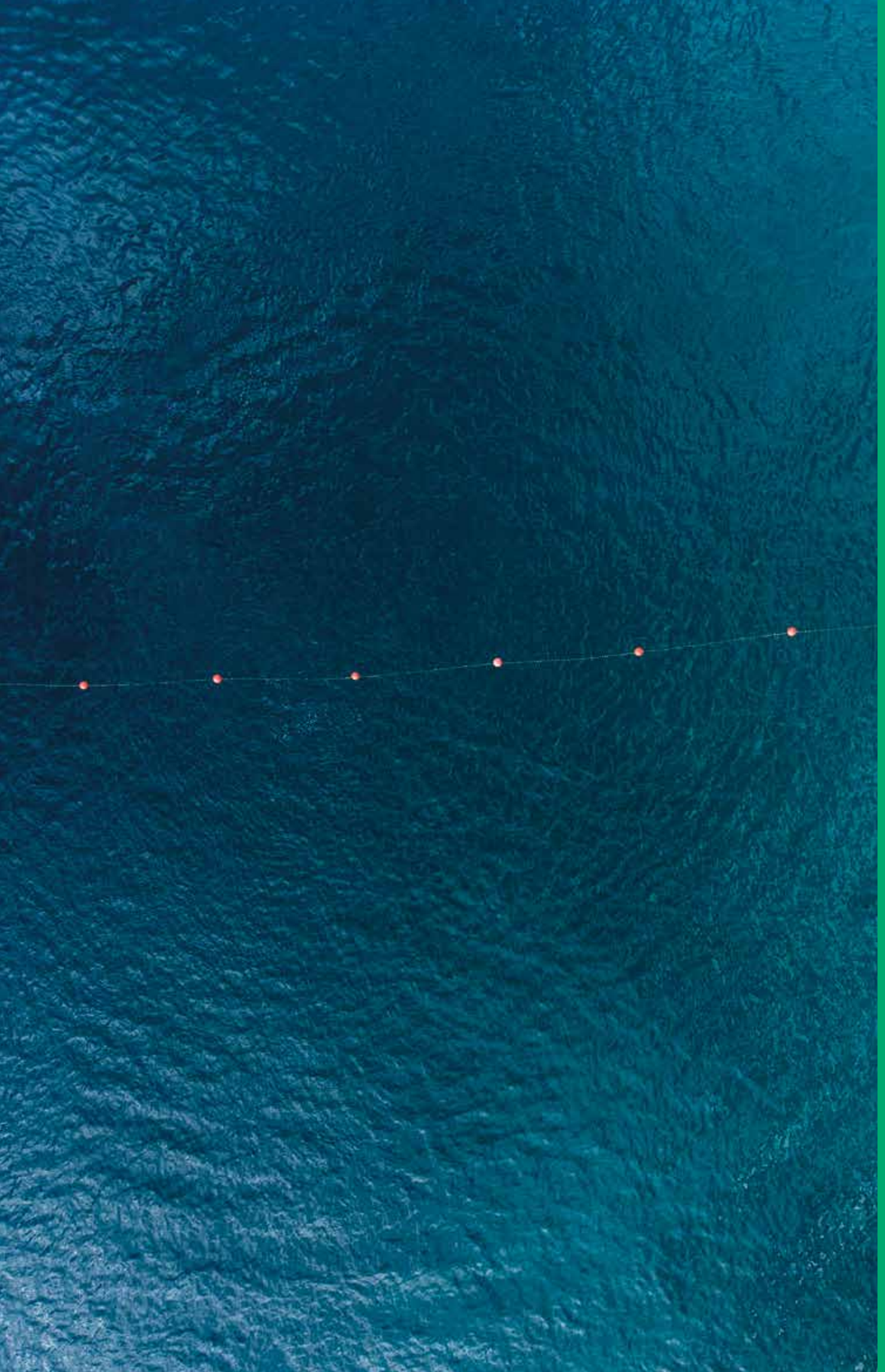
At the same time, the PMS allows to diagnose advantages and disadvantages of Human Resources, aiming to develop and improve the staff skills and know-how, with the ultimate aim being to increase the Company's efficiency for everybody's benefit.

Number of employees undergoing performance evaluation by category and gender

Employee category and gender	2018			2019			2020		
	M	W	T	M	W	T	M	W	T
Directors, Managers	32	11	**43**	32	11	**43**	35	11	**46**
Heads of Departments, Deputy Heads of Departments	105	57	**162**	103	62	**165**	105	66	**171**
Employees	926	184	**1,110**	848	176	**1,024**	833	178	**1,011**
Total	**1,063**	**252**	**1,315**	**983**	**249**	**1,232**	**973**	**255**	**1,228**



Over the last three years, all (100%) of IPTO's permanent employees were evaluated based on the new evaluation system.



About the Report

Report methodology

This Report is the second Sustainability Report of the IPTO Group and covers the Group's activities for the period 1/1/2020-31/12/2020. Through this Report, IPTO aims at disclosing both the company's sustainability performance and the way through which it effectively contributes to the implementation of the national policy for the transition to a low-carbon economy.

The Report complies with the highest sustainability disclosure standards, as it has been developed in accordance with the GRI Standards, while selected performance indicators of SASB Standards are also covered for the first time.

ESG reference standards

This Report has been developed in accordance with the requirements of the GRI Standards: "Core option". In addition, other reporting standards, such as SASB Standards and TCFD recommendations, have been taken into account in the development of the Report.

Coordination and project team

A special team of executives was formed to prepare the Report, under the coordination of the Administration Office. The primary task of the Corporate Responsibility and Sustainable Development team was to collect the necessary information regarding IPTO's areas of Corporate Responsibility and Sustainable Development. Special thanks to all the participants in the development of the second IPTO Sustainability Report, who are:

- **Coordination:** Irini Tsevi
- **Contribution of data and content:** Aggeletou Vasso, Aivalioti Tota, Antonopoulos Giorgos, Aretha Stella, Vassiou Aikaterini, Georgila Katerina, Zafeiropoulos Elias, Theopoulou Giannoula, Kamilaki Marina, Karamitsou Maria, Karastamatis Stamatis, Katemiliadis Savvas, Koukounias Dimitris, Lyberi Orianna, Lybertas Vasilis, Mantzouki Marina, Martinou Dimitra, Mesitou Despina, Moustakas Dimitris, Bada Katerina, Basakarou Antigoni, Bistaraki Stella, Nikolakopoulou Efi, Dotas Konstantinos, Palamiti Nelli, Papaioannou Giorgos, Paraskevas Michalis, Panagopoulos Filippos, Ratopoulos Nikos, Roussaki Victoria, Sakellarios Efklidis, Sia Maria, Souflis Sotiris, Stefanakou Evgenia, Tarousinov Giorgos, Tzoiti Eleni, Trikalitis Dimitris, Tsemperlidis Stefanos, Fassianou Vivi.

External verification

We recognise the added value of external assurance of disclosures and performance indicators (KPIs) contained in our reports and believe that this process enhances the quality and accuracy of our Company's accountability, transparency and reliability. For this reason, the Report has been audited by an external assurance body.

At the same time, the assurance of data is provided in additional ways, as independent auditors provide external validation and assurance for the Company's financial data.

Support

This Report was prepared with the support of AIPHORIA Consulting.

Printing

KETHEA Schema & Chroma

Design

The Birthdays Design

Contact point

We will be happy to talk with you about any sustainable development issues related to our operation. If you have any questions, do not hesitate to contact us.

Address: 1, Konstantinoupoleos Ave., 12132, Peristeri, Attica
Tel.: 210-9466974
Email: sustainability@admie.gr
Website: www.admie.gr

GRI Content Index

GRI 102: General Standard Disclosures (2016)

GRI Standard number	Description	ISO 26000	Page number / reference / note	Reasons for omission / non compliance	External assurance
Organizational Profile					
102–1	Name of the organization	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	Independent Power Transmission Operator (IPTO), Page 12		
102–2	Activities, brands, products, and/or services		Pages 8–9, 12–13		
102–3	Location of headquarters		Page 15		
102–4	Location of operations		Pages 8, 12–13		
102–5	Ownership and legal form		Pages 15, 17		
102–6	Markets served		Pages 12–13, 16–17, 62–63		
102–7	Scale of the organization		Pages 9, 12–13, 42, 96		
102–8	Information on employees and other workers		Pages 9, 96		
102–9	Supply chain		Page 45		
102–10	Significant changes to the organization and its supply chain		There were no significant changes in the supply chain and shareholder structure.		
102–11	Precautionary Principle or approach		Pages 84, 87, 86–91, 92		
102–12	External initiatives		Pages 28–30		
102–13	Membership of associations		Pages 40		

GRI 102: General Standard Disclosures (2016)

Strategy			
102–14	Statement from senior decision-maker	4.7, 6.2, 7.4.2	Pages 6, 7
102–15	Key impacts, risks, and opportunities		Pages 6–7, 12, 18–19, 26–27, 32, 38, 42–43, 44, 48–49, 50–53, 56-57, 58–61, 62–64, 66–67, 74–75
Ethics and Integrity			
102–16	Values, principles, standards, and norms of behavior	4.4, 6.6.3	Page 14
Governance			
102–18	Governance structure	6.2, 7.4.3, 7.7.5	Pages 21–23
102–20	Executive-level responsibility for economic, environmental, and social topics		Page 23
102–21	Consulting stakeholders on economic, environmental, and social topics		Pages 33–36 Consultation with stakeholders is not outsourced to a third party, but is carried out directly between IPTO and its stakeholders with the participation of the Company's Chairman and CEO.
102–22	Composition of the highest governance body and its committees		Page 22
102–23	Chair of the highest governance body		Page 22
102–26	Role of highest governance body in setting purpose, values, and strategy		Page 23
102–29	Identifying and managing economic, environmental, and social impacts		Pages 23, 31, 33–34 The Report and the material issues are reviewed and approved by the Top Management, as well as the Chairman and CEO.
102–32	Highest governance body's role in sustainability reporting		Pages 23, 31 The Report and the material issues are reviewed and approved by the Top Management, the Chairman and the CEO.

GRI Standard number	Description	ISO 26000	Page number / reference / note	Reasons for omission / non compliance	External assurance
Stakeholder engagement					
102-40	List of stakeholder groups	5.3	Page 33		
102-41	Collective bargaining agreements	6.3.10, 6.4.1-6.4.2, 6.4.3, 6.4.4, 6.4.5, 6.8.5, 7.8	Page 96		
102-42	Identifying and selecting stakeholders		Page 33		
102-43	Approach to stakeholder engagement	5.3	Pages 33–36, 39		
102-44	Key topics and concerns raised		Pages 34–36, 39		
Reporting practice					
102-45	Entities included in the consolidated financial statements		Pages 15–17 Annual Financial Report 2020 – Annual Management Report of Board of Directors, Pages 5, 64–65, 100		
102-46	Defining report content and topic Boundaries	5.2, 7.3.2, 7.3.3, 7.3.4	Pages 31–32		
102-47	List of material topics		Pages 31–32		
102-48	Restatements of information		There are no reinstatements of information		
102-49	Changes in reporting		There are no significant changes in relation to previous reports		
102-50	Reporting period		1/1/2020–31/12/2020		
102-51	Date of most recent report		2019		
102-52	Reporting cycle	7.5.3, 7.6.2	Annual		
102-53	Contact point for questions regarding the report		Page 110		
102-54	Claims of reporting in accordance with the GRI Standards		Page 110		
102-55	GRI content index		Pages 112–120		
102-56	External assurance		Pages 122–124		

GRI 200: Economic disclosures

	GRI Standard number	Disclosure	ISO 26000	Page number / reference / note	Reasons for omission / non compliance	External assurance
	GRI 201 – Economic performance (2016)					
GRI 103: Management approach (2016)	103-1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32, 42–43		
	103-2	The management approach and its components		Pages 6–7, 42–43		
	103-3	Evaluation of the management approach		Pages 6–7, 23, 31, 32, 42–43		
GRI 201: Economic performance (2016)	201-1	Direct economic value generated and distributed	6.8.1-6.8.2, 6.8.3, 6.8.7, 6.8.9	Pages 42–43		
	201-2	Financial implications and other risks and opportunities due to climate change	6.5.5	Pages 44		
	GRI 203 – Indirect economic impacts (2016)					
GRI 103: Management approach (2016)	103-1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32		
	103-2	The management approach and its components		Pages 31–32, 48–50, 50–57, 58–61, 64–65, 67–74, 75–76, 86–87		
	103-3	Evaluation of the management approach		Pages 6–7, 23		
GRI 203: Indirect economic impacts (2016)	203-1	Infrastructure investments and services supported	6.3.9, 6.8.1-6.8.2, 6.8.7, 6.8.9	Pages 6–7, 37–39, 50–58, 58–61, 62–63, 64, 65, 67–75, 88–89		
	203-2	Significant indirect economic impacts	6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8.1-6.8.2, 6.8.5, 6.8.7, 6.8.9	Pages 6–7, 37–38, 50--58, 58–64		

	GRI Standard number	Disclosure	ISO 26000	Page number / reference / note	Reasons for omission / non compliance	External assurance
	GRI 204 – Procurement practices (2016)					
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32, 45		
	103–2	The management approach and its components		Page 45		
	103–3	Evaluation of the management approach		Pages 23, 45		
GRI 204: Procurement practices (2016)	204–1	Proportion of spending on local suppliers	6.4.3, 6.6.6, 6.8.1-6.8.2, 6.8.7	Page 45		

GRI 300: Environmental disclosures

	GRI Standard number	Disclosure	ISO 26000	Page number / reference / note	Reasons for omission / non compliance	External assurance
	GRI 302 – Energy (2016)					
GRI 103: Management approach	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Σελ. 6–7, 31–32, 79–83, 90–91		
	103–2	The management approach and its components		Σελ. 6–7, 80–83, 90–91		
	103–3	Evaluation of the management approach		Σελ. 23, 80–83, 90–91		
GRI 302: Ενέργεια (2016)	302–1	Energy consumption within the organization	6.5.4	Σελ. 80–81	Μη επαρκή δεδομένα – Η Εταιρεία σκοπεύει στη συλλογή των σχετικών στοιχείων και τη δημοσιοποίησή τους σε επόμενο κύκλο.	
	302–2	Energy consumed outside of the organization		Σελ. 80–82		
	302–3	Energy intensity		Σελ. 82–83		

	GRI Standard number	Disclosure	ISO 26000	Page number / reference / note	Reasons for omission / non compliance	External assurance
	GRI 304 – Biodiversity (2016)					
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32		
	103–2	The management approach and its components		Pages 85–91		
	103–3	Evaluation of the management approach		Pages 23, 85–91		
GRI 304: Biodiversity (2016)	304–1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	6.5.6	Pages 85–91	Insufficient data - The Company intends to collect the relevant data and disclose them in the following cycle.	
	304–2	Significant impacts of activities, products, and services on biodiversity		Pages 85–91		
	304–3	Habitats protected or restored		Pages 85–91		
	GRI 305 – Emissions (2016)					
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32		
	103–2	The management approach and its components		Pages 79–83		
	103–3	Evaluation of the management approach		Page 23		
GRI 305: Emissions (2016)	305–1	Direct (Scope 1) GHG emissions	6.5.5	Pages 81–82	**Insufficient data - The Company intends to collect the relevant data and disclose them in the following cycle.**	
	305–2	Energy indirect (Scope 2) GHG emissions		Pages 80–82		

	GRI Standard number	Disclosure	ISO 26000	Page number / reference / note	Reasons for omission / non compliance	External assurance
	GRI 306 – Waste (2020)					
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32		
	103–2	The management approach and its components		Page 84		
	103–3	Evaluation of the management approach		Pages 23, 84		
GRI 306: Waste (2020)	306–1	Waste generation and significant waste-related impacts	6.5.3, 6.5.4 6.5.3	Page 84	Insufficient data - The Company intends to collect the relevant data and disclose them in the following cycle.	
	306–2	Management of significant waste-related impacts		Pages 84–85		
	GRI 307 – Environmental Compliance (2016)					
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32		
	103–2	The management approach and its components		Pages 92–93		
	103–3	Evaluation of the management approach		Page 23		
GRI 307: Environmental Compliance (2016)	307–1	Non-compliance with environmental laws and regulations	4.6	Pages 92–93		

GRI 400: Social performance disclosures

	GRI 403 – Health & Safety (2018)			
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32, 97–98
	103–2	The management approach and its components		Pages 97–99, 101–102
	103–3	Evaluation of the management approach		Pages 23, 97–98
GRI 403: Health and Safety (2018)	403–3	Occupational health services	6.4.4, 6.4.6, 6.4.8	Page 98
	403–5	Worker training on occupational health and safety		Page 99
	403–6	Promotion of worker health		Pages 97–98, 101
	403–9	Work-related injuries		Page 100
	GRI 404 – Training & education (2016)			
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32, 103–104, 107
	103–2	The management approach and its components		Pages 83, 99, 103–105, 107
	103–3	Evaluation of the management approach		Page 23
GRI 404: Training & education (2016)	404–1	Average hours of training per year per employee	6.4.7	Page 105
	404–2	Programs for upgrading employee skills and transition assistance programs	6.4.7, 6.8.5	Pages 103–104
	404–3	Percentage of employees receiving regular performance and career development reviews	6.4.7	Page 107

GRI 405 – Diversity and equal opportunities (2016)				
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32, 106–107
	103–2	The management approach and its components		Pages 106–107
	103–3	Evaluation of the management approach		Pages 23, 106–107
GRI 405: Diversity and equal opportunities (2016)	405–1	Diversity of governance bodies and employees	6.2.3, 6.3.7, 6.3.10, 6.4.3	Pages 22, 107
	405–2	Ratio of basic salary and remuneration of women to men		Page 107 Salaries and other benefits do not differ according to gender.
GRI 413 – Local communities (2016)				
GRI 103: Management approach (2016)	103–1	Explanation of the material topic and its Boundary	6, 7.3.1, 7.4.3, 7.7.3, 7.7.5	Pages 31–32, 34–35
	103–2	The management approach and its components		Pages 34–35, 37–39, 92–93
	103–3	Evaluation of the management approach		Page 23
GRI 413: Local communities (2016)	413–1	Operations with local community engagement, impact assessments, and development programs	6.3.9, 6.5.1-6.5.3, 6.8	Pages 31–32, 34–35, 37–39, 51-52, 56–57, 90–91

Sustainability Accounting Standards Board (SASB) Standards

IPTO aims to continuous improvement of disclosure on performance impacts and sustainability issues. In this context and on a voluntary basis, the following table presents the most relevant performance indicators of SASB Standards related to the Company's activity. The data presented refer to the Company's performance on an annual basis, as recorded at the end of 2020.

SASB Standards Table
Infrastructure – Electric Utilities & Power Generators

Disclosure Topic	Accounting Metrics / Activity Metric – SASB Code	Accounting Metrics – Description	Reference	External assurance
Accounting Metrics				
Dimension: Leadership & Governance				
Category: Systemic Risk Management				
Grid Resiliency	IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Page 70	
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI)	(1) 0,19 out./y (2) 22,03 min/y	
Activity Metric				
Activity Metric Description	IF-EU-000.C	Length of transmission and distribution lines (in km)	Pages 9, 12–13	

External assurance

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EUROCERT

External Assurance Statement for IPTO Sustainability Report 2020 (No. KZ/65031)

Information on the Assurance Statement

The Assurance Provider EUROCERT has been engaged to provide external assurance on the disclosures published in the Sustainability Report 2020 ('the Report') of IPTO Group of Companies | Independent Power Transmission Operator Group of Companies ('the Company'). The Company is exclusively responsible for the data and information within the Report. The assurance process was conducted by EUROCERT in terms of sample-based audits of data and information, as well as audits of data collection systems and procedures.

Economic and financial data were not verified. Instead, they were assessed with respect to the information contained in the 2020 annual financial statement which has been verified by other third parties.

The intended users of this Statement are all the stakeholder of the Company.

Scope of Assurance

EUROCERT undertook and implemented the following quality assurance activities during September and October of 2021:

1. Review of the Report against the requirements of Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, to confirm that the GRI-STANDARDS "Core option" requirements are fulfilled
2. Evaluation and verification of the IF-EU-420a.1, IF-EU-550a.1 and F-EU-550a.2 Accounting Metrics and the Activity Metric IF-EU-000.C of SASB Sustainability Standards Framework.
3. Verification of the data included in all the chapters of the Report.
4. Use of remote audits technics, including interviews with the Sustainability Team and the main executives of the Company, and sampling inspections of files, in order to evaluate:
   - the reliability and accuracy of performance indicators of the Sustainability Report
   - the processes for generating, gathering, and managing information included in the Report
   - the adherence to the principles of inclusivity, materiality, and responsiveness to stakeholders.

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Limitations

The extent of the evidence, data and information collected justifies the characterization of a "limited level of assurance", as:

a) The objective evidence collected via internal sources of the Company and not via contacting external stakeholders.
b) The verification of the information took place by using remote auditing technics, including interviews and documentation examination.

Conclusions

As a result of the application of the external assurance process, it was confirmed with "limited level of assurance" that the data and information of all the chapters of the Report are accurate and 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 based on 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.

Furthermore, it is confirmed that the statements of the Company related to the IF-EU-420a.1, IF-EU-550a.1 and F-EU-550a.2 Accounting Metrics and the Activity Metric IF-EU-000.C of SASB Sustainability Standards Framework are accurate and reliable.

EUROCERT concurs that the GRI-STANDARDS "Core option" requirements have been met.

Opportunities for Improvement

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

☞ Provision of information for additional GRI-STANDARDS performance indicators, in order to fulfill the "Comprehensive option" requirements.

Statement of Independence, Impartiality and Competence

EUROCERT is an independent professional services company that specializes in quality, environmental, health, safety and social accountability. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes for the environment, society, ethics, health & safety at work and sustainable development.

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EUROCERT is an accredited certification body which operates a Quality Management System which complies with the requirements of several accreditation standards, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

EUROCERT has implemented a Declaration of Impartiality and Independency and several relevant procedures which ensure that all employees, that work for or on behalf of it, maintain high standards in their day-to-day business activities. We are particularly cautious in the prevention of conflicts of interest. Our assurance team does not have any involvement in other projects with the Company that would cause a conflict of interest and has never provided any consulting services to the Company.

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

On behalf of EUROCERT,
Athens, 2nd of November 2021

Managing Director
Georgios Briskolas

Nikolaos Sifakis
Lead Auditor


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INDEPENDENT POWER
TRANSMISSION
OPERATOR