



# 2013

Annual Report

 **CABLEL<sup>®</sup>**  
**HELLENIC CABLES**  
G R O U P

**HELLENIC CABLES S.A.**  
HELLENIC CABLE INDUSTRY S.A.

**FULGOR**  
HELLENIC CABLE INDUSTRY S.A.

**ICME ECAB S.A.**  
C A B L E I N D U S T R Y



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*In case of any discrepancy, the Greek text shall prevail.*

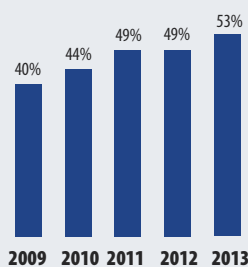
## HELLENIC CABLES Group

## at a glance...

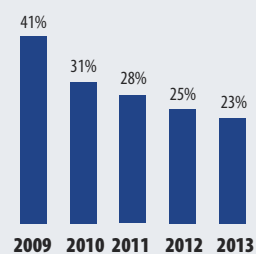
- The largest cable manufacturer in SE Europe, with 5 plants and 1,208 employees
- Exports to more than 50 countries

(in Euro million)	2009	2010	2011	2012	2013
Turnover	241.6	351.8	414.6	439.3	345.3
EBITDA	11.1	13.2	20.9	10.7	1.1
EBITDA Margin	4.6%	3.8%	5.0%	2.4%	0.3%
Earnings before Tax	(0.2)	0.6	3.6	(13.3)	(19.6)
Earnings after taxes and minority interest	(1.2)	0.4	3.3	(11.2)	(21.1)
Net borrowing	83.3	102.4	151.8	150.1	179.3

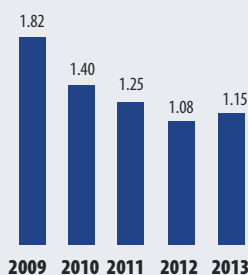
Bank Loans to Total Assets



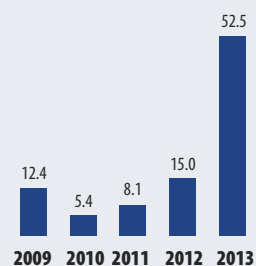
Working Capital to Sales



Liquidity ratio



Investments (amounts in Euro million)





## 1. General Manager's Message

2013 was a transitional year for HELLENIC CABLES Group. The foundations for future recovery were laid, even though this is not evidenced in the negative financial results of the Group.

The investments for the production of high voltage submarine cables were completed in the plant of the subsidiary FULGOR, while the production of the first orders is expected to commence within 2014. Following successful completion of the investment plan, HELLENIC CABLES Group currently figures among the few cable manufacturers worldwide who are able to manufacture high voltage cables. The Group has already undertaken the interconnection project for the islands Syros-Tinos, Syros-Mykonos, Syros-Paros in the context of the Cyclades Islands Interconnection Tender, while a positive outcome is expected in respect of other tenders for high voltage submarine cables in the near future.

Additionally, selective investments were made in the Group's other plants in order to enhance their capacity, productivity and flexibility. These investments, combined with major initiatives for reducing the industrial cost, such as reduction of personnel expenses, reinforcement of the sales network and decrease in energy cost, boost the Group's competitiveness and generate optimism for the future.

In parallel, the Group improved its financial position by placing particular emphasis on liquidity. On 27 December 2013, HELLENIC CABLES entered into an agreement to restructure its current loans of Euro 77 million by issuing a number of syndicated 5-year bond loans with the additional option of extension up to two years. The bond loans also feature a two-year grace period for capital repayments and a step-down annual interest rate spread. As a result, 64% of the Group's net borrowing consists of long-term loans, thus securing a considerable part of the necessary financing and diminishing considerably the Group's liquidity risk. In addition, the Group exhibited positive cash flows from operating activities for another year, thus allowing the Group to finance major investments.

However, the adverse developments in the business environment in 2013 had an obvious impact on the Group's financial results. The consolidated turnover fell by 21%, mainly due to the significant decrease in exports to EU countries owing to the persistent financial crisis. Exports outside the European Union rose by 48% despite the unfavourable Euro/dollar exchange rate, resulting from the Group's continuing efforts to expand its customer base. The Group maintained its leading position in the domestic market since the 18% decrease in turnover resulted from the decrease of metal prices and the lack of renewable energy projects.

The decline in turnover combined with the decrease in margins due to more intense competition, as well as the delay in the award of major contracts, had a significant effect on the Group's profitability. Moreover, the valuation of the basic (non-hedged) metal stock had a considerable impact due to the drop in copper prices in the metal exchange. The Group's gross profit amounted to Euro 6.9 million, i.e. a 60% drop compared to 2012. Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to Euro 1.1 million, i.e. a 90% drop compared to 2012, while the results before interest and taxes (EBIT) amounted to losses of Euro 7 million compared to profits of Euro 2.1 million in 2012. The Group's pre-tax results amounted to losses of Euro 19.6 million compared to losses of Euro 13.3 million in 2012 while net results stood at losses of Euro 21 million compared to losses of Euro 11.2 million in 2012.

The Group's net borrowing amounted to Euro 179 million on 31.12.2013 compared to Euro 150 million in 2012, owing to the high capital expenditure incurred during the financial year. In 2013, investments stood at Euro 52.5 million with the majority pertaining to state-of-the-art equipment for the production of high voltage submarine cables in the subsidiary FULGOR.

A gradual recovery of international markets is expected to start from the second quarter of 2014. Liquidity in the market shows signs of improvement, while customers are optimistic about the implementation of significant infrastructure projects. This improvement of the business environment, as well as the effect of the action plans already carried out in the Group's companies, are not expected to have an immediate effect in the Group's financial results, since there is a certain time lag before the improvement is evident in the financial statements. Yet, it is obvious that the Group is in a much better position to deal with the difficult market circumstances and overall uncertainty.

Finally, we ought to stress once more the dedication of HELLENIC CABLES to the principles of corporate responsibility and sustainable development, as displayed in both our long-term strategy and everyday activities.

**Alexios Alexiou**  
**General Manager**



## 2. HELLENIC CABLES Group

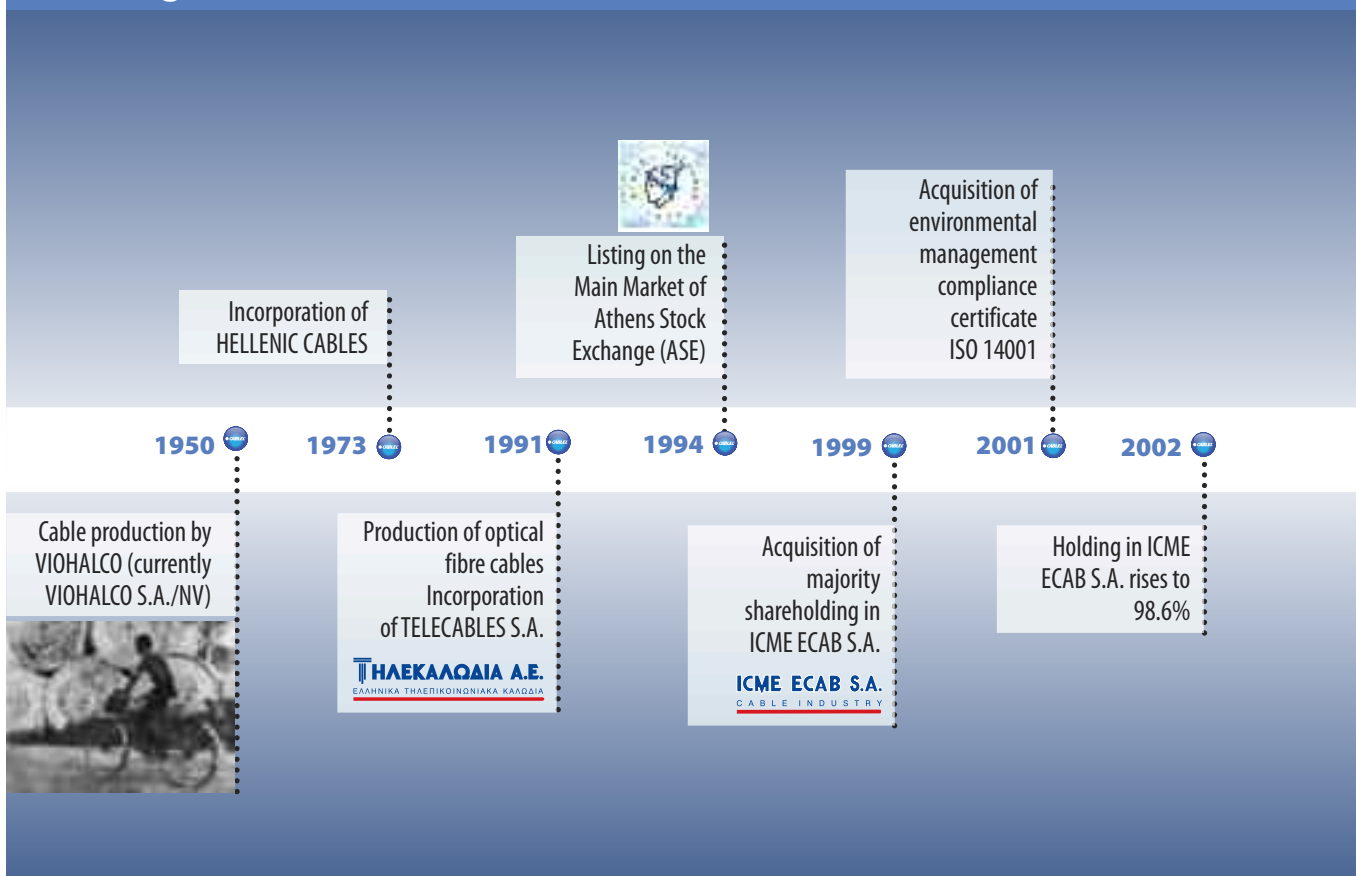
The HELLENIC CABLES Group is the largest cable industry in Southeast Greece and owns five production plants, four in Greece and one in Romania. It is an export oriented Group with a significant commercial presence in international markets.

Since its establishment, the Company has focused on incorporating cutting-edge technologies and aims to manufacture competitive products destined for the international markets. The Group's plants manufacture a wide range of products including power and telecommunications cables, enamelled wires, bare copper and aluminium wires and compounds.

The main subsidiaries of HELLENIC CABLES are FULGOR, which manufactures power cables and 8 mm copper wires, and ICME ECAB, a power and telecommunications cable manufacturer.

HELLENIC CABLES S.A. has been listed on the Athens Stock Exchange since 1994.

## 3. Background



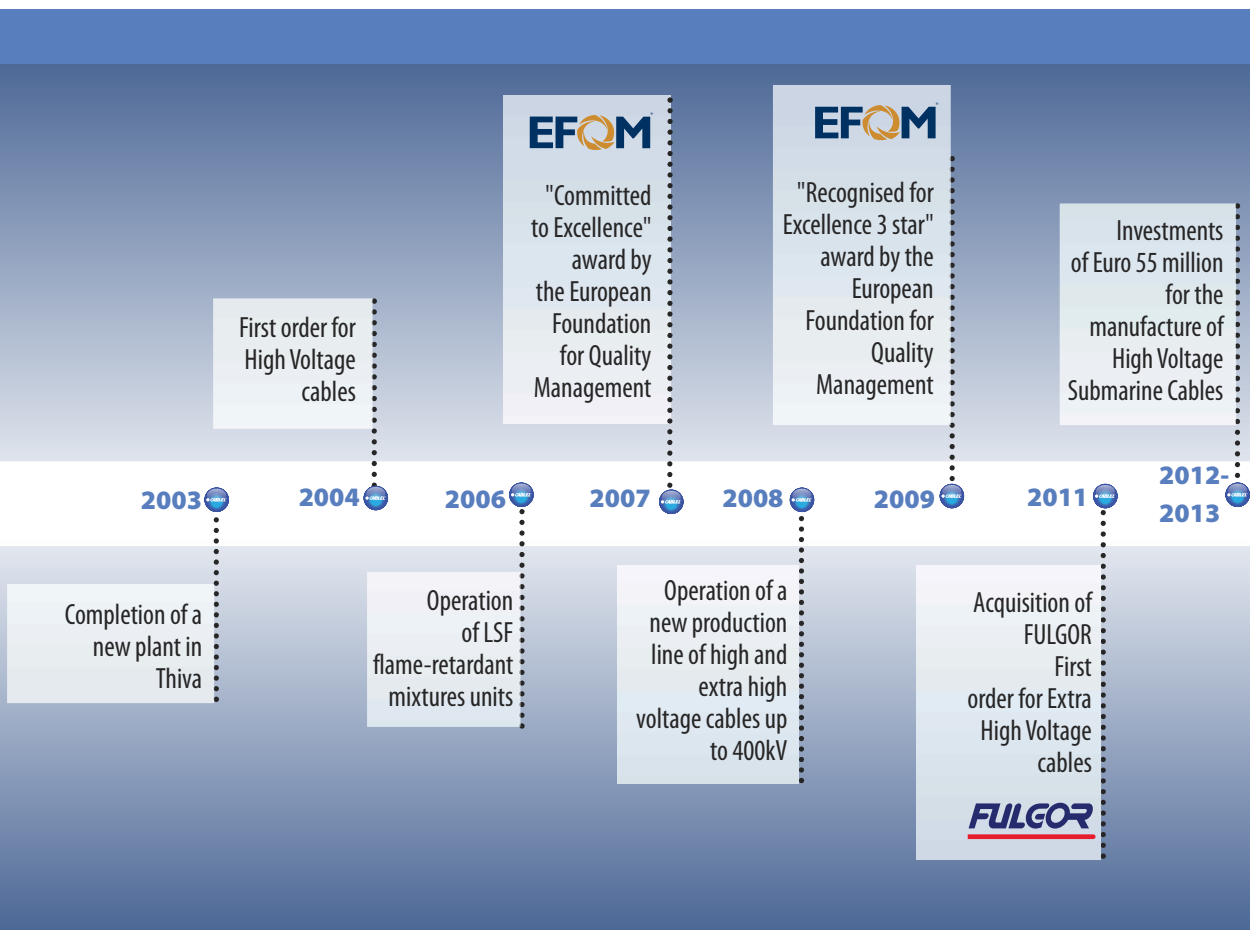
## 4. Vision – Mission - Values

Our vision consists of contributing to the improvement of the end consumer's quality of life, through the manufacture of reliable and safe products with advanced and environmentally friendly technologies.

Our mission is to respond swiftly to the needs of our customers around the world by constantly improving our products and services, laying emphasis on the development of our human resources, on our corporate and social responsibility and on the value creation for our shareholders and partners.

Our company's values which guide all our activities, internal and external, on an individual and on a collective level, are:

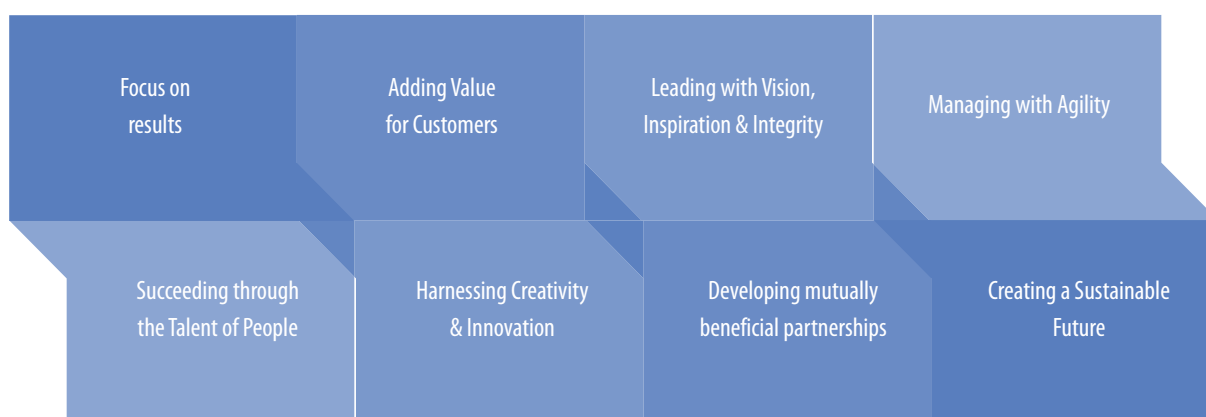
- Respect for environment and people
- Knowledge, competence and professional behaviour
- Honesty, integrity and prudence
- Team spirit and collaborative attitude
- Action and results orientation





## 5. Philosophy and Strategy

HELLENIC CABLES Group is operating in a thoroughly competitive environment, both in Greece and abroad. Its long-standing success has been attained through the high quality and competitiveness of its products and also its focus on the core principles of business excellence:



Operating in an ever-changing environment, the Group has undertaken to implement its long-term business plan having set the following strategic priorities:

- Utilise new investments by focusing on high added value products such as high and extra high voltage submarine and underground cables which are less vulnerable to adverse economic developments.
- Strong export orientation doubled by selective expansion to non-EU countries, focusing on countries where investments in energy and telecommunications networks are carried out and also in countries where major investments in renewable energy sources are made.
- Increase sales to utilities, which exhibit more steady demand and better prospects.
- Improve competitiveness through reduced costs, more optimized management of inventories and improved production flexibility & productivity.
- Improve liquidity mainly through reduction of working capital requirements, entailing reduced borrowing and conservative cash flow planning so as to enable the Company to take advantage of any opportunities and tackle the adversities of financial markets.
- Focus on human resources and corporate social responsibility (for details, please refer to the Report on Corporate Responsibility and Sustainable Development).







## 6. Human Resources

HELLENIC CABLES lays particular emphasis on human resources and invests considerable funds in the ongoing training and safety of its personnel. Meanwhile, it gives top priority to the health and safety of employees and respects the environment.

The Company places great emphasis on the lifelong education and training of its personnel, which are the most important asset of the Company and, thus, invests considerable funds in this direction. New technologies and current business administration practices and tools are taught in seminars attended by the company's executives, which are organised by universities and specialised institutions in Greece and abroad. Thus, the personnel enrich their knowledge and skills, while at the same time new career opportunities are opened up for them. Aiming at the ongoing improvement of its executives, HELLENIC CABLES also finances postgraduate programmes, thus enabling them to expand their knowledge and ensure their overall development in the Company.

In 2013, the personnel employed in the entire Group numbered 1,208 persons.

The Company's human resources are further detailed in the Report on Corporate Responsibility and Sustainable Development, which is Part II of this report.



## 7. Corporate Responsibility and Sustainable Development

The concept of Responsibility is instilled in the entire array of HELLENIC CABLES business as the Company has recognised that business development cannot be disassociated from prudent corporate governance, care for the environment, development and advancement of people, customer satisfaction, sound collaboration, supplier evaluation and the support to the surrounding communities. The Company is committed to all the pillars making up responsible conduct and sustainable business development:

### Corporate Responsibility Pillars



Economic  
Development  
and Corporate  
Governance



Environment



Market (customers,  
partners and  
suppliers)



Human  
Resources



Local  
Communities

#### Economic Development and prudent Corporate Governance

The Company's economic growth is the outcome of all actions and activities as such are defined by the responsible business strategy specified and the principles governing its operation.

The commitment of HELLENIC CABLES to prudent Corporate Governance is reflected in the selection of the appropriate principles and practices it implements, in promoting the concept of business ethics, ensuring transparent operation and balance between Company administration and interests of its shareholders.

#### Responsibility to the Market

For more than 50 years, HELLENIC CABLES has a steady and dynamic presence in the domestic and international market. In order to remain a first choice supplier for its customers and respond at all times to technological advances and challenging requirements of the sector, during the last two years the Company carried out major investments in excess of Euro 60 million in order to manufacture high voltage submarine cables and other high added value products made by state-of-the-art equipment and thoroughly qualified personnel. The Company's two key objectives in respect of this pillar are to expand to new markets and invest in the development of new products and services.

### Human resources - Health and Safety

People in HELLENIC CABLES play the key role in its growth. The Company acknowledges the significant contribution of the human factor and is committed to their development and concrete reward of their endeavours. The Company takes steps to establish a workplace where equal opportunities are offered to everybody, respect for diversity is guaranteed while human and labour rights are safeguarded.

The care for Health and Safety at the workplace is a fundamental value of HELLENIC CABLES. The Company seeks at all times to eliminate those factors that could lead to accidents or occupational diseases and eliminate accidents. To attain this objective, the Company implements a certified Occupational Health and Safety Management System according to the OHSAS 18001 international standard. Concurrently, each year, its endeavours to improve the Health and Safety sector are intense since systematic actions are carried out which aim at a safer and healthier workplace for the employees and all partners of the Company.

### Care for the Environment

HELLENIC CABLES aspires at the continuous improvement of its environmental performance. Acknowledging and evaluating the environmental consequences of its activities, the Company undertakes to reduce its environmental footprint by applying environment-friendlier methods. The efforts to reduce environmental effects focus on the decrease in energy consumption, the decrease in greenhouse gas emissions, decrease in water usage and protection of biodiversity.

In the context of its commitments to the environment, HELLENIC CABLES applies to all its plants an integrated Environmental Management System which has been certified as per ISO 14001:2004. The Company makes investments every year to reduce unceasingly the nuisance its activities cause on the Environment.

### Responsibility to Society

HELLENIC CABLES acknowledges that it will attain its Sustainable Development-related objectives only if it seeks to generate value not only for its shareholders and direct stakeholders but also for society as a whole. The Company seeks to generate added value by supporting Local Employment, boosting Local Economy and promoting Volunteerism. By maintaining these three key pillars of social contribution, HELLENIC CABLES seeks to contribute to the development of society.

*Details on the actions of the Company per pillar of Corporate Responsibility are set out in the Report on Corporate Responsibility and Sustainable Development 2013 of HELLENIC CABLES, which is a separate part of this report.*



## 8. Products

HELLENIC CABLES produces all types of power cables, overhead copper and aluminium conductors, (copper and optical) telecommunications cables, plastic and rubber compounds as well as enamelled wires, and is the sole producer of such wires in Greece. Following is a summary of the product categories manufactured by the company:

### Power cables

- Indoor installation cables
- Control cables
- Industrial and outdoor installation cables
- Fire-retardant, fire-resistant, halogen-free cables
- Medium voltage cables
- High and Extra-High Voltage cables (up to 400kV)
- Cu (grounding), Al, ACSR conductors
- Ship cables
- Medium and high voltage submarine cables

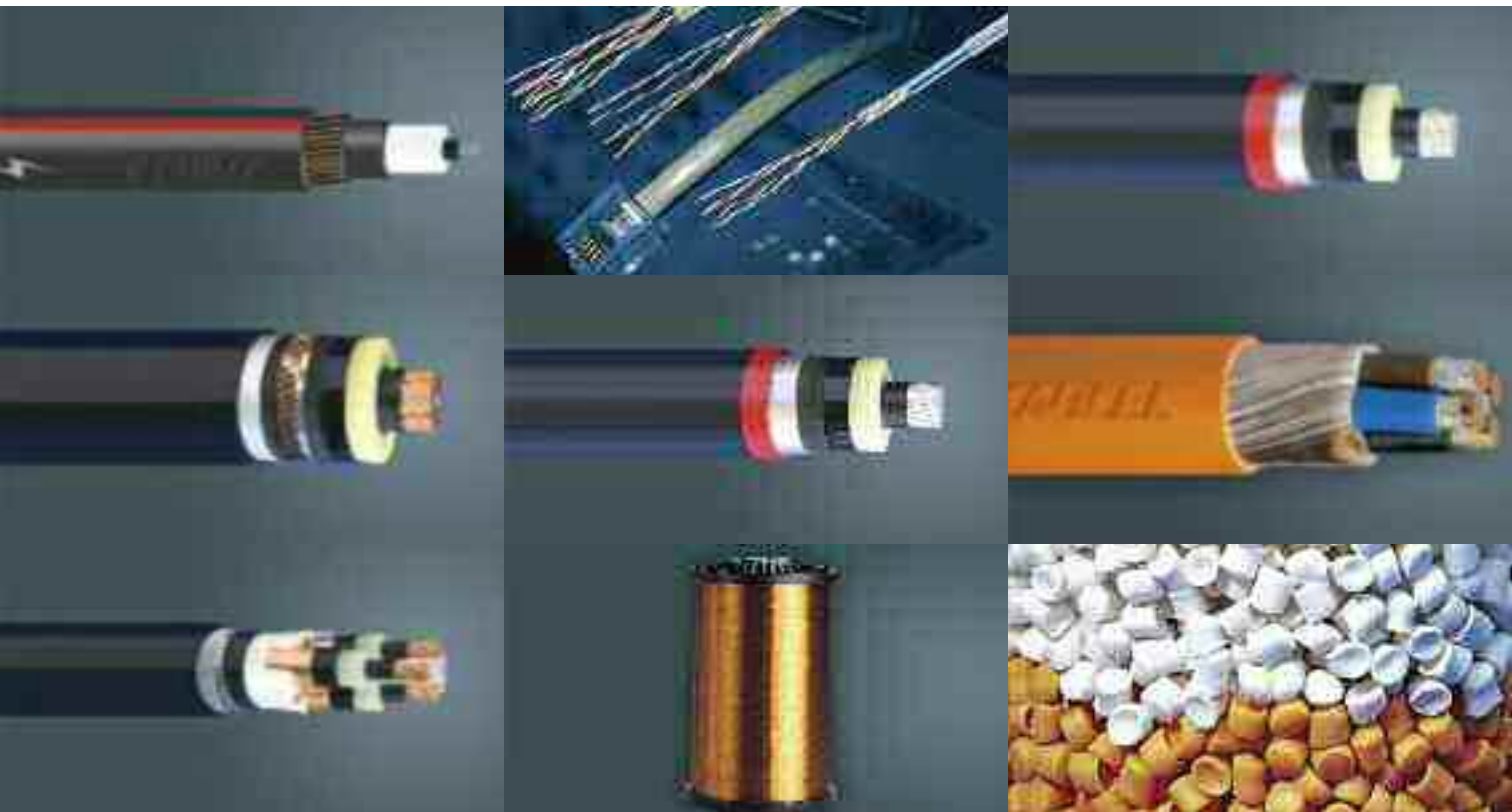
### Telecommunication and data transmission cables

- *Copper conductor cables*
- Gauging and control cables

- Conventional telephone cables
- Telephone exchange cables
- Data transmission tables
- High-frequency telephone cables

### • *Optic fibre cables*

- *(single-mode and multi-mode)*
- Underground dielectric cables, in tubes
- Underground directly buried cables (steel reinforcement)
- Indoor installation LSZH cables
- Underground dielectric anti-rodent protection cables
- Aerial installation cables ('8'-shaped or ADSS)
- Submarine fibre-optic cables



- *Signalling and railway signalling cables*

#### Enamelled wires

- Enamelled wires for electric motors and transformers
- Copper wires for grounding and box can-manufacture

#### Plastic and rubber compounds

- PVC-based plastics
- Polyolefin-based plastics
- Rubbers

Following are the main company product applications:

#### Cables

- Buildings
- Outdoor installations and industrial applications
- Transmission and distribution networks
- Installations with special requirements
- Ships and marine applications
- Telecommunications and data transmission networks
- Renewable energy sources

#### Enamelled wires

- Transformers
- Motors - generators
- Small motors
- Relays - coils
- Self-supporting windings - resistance to varnish impregnation

#### Compounds

- Cable industry
- Production of soft water pipes
- Production of flexible spiral pipes
- Production of hard flexible pipes for electrical applications
- Rubber and plastic soles
- Flexible elastic and plastic profiles

#### Copper and aluminium wire rods

Cable products are sold in the international and Greek markets under the patented trade mark CABLEL. The Company is well-known in foreign markets and its exporting orientation is a strategic choice made by Management as illustrated by the large quantities of cables and enamelled wires sold abroad.



### **Submarine Cables**

HELLENIC CABLES manufactures medium-voltage and fibre-optic submarine cables in the facilities of FULGOR in Corinth. Since 1972, more than 900 km of energy submarine cables up to 33kV and also more than 2,200 km of fibre-optic submarine cables have been installed. In addition, the company manufactures composite submarine cables combining energy submarine and fibre-optic cables.

FULGOR extended its production capacity by implementing an investment plan over Euro 55 million in order to manufacture high and extra high voltage submarine cables. The new equipment will enable the Company to produce submarine cables of up to 400kV in long continuous lengths while the technical assistance provided by VISCAS Corporation, one of the leading companies in the field, guarantees the technical integrity and quality of the products.

FULGOR has its own dock and premises in its plant in Corinth, which enable the direct loading of cables on cable-laying vessels. Moreover, FULGOR is in a position to undertake cable laying and trenching services and deliver submarine interconnections to end consumers in the form of "turnkey" projects as it occurred in 2012 with the connections of Thasos-Keramoti and Egina-Methana on behalf of Hellenic Distribution Network Operator S.A. (DEDDIE).



### **Extra high voltage underground cables**

HELLENIC CABLES produces extra high voltage cables of up to 500kV in the plant in Thiva. These cables are manufactured by applying copper wire metallic shielding or lead sheath or Smooth Welded Aluminium Sheath (SWAS) and external sheath made of MDPE, HDPE, PVC or slow-flammable materials (Halogen Free and fire retardant).

Cables are designed and manufactured with the technical assistance of leading companies in the field such as VISCAS Corporation and, benefiting from cutting-edge equipment, thus guaranteeing performance and quality levels as to meet the most rigorous specifications.



Such cables may be offered together with suitable components by collaborating with international renowned companies while installation services may be also provided in addition to the products (turnkey project).



### Turnkey Solutions

During the last 18 years HELLENIC CABLES Group has successfully completed various projects in many European countries, which include the supply and installation of more than 450 km of high-voltage underground cables. Currently, projects for the production and installation of more than 250 km of high-voltage underground cables are underway.

FULGOR undertook the first "turnkey" project for 20kv medium-voltage submarine cables in 1972 and to date has installed more than 850 km of energy submarine cables using specially trained personnel and specialised contractors.

The capabilities of HELLENIC CABLES Group include:

- the design and production of cables in compliance with customer requirements and project needs;
- the provision of special parts required for cable connections and also the termination of cable ends;
- the transportation and installation of cables on site;
- the civil engineering works required for cable protection;
- control, initial operation and delivery of the system to the customer (commissioning);
- management of the entire project;
- training of the customer's personnel in system operation and maintenance;
- maintenance/ assistance services to customers.







## 9. Customers and Sales Network

HELLENIC CABLES S.A. sells its products in the domestic market through its central distribution centres in Athens and Thessalonica and its agent on the island of Crete, where there are properly organized warehouses. The Company participates directly in tenders held in Greece (Hellenic Distribution Network Operator S.A. (DED-DIE)/ Independent Power Transmission Operator (ADMIE)) and in foreign countries. It exports its products both directly and through agents. To ensure a more effective penetration in foreign markets, the Company uses the organised commercial network of VIOHALCO, including METAL AGENCIES in the United Kingdom, TEPRO METAL in Germany, GENECOS in France, and ICME ECAB in Romania.

Power transmission cable customers include major power generation and transmission organisations such as E.ON in Germany, EDF in France and ENEL in Italy, large construction and industrial companies, as well as world-wide renowned cable trading companies with international customers.



## 10. Plants

The production base of HELLENIC CABLES Group includes plants in Greece and Romania as follows:

### HELLENIC CABLES Power & Optical Fibre Cables Plant (Thiva, Greece)

Total Area: 175,082 square meters  
Buildings: 44,408 square meters  
Capacity: 60,000 tons per annum  
Products: Low, medium, high and extra high voltage power cables, optical fibre cables, copper and aluminium conductors.  
Certifications: EN ISO 9001:2008, EN ISO 14001:2004, OHSAS 18001: 2007



### FULGOR Power Cables Plant (Soussaki, Corinthia, Greece)

Total Area: 218,247 square meters  
Buildings: 80,048 square meters  
Capacity: 50,000 tons of cables and 120,000 tons of 8 mm wire, per annum  
Products: Low, medium and high voltage power cables, medium and high voltage submarine cables, copper and aluminium wire rods  
Certifications: EN ISO 9001:2008, EN ISO 14001:2004, OHSAS 18001:2007



### ICME ECAB Power and Telecommunications Cable Plant (Bucharest, Romania)

Total Area: 268,000 square meters  
Buildings: 102,137 square meters  
Capacity: 50,000 tons per annum  
Products: Low and medium voltage power cables, copper telephone cables  
Certifications: EN ISO 9001:2008, EN ISO 14001:2004





### HELLENIC CABLES Enamelled Wire Plant (Livadia, Greece)

Total Area:	121,818 square meters
Buildings:	14,048 square meters
Capacity:	14,000 tons per annum
Products:	Enamelled copper and aluminium wires, copper wires
Certifications:	EN ISO 9001:2008, EN ISO 14001:2004, OHSAS 18001: 2007



### HELLENIC CABLES Compound Plant (Oinofyta, Greece)

Total Area:	21,263 square meters
Buildings:	6,444 square meters
Capacity:	24,000 tons per annum
Products:	Plastic and rubber compounds
Certifications:	EN ISO 9001:2008, EN ISO 14001:2004, OHSAS 18001: 2007

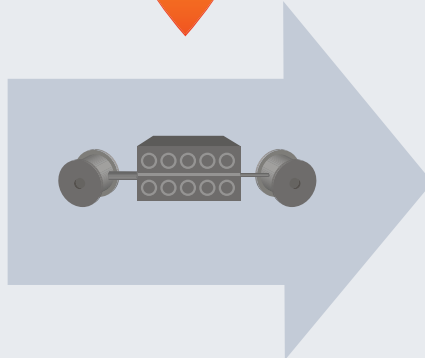




## 11. Production process

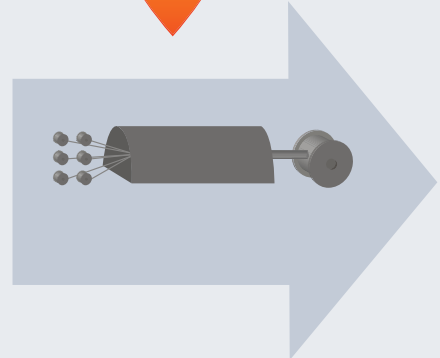
**Drawing**  
(Wire Making)

1

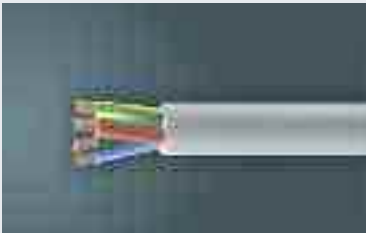


**Stranding**  
(making the conductor)

2



**Power Cables**  
Installations Cables

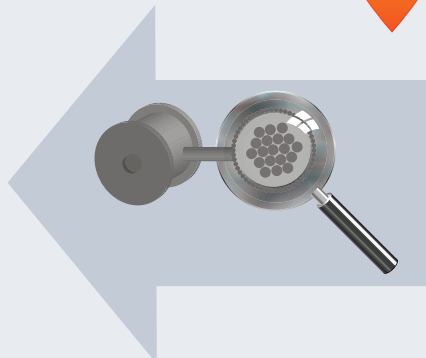


**Power Cables**  
Power Networks & Industrial Applications



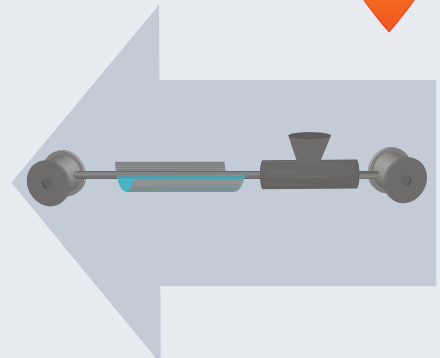
**Quality Control**

9



**Sheath B**

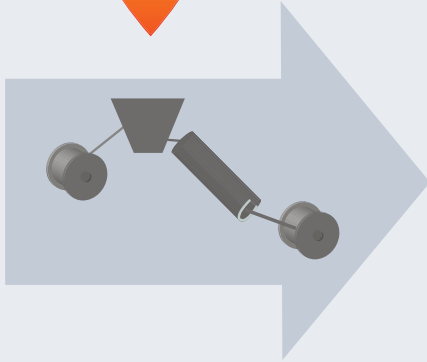
8





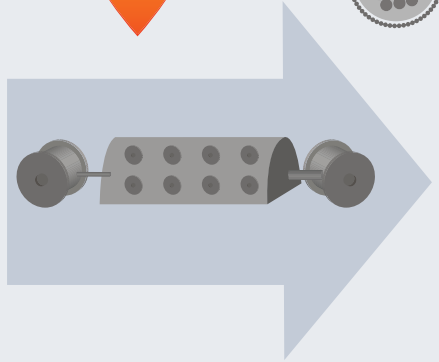
**Insulation**

3



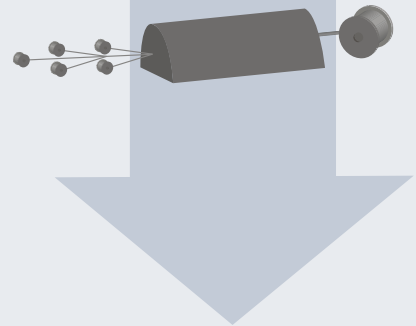
**Shielding**

4



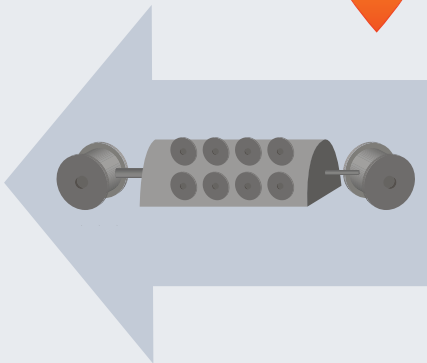
**Laying up**  
(Insulated Conductors)

5



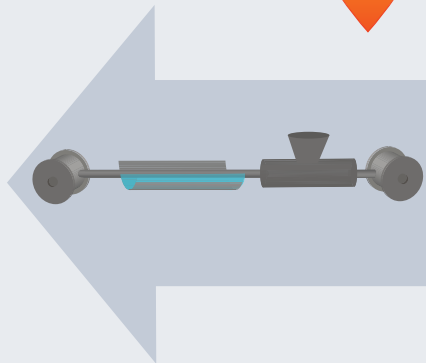
**Armouring**

7



**Sheath A**

6





## 12. Group Key Financial Data

### Income Statement

<b>CONSOLIDATED FIGURES (in Euro million)</b>	<b>2013</b>	<b>2012</b>	<b>Change %</b>
Sales	345.3	439.3	-21%
Net earnings before interest, taxes, depreciation & amortisation	1.1	10.7	-90%
Percentage of sales	0.3%	2.4%	
Operating results	-7.1	2.1	
Percentage of sales	-2.0%	0.5%	
Results before taxes	-19.6	-13.3	
Percentage of sales	-5.7%	-3.0%	
Results after taxes	-21.1	-11.2	
Percentage of sales	-6.1%	-2.5%	

### Balance Sheet

<b>Group Balance sheet (in Euro million)</b>	<b>2013</b>	<b>2012</b>	<b>Change %</b>
<b>Assets</b>			<b>%</b>
Fixed assets	198.1	159.8	24%
Holdings & other long-term receivables	3.5	3.7	-5%
<b>Non-current assets</b>	<b>201.6</b>	<b>163.5</b>	<b>23%</b>
Inventories	79.0	87.9	-10%
Trade receivables	57.3	67.2	-15%
Cash and cash equivalents	17.7	17.7	0%
Other current assets	19.4	4.0	385%
<b>Current assets</b>	<b>173.4</b>	<b>176.9</b>	<b>-2%</b>
<b>Total assets</b>	<b>374.9</b>	<b>340.4</b>	<b>10%</b>
<b>Equity</b>	<b>82.9</b>	<b>103.8</b>	<b>-20%</b>
<b>Liabilities</b>			
Long-term loans	113.9	59.3	92%
Short-term loans	83.2	108.5	-23%
Trade payables	57.5	43.6	32%
Other liabilities	37.4	25.2	48%
<b>Total liabilities</b>	<b>292.0</b>	<b>236.6</b>	<b>23%</b>
<b>Total Equity &amp; Liabilities</b>	<b>374.9</b>	<b>340.4</b>	<b>10%</b>

## Cash Flows

(amounts in Euro million)	Group	
	2013	2012
Operating Activities	15.3	4.3
Investment Activities	-45.5	-14.2
Financing Activities	30.3	8.7
Cash and Cash Equivalents		
At the beginning of the period	17.7	19.0
At the end of the period	17.7	17.7

## Financial ratios

	GROUP	
	2013	2012
Gross profit margin (Gross profit/ sales)	2.0%	3.9%
Net result margin (Net Result/ Sales)	-6.1%	-2.5%
Debt-equity ratio (Debt/ Equity)	2.38	1.61
Liquidity (Current assets / short-term payables)	1.15	1.08
Return on equity (Net Result/ Equity)	-25.4%	-10.8%
Inventory turnover ratio (Inventory/ Cost of sales) x 365 days	85	76
Accounts receivable turnover ratio (Trade receivables/ Sales) x 365 days	61	56
Accounts payable turnover ratio (Trade creditors / Cost of sales) x 365 days	62	38



### 13. Share performance

Average price per share 2013:  
Number of shares:

Euro 1.63  
29,546,360

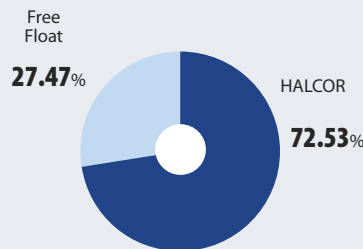
#### Share tickers

Ticker symbol in ASE  
Ticker symbol in Reuters:  
Ticker symbol in Bloomberg:

ELKA  
HCAr.AT  
ELKA:GA

The company is listed in ASE Composite Index and in the FTSE Mid Cap index.

#### SHAREHOLDER COMPOSITION OF HELLENIC CABLES 2013



#### SHARE DAILY PERFORMANCE AND TRANSACTIONS VOLUME IN 2013





## 14. Main Holdings

The Company's holdings which are consolidated include twelve companies, seven of which are consolidated with the full consolidation method and the other four with the equity method of accounting:

Company	Holding	Registered Office	Turnover (amounts in Euro thousand)	Earnings/ (Losses) (amounts in Euro thousand)
1. ICME ECAB S.A.	98.59%	Bucharest	106,470	(751)
2. FULGOR S.A.	100.00%	Athens	117,850	(7,015)
3. LESCO OOD	100.00%	Sofia	4,588	328
4. GENECOS S.A.	60.00%	Paris	8,055	40
5. LESCO ROMANIA S.A.	65.00%	Bucharest	275	0,5
6. DE LAIRE LTD.	100.00%	Nicosia	656	0
7. E.D.E. S.A.	99.99%	Athens	0	(2)
8. STEELMET S.A.	29.56%	Athens	13,525	643
9. METAL AGENCIES Ltd.	20,00%	London	117,502	(7)
10. METAL GLOBE DOO	30.00%	Belgrade	-	-
11. COPPERPROM LTD	40.00%	Athens	9	(2)

### 14.1 ICME ECAB S.A.

The company has over 50 years of experience in the Romanian and international cable markets. It was established in 1949 under the name "ELECTROCABLU". In 1959 ELECTROCABLU merged with the neighbouring company "ELECTROIZOLANTUL" to set up the company "CABLES & INSULATING MATERIALS FACTORY". In 1973 the company was renamed into "CABLES & INSULATING MATERIALS COMPANY" (ICME). In 1998 the Austrian company ISOVOLTA became its main shareholder. In 1999 HELLENIC CABLES S.A. acquired the majority of shares (95%) of ICME - ECAB S.A. and in 2002 it acquired almost full control of its share capital (98.6%). The company is established in Bucharest, in a 70,000 sq.m. industrial complex, on a plot of land of a surface area of 268,000 square meters; it employs approximately 506 persons.



The products of ICME - ECAB S.A. are sold in the international and Romanian markets under the patented trademark CABLEL. The company manufactures indoor installation cables, power cables, control cables, industrial and external installation cables, fire retardant cables, fire resistant cables, halogen-free cables, copper and alu-



minium conductors, mine cables, ship cables, special purpose cables, telecommunications cables, signalling cables, remote control and data transmission cables, as well as plastic and rubber compounds.

It also has a Research & Development department equipped with state-of-the-art machinery and well trained personnel, which contributes to the ongoing efforts to improve the quality and cost of the items produced.

ICME-ECAB S.A. makes consistent investments in human resources, through ongoing training and ensuring working conditions standing out for superior quality and increased safety.

### ICME ECAB S.A.

<b>Basic Financial Information (in Euro million)</b>	<b>2013</b>	<b>2012</b>	<b>% Difference</b>
Sales	106.5	146.7	-27%
Gross Profit	3.4	6.4	-47%
Earnings Before Taxes	-0.7	0.5	
Non-current assets	19.3	18.5	4%
Current assets	66.4	69.2	-4%
Equity	37.1	38.4	-3%
Liabilities	48.5	49.2	-1%

In the domestic Romanian market, products of ICME ECAB are sold and distributed from its facilities in Bucharest and its warehouses in Cluj, Bacau and Timisoara; in the international markets, they are sold through the network of HELLENIC CABLES S.A., including TEPRO METAL in Germany, GENECOS in France, and METAL AGENCIES in England, or directly to end customers. In the following years, the company aims at further consolidating its presence in the Romanian market, in the markets of adjacent countries (Bulgaria, Hungary, Moldavia, Czech Republic, and Slovakia) and in other countries through the network of HELLENIC CABLES S.A.

### 14.2 FULGOR A.E.

FULGOR was established in 1957. In 1972 the company relocated to its current facilities of 206,000 m<sup>2</sup> in Soussaki, Corinthia. In 1973 it implemented the first submarine cable links for PPC and in 1986 it constructed and installed the first optical fibre cable in Greece for Hellenic Telecommunications Organisation. In 1993 it launched the manufacture of



high voltage cables. Over the past forty years, the company has installed a large part of the power and telecommunications networks in Greece and has also installed most submarine links in the Greek territory.

FULGOR can produce overhead, underground and submarine low, medium, and high voltage cables of various types, as well as 8 mm copper wire. The company's products are sold in the Greek and international markets under the trade names FULGOR and CABLEL, with significant brand recognition especially with respect to submarine and high voltage underground cables. The company has been certified as per ISO 9001 since 1994 and per ISO 14001 since 2003. In 2012 it was further certified according to OHSAS 18001.

Investments of over Euro 55 million were completed in the period 2012-2013 in order to purchase and install a state-of-the-art high voltage submarine cables production line. Following completion of this investment, FULGOR has become one of the few high voltage submarine cable manufacturers worldwide. The first orders will start being manufactured in the new line as of 2014.



## FULGOR A.E.

### Basic Financial Information

(amounts in Euro million)

	2013	2012	% Difference
Sales	117.8	146.9	-20%
Gross Profit	-0.5	0	
Earnings/(Losses) Before Taxes	-7.0	-5.4	
Non-current assets	105.5	60.8	73%
Current assets	38.4	21.7	77%
Equity	14.3	18.1	-21%
Liabilities	129.7	64.5	101%

The products of FULGOR S.A. are promoted both directly and through the commercial network of HELLENIC CABLES in Greece (Athens, Thessaloniki, Crete) and abroad.

## 15. The Company's Board of Directors and Management

The Company is governed by a 12-member Board of Directors:

1. **Ioannis Batsolas**, Chairman, executive member
2. **Konstantinos Laios**, Vice-chairman, non-executive member
3. **Ioannis Stavropoulos**, executive member
4. **Nikolaos Galetas**, non-executive and independent member
5. **Alexios Alexiou**, executive member
6. **Georgios Passas**, executive member
7. **Andreas Kyriazis**, non-executive and independent member
8. **Michael Diakogiannis**, non-executive member
9. **Georgios Stergiopoulos**, non-executive member
10. **Andreas Katsanos**, non-executive member
11. **Ronald Gee**, non-executive member
12. **Iakovos Georganas**, non-executive member

The Company is managed by:

1. **Alexios Alexiou**, General Manager, Economist
2. **Ioannis Theonas**, CFO, Economist
3. **Christos Siaperas**, Cables Sales Manager, Mechanical - Electrical Engineer
4. **Dimitrios Chatzakis**, Enamelled wires Sales Manager, Economist
5. **Papaioannou Ioannis**, Thiva Plant Manager, Mechanical Engineer
6. **Ioannis Skondras**, Livadia Plant Manager, Mechanical Engineer
7. **Charalambos Voulgaris**, Compound Plant Manager, Chemical Engineer
8. **Konstantinos Konstantinou**, Quality Manager, Mechanical - Electrical Engineer



## 16. Notice of Annual General Shareholder's Meeting of the company

Notice of Annual General Shareholder's Meeting of the company  
"HELLENIC CABLES S.A. HELLENIC CABLE INDUSTRY S.A."  
Company's No 2131/06/B/86/19 in the Registry of S.A.  
G.E.M.I. No 281701000 (Gen.Electronic Commerc.Reg.)

In compliance with the provisions of the Law and the Articles of Association of the Company, the Shareholders of HELLENIC CABLES, S.A. HELLENIC CABLE INDUSTRY, S.A. are hereby invited, by the Board of Directors, to attend the Company's Annual General Meeting, to be held on Tuesday May 27, 2014, at 11:00 hours, at the PRESIDENT HOTEL, 43 Kifissias Av., Athens.

### AGENDA:

1. To approve the annual financial statements, for the Company's financial year 2013 and the reports of the Directors and the Certified Auditors on them.
2. To discharge the Directors and the Certified Auditors from all responsibility for damages regarding the financial year 2013.
3. To appoint Certified Auditors, as well as the substitutes of them, for the financial year 2014 and approve their remuneration.
4. To elect the members of a new Board of Directors.
5. To appoint the members of the inspection committee, according to article 37 of L. 3693/2008.
6. To approve Directors' remuneration, following art.24 par.2 of L.2190/20.
7. Various announcements.

### RIGHT TO ATTEND THE GENERAL MEETING

Anybody appearing as a shareholder in the file of the Dematerialized Securities System, managed by "HELLENIC EXCHANGES, S.A." (former Central Securities Depository), in which the company's shares are kept has the right to attend the General Meeting. A certificate in written form issued by the above entity should be used as a proof of the capacity to act as a shareholder, or alternatively the direct access to the electronic files of the entity. This capacity should exist on 22/05/2014 (Registration date), namely at the beginning of the fifth (5th) day before the date of the General Meeting and the pertinent written certificate, regarding the capacity of shareholder, has to reach the company on 24/05/2014 at the latest, namely on the third (3rd) day before the holding of the General Meeting. The company considers as a shareholder having the right to attend the General Meeting and vote only whoever has the capacity to act as a shareholder at the respective Registration Date. In the case the provisions of the article 28a of C. L. 2190/1920 have not been followed, the shareholder in question attends the General Meeting only following its relevant permission.

To exercise the rights in question does not presuppose that the shares of the beneficiary should be blocked or another similar procedure should be followed, limiting the possibility for sale and transfer of the shares during the period of time between the Date of Registration and the General Meeting.

### PROCEDURE TO BE FOLLOWED IN ORDER TO EXERCISE VOTING RIGHTS THROUGH A PROXY

The shareholder attends the General Meeting and votes in person or through proxies. Each shareholder can appoint up to three (3) proxies. Corporal bodies can attend the General Meeting by appointing as their proxies





up to three (3) natural persons. Nevertheless, in the case the shareholder holds shares of a company appearing in more than one securities account, the above restriction does not prevent the shareholder from appointing different proxies for the shares appearing in each securities account in respect with the General Meeting. A proxy acting on behalf of more shareholders can give different votes regarding each shareholder. The proxy of a shareholder has to inform the company, before the General Meeting starts, about any specific fact, which can be useful to the shareholders for the estimation of the risk, regarding the fact that the proxy could serve other parties interests except those of the shareholder. According to the present paragraph a conflict of interests could happen especially when the proxy:

- a) He is a shareholder controlling the company or it is another corporal body or entity, which is controlled by this shareholder.
- b) He is a Board of Directors member or in the Company's management, in general, or a shareholder, who exercises control of the Company or other corporal body or entity controlled by a shareholder, who exercises control over the company.
- c) He is an employee or certified auditor of the company or a shareholder having control of the company or other corporal body or entity controlled by a shareholder, who has control of the company.
- d) He is married to or he is a first degree relative of one of the natural persons mentioned above in the cases (a) to (c).

The appointment or recalling of the shareholder's proxy is executed in writing and notified to the Company, through the same procedure, at least three (3) days before the date of the General Meeting.

The company will make available in its web site [www.cablel.gr](http://www.cablel.gr) the form to be used for the appointment of a proxy. This form is to be submitted filled and signed by the shareholder to the Company's Investors Relations Service at the address: 16 Himaras street, 15125 Maroussi or sent by fax at the no 2106861347 at least three (3) days before the holding of the General Meeting. The beneficiary is called to take care to reconfirm the successful delivery of the form appointing the proxy to the company at the phone no 210 6861349, Mr. Konstantinos Kanellopoulos.

Each share issued by the Company has one voting right.

It is not provided by the Company's Articles of Association the possibility to attend the General Meeting through electronic means, without the natural presence of the shareholders in the place of its holding or the possibility to participate in voting at a distance.

#### **MINORITY SHAREHOLDERS RIGHTS**

According to the provisions of article 26 of C. L. 2190/1920, as it is in force today, the Company informs its shareholders the following.

- a) Following an application of shareholders representing 1/20 of the company's paid up share capital the company's Board of Directors has the obligation to include in the Agenda additional items, in the case the pertinent application reaches the Board until 12/05/2014 namely at least fifteen (15) days before the General Meeting. The application for the registration of additional items in the Agenda should be accompanied by a relevant justification or a draft resolution for approval by the General Meeting. The revised Agenda is published in the same way with the previous agenda, namely on 14/05/2014 thirteen (13) days before the date of the General Meeting and at the same time it is made available to the shareholders, at the company's web site, together with the justification and the draft decision submitted by the shareholders, according to the provisions of art. 27 par.3 of C. L. 2190/1920.



- b) Following an application of shareholders representing 1/20 of the paid up share capital the Board of Directors makes available to the shareholders, according to the provisions of art. 27 par. 3 of C. L. 2190/1920, at the latest until 21/05/2014 namely six (6) before the date fixed for the General Meetings holding the draft resolutions regarding the items included in the initial or the revised agenda, if the application reaches the Board of Directors until 20/05/2014 namely at least seven (7) days before the date of the General Meeting.
- c) Following an application submitted to the Company by any shareholder until 21/05/2014, namely at least five (5) full days before the General Meeting, the Board of Directors has to provide to the General Meeting the specific information requested, regarding the Company's affairs, at the extent that those could be useful to a substantial estimation of the items of the agenda.

The Board of Directors can provide a uniform answer to shareholders' application having the same contents. There is no obligation to provide information already available in the Company's web site, especially in question – answer form.

In addition, following a request of shareholders, representing 1/20 of the paid up share capital, the Board of Directors should announce to the General Meeting the amounts of remuneration paid, during the last two years, to each Board of Directors member or the managers of the Company, as well as any payment to the above persons for any reason or contract between them and the Company.

In all the above cases the Board of Directors can deny to provide the information, due to a substantial reason, which should be mentioned in the minutes.

- d) Following an application of shareholders representing one fifth (1/5) of the paid up share capital, submitted to the Company until 21/05/2013 , namely at least five (5) days before the General Meeting, the Board of Directors should provide to the General Meeting information regarding the Company's business and assets. The Board of Directors can deny to provide the information, due to a substantial reason, which should be mentioned in the minutes.

The above mentioned time limits to exercise the minority rights are also applicable in the case of Repeat General Meetings.

In all the above mentioned cases the shareholders submitting an application have to prove the fact that they are shareholders of the Company, as well as the number of shares they own, when they proceed to exercise their relative right. Such proof can be a certificate issued by the entity, where the securities are kept or by direct electronic contact between the entity and the Company.

#### **DOCUMENTS AND INFORMATION AVAILABLE**

The information provided by the article 27 par.3 of C. L. 2190/1920 (the text of the Notice for Annual General Meeting, the total number of the Company's shares and the respective voting rights, comments of the Company's Board of Directors on the items of the agenda, the form appointing a proxy) will be available, in electronic form, in the Company's web site, [www.cablel.gr](http://www.cablel.gr) Copies of the above documents will be available in the offices of the Company's Investors Relations Service, at the address: 16 Himaras street, 15125 Maroussi.

**Athens, May 6, 2014**  
**THE BOARD OF DIRECTORS**



HELLENIC CABLES S.A. Group

# Annual Financial Report

as at 31 DECEMBER 2013

Based on Article 4 of Law 3556/2007

The Chairman  
of the BoD

IOANNIS  
BATSOLAS  
AK 034042

A Member  
of the BoD

IOANNIS  
STAVROPOULOS  
K 221209

The General  
Manager

ALEXIOS  
ALEXIOU  
X 126605

The Chief Financial  
Officer

IOANNIS  
THEONAS  
AE 035000  
LICENCE No,  
CLASS A: 0011130

HELLENIC CABLES S.A.  
Athens Tower, Building B, 2-4,  
Mesogheion Avenue, 11527, Athens  
[www.cablel.gr](http://www.cablel.gr)  
Corp. Reg. No. 2131/06/B/86/19





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# HELLENIC CABLES S.A.

No in General Register of Commerce 281701000 Address: Athens Tower, Building B, 2-4, Mesogheion Avenue, 11527, Athens

Facts and information on the period from 1 January 2013 to 31 December 2013 (According to article 135 of Law 2190/20 for companies publishing annual financial statements, individual and consolidated, in accordance with IAS/IFRS)

The following facts and information arising from the financial statements aim to provide general information about the financial condition and results of HELLENIC CABLES S.A. and its Group. Therefore, readers are advised, before making any investment decision or other transaction with the issuer, to refer to the issuer's website where the financial statements and the review report of the statutory auditor, if necessary, are uploaded.

Competent Prefecture: Ministry of Development, S.A. and Credit Division, **BoD composition:** Chairman: Batsolas I., Vice-chairman: Laios K. and members: Diakogiannis M., Kyriazis A., Stergiopoulos G., Alexiou A., Katsanos A., Stavropoulos I., Galetas N., Georganas I., Gee Ronald, Passas G., **Certified Auditor:** Koutsopoulos Koutsos Dimitrios (Reg. No. SOEL : 26751), **Date of financial statements approval by the Board of Directors:** March 26th, 2013, **Audit firm:** Deloitte - Hadjiplavlou Sofianos & Kambanis S.A. (Reg. No. SOEL: E 120), **Review type:** Unqualified opinion, **Website:** www.cable.gr

## STATEMENT OF FINANCIAL POSITION

Amounts in Euro

	CONSOLIDATED		NON-CONSOLIDATED	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
<b>ASSETS</b>				
Self-used tangible fixed assets	184,310,916	148,722,702	60,419,169	70,809,530
Investment property	383,271	383,271	383,271	383,271
Intangible assets	13,366,804	10,681,176	3,155,253	494,557
Other non-current assets	3,501,021	3,716,576	57,916,391	52,650,287
Inventories	78,987,156	87,938,716	32,512,037	45,396,172
Trade receivables	54,610,857	64,420,911	87,581,952	70,197,271
Other current assets	39,755,933	24,543,906	22,701,887	17,536,814
<b>TOTAL ASSETS</b>	<b>374,915,958</b>	<b>340,407,258</b>	<b>264,669,960</b>	<b>257,467,902</b>
<b>EQUITY &amp; LIABILITIES</b>				
Share Capital	20,977,916	20,977,916	20,977,916	20,977,916
Other equity items	61,128,852	82,023,952	56,199,244	66,499,426
<b>Total equity of parent company's owners (a)</b>	<b>82,106,768</b>	<b>103,001,868</b>	<b>77,177,160</b>	<b>87,477,342</b>
Minority Interest (b)	807,680	830,003	-	-
<b>Total Equity (c)=(a) + (b)</b>	<b>82,914,448</b>	<b>103,831,871</b>	<b>77,177,160</b>	<b>87,477,342</b>
Long-term loan liabilities	113,897,045	59,279,543	77,449,193	30,693,076
Provisions/ Other long-term liabilities	26,709,407	13,410,041	6,915,951	6,912,893
Short-term loan liabilities	83,169,094	108,470,222	33,175,794	71,093,859
Other short-term liabilities	68,225,964	55,415,581	69,951,862	61,290,732
<b>Total liabilities (d)</b>	<b>292,001,510</b>	<b>236,575,387</b>	<b>187,492,800</b>	<b>169,990,560</b>
<b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b>	<b>374,915,958</b>	<b>340,407,258</b>	<b>264,669,960</b>	<b>257,467,902</b>

## DATA FROM STATEMENT OF CHANGES IN EQUITY

Amounts in Euro

	CONSOLIDATED		NON-CONSOLIDATED	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
Total equity at beginning of period (01/01/2013 & 01/01/2012 respectively)	103,831,871	116,275,305	87,477,342	94,534,143
Period earnings/(loss) after taxes Net income posted directly to equity	(21,054,049)	(11,193,121)	(10,651,307)	(6,916,783)
Change in subsidiary's consolidation method	139,237	(1,215,133)	351,125	(140,018)
Change in subsidiary's consolidation method	(2,611)	(35,180)	-	-
<b>Total equity at end of period (30/09/2013 &amp; 30/09/2012 respectively)</b>	<b>82,914,448</b>	<b>103,831,871</b>	<b>77,177,160</b>	<b>87,477,342</b>

## STATEMENT OF CASH FLOW

Amounts in Euro

	CONSOLIDATED		NON-CONSOLIDATED	
	1.01 - 31.12.2013	1.01 - 31.12.2012	1.01 - 31.12.2013	1.01 - 31.12.2012
<b>Operating Activities</b>				
Earnings before taxes (continuing activities)	(19,610,768)	(13,295,560)	(12,376,172)	(8,886,545)
Plus / less adjustments for:				
Depreciation and Amortization	8,421,007	9,371,483	3,981,477	4,240,144
Provisions	(718,352)	201,086	(172,153)	446,086
Results (income, expenses, profit and loss) from investment act	113,223	(582,381)	(2,003,015)	(2,200,308)
Income from Dividends	-	-	(75,200)	(217,281)
(Profit)/ Loss from Sale of Fixed Assets	(1,378,523)	(69,993)	(1,378,523)	(62,580)
Depreciation of grants	(249,855)	(784,436)	(249,855)	(784,436)
Interest charges and related expenses	12,984,601	14,580,985	10,077,494	10,416,282
<b>Plus/less adjustments for changes in working capital accounts or accounts related to operating activities:</b>				
Decrease/(increase) in inventories	9,104,774	3,413,648	13,194,930	52,624
Decrease/(increase) in receivables	(5,818,980)	(7,145,178)	(24,314,592)	(9,812,061)
(Decrease)/ increase in payables (less loans)	24,487,151	11,077,022	8,741,707	19,904,845
<b>Less:</b>				
Interest charges and related paid-up expenses	(12,079,161)	(12,228,219)	(10,305,551)	(10,489,466)
Taxes paid	-	(217,908)	-	-
<b>Total inflow / (outflow) from operating activities (a)</b>	<b>15,255,117</b>	<b>4,320,549</b>	<b>(14,879,453)</b>	<b>2,607,304</b>
<b>Investment activities</b>				
Acquisition of subsidiaries, affiliated companies, joint ventures and other investments	(14,600)	-	(5,358,600)	(18,353,000)
Purchase of tangible and intangible assets	(52,511,342)	(14,926,842)	(1,820,807)	(3,936,230)
Proceeds from the sale of tangible and intangible assets	6,874,406	340,137	6,874,406	87,976
Interest received	101,705	222,587	2,290,857	1,690,211
Dividend received	56,400	162,961	56,400	162,961
<b>Total inflow / (outflow) from investment activities (b)</b>	<b>(45,493,431)</b>	<b>(14,201,157)</b>	<b>2,042,256</b>	<b>(20,348,082)</b>
<b>Financing activities</b>				
Proceeds from share capital increase	-	9,593,921	-	9,593,921
Proceeds from issued / received loans	96,493,930	18,176,366	76,539,000	16,769,677
Repayment of loans	(67,788,400)	(21,921,946)	(67,012,097)	(9,881,559)
Dividends Paid	(4,350)	(84)	(4,350)	(84)
Payment of financial lease payables (amortization)	(321,975)	(625,340)	-	-
Grants received	1,900,000	3,495,249	1,900,000	3,495,249
<b>Total inflow/ (outflow) from financing activities (c)</b>	<b>30,279,205</b>	<b>8,718,166</b>	<b>11,422,553</b>	<b>19,977,204</b>
<b>Net increase/ (decrease) in cash and cash equivalents of the period (a) + (b) + (c)</b>	<b>40,891</b>	<b>(1,162,442)</b>	<b>(1,414,644)</b>	<b>2,236,426</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>17,696,954</b>	<b>18,983,379</b>	<b>14,798,759</b>	<b>12,562,333</b>
<b>Effect of foreign exchange differences</b>	<b>(13,943)</b>	<b>(123,983)</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents, end of period</b>	<b>17,723,902</b>	<b>17,696,954</b>	<b>13,384,115</b>	<b>14,798,759</b>

# HELLENIC CABLES S.A.

Facts and information on the period from 1 January 2013 to 31 December 2013 (According to article 135 of Law 2190/20 for companies publishing annual financial statements, individual and consolidated, in accordance with IAS/IFRS)

## STATEMENT OF TOTAL INCOME

Amounts in Euro

	CONSOLIDATED		NON-CONSOLIDATED	
	1.01 - 31.12.2013	1.01 - 31.12.2012	1.01 - 31.12.2013	1.01 - 31.12.2012
Turnover	345,345,377	439,343,332	259,172,354	363,521,879
<b>Gross profit/ (loss)</b>	<b>6,913,553</b>	<b>17,168,460</b>	<b>1,010,217</b>	<b>7,424,086</b>
Earnings/ (loss) before taxes, financing & investment results	(7,067,313)	2,118,940	(4,984,599)	49,936
<b>Earnings/ (loss) before taxes</b>	<b>(19,610,768)</b>	<b>(13,295,560)</b>	<b>(12,376,172)</b>	<b>(8,886,544)</b>
Less taxes	(1,443,281)	2,102,438.8	1,724,865	1,969,761
<b>Earnings/(loss) after taxes (A)</b>	<b>(21,054,049)</b>	<b>(11,193,122)</b>	<b>(10,651,307)</b>	<b>(6,916,783)</b>
Allocated to:				
Company Shareholders	(21,051,736)	(11,218,291)	-	-
Minority Shareholders	(2,313)	25,169	-	-
Other total income after taxes (B)	139,237	(1,215,133)	351,125	(140,018)
<b>Comprehensive total income after taxes (A)+(B)</b>	<b>(20,914,812)</b>	<b>(12,408,255)</b>	<b>(10,300,182)</b>	<b>(7,056,801)</b>
Allocated to:				
Company Shareholders	(20,892,488)	(12,418,931)	-	-
Minority Shareholders	(22,324)	10,676	-	-
<b>Basic post-tax earnings/ (loss) per share (in Euro)</b>	<b>(0.7125)</b>	<b>(0.3872)</b>	<b>(0.3605)</b>	<b>(0.2387)</b>
<b>Earnings/ (loss) before interest, taxes, financing, investment &amp; depreciation</b>	<b>1,103,839</b>	<b>10,705,987</b>	<b>(1,252,976)</b>	<b>3,505,645</b>

### ADDITIONAL FACTS AND INFORMATION:

1. The Group companies included in the consolidated financial statements with reference to registered offices and holding percentage are as follows:

#### Full consolidation method:

	HOLDING			Registered Office	Unaudited Years
	Direct	Indirect	Total		
FULGOR S.A.	100.00%		100.00%	GREECE	2013
ICME ECAB S.A.	98.59%		98.59%	ROMANIA	2010-2013
LESCO O.O.D	99.15%	0.85%	100.00%	BULGARIA	2009-2013
GENECOS S.A.	60.00%		60.00%	FRANCE	2005-2013
LESCO ROMANIA S.A.	65.00%		65.00%	ROMANIA	2007-2013
DE LAIRE LIMITED	100.00%		100.00%	CYPRUS	2007-2012
E.D.E. S.A.	99.99%		99.99%	GREECE	2010-2013

#### Equity method of accounting

STEELMET S.A.	29.56%		29.56%	GREECE	2010 & 2013
METAL AGENCIES LTD	20.00%		20.00%	ENGLAND	-
METAL GLOBE DOO	30.00%		30.00%	SERBIA	2010-2013
COPPERPROM Ltd.	40.00%		40.00%	GREECE	2003-2013

- On 10.04.2013 the joint venture: "JOINT VENTURE NEXANS – HELLENIC CABLES – FULGOR – PUBLIC POWER CORPORATION 2009" was dissolved, which had been set up in order to participate in the restricted invitation to tender under No. 503905/22.9.2009 for the supply of cables and conductors.
- The management of the Group reassessed the useful lives of buildings and equipment of. More details are provided in the Annual Financial Report and specifically in Note 14.
- Prenotation of mortgage totalling Euro 141 million has been raised on the properties of the Group in order to secure long-term loans.
- The Group and the Company adopted retroactively the revised version of IAS 19 "Employee Benefits" with the analysis of such effect laid down in Note 13 of the interim condensed financial statements.
- No shares of the parent company are held by Group companies.
- The Company has not been audited by the tax authorities for the years 2009 and 2010. The tax liabilities of the Company and Group companies will be finalized once the ordinary audits are carried out by the competent tax authorities. Management believes that the provision of Euro 200,000 raised on 31 December 2013 for these liabilities reflects the best possible estimate. The relevant reference is made in the Annual Financial Report and particularly in note 32.3. In addition, the Group has raised a provision of Euro 5.2 million and Euro 0.7 million for bad debts and inventories devaluation respectively.
- The personnel employed by the Company and the Group on December 31st 2013 numbered 406 and 1,208 persons respectively while on December 31st 2012 the corresponding figure was 406 and 1,288.
- There are no disputed cases against Group companies and, thus, no relevant provisions have been raised.
- Cumulative income and expenses from beginning of the period and balances of receivables and payables of the Company and the Group at the end of the current period, which have arisen from its transactions with affiliated parties within the meaning of IAS 24, are as follows:

(Amounts in Euro)	GROUP	COMPANY
i) Income	50,846,683	86,116,544
ii) Expenses	30,689,170	76,197,628
iii) Receivables	9,913,004	55,298,107
iv) Payables	7,574,972	33,095,486
v) Transactions with and fees for Management executives and members	1,033,743	562,875
vi) Receivables from Management executives and members	-	-
vii) Payables to Management executives and members	-	-

- The financial statements of the group are included in the consolidated financial statements of the following companies:

Corporate name	Country of registered office	Consolidation	Holding percentage
HALCOR S.A.	GREECE	FULL CONSOLIDATION	72.53%
VIOHALCO S.A./NV	BELGIUM	FULL CONSOLIDATION	45.64%

- The amounts and nature of other total income after taxes for the Group and the Company are as follows:

(Amounts in Euro)	GROUP		COMPANY	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
Foreign exchange differences	(499,055)	(961,250)	-	-
Valuation of derivatives fair value	288,546	77,172	165,447	50,050
Employee Benefits Obligations	576,986	(396,212)	317,846	(225,073)
Proportionate tax	(227,240)	65,157	(132,168)	35,005
<b>Other total income after taxes</b>	<b>139,237</b>	<b>(1,215,133)</b>	<b>351,125</b>	<b>(140,018)</b>

Athens, March 26th, 2014

THE CHAIRMAN OF THE BoD  
IOANNIS BATSOLOS  
AK 034042

A MEMBER OF THE BoD  
IOANNIS STAVROPOULOS  
K 221209

THE CHIEF EXECUTIVE OFFICER  
ALEXIOS ALEXIOU  
X 126605

THE CHIEF FINANCIAL OFFICER  
IOANNIS THEONAS  
AE 035000  
LICENSE No, CLASS A: 0011130

**Statements made by Representatives of the Board of Directors  
(According to Article 4(2) of Law 3556/2007)**

To the best of our knowledge, we hereby declare that the annual financial statements drawn up in line with the applicable accounting standards (International Financial Reporting Standards) give a fair view of the assets and liabilities, equity and operating results of HELLENIC CABLES S.A. (the Company) and of the entities included in the consolidation taken as a whole, and that the annual report of the Board of Directors gives a fair view of the development, performance and standing of the Company and of the entities included in the consolidation taken as a whole, including the description of the main risks and uncertainties facing them.

**Athens, 26 March 2014**

**Chairman of the Board of  
Directors**

**General Manager and  
Member of the  
Board of Directors**

**Member of the  
Board of Directors**

**Ioannis Batsolas**

**Alexios Alexiou**

**Ioannis Stavropoulos**



**ANNUAL REPORT**  
**BY THE BOARD OF DIRECTORS OF "HELLENIC CABLES S.A."**  
**ON THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2013**

Dear Shareholders,

In accordance with the provisions laid down in Laws No. 2190/1920 & 3556/2007 and the executive decisions made by the Hellenic Capital Market Commission based on those laws, we are happy to submit you the Annual Report by the Board of Directors for the current fiscal year 2013.

This Report includes a summary of the financial results and changes of the period in question, an account of important events that took place during 2013, an analysis of the prospects and risks expected during 2014, as well as a list of transactions with affiliates. The above information pertains both to the Company and the Group.

In addition to Hellenic Cables - Hellenic Cables Industry S.A., the Hellenic Cables Group consolidates the following affiliates:

Using the full consolidation method of accounting:

- FULGOR S.A.; primary place of business: Athens, Greece
- ICME ECAB S.A.; primary place of business: Bucharest, Romania
- LESCO O.O.D.; primary place of business: Blagoevgrad, Bulgaria
- GENECOS S.A.; primary place of business: Paris, France
- LESCO ROMANIA; primary place of business: Bucharest, Romania
- DE LAIRE LIMITED; primary place of business: Nicosia, Cyprus
- EDE S.A.; primary place of business: Athens, Greece

Using the equity method of accounting:

- METAL AGENCIES LTD; primary place of business: London, UK
- METAL GLOBE DOO.; primary place of business: Belgrade, Serbia
- STEELMET S.A.; primary place of business: Athens, Greece
- COPPERPROM LTD.; primary place of business: Athens, Greece

On 04.10.2013 the joint venture "JOINT VENTURE NEXANS-GREEK CABLES-FULGOR-PPC 2009", which was established in order to participate in a closed tender No. 503905/22.9.2009 for the supply of cables and pipelines, was resolved.

### **1. Report on the ending year**

2013 was an extremely contradictory year for the HELLENIC CABLES Group. On the one hand the Group exhibited maybe the worse results in its history, facing low demand in domestic and export markets, increased competition, declining metal prices and unfavorable financing conditions. On the other hand, the future prospects of the Group are possibly the best in its history, since HELLENIC CABLES becomes one of the few cable manufacturers worldwide able to produce high voltage submarine cables with the completion of the investment plan in FULGOR.

In the domestic market, HELLENIC CABLES Group maintained its leading position for yet another year, even though turnover decreased by 18% to 91 million Euro. The demand remained at the low

levels of 2012; the decrease in turnover was exhibited during the second half of 2013 and is mainly attributed to lower metal prices and lack of renewable energy projects. Moreover, the delay in signing of the annual contract with DEDDIE resulted in less than half of the contract quantities being delivered within 2013, thus significantly impacting annual sales. The remaining contract quantities are scheduled for delivery within 2014. The building sector has not shown signs of recovery, though infrastructure projects that were previously frozen mainly due to liquidity reasons are now proceeding. The Group continued to focus on power generation, distribution and transmission companies, major industrial plants and companies of VIOHALCO Group, limiting exposure to smaller companies in order to restrict credit risk.

HELLENIC CABLES Group exports decreased by 22% to 254 million Euro as a result of the reduced demand in main EU markets, which were considerably affected by the persistent economic recession. Many energy sector projects were postponed due to liquidity issues and increased uncertainty, while the demand from cable distributors and installers exhibited a slowdown. Sales outside the E.U. increased by 48% despite the unfavorable Euro/ USD exchange rate, resulting from the Group's continued efforts to expand its customer base.

The gross profits of the Group amounted to Euro 6.9 million, decreased by 60% compared to 2012. Earnings before interest, taxes, depreciation and amortization (EBITDA) stood at Euro 1.1 million, registering a 90% decrease compared to 2012, while earnings before

interest and tax (EBIT) amounted to losses of Euro 7 million compared to profits of Euro 2.1 million in 2012.

The reduced turnover coupled with decreased margins due to increased competition, as well as the delay in the award of major contracts, affected significantly the Group's profitability. Moreover, the valuation of unhedged metal inventories had a considerable effect due to the price drop of copper in the metal stock exchange. Facing adverse conditions, the Group rolled out important initiatives in order to improve competitiveness and lower production costs. Such initiatives include decrease of personnel expenses, strengthening of the sales force and distribution channels, as well as successfully negotiating for lower energy costs.

Group pre-tax results amounted to losses of Euro 19.6 million compared to losses of Euro 13.3 million in 2012, while net results stood at losses of Euro 21 million compared to losses of Euro 11.2 million in 2012.

The Group's net borrowing reached Euro 179 million in 31/12/2013, compared to Euro 150 million in 2012, as a result of the high capital expenditures within the fiscal year. On December 27th 2013, HELLENIC CABLES concluded the re-profiling of 77 million Euro of its outstanding debt, through the issuance of a series of long-term syndicated bond loans. The syndicated bond loans have a five year maturity and an option for the banks to approve an up to two years extension, upon request of the issuing companies, three months prior to the original maturity dates. The bond loans also feature a two-year grace period for capital

repayments and a step-down yearly interest rate spread. As a result, 64% of the Group's Net Debt is currently long term, thus the Group is securing its financing base and greatly reducing its liquidity risk.

Even though the Group faced many difficulties in 2013 in its efforts to reduce its working capital needs due to the fluctuations in demand, the working capital to sales ratio stood at 23% in 2013 compared to 25% in 2012, thus improving for a fourth consecutive year.

Investment costs in 2013 reached 52.5 million Euro, the majority of which concerned cutting edge equipment for the production of high voltage submarine cables in the subsidiary company Fulgor. Following the successful roll out of the investment plan, HELLENIC CABLES is now one of the very few cable manufacturers worldwide able to produce high voltage submarine cables. Moreover, selective investments in the remaining Group plants aimed at capacity, productivity & flexibility improvements, in order to increase competitiveness in the ever-changing market conditions.

## 2. Objectives and Outlook for 2014

In 2014 the global economy is expected to stabilize and halt the negative trend of the last few years. In Europe there are signs of recovery, which will probably start taking place in the second half of the year, though political developments and the variation of the exchange rates might further delay the return to growth. Liquidity seems to be improving, while sectors most exposed to cyclical trends will make a gradual recovery over the course of coming quarters.

HELLENIC CABLES remains optimistic

despite volatile business environment. The Group has invested heavily during the last few years in order to develop, produce and sell products with increased profitability, decrease production costs and increase flexibility; the first results of these efforts will take place in 2014. Moreover, HELLENIC CABLES expects tangible results from the cost reduction initiatives of 2013, further increasing its competitiveness and improving its profitability.

## 3. Corporate Social Responsibility and Sustainable Development

Corporate Responsibility is recognized by HELLENIC CABLES as a necessity, since it is of vital importance to our course towards Sustainable Development. Our commitment to the principles of Corporate Responsibility and Sustainable Development is reflected both - in the long-term corporate strategy and in our daily activities.

### 3.1 Economic Development and sound Corporate Governance

The objectives of strengthening the financial position and further growth of HELLENIC CABLES are the driving force behind the decisions and strategic choices of the Company. The principles for responsible operation, respect for its stakeholders' needs, for the environment and transparency in every aspect of its activities - constitute the framework, under which any decision on the future of HELLENIC CABLES is made.

For HELLENIC CABLES, protection of all its stakeholders' interests is a commitment, which is achieved through selection of appropriate corporate governance principles and practices. Through the

decisions taken at both strategic and operational level, HELLENIC CABLES seeks to promote the concept of business ethics, to ensure transparency of its operations and facilitate alignment of the Company's management with its stakeholders' interests.

### ***3.2 Responsibility in the Marketplace***

HELLENIC CABLES has been operating dynamically in the domestic and international market. The Company's objective is to provide high quality products and integrated services that are reliable, meet the customers' expectations and particular requirements and respond to the needs and challenges of modern technology. In order to achieve its objectives and facilitate its expansion into new markets, the Company continuously invests in developing new products and services.

### ***3.3 Responsibility for Employees***

At HELLENIC CABLES people play the major role in its growth. In recognition of their contribution, the Company is committed to their continuous improvement and strengthening. In line with the aforementioned commitment, the Company has developed Human Resource Policies and implemented procedures that enable its employees' professional skills and qualifications enhancement. HELLENIC CABLES promotes the development of a positive work environment, welcomes constructive cooperation and encourages its employees to adopt attitudes characterized by responsibility, honesty, integrity, fairness, courtesy towards colleagues, customers, partners, suppliers and members of the local community.

### ***3.4 Caring for Occupational Health and Safety***

Maintaining a healthy and safe environment is a top priority for HELLENIC CABLES. To ensure comprehensive management of occupational health and safety issues, a Health and Safety Management System has been developed. As a result of its ongoing target for continuous improvement of the management of Health and Safety issues, HELLENIC CABLES Health and Safety Management System in all Greek plants was certified according the requirements of the international standard OHSAS 18001:2007. This certification actually confirms the importance we place on this particular sector.

### ***3.5 Caring for the Environment***

Environmental protection is a key concern of HELLENIC CABLES. For this reason the Company annually implements significant investments in order to continuously reduce its impact on the natural environment.

The Company applies to all its plants an integrated Environmental Management System, which has been certified according to the international standard ISO 14001:2004.

### ***3.6 Responsibility for Society***

HELLENIC CABLES considers important the contribution to the society and undertakes a wide range of initiatives supported by both the Company's employees and management. The Company's objective is to contribute to the development of the society and particularly to creating added value for the local communities, in which it operates.

TABLE 1.1

	GROUP		COMPANY	
	2013	2012	2013	2012
<b>Gross profit margin</b> (Gross profit/ sales)	2.0%	3.9%	0.4%	2.0%
<b>Net profit margin</b> (Net profit/ Sales)	-6.1%	-2.5%	-4.1%	-1.9%
<b>Debt-equity ratio</b> (Bank Debt/ Equity)	2.38	1.62	1.43	1.16
<b>Liquidity</b> (Current assets/ short-term payables)	1.15	1.08	1.38	1.01
<b>Return on equity</b> (Net Profit/ Equity)	-25.4%	-10.8%	-13.8%	-7.9%
<b>Inventory turnover ratio</b> (Inventory/ Cost of sales) x 365 days	85	76	46	47
<b>Receivables turnover ratio</b> (Trade receivables/ Sales) x 365 days	61	56	124	71
<b>Accounts payable turnover ratio</b> (Trade creditors / Cost of sales) x 365 days	62	38	91	57

The actions, through which HELLENIC CABLES makes efforts to bolster local communities, pertain to Local Employment, Local Economy and Volunteerism.

#### 4. Financial standing

The ratios showing the financial standing of both Group and Company evolved as shown in the **Table 1.1**.

#### 5. Main risks and uncertainties

The Group's risk management policies are applied in order to identify and analyze the risks that the Group is exposed to, set risk-taking limits and apply relevant control systems. The risk management policies and relevant systems are examined from time to time so as to take into account any changes in the market and the Group's activities.

The implementation of risk management policies and procedures is supervised by the Internal Audit department, which performs ordinary and extraordinary audits relating to the implementation of procedures, whereas the results of such audits are notified to the Board of Directors.

#### 5.1 Credit risk

Credit risk is the risk that the Group will incur loss if a client or third party to a transaction on a financial instrument fails to perform according to the terms and conditions laid down in the relevant contract. Credit risk is mainly associated with receivables from clients and investments in securities.

##### 5.1.1 Customers and other trade receivables

The Group's exposure to credit risk is affected mainly by the characteristics of each individual customer. The statistics associated with the Group's customer base, including the default risk that exists in a specific market and country where customers are in operation, have a limited effect on credit risk since there is no geographic concentration of credit risk. During the fiscal year, no individual customer, local or international, exceeded 5% of the total sales within the fiscal year, and thus the trading risk is distributed to a large number of customers.

The Board of Directors has laid down

a credit policy which requires that all new customers are scrutinized individually as regards their creditworthiness before normal payment terms are proposed to them. The creditworthiness control performed by the Group includes an examination of information from banking sources and other third party credit rating sources, if any. Credit lines are set for every customer, and they are re-examined in the light of current circumstances and, if required, the relevant sales and payment terms are readjusted accordingly.

Customer credit lines are normally determined based on the insurance lines obtained for them from insurance companies and then receivables are insured based on such credit lines. Given that a significant number of insurance limits of Greek customers has been discontinued, the credit lines for domestic customers were considerably reduced while the risk was further diminished through the reduced credit period currently granted to Greek customers.

In monitoring customer credit risk, customers are grouped depending on their credit characteristics, the aging profile of their receivables and the existence of any possible previous difficulties in collecting receivables. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterized as being of "high risk" are included in a special list of customers and future sales must be received in advance and approved by the Board of Directors. Depending on the background of the customer and its capacity, the Group demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group records a provision for impairment, which represents its estimated losses relating to customers, other trade receivables and investments in securities. The above provision includes mainly impairment losses relating to specific receivables which, based on given conditions, are expected to be incurred, but are not finalized yet.

#### **5.1.2 Investments**

Investments are classified by the Group pursuant to the purpose for which they were acquired. The Management decides on the appropriate classification of the investment during the time such was acquired and reviews the classification on each presentation date.

#### **5.1.3 Guarantees**

The Group's policy requires that no financial guarantees are provided. By way of exception, however, such guarantees can be provided only to subsidiaries and affiliates based on a resolution passed by the Board of Directors.

#### **5.2 Liquidity risk**

Liquidity risk is the risk that the Group will be unable to fulfill its financial liabilities upon maturity. According to the approach adopted by the Group for liquidity management, through the maintenance of absolutely necessary cash and cash equivalents and sufficient credit lines with cooperating banks, the Group will always have adequate funds to fulfill its liabilities upon maturity, both under ordinary and extraordinary conditions, without incurring unacceptable loss or jeopardizing the Group's reputation.

To prevent liquidity risks, when

preparing its annual budget, the Group estimates its cash flows for one year. The Group also estimates such cash flows every quarter so as to ensure that it holds sufficient cash and cash equivalents to meet its operating needs, including the fulfillment of its financial liabilities. This policy does not take into account the relevant effect from extreme conditions that cannot be foreseen.

### **5.3 Market risk**

Market risk is the risk of fluctuations in raw material prices, exchange rates and interest rates which can have an effect on the Group's results or the value of its financial instruments. Market risk management is aimed at controlling the Group's exposure to relevant risks within a framework of acceptable parameters, with a parallel optimization of performance.

The Group uses transactions on derivative financial instruments in order to hedge part of market risks.

#### **5.3.1 Metal Raw Material Fluctuation Risk (copper, aluminum, other metals)**

The Group bases both its purchases and sales on stock prices/indices linked to the prices of copper and other metals which are used by the Group and included in its products. The risk from metal price fluctuation is covered by hedging instruments (futures and options on London Metal Exchange-LME). The Group, however, does not use hedging instruments for the entire stock of its operation and, as a result, any drop in metal prices may have a negative effect on its results through inventories depreciation.

#### **5.3.2 Foreign exchange risk**

The Group is exposed to foreign exchange risk in connection with its sales and purchases and its loans issued in a currency other than the functional currency of the Group companies, which is primarily the Euro. The currencies used for such transactions are mainly the Euro, the US dollar and the pound.

Over time, the Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency.

In most of the cases, the Group signs foreign currency futures with its foreign counterparties in order to hedge the risk of foreign exchange rate changes, which expire normally in less than one year from the balance sheet date. When necessary, such futures are renewed upon expiry. On a per-case basis, foreign exchange risk may also be hedged by obtaining loans in the respective currencies.

Loan interest is in the same currency as that used in the cash flows arising from the Group's operating activities, which is mainly the Euro.

Group investments in foreign subsidiaries having other functional currency than the Euro (e.g. RON for ICME ECAB) are not hedged because such foreign exchange positions are considered to be of long-term nature.

#### **5.3.3 Interest rate risk**

The Group obtains funds for its investments and its working capital through bank loans and bond loans, and thus debit interest is charged to its results. Any upward trend of interest rates will have a negative effect on results since

Companies	Sales of goods, services & fixed assets	Purchases of goods, services & fixed assets	Receivables	Liabilities
ICME ECAB	10,092,019	19,952,306	806,697	30,743,776
LESCO EOOD	29,322	1,418,268	4,050	667,562
FULGOR	41,227,627	42,474,578	45,939,190	-
GENECOS	-	46,281	87,717	84,955
<b>Subsidiaries' Total</b>	<b>51,348,968</b>	<b>63,891,433</b>	<b>46,837,653</b>	<b>31,496,294</b>

Εταιρικές Companies	Sales of goods, services & fixed assets	Purchases of goods, services & fixed assets	Receivables	Liabilities
STEELMET (GR)	85	1,232,967	-	301,507
HALCOR	7,402,485	6,081,252	274,530	-
SOFIA MED	2,671,331	777,961	-	60,334
METAL AGENCIES	16,041,943	413,684	6,977,105	273,123
ELVAL	7,900,489	340,977	166,056	107,622
ERLIKON	-	1,938,259	-	536,719
OTHER	751,241	1,521,094	1,042,762	319,887
<b>Affiliates' Total</b>	<b>34,767,576</b>	<b>12,306,195</b>	<b>8,460,453</b>	<b>1,599,192</b>

the Group will bear additional borrowing costs.

The interest rate risk is mitigated as part of the group's loans are obtained based on fixed interest rates, either directly or through the use of financial instruments (interest rate swaps).

### 5.3.4 Capital management

The policy applied by the Board of Directors includes the maintenance of a robust capital basis, in order to keep the Group trustworthy among investors, creditors and market players, and allow the future development of the Group's activities. The Board of Directors monitors capital performance, which is defined by the Group as the net results divided by the total net worth, exclusive of non convertible preferred shares and minority interest. The Board of Directors also monitors the level of dividends distributed to holders of ordinary shares.

The Board of Directors tries to maintain a balance between the higher perform-

ance levels which would have been attained through increased loans and the advantages and security offered by a robust and healthy capital basis.

The Group does not have a specific own share purchasing plan.

There have been no changes in the approach adopted by the Group concerning capital management during the fiscal year.

## 6. Significant transactions with Affiliates

The transactions of the Hellenic Cables Group and Company are set out in the **Tables 1.2, 1.3** and **1.4** (p. A15):

STEELMET provides Hellenic Cables with administration and organization services.

HALCOR purchases from Hellenic Cables Group copper scrap from the returns generated from the production process and PVC which HALCOR uses for insulated pipes. Hellenic Cables Group purchases from HALCOR significant quantities of wire for cable manufacturing.



**TABLE 1.4 Transactions of VIOHALCO Group with Hellenic Cables Group** (amounts in Euro)

Companies	Sales of goods, services & fixed assets	Purchases of goods, services & fixed assets	Receivables	Liabilities
STEELMET S.A. (GR)	85	1,232,967	-	301,507
ERGOSTIL	14,975	1,175,894	18,818	109,255
HALCOR	15,201,907	9,170,538	599,026	1,621,501
SOFIA MED	3,399,480	2,943,152	296,396	77,902
METAL AGENCIES	16,129,966	440,679	7,059,354	285,987
ELVAL	9,163,236	2,615,620	297,475	1,455,699
STEELMET ROMANIA	1,691,714	1,574,333	20,848	1,587,843
ETIL	188	4,017,824	-	500,152
ERLIKON	-	2,572,417	-	711,730
COOPER VALIUS	1,820,412	-	96,345	-
OTHER	3,424,719	4,945,747	1,524,743	923,396
<b>Total</b>	<b>50,846,683</b>	<b>30,689,170</b>	<b>9,913,004</b>	<b>7,574,972</b>

\* VIOHALCO Group also includes HELLENIC CABLES Group affiliates\*

SOFIA MED sells copper products primarily to the subsidiary Genecos.

METAL AGENCIES acts as trader-distributor of Hellenic Cables Group in Great Britain.

FITCO buys copper scrap from the returns generated from the production process.

ELVAL buys from Hellenic Cables Group aluminum scrap from the returns generated from the production process.

ERLIKON sells to Hellenic Cables steel wires for cable manufacturing.

COOPER VALIUS buys from ICME ECAB copper scrap from the returns generated from the production process.

ICME ECAB purchases from Hellenic Cables plastic/rubber mixes for its production process as well as finished cables that the company cannot produce. ICME ECAB also sells to Hellenic Cables semi-finished and finished products for distribution in the domestic market.

FULGOR purchases from Hellenic Cables raw materials and semi-finished products for cable production and sells to Hellenic Cables finished (mainly cables) and semi-finished products.

LESCO EOOD sells to Hellenic Cables wooden packaging materials.

### **6.1 Remuneration paid to Board members and top executives**

The fees paid to management executives and members of the Board of Directors in 2013 amounted to Euro 1,033,743 for Hellenic Cables Group and Euro 562,875 for the parent company Hellenic Cables.

## **7. Detailed Information under Article 4(7) of Law 3556/2007**

### **7.1 Structure of Share Capital**

The Company's share capital amounts to Euro 20,977,916 divided into 29,546,360 common registered shares with a nominal value of Euro 0.71 each. All shares are listed and traded on the primary securities market of the Athens Stock Exchange, in the Large Capitalization category. The Company's shares are dematerialized, registered with voting rights.

According to the Company's articles of association the rights and obligations of shareholders are the following:

Right to dividend from the Company's annual earnings. The dividend of each share is paid to its holder within two (2) months from the date of the General Meeting that approved the financial statements. The right to receive dividend is cancelled after

five (5) years from the end of the year, during which the General Meeting approved the dividend distribution.

Pre-emptive right to any share capital increase and withdrawal of new shares.

Right to participate in the General Shareholders' meeting.

The capacity of the shareholder rightfully entails acceptance of the Company's articles of association and the decisions of its bodies, which are in accordance with such and the law.

The Company's shares are indivisible and the Company does recognize only one owner exclusively for each share. All co-owners of shares, as well as those with usufruct or bare ownership of such are represented in the General Meeting by only one individual, who is designated by such following an agreement. In case of a dispute, the share of the above owners is not represented.

Shareholders are not liable further than the nominal value of each share.

### ***7.2 Limitations to the transfer of Company shares***

The transfer of Company shares takes place as stipulated by the Law and there are no limitations regarding such transfers from its Articles of Association.

### ***7.3 Significant direct or indirect holdings according to the definition of articles 9 to 11 of L. 3556/2007***

The significant (over 5%) holdings on 31.12.2013 are as follows:

- VIOHALCO S.A.: percentage of 74.47% of voting rights (direct and indirect)
- HALCOR S.A.: percentage of 72.53% of share capital

### ***7.4 Shares incorporating special control rights***

There are no Company shares that provide special control rights to owners.

### ***7.5 Limitations on voting rights***

According to the Company's Articles of Association, there are no limitations on voting rights emanating from its shares. The rules of the Company's articles of association, which stipulate issues of voting, are included in article 24 of its Articles of Association.

### ***7.6 Agreements between Company Shareholders***

To the knowledge of the Company Management, there are no agreements between shareholders.

### ***7.7 Rules for appointment and replacement of BoD members and amendment of the articles of association***

The rules stated by the Company's Articles of Association regarding the appointment and replacement of its Board of Directors' members and the amendment of the provisions of its Articles of Association do not differ from those stipulated by C.L. 2190/1920.

### ***7.8 Responsibility of the Board of Directors for the issuance of new shares or the purchase of own shares***

Article 6 § 1 of the Company's articles of association stipulates that only the General Shareholders' Meeting, which convenes with quorum of 2/3 of the paid up share capital, has the right to increase the Company's share capital through issuance of new shares, by means of a decision made by a majority of 2/3 of the represented votes.

The Company's articles of association do not allow the granting to the Board of Directors or to specific BoD members of any right corresponding to the General Meeting, for issuance of shares and share capital increase.

The Board of Directors may proceed with the purchase of own shares in the context of a decision by the General Meeting according to article 16 par. 5 to 13 of C.L. 2190/20.

In pursuance of article 13(e) of C.L. 2190/20, the Company's Board of Directors during the month of December of years 2006 until 2013, increases the Company's share capital, without amendment of its articles of association, by issuing new shares in the context of the Stock Option Plan approved by the General Shareholders' Meeting on 26/6/2002. Detailed information on the latter is presented analytically in note 30 of the Annual Financial Statements.

#### ***7.9 Significant agreements put into effect, amended or terminated in case of a change in the Company's control***

The contracts of the Company's ordinary bond loans, which were undertaken in full by Banks and are presented in note 31.2 of the annual financial statements (Group: Euro 111 million, of which Euro 4 million are of short-term duration; and for the Company Euro 82 million, of which Euro 4 million are of short-term duration), include a clause for change in control in their terms, which provides lenders with the right to denounce such before their maturity in case the clause is activated.

To the best of the Company Management's knowledge, there are no other agreements which are put into effect,

amended or terminated in case of a change in the Company's control.

#### ***7.10 Agreements with BoD members or the Company's staff***

To the best of the Company Management's knowledge, there are no agreements of the Company with the members of its Board of Directors or with its staff, which stipulate the payment of indemnity specifically in case of resignation or termination of employment without reasonable cause or of termination of their term or employment.

## **8. STATEMENT OF CORPORATE GOVERNANCE**

### ***8.1 Code of Corporate Governance***

The Company and the Group have adopted the practices of Corporate Governance as to how it is managed and run, as these are specified by the applicable institutional framework and the Hellenic Corporate Governance Code recently published by the Hellenic Corporate Governance Council (HCGC) (hereinafter referred to as "code") and available on the following website: [http://www.ecgi.org/codes/documents/hellenic\\_cg\\_code\\_oct2013\\_en.pdf](http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_en.pdf)

In the context of preparation of the Annual Management Report of the Board of Directors, the Company reviewed the Code. Based on such review, the Company concluded that it applies the special practices for listed companies that are set out and described in the Corporate Governance Code of HCGC save the following practices for which the relevant explanations are laid down:

- **Part A.II. 2.2, 2.3 & 2.5: Size and composition of the Board:** a) The inde-

pendent non-executive members of the current Board of Directors are two (2) out of twelve (12) and, therefore, their number is less than the one third of all its members, as indicated in the Code; b) an independent member has served for a period exceeding 12 years from his/her first election.

Under the current circumstances, it was deemed that the increase in the number of independent members or the restriction of members' term of office would not improve the effective operation of the company.

- **Part A.III. 3.3 Role and profile of the Board Chairman.** The Chairman of the Board of Directors is an executive member while the Vice-chairman is a non-executive, non-independent member. Under the current circumstances, it was not deemed that the company's more effective operation would be guaranteed if the Board Vice-chairman were an independent member in addition to non-executive.
- **Part A.V. 5.5. Nomination of Board members.** There was no committee to nominate members until the time this Statement was drafted for the same reasons as above.
- **Part A.VII. 7.1. – 7.3. Evaluation of Board of Directors and its Committees.** Until the time this Statement was drafted, the Company had not chosen any specific collective procedure to evaluate the effectiveness of the Board of Directors and its Committees.
- **Part B.I.1.4 Establishment of Audit Committee.** The Audit Committee consists exclusively of non-executive members, but most of them are not independent. This choice was made in

order to achieve, through the persons constituting the Commission, the skills required for its adequate functioning.

- **Part C.I. 1.6. Level and structure of remuneration.** Until the time this Statement was drafted, there was no Remuneration Committee. The issue will be soon reviewed.

The Management of the Company has established a working group to study and review the actions required, in order to establish within a reasonable time the committees mentioned in the Code of HCGC and generally adapt the corporate governance practices of the said Code.

The Company does not implement any other corporate governance practices than the special practices of the Corporate Governance Code of SEV and the provisions of Law 3873/2010.

## *8.2 Main characteristics of the Internal Control and Risk Management Systems in relation to the preparation of the Financial Statements and financial reports*

### *8.2.1 Description of main characteristics and details of the Internal Control and Risk Management Systems -in relation to the preparation of the consolidated financial statements*

The Internal Control System of the Company covers the control procedures involving the functioning of the Company, its compliance with the requirements of supervisory authorities, risk management and preparation of financial reports.

The Internal Audit Function controls the proper implementation of each procedure and internal control system regardless of their accounting or non-accounting

content and evaluates the enterprise by reviewing its activities, acting as one service to Management.

The Internal Control System aims, among others, to secure the thoroughness and reliability of the data and information required for the accurate and timely determination of the Company's financial situation and the generation of reliable financial statements.

As regards the preparation of financial statements, the Company reports that the financial reporting system of "Hellenic Cables S.A.-Hellenic Cables Industry" uses an accounting system that is adequate for reporting to Management and external users. The financial statements and other analyses reported to Management on a quarterly basis are prepared on an individual and consolidated basis in compliance with the International Financial Reporting Standards, as adopted by the European Union for reporting purposes to Management, and also for the purpose of publication in line with the applicable regulations on a quarterly basis. Both administrative information and financial reports to be published include all the necessary details about an updated internal control system including analyses of sales, cost/expenses and operating profits as well as other data and indexes. All reports to Management include the data of the current period compared to the respective data of the budget, as the latter has been approved by the Board of Directors, and to the data of the respective period of the year before the report.

All published interim and annual financial statements include all necessary information and disclosures about the financial statements, in compliance with the Inter-

national Financial Reporting Standards, as adopted by the European Union, reviewed by the Audit Committee and approved in their entirety by the Board of Directors.

Controls are implemented with respect to: a) risk identification and evaluation as for the reliability of financial statements; b) administrative planning and monitoring of financial figures; c) fraud prevention and disclosure; d) roles and powers of executives; e) year closing procedure including consolidation (e.g. written-down procedures, access, approvals, agreements, etc) and f) safeguarding the data provided by information systems.

The internal reports to Management and the reports required as per Codified Law 2190/1920 and by the supervisory authorities are prepared by the Financial Services Division, which is staffed with adequate and experienced executives to this effect. Management takes steps to ensure that these executives are adequately updated about any changes in accounting and tax issues concerning both the Company and the Group.

The Company has established separate procedures as to how to collect the necessary data from the subsidiaries, and sees to the reconciliation of separate transactions and to the implementation of the same accounting principles by the Group companies.

### ***8.2.2 Annual evaluation of corporate strategy, main business risks and Internal Control Systems***

The Company's Board of Directors states that it has examined the main business risks facing the Group, as well as the Internal Control Systems. On an annual basis, the Board of Directors reviews the

corporate strategy, main business risks and Internal Control Systems.

### **8.2.3 Evaluation of the legal auditors' independence as per the provisions of Law 3693/2008**

"Deloitte -Hadjipavlou Sofianos & Cambanis S.A. (Greek ICPA Reg. No: E 120), i.e. the statutory auditors of both consolidated and company financial statements of Hellenic Cables S.A. for the year ended on 31 December 2012 are not related to the Company or to any persons having supervisory responsibilities over the Company's financial reporting which could be considered as affecting their independence on the date of this report. Therefore, they remain independent within the meaning of Article 20 of Law 3693/2008.

### **8.3 Takeover bids - Information**

- There are no binding takeover bids and/or rules of mandatory assignment and mandatory takeover of the Company's shares or any statutory provision on takeover.
- There are no third-party public offers to take over the Company's share capital during the last and current year.
- In case the Company decides to take part in such a procedure, this will take place in the context of European laws and applicable Greek laws.

### **8.4 General Meeting of shareholders and rights of shareholders**

A General Meeting is convened and functions in compliance with the stipulations of the Articles of Association and the relevant provisions of Law 2190/1920, as amended and in force today. The Company makes the necessary publications in line with the

provisions of Law 3884/2010 and generally takes all steps required for the timely and thorough information of shareholders about how to exercise their rights. The latter is ensured by publishing the invitations to General Meetings and uploading them on the Company's website, the text of which contains a detailed description of shareholders rights and how these are exercised.

### **8.5 Composition and functioning of the Board of Directors, Supervisory Bodies and Committees of the Company**

#### **8.5.1 Role and responsibilities of the Board of Directors**

The Company's Board of Directors is responsible for the long-term strategy and operational goals of the Company and generally for control and decision-making in the context of the stipulations of C.L. 2190/1920 and the Articles of Association, and for the compliance with corporate governance principles.

The Board of Directors convenes at the necessary intervals so as to perform its duties effectively.

The role and responsibilities of the Board of Directors are summed up as follows:

- oversight and monitoring of Company operations as well as control of attainment of business goals and long-term plans;
- formulation and determination of Company core values and objectives;
- securing the alignment of the adopted strategy with Company goals.
- The Board of Directors ensures that there are no conflicts of interests and

- examines any incidents or cases of deviation from the policy involving information confidentiality.
- ensuring the reliability and approval of the Company's Financial Statements prior to their final approval by the Ordinary General Meeting;
- securing the implementation of its business activity on a daily basis through a special authorization system while the other issues falling under its scope are implemented by way of special decisions.
- The main powers of the Board's secretary are to support the Chairman and the body's general functioning.

The existing Board of the Company consists of 12 members of whom:

- 4 are executive (Chairman & 3 Members)
- 6 are non-executive (Vice-chairman & other Members)
- 2 are independent, non-executive (other members)

The existing Board of Directors of Hellenic Cables S.A.-Hellenic Cables Industry consists of the following:

- Ioannis Batsolas, Chairman, executive member
- Konstantinos Laios, Vice chairman, non-executive member
- Ioannis Stavropoulos, executive member
- Nikolaos Galetas: independent non-executive member
- Alexios Alexiou, executive member
- Georgios Passas, executive member
- Andreas Kyriazis: independent, non-executive member

- Michael Diakogiannis: non-executive member
- Georgios Stergiopoulos, non-executive member
- Andreas Katsanos: non-executive member
- Ronald Gee: non-executive member
- Iakovos Georganas: non-executive member

The members of the Board are elected for a one-year term by the General Meeting of shareholders. The existing Board of Directors of the Company was elected by the Ordinary General Meeting on 29 June 2012 and its term of office shall expire during the first half of 2013.

The Board members are elected for one-year term by the General Meeting of Shareholders. The current Board of Directors was elected in its initial composition by the Ordinary General Meeting of 14 June 2013, while the Extraordinary General Meeting of 28/11/2013 upheld the election of the Board member Mr Georgios Passas on 17/10/2013, replacing outgoing Board member Rudolf Wiedenmann.

The Board of Directors met 85 times during 2013 with 9 of its 12 members having attended them in person.

#### ***8.5.2 Below are given the curriculum vitae of the Board members:***

##### **Ioannis Batsolas, Chairman**

Mr. Batsolas Ioannis is a qualified electrical engineer of the KARLSRUHE University in West Germany and has been working in VIOHALCO Group since 1970. He has served as Quality Control Manager and Technical Manager of HELLENIC CABLES

S.A. and also General Manager of Telecables S.A. from 1991 to July 2011.. He is also the Chairman on the Board of Directors of HELLENIC CABLES S.A. since 2005 to date and had also been the Chairman on the Board of TELECABLES S.A. from 2009 to July 2011. He is a simple member in other Group companies. He is also a Secretary of the Association of Viotia Industries.

**Konstantinos Laios,  
Vice-Chairman, non-executive member**

Mr. Laios is a graduate mechanical-electrical engineer from the National Polytechnic University of Athens having made his postgraduate studies in Germany. He had worked in the Public Power Corporation where he assumed a senior management post. Since 1983 he has assumed various management posts in various companies of VIOHALCO Group. He is also the Chairman on the Board of ICME ECAB S.A.

**Alexios Alexiou,  
executive member**

Mr. Alexios Alexiou is a graduate of the Economics University of Piraeus and made his postgraduate studies in Financial Sciences in Strathclyde University. He has been working in VIOHALCO Group since 1996. He has worked as Financial Manager of HELLENIC CABLES S.A. during 2002-2003, General Manager of ICME ECAB S.A. during 2003 – 2008 and General Manager of HELLENIC CABLES S.A. from 2009 to date.

**Michael Diakogiannis,  
non executive member**

He is a graduate of Athens University of Economics and Business. He worked as Financial Manager of VIOHALCO

VITROUVIT S.A. from 1967 to 1978. From 1979 to 1988 he worked as Financial Manager of HELLENIC CABLES S.A. From 1989 to 2000 he worked as Financial Manager of VIOHALCO S.A. and from 2000 to date he is the General Manager of the same company.

**Andreas Katsanos,  
non-executive member**

Mr. Andreas Katsanos is a graduate of Piraeus Economics University and has been working in VIOHALCO Group since 1960. He has worked as supervisor of various Group companies and from 1978 to 1980 he held the post of General Manager in VIOTIA CABLES S.A. From 1989 to date he is the Manager of the metal department of VIOHALCO Group companies. Mr. Katsanos had played a decisive role in the Bank of Greece adopting and applying in Greece hedging procedure (metal price volatility hedging), through the London Metal Exchange. He also participates in the Board of Directors of HALCOR S.A.

**Andreas Kyriazis,  
independent non-executive member**

Mr. Andreas Kyriazis is a graduate of the Chemistry Department of Physics and Mathematics School of Athens University. He has served as Chairman of the Central Union of Greek Chambers, the Union of Balkan Chambers, the Chamber of Commerce and Industry of Athens, the Hellenic Productivity Centre, the Hellenic Society of Business Administration, and the Association of Timber Industry. He has also served as Vice-chairman of the Union of the European Chamber of Commerce and Industry and General Secretary of the Union of Greek Chemists.



**Nikolaos Galetas,  
independent non-executive member**

Mr. Nikolaos Galetas is a graduate of the Theology School of Athens University and studied in Technische Hochschule Wien while being a graduate engineer of the Electrical Engineering School of the National Polytechnic University of Athens. During his long career, Mr. Galetas held management posts in the Hellenic Development Bank (ETBA), Planning and Development Company (EPA) and the Hellenic Bank of Industrial Development Investments (ETEBA) where he also served as General Manager. Mr. Galetas has also served as Management Consultant to ETEVA and EFG EUROBANK PROPERTIES S.A., while also being a member on the BoD of many companies including, among others, EFG EUROBANK PROPERTIES S.A. and ERT (Vice-chairman), and also in various subsidiaries of ETEBA Group where he assumed the post of Board Chairman during his long career in the said corporation. In addition, during the period 1990-92 he offered consulting services to the Ministries of Internal Affairs, Agriculture and Coordination.

**Georgios Stergiopoulos,  
non-executive member**

Mr. Georgios Stavropoulos is a graduate of Athens University of Economics and Business and has been working in VIOHALCO S.A. Group since 1971. He has served as Financial Manager of SANITAS AGENCY S.A. and many other Group companies. He is chairman of DIATOUR S.A., vice-chairman of NOVAL S.A. and member on the Board of Directors of other Group companies.

**Ronald Gee,  
non-executive member**

Mr. Ronald Gee studied in Balliol College Oxford and has served as senior officer of the British Air Force during World War II. He is a member of the BoD of Hellenic Cables over the last 25 years. He has also served as commercial member of the London Metal Exchange in London for many years.

**Georgios Passas,  
executive member**

Mr. Passas is a graduate of Athens University of Economics and Business. He joined the Group VIOHALCO since 1969 and has served in senior positions of the Group. From 1973 to 1983 he served as CFO of ELVAL S.A., from 1983 to 1987 as Financial Director of HALCOR S.A., while from 1987 to 2004 was General Manager of HELLENIC CABLES S.A. Mr. Passas is a member of the Board of Directors in several companies of VIOHALCO Group.

**Iakovos Georganas,  
non-executive member**

Mr. Iakovos Georganas studied in the University of Economics and Business (Athens, 1955) and in Harvard Business School (Advanced Management Program – spring 1979). He is non-executive vice-chairman of the Board of Directors of Piraeus Bank and Chairman of the Risk Management Committee. He has been an executive vice-chairman of the Board of Directors of the Bank since January 1992 to May 2004. He is also the Chairman of Hellenic Exchanges S.A. and a member on the Board of the Hellenic Telecommunications Organization S.A., member on the Board of the Association of Greek Industries and Vice-chairman of the BoD of the Greek-

Japanese Chamber of Commerce. He is also a member of the Board of various commercial, industrial, financing companies without executive powers. In July 1958 he joined the service of the Organization for Financing Financial Development, later renamed into ETBA bank, and withdrew after 32 years (31.01.1991) as Senior Deputy-Governor. He was a vice-chairman and member of the Hellenic Capital Market Commission from 12.01.1989 to 31.01.1991, a member of the Executive Committee of the Board of the Union of Hellenic Banks, a member of the Committee of Deputy Governors of Long-term Credit Institutes of the European Community and a member of the Board of Directors of the Foundation for Economic and Industrial Research (IOBE). He has also served as chairman of the Audit Committee of Piraeus Bank (June 2000 - August 2001).

**Ioannis Stavropoulos,  
executive member**

Mr. Ioannis Stavropoulos is a graduate of Piraeus University (former Higher Industrial School of Piraeus) and has been working in VIOHALCO Group since 1972. He has served as Financial Manager of VITROUVIT S.A. (1978), General Manager of Hellenic Cables Mesologi S.A. (1989), General Manager of KEM S.A. (1998) and General Manager of SIDENOR S.A. (1999). He is also a member on the Board of other Group companies.

**8.6 Audit Committee**

**8.6.1 Description of the composition, functioning, work, responsibilities and of the issues discussed during Committee meetings**

The Audit Committee, which is elected and functions in line with Law 3693/2008

(Article 37), consists of three non-executive members of the Board of Directors. One of them is independent and his main task, in the context of the obligations described by the above law, is to support the Company's Board of Directors to fulfill its mission to safeguard the effectiveness of accounting and financial systems, audit mechanisms, business risk management systems; assure compliance with the legal and regulatory framework; and implement effectively Corporate Governance principles.

More specifically, the Audit Committee has the following responsibilities:

- To examine the effectiveness of all Management levels in relation to the safeguarding of the resources managed and their compliance with the Company's established policy and procedures;
- To evaluate the procedures and data in terms of adequacy as for the attainment of objectives and assess the policy and the program concerning the activity under review;
- To control periodically the various functions of different divisions or departments so as to ensure that their various functions are carried out regularly, comply with Management instructions, Company policy and procedures, and that they abide by Company objectives and standards of management practice;
- To review internal audit reports and specifically:
  - to evaluate the adequacy of their extent;
  - to confirm the accuracy of reports;
  - to examine the adequacy of support to results.

The Audit Committee receives the following reports on audit activity:

- Extraordinary reports
- Financial audit quarterly reports
- Ordinary audit annual reports
- Corporate Governance Reports

The Audit Committee examines and ensures the independence of the Company's external auditors and takes cognizance of their findings and the Audit Reports on the annual or interim financial statements of the Company. At the same time, it recommends corrective actions and procedures so as to deal with any findings or failures in areas of financial reports or other important functions of the Company.

According to the Internal Regulation for its Operation, the Audit Committee consists of one independent and non-executive member of the Board of Directors and two non-executive members who have the necessary knowledge and experience for the Committee's work.

The existing Audit Committee consists of the following persons:

BoD members: **Andreas Kyriazis**,  
independent,  
non-executive member  
**Michael Diakogiannis**,  
non executive member  
**Andreas Katsanos**,  
non executive member

#### **8.6.2 Number of Committee meetings and frequency of each member's participation in meetings**

The Audit Committee met 4 times during 2013 having full quorum.

#### **8.6.3 Evaluation of effectiveness and performance of the Committee**

Until the time this Statement was drafted,

no special procedures had been established to evaluate the effectiveness of the Audit Committee. Company Management will establish such procedures in the future.

### **9. Environmental / Occupational risk**

HELLENIC CABLES Group has realized the interaction between its operation and the natural and working environment. This is why the Group implements policies and systems and makes continuous investments in the research and development of know-how which help it achieve its objective of Sustainable Development.

In addressing the potential impact on the Environment (environmental risk) and on the Health and Safety of its workforce (occupational risk), the Company performs all necessary risk assessment studies and takes preventive measures and initiatives, monitoring the relevant indicators (Quality, Environment, Health and Safety) it has implemented. These indicators are monitored and evaluated regularly and are communicated to all Company levels. In addition, the Group has obtained certification of the Quality Management System as per ISO 9001:2008 standard, of Environmental Management as per ISO 14001:2004 and of Occupational Health and Safety as per OHSAS 18001:2007 with respect to all Group facilities in Greece.

### **10. Share capital of Group subsidiaries and associates**

The share capital in subsidiaries & associates is exhibited in **Table 1.5** (p. A26).

### **11. Company Branches**

The Company keeps:

1. a branch in Tavros, 252 Peiraios street,

**TABLE 1.5 Share capital of Group subsidiaries and associates**

Corporate Name	Currency	Number of shares	Nominal Value of share	Share capital
<b>Subsidiaries</b>				
FULGOR	EURO	12,453,237	2.94	36,612,517
ICME ECAB	RON	348,634,000	0.1	34,863,400
LESCO OOD	EURO	5,850	51.54	301,506
GENECOS	EURO	10,000	25	250,000
LESCO ROMANIA	RON	50,000	1.8	90,000
DELAIRE	EURO	15,000	1.71	25,650
E.D.E.	EURO	40,000	2.93	117,200
<b>Associates</b>				
STEELMET S.A.	EURO	15,900	29	466,665
METAL GLOBE	RSD	345,000	59.36	20,478,237
METAL AGENCIES	GBP	1,000,000	1	1,000,000
COPPERPROM	EURO	1,600	30	48,000

where it houses its commercial departments;

2. a branch at Kalochori, Thessalonica, for the sale of its products in northern Greece;
3. a branch at Aghios Georgios, Leviaia, where its enameled wire plant is located;
4. a branch at Oinofyta, Viotia (53rd km of Athens-Lamia National Highway) where the plant of plastic and rubber compounds is located;
5. a branch at Thiva, Viotia (69th km of Athens-Thiva Old National Highway) where the cable production plant is located;
6. a branch at Marousi (33, Amarousiou Halandriou Avenue) where the Company's principal establishment is located.

## 12. Important events having occurred after period end until submission date of the report

- I. On 27 February 2014 HELLENIC CABLES fully subscribed the share capital increase of Euro 4,112,000 of its subsidiary FULGOR S.A.
- II. In March 2014 the Company was awarded by ADMIE (Independent Power Transmission Operator) the Group B project of the Tender on Cyclades Islands Interconnection with the Hellenic Elec-

tricity Transmission System (DAPM-41303/15.10.2013) totaling Euro 93 million. The project involves underground and submarine cable links of 150 kV between the islands Syros-Tinos, Syros-Mykonos, Syros-Paros and a 150 kV cable termination in Tinos. In addition to the supply of cables, HELLENIC CABLES undertakes the cable laying, the protection of cables in coastal areas and the necessary connections with the existing network of ADMIE. The contract will be signed after the pre-contractual audit required by the Court of Auditors. High-voltage submarine cables will be manufactured in the premises of the subsidiary FULGOR in Corinth.

## 13. CONCLUSIONS

Dear Shareholders, we presented an account of the financial year 2013, the risks and how these will be managed together with the prospects and development of the Company for 2014.

The Board of Directors of HELLENIC CABLES S.A. proposes to the General Meeting of shareholders to not distribute dividends from prior-period profits.

In conclusion, dear Shareholders, we



would like first to express our gratitude for the Company's Financial Statements, as the trust that you have shown in the well as the present report, for the fiscal year Company and we request you to approve that ended on 31 December 2013.

**Athens, 26 March 2013**

**The Chairman of the Board of Directors  
Ioannis Batsolas**

Statement of Financial Position		(Amounts in Euro)			
	GROUP		COMPANY		
	2013	2012	2013	2012	
<b>ASSETS</b>					
Property, plant and equipment	184,310,916	148,722,702	60,419,169	70,809,530	
Intangible assets	13,366,804	10,681,176	3,155,253	494,557	
Investment property	383,271	383,271	383,271	383,271	
Holdings in subsidiaries and affiliates	544,845	605,268	55,215,438	49,888,215	
Other investments	1,852,085	1,807,484	1,810,085	1,807,484	
Deferred tax assets	135,519	231,404	-	-	
Other receivables	968,572	1,072,420	890,867	954,588	
<b>Total non-current assets</b>	<b>201,562,012</b>	<b>163,503,725</b>	<b>121,874,083</b>	<b>124,337,645</b>	
Inventories	78,987,156	87,938,716	32,512,037	45,396,172	
Customers and other trade receivables	76,269,485	70,979,964	96,625,753	72,687,181	
Derivatives	373,403	287,899	273,972	248,145	
Cash and cash equivalents	17,723,902	17,696,954	13,384,115	14,798,759	
<b>Total current assets</b>	<b>173,353,946</b>	<b>176,903,533</b>	<b>142,795,877</b>	<b>133,130,257</b>	
<b>Total assets</b>	<b>374,915,958</b>	<b>340,407,258</b>	<b>264,669,960</b>	<b>257,467,902</b>	
<b>LIABILITIES EQUITY</b>					
Share Capital	20,977,916	20,977,916	20,977,916	20,977,916	
Share premium account	31,171,712	31,171,712	31,171,712	31,171,712	
Reserves	23,028,851	23,296,573	26,659,821	26,543,902	
Profits/(Losses) carried forward	6,928,289	27,555,667	(1,632,289)	8,783,812	
<b>Equity attributed to shareholders</b>	<b>82,106,768</b>	<b>103,001,868</b>	<b>77,177,160</b>	<b>87,477,342</b>	
Minority interest	807,680	830,003	-	-	
<b>Total equity</b>	<b>82,914,448</b>	<b>103,831,871</b>	<b>77,177,160</b>	<b>87,477,342</b>	
<b>LIABILITIES</b>					
Loans	113,897,045	59,279,543	77,449,193	30,693,076	
Payables from financial leases	-	166,641	-	-	
Payables for staff retirement indemnities	1,700,442	2,348,519	1,058,033	1,366,571	
Grants	5,576,420	3,595,407	5,515,670	3,534,657	
Provisions	200,000	200,000	200,000	200,000	
Deferred tax liabilities	8,551,037	7,099,474	142,248	1,811,666	
Other long-term liabilities	10,681,508	-	-	-	
<b>Total long-term liabilities</b>	<b>140,606,452</b>	<b>72,689,584</b>	<b>84,365,144</b>	<b>37,605,970</b>	
Loans	83,169,094	108,470,222	33,175,794	71,093,859	
Payables from financial leases	166,640	321,975	-	-	
Suppliers and other liabilities	67,964,998	55,047,060	69,858,247	61,272,226	
Derivatives	94,326	46,546	93,615	18,505	
<b>Total short-term liabilities</b>	<b>151,395,058</b>	<b>163,885,803</b>	<b>103,127,656</b>	<b>132,384,590</b>	
<b>Total liabilities</b>	<b>292,001,510</b>	<b>236,575,387</b>	<b>187,492,800</b>	<b>169,990,560</b>	
<b>Total equity and liabilities</b>	<b>374,915,958</b>	<b>340,407,258</b>	<b>264,669,960</b>	<b>257,467,902</b>	

\*The attached notes of the Annual Financial Report 2013 are an integral part of the financial statements.

Statement of Total Income		(Amounts in Euro)			
	GROUP		COMPANY		
	2013	2012*	2013	2012*	
Sales	345,345,377	439,343,332	259,172,354	363,521,879	
Cost of Sales	(338,431,824)	(422,174,872)	(258,162,137)	(356,097,793)	
<b>Gross Profit</b>	<b>6,913,553</b>	<b>17,168,460</b>	<b>1,010,217</b>	<b>7,424,086</b>	
Other income	3,971,480	3,410,946	2,799,077	1,954,850	
Distribution expenses	(7,952,518)	(8,176,330)	(3,596,336)	(3,574,414)	
Administrative expenses	(8,080,685)	(8,145,584)	(4,378,699)	(4,400,726)	
Other expenses	(1,919,143)	(2,138,552)	(818,858)	(1,353,861)	
<b>Operating results</b>	<b>(7,067,313)</b>	<b>2,118,940</b>	<b>(4,984,599)</b>	<b>49,935</b>	
Financial income	849,787	1,112,678	2,976,509	2,688,383	
Financial expenses	(13,505,303)	(16,455,417)	(10,443,282)	(11,842,145)	
Income from dividends	-	-	75,200	217,281	
Profits/(Losses) from associate companies	112,061	(71,761)	-	-	
<b>Earnings/(loss) before taxes</b>	<b>(19,610,768)</b>	<b>(13,295,560)</b>	<b>(12,376,172)</b>	<b>(8,886,544)</b>	
Income tax	(1,443,281)	2,102,438	1,724,865	1,969,761	
<b>Earnings/(loss) after taxes</b>	<b>(21,054,049)</b>	<b>(11,193,122)</b>	<b>(10,651,307)</b>	<b>(6,916,783)</b>	
<b>Other total income</b>					
<b>Other total income items not carried forward through profit or loss in future periods:</b>					
Liability for personnel benefits	576,986	(396,212)	317,846	(225,073)	
Income tax on liability for personnel benefits	(150,016)	79,242	(82,640)	45,015	
	<b>426,970</b>	<b>(316,970)</b>	<b>235,206</b>	<b>(180,058)</b>	
<b>Other total income items eventually carried forward through profit or loss in future periods:</b>					
Foreign exchange differences from conversion	(499,055)	(961,250)	-	-	
Gains/ (loss) from derivatives valuation for cash flow risk hedging	288,546	77,172	165,447	50,050	
Income tax on derivatives	(77,224)	(14,086)	(49,528)	(10,010)	
	<b>(287,733)</b>	<b>(898,164)</b>	<b>115,919</b>	<b>40,040</b>	
<b>Comprehensive total income after taxes</b>	<b>(20,914,812)</b>	<b>(12,408,256)</b>	<b>(10,300,182)</b>	<b>(7,056,801)</b>	
<b>Earnings/(loss) after taxes attributable:</b>					
- to parent company shareholders	(21,051,736)	(11,218,291)	(10,651,307)	(6,916,783)	
- to third parties	(2,313)	25,169	-	-	
<b>Period earnings/(loss) after taxes</b>	<b>(21,054,049)</b>	<b>(11,193,122)</b>	<b>(10,651,307)</b>	<b>(6,916,783)</b>	
<b>Comprehensive total income after taxes attributable:</b>					
- to parent company shareholders	(20,892,488)	(12,418,930)	(10,300,182)	(7,056,801)	
- to third parties	(22,324)	10,676	-	-	
<b>Comprehensive total income after taxes</b>	<b>(20,914,812)</b>	<b>(12,408,256)</b>	<b>(10,300,182)</b>	<b>(7,056,801)</b>	
<b>Earnings/ (loss) per share</b>					
Basic and diluted earnings (loss) per share	(0,712)	(0,387)	(0,361)	(0,239)	

\*Adjusted amounts due to retroactive application of the amended version of IAS 19 "Employee benefits" and to comparability (see Note 35).

\*The attached notes of the Annual Financial Report 2013 are an integral part of the financial statements.

Consolidated Statement of Changes in Equity							(Amounts in Euro)	
	Share Capital and Share premium account	Consolidation foreign exchange differences	Fair value reserves	Other Reserves	Accumulated profit/ (loss)	Total	Minority interest	Total Shareholder's equity
<b>Balance as at 1 January 2012</b>	<b>52,149,628</b>	<b>(4,276,790)</b>	<b>4,841</b>	<b>28,452,193</b>	<b>38,965,944</b>	<b>115,295,816</b>	<b>819,327</b>	<b>116,115,143</b>
<b>Adjustment due to amendment to IAS 19</b>	-	-	-	-	<b>160,162</b>	<b>160,162</b>	-	<b>160,162</b>
<b>Adjusted balance on 1 January 2012</b>	<b>52,149,628</b>	<b>(4,276,790)</b>	<b>4,841</b>	<b>28,452,193</b>	<b>39,126,106</b>	<b>115,455,978</b>	<b>819,327</b>	<b>116,275,305</b>
Period earnings/(loss)	-	-	-	-	(11,218,290)	(11,218,290)	25,169	(11,193,121)
Other comprehensive income	-	(946,357)	62,686	-	(316,969)	(1,200,640)	(14,493)	(1,215,133)
<b>Total comprehensive income</b>	-	<b>(946,357)</b>	<b>62,686</b>	-	<b>(11,535,259)</b>	<b>(12,418,930)</b>	<b>10,676</b>	<b>(12,408,254)</b>
<b>Transactions with shareholders directly posted to equity</b>								
Decrease of holding in associate	-	-	-	-	(35,180)	(35,180)	-	(35,180)
<b>Total transactions with shareholders</b>	-	-	-	-	<b>(35,180)</b>	<b>(35,180)</b>	-	<b>(35,180)</b>
<b>Balance on 31 December 2012</b>	<b>52,149,628</b>	<b>(5,223,147)</b>	<b>67,527</b>	<b>28,452,193</b>	<b>27,555,667</b>	<b>103,001,868</b>	<b>830,003</b>	<b>103,831,871</b>
<b>Balance as at 1 January 2013</b>	<b>52,149,628</b>	<b>(5,223,147)</b>	<b>67,527</b>	<b>28,452,193</b>	<b>27,555,667</b>	<b>103,001,868</b>	<b>830,003</b>	<b>103,831,871</b>
Period earnings/(loss)	-	-	-	-	(21,051,736)	(21,051,736)	(2,313)	(21,054,049)
Other comprehensive income	-	(478,717)	210,994	-	426,970	159,247	(20,010)	139,237
<b>Total comprehensive income</b>	-	<b>(478,717)</b>	<b>210,994</b>	-	<b>(20,624,766)</b>	<b>(20,892,489)</b>	<b>(22,323)</b>	<b>(20,914,812)</b>
<b>Transactions with shareholders directly posted to equity</b>								
Change of holding in associate	-	-	-	-	(2,611)	(2,611)	-	(2,611)
<b>Total transactions with shareholders</b>	-	-	-	-	<b>(2,611)</b>	<b>(2,611)</b>	-	<b>(2,611)</b>
<b>Balance as at 31 December 2013</b>	<b>52,149,628</b>	<b>(5,701,864)</b>	<b>278,521</b>	<b>28,452,193</b>	<b>6,928,290</b>	<b>82,106,768</b>	<b>807,680</b>	<b>82,914,448</b>

\*The attached notes of the Annual Financial Report 2013 are an integral part of the financial statements.



Individual Statement of Changes in Equity						(Amounts in Euro)
	Share Capital and Share premium account	Fair value reserves	Other Reserves	Accumulated profit/(loss)	Total Shareholder's equity	
<b>Balance as at 1 January 2012</b>	<b>52,149,628</b>	<b>46,781</b>	<b>26,457,081</b>	<b>15,882,306</b>	<b>94,535,796</b>	
<b>Adjustment due to amendment to IAS 19</b>	-	-	-	(1,653)	(1,653)	
<b>Adjusted balance on 1 January 2012</b>	<b>52,149,628</b>	<b>46,781</b>	<b>26,457,081</b>	<b>15,880,653</b>	<b>94,534,143</b>	
Period earnings/(loss)	-	-	-	(6,916,783)	(6,916,783)	
Other comprehensive income	-	40,040	-	(180,058)	(140,018)	
<b>Total comprehensive income</b>	-	<b>40,040</b>	-	<b>(7,096,841)</b>	<b>7,056,801</b>	
<b>Transactions with shareholders directly posted to equity</b>						
Share capital increase	-	-	-	-	-	
Absorption of subsidiary	-	-	-	-	-	
Transfer of reserves/distribution	-	-	-	-	-	
Total transactions with shareholders	-	-	-	-	-	
<b>Balance on 31 December 2012</b>	<b>52,149,628</b>	<b>86,821</b>	<b>26,457,081</b>	<b>8,783,812</b>	<b>87,477,342</b>	
<b>Balance as at 1 January 2013</b>	<b>52,149,628</b>	<b>86,821</b>	<b>26,457,081</b>	<b>8,783,812</b>	<b>87,477,342</b>	
Period earnings/(loss)	-	-	-	(10,651,307)	(10,651,307)	
Other comprehensive income	-	115,919	-	235,206	51,125	
<b>Total comprehensive income</b>	-	<b>115,919</b>	-	<b>(10,416,101)</b>	<b>(10,300,182)</b>	
<b>Transactions with shareholders directly posted to equity</b>						
Share capital increase	-	-	-	-	-	
Transfer of reserves/distribution	-	-	-	-	-	
<b>Total transactions with shareholders</b>	-	-	-	-	-	
<b>Balance on 31 December 2013</b>	<b>52,149,628</b>	<b>202,740</b>	<b>26,457,081</b>	<b>(1,632,289)</b>	<b>77,177,160</b>	

\*The attached notes of the Annual Financial Report 2013 are an integral part of the financial statements.

<b>Statement of Cash Flow</b>		<b>(Amounts in Euro)</b>			
	<b>GROUP</b>		<b>COMPANY</b>		
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	
<b>Cash flows from operating activities</b>					
Earnings before taxes	(19,610,768)	(13,295,560)	(12,376,172)	(8,886,545)	
Plus / less adjustments for:					
Fixed assets depreciation	8,421,007	9,371,483	3,981,477	4,240,144	
Depreciation of grants	(249,855)	(784,436)	(249,855)	(784,436)	
Provisions (mainly for receivables and stocks)	(718,352)	201,086	(172,153)	266,086	
Results (income, expenses, profit and loss) from investment activity	37,055	(762,646)	(2,076,127)	(2,200,308)	
)Income from dividends	-	-	(75,200)	(217,281)	
Interest charges and related expenses	12,984,601	14,580,985	10,077,494	10,416,282	
(Profits)/ Losses from sale of fixed assets	(1,378,523)	(69,993)	(1,378,523)	(62,580)	
Losses from the destruction/impairment of fixed assets	76,168	180,265	73,112	180,000	
Decrease/(increase) in inventories	9,104,774	3,413,648	13,194,930	52,624	
Decrease/(increase) in receivables	(5,818,980)	(7,145,178)	(24,314,592)	(9,812,061)	
Decrease/ increase in payables (less loans)	24,487,151	11,077,022	8,741,707	19,904,845	
Interest charges and related paid-up expenses	(12,079,161)	(12,228,219)	(10,305,551)	(10,489,466)	
Taxes paid	-	(217,908)	-	-	
<b>Net cash flows from operating activities</b>	<b>15,255,117</b>	<b>4,320,549</b>	<b>(14,879,453)</b>	<b>2,607,304</b>	
<b>Cash flows from investment activities</b>					
Purchases of tangible assets	(52,424,243)	(14,523,426)	(1,795,457)	(3,785,522)	
Purchases of intangible assets	(87,100)	(403,416)	(25,350)	(150,708)	
Sales of tangible assets	6,874,406	340,137	6,874,406	87,976	
Increase of holdings in subsidiaries and associate companies	(14,600)	-	(5,358,600)	(18,353,000)	
Dividend received	56,400	162,961	56,400	162,961	
Interest received	101,705	222,587	2,290,857	1,690,211	
<b>Net cash flows from investment activities</b>	<b>(45,493,431)</b>	<b>(14,201,157)</b>	<b>2,042,256</b>	<b>(20,348,082)</b>	
<b>Cash flows from financing activities</b>					
Proceeds from share capital increase	-	9,593,921	-	9,593,921	
Dividend paid to parent company shareholders	(4,350)	(84)	(4,350)	(84)	
Loans obtained	96,493,930	18,176,366	76,539,000	16,769,677	
Payment of loans	(67,788,400)	(21,921,946)	(67,012,097)	(9,881,559)	
Grants received	1,900,000	3,495,249	1,900,000	3,495,249	
Changes in financial lease funds	(321,975)	(625,340)	-	-	
<b>Net cash flows from financing activities</b>	<b>30,279,205</b>	<b>8,718,166</b>	<b>11,422,553</b>	<b>19,977,204</b>	
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>40,891</b>	<b>(1,162,442)</b>	<b>(1,414,644)</b>	<b>2,236,426</b>	
Cash and cash equivalents in the beginning of the fiscal year	17,696,954	18,983,379	14,798,759	12,562,333	
Foreign exchange differences in cash equivalents	(13,943)	(123,983)	-	-	
<b>Cash and cash equivalents at the end of the fiscal year</b>	<b>17,723,902</b>	<b>17,696,954</b>	<b>13,384,115</b>	<b>14,798,759</b>	

\*The attached notes of the Annual Financial Report 2013 are an integral part of the financial statements.



**Independent Auditor's Report  
To the Shareholders of the Company "HELLENIC CABLES S.A."**

**Report on the Company and Consolidated Financial Statements**

We have audited the accompanying stand-alone and consolidated financial statements of the Company and the Group "HELLENIC CABLES S.A.," which comprise the stand-alone and consolidated statement of financial position as at December 31, 2013, and the stand-alone and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as a summary of significant accounting principles and other explanatory notes.

**Management's Responsibility for the Company and Consolidated Financial Statements**

Management has the responsibility for the preparation and fair presentation of stand-alone and consolidated financial statements in accordance with International Financial Reporting Standards as these have been adopted by the European Union, as well as for these internal controls that management considers necessary for the preparation of company and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these stand-alone and consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance whether the company and consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the company and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the company and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the company and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the stand-alone and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the accompanying stand-alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group "HELLENIC CABLES S.A." as of December 31, 2013, and

of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as these have been adopted by the European Union.

#### **Report on Other Legal and Regulatory Requirements**

a) The Directors' Report includes a Corporate Governance Statement which provides the information required by

the provisions of paragraph 3d of Article 43a and paragraph 3st of article 107, of Codified Law 2190/1920.

b) We have agreed and confirmed the correspondence of the content and consistency of the Directors' Report to the accompanying stand-alone and consolidated financial statements according to the provisions of the articles 43a, 108 and 37 of the Codified Law 2190/1920.

**Athens, 27 March 2014**

**The Certified Public Accountant**

**Dimitrios Koutsos – Koutsopoulos**

**Reg. No SOEL: 26751**

**Deloitte.**

**Hadjipavlou Sofianos & Cambanis S.A.**

**Assurance & Advisory Services**

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**Reg. No (ICPA (GR)): E 120**

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# 2013

## Corporate Responsibility and Sustainable Development Report

 **CABLEL<sup>®</sup>**  
**HELLENIC CABLES**  
G R O U P

**HELLENIC CABLES S.A.**  
HELLENIC CABLE INDUSTRY S.A.

**FULGOR**  
HELLENIC CABLE INDUSTRY S.A.





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## General information about the report

The Corporate Responsibility and Sustainable Development Report 2013 includes the activities of the Companies HELLENIC CABLES S.A. and FULGOR S.A. and the way they meet the current economic, environmental and social challenges.

### Report Boundary and Scope

HELLENIC CABLES Corporate Responsibility and Sustainable Development Report is published on an annual basis from 2009 and this year includes for first time all the activities of its key subsidiary company in Greece, FULGOR S.A. The report does not include data related to other subsidiaries, potential joint ventures, partners, suppliers or third parties. It is noted that some information related to HELLENIC CABLES Group of Companies is only provided in the Chapter "Company Profile" in order to facilitate the reader to have broader view of the Group's activities. Moreover, a brief presentation of ICME ECAB, the key subsidiary of the Group, based in Romania is also included in that Chapter. This reference is short and limited to the relevant separate section of the Chapter «Company Profile».

- The terms «The Company», «we», refer to practices and policies that are effective and implemented in common at the Companies HELLENIC CABLES S.A and FULGOR S.A, unless otherwise stated for any of them.
- The term «Group» refers to HELLENIC CABLES and its subsidiaries both in Greece and abroad.

Corporate Responsibility and Sustainable Development Report 2013 (for the period 1/1/2013 – 31/12/2013) is the fifth consecutive publication of HELLENIC CABLES. All Corporate Responsibility and Sustainable Development Reports of the Company are available on [www.cablel.com](http://www.cablel.com) (section Corporate Social Responsibility / Corporate Responsibility).

### Restrictions and Significant Changes

Corporate Responsibility and Sustainable Development Report 2013 covers a wide range of issues related to Economic, Environmental and Social impact of the Company, without any specific restriction on the scope or the boundary of the Report. This Report includes for first time all information related to subsidiary Company FULGOR in such a way that does not affect the possibility to compare annual data. It is noted that no acquisitions, divestitures, joint ventures or other activities have taken place that affect the possibility to compare data on year to year basis.

The report does not contain any significant changes in the assessment methods applied. In cases where reviews have been made, a specific reference to individual sections, tables' diagrams is made as well as clarification of the reasoning behind revising the perspective items. Furthermore, no significant changes have been made regarding the size, structure or ownership of the Company that may affect the content of the 2013 Report.

### Project Team

**Corporate Responsibility Team**, a special team of executives of the relevant Divisions and Departments, was formed in order to compile the report. The team's primary task is to collect the required information and evaluate the important issues regarding the fields of Company's Corporate Responsibility .

The members of the HELLENIC CABLES Corporate Responsibility Team are:

Team Coordinators: George Georgallis and Panagiotis Marlagoutsos.

Executives from the relevant Divisions and Departments: Argyris Alexopoulos, Charalampos Voulgaris, Panagiotis Zannias, Konstantinos Konstantinou, Anastasios Lolis, Georgios Michos, Konstantinos Soulas, Stamati Menia, Stavros Stavropoulos, Nikos Charelas, Dimitrios Chatzakis.

### Methodology

HELLENIC CABLES Corporate Responsibility and Sustainable Development Report for the year 2013, was prepared in accordance with the guidelines on CSR / Sustainability Reports, issued by the international Global Reporting Initiative Organisation (GRI – G3.1 Guidelines). The following principles were applied under the preparation of the current Report in order to determine its content:

*"In case of any discrepancy, the Greek text shall prevail"*

- Principle of "Materiality"
- Principle of "Stakeholder Inclusiveness"
- Principle of "Sustainability Context"
- Principle of "Completeness"

In respect of sound determination of the Report's content, the Company's Corporate Responsibility Team updated the material issues of the Company (materiality analysis- procedure of identification and prioritization material issues CSR). During the updating process, the Company's stakeholders opinions were taken into consideration. These opinions were earlier recorded at a special workshop. Analytical Data as well as the outcomes are presented in the Chapter "Corporate Responsibility and Sustainable Development".

Corporate Responsibility and Sustainable Development Report 2013 was compiled with the support and under expert guidance (data collecting, evaluation and texts writing) of Grant Thornton ([www.grant-thornton.gr](http://www.grant-thornton.gr)).



#### External verification

The Company recognizes the added value of external verification of the Report and through this procedure aims to increase its accountability to all stakeholders in terms of quality and reliability. Therefore, for the current edition as well, we have opted for external verification of the information contained in the Chapters of "Health and Safety in the Workplace", "Our Environmental Approach", and for first time of the chapter "Our People" by an independent external certification body. The conclusions and comments that arose from the process of external verification will be used by the Company in order to improve the quality of its Corporate Responsibility Reports. The last part of the Report presents cited the application level of the GRI G3.1 Indicators - Level B+, as well as the report of the independent certification body.

#### Sources of Information

Recording procedures applied by the Company and its management systems' databases were used for gathering the data and information presented in the Report.

In cases where the data was processed or was based on assumptions, reference is made regarding the way or the method of calculations, according to the guidelines of the Global Reporting Initiative (GRI – issue G3.1).

Updates or additional information regarding HELLENIC CABLES and FULGOR are available either through Corporate Responsibility Team or on [www.cablel.com](http://www.cablel.com) and [www.fulgor.com](http://www.fulgor.com).

The financial data that is included in the Report is in full compliance with the information contained in the Annual Report 2013 of the Company (which is available on the website [www.cablel.com](http://www.cablel.com) in the section Investor Relations / Annual Bulletins- Reports). In printed form, the Corporate Responsibility and Sustainable Development Report 2013 and the HELLENIC CABLES Group Annual Report 2013 form a single book. Additional information on HELLENIC CABLES and FULGOR products and services, is analytically presented on the websites [www.cablel.com](http://www.cablel.com) and [www.fulgor.com](http://www.fulgor.com).

#### Contact

We welcome any questions, request for clarification or suggestion for improvement, as your opinion is of great value to us. You are kindly requested to send any feedback, comments or the attached form to the following address, thus actively contributing to our improvement and further growth.

HELLENIC CABLES Group of Companies.  
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CSR Responsible  
33 Amaroussiou-Halandriou str.,  
GR 151 25 Maroussi, Greece  
Tel.: +30 210 6787 900, Fax: +30 210 6787 406  
E-mail: [csr@cablel.vionet.gr](mailto:csr@cablel.vionet.gr)  
[www.cablel.com](http://www.cablel.com)



## Message from the Top Management

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*"Our strategic approach of corporate responsibility guides our footsteps and consists a core element in our development plans".*

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In 2013 we proceeded successfully with our investments, aiming at promptly responding to our customers' needs and expectations around the world, by continuously improving our products and services.

We respond to the challenges of our times and our attained development is aligned with the creation of added-value for all Stakeholders, and is based on our vision and principles. We believe that responsibility could lead to Sustainable Development; therefore the strategic embedment of CSR in the organization is a one way road for our Companies HELLENIC CABLES and FULGOR.

It is noted that the present, fifth consecutive Corporate Responsibility and Sustainable Development Report 2013, includes for first time data and indicators of our new and fast growing company FULGOR that specializes in the extremely demanding and technologically advanced market of submarine cables' interconnections. Following its acquisition, from HELLENIC CABLES in July 2011, FULGOR still remains in transitional stage. Our common intensive efforts aim at its organizational restructure, laying emphasis on aligning policies and principles. It is recognized that a successful incorporation of FULGOR in HELLENIC CABLES Group, requires time. Furthermore it takes time to develop a common corporate culture with common policies and processes, in addition to Capital investments. All these activities intensified during 2013 and will continue in 2014 as well.

Completion of the FULGOR investment programme is our priority, as it will place HELLENIC CABLES Group of Companies among the few producers of high-voltage submarine cables worldwide. This development is especially important for Greece, an island country that needs submarine cables for the islands' interconnection with mainland. These subsea interconnections will reduce the islands' dependence on the polluting power generation plants and the existing energy cost.

During 2013 we succeeded in achieving our objectives, such as maintaining recycling rate above 95%, completion of the analytical assessment of enterprise risks programme (ERM - Enterprise Risk Management) and increase of Health & Safety audits at Company's plants by 5%. For 2014 the following objectives are set: Certification of the High Voltage testing facilities in Corinthia and Thiva in accordance with ISO 17025:2005 international standard, and achieving recycling rate in FULGOR above 70%.

Achieving responsible development and undertaking activities of continuous improvement at the areas of Corporate Governance, Marketplace, Society, Human Resources, Workplace Health and Safety and Environment constitute our basic objectives. Therefore we move ahead and adopt initiatives and international standards.



Therefore, we have developed our Corporate Responsibility and Sustainable Development Report for one more year, according to the guidelines of the Global Reporting Initiative (GRI – issue G3.1), and we have presented our activities in relation to the 10 principles of UN Global Compact and fully responding to the provisions of the international standard ISO 26000 on Social Responsibility.

Our strategic approach of corporate responsibility guides our footsteps and consists a core element in our development plans. As economic recovery is expected in Greek and international marketplace in 2014, we remain alert to take advantage of any opportunities arise in order to achieve further development and improvement of our performance in all areas, always with responsibility.

Ioannis Batsolas  
Chairman of the Board of Directors

Alexios Alexiou  
General Manager

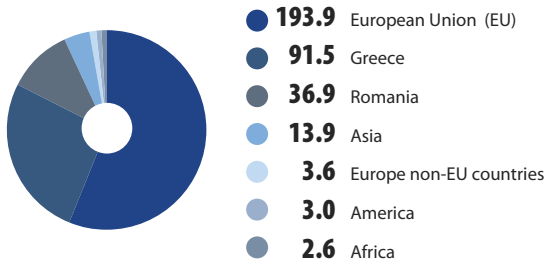


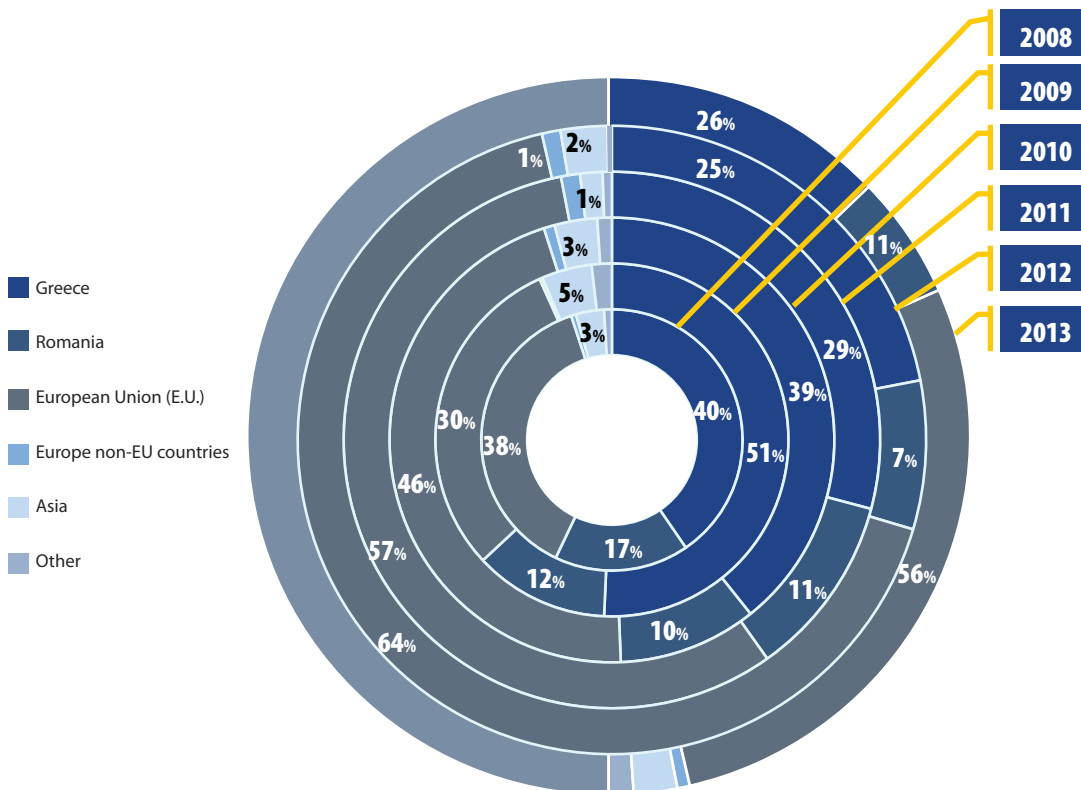
# 1. Company Profile

## 1.1 Worldwide presence of HELLENIC CABLES Group of Companies

The largest cable producer  
in Southeast Europe

Turnover 2013 (in million Euro)





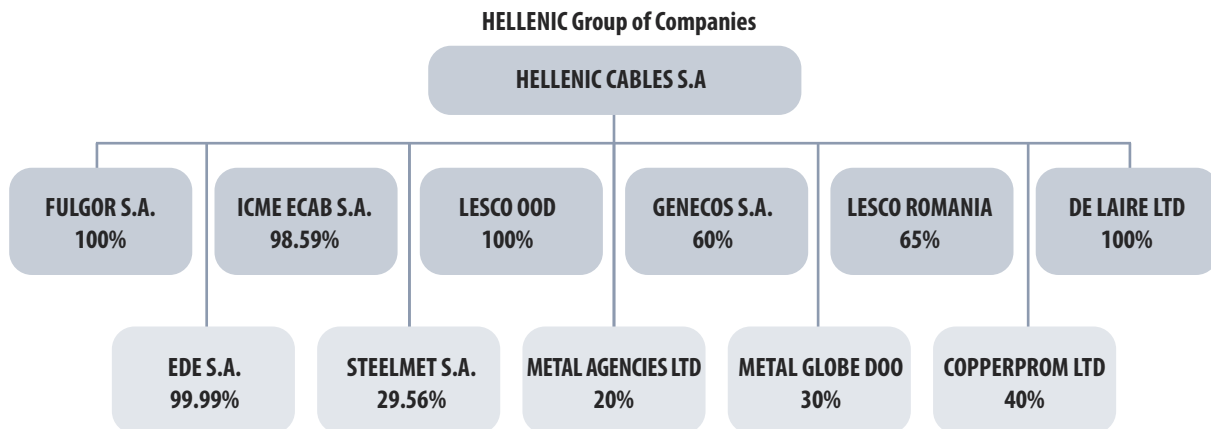


## 1. Company Profile



The HELLENIC CABLES Group of Companies constitutes the largest cable industry not only in Greece but in Southeast Europe as well. The Group has intense export activity and important global commercial presence. Strategic orientation of the parent company HELLENIC CABLES and furthermore of the Group is to integrate technological innovations aiming at the manufacture of advanced technology competitive products. The Group consists of the six subsidiaries and the five linked companies:

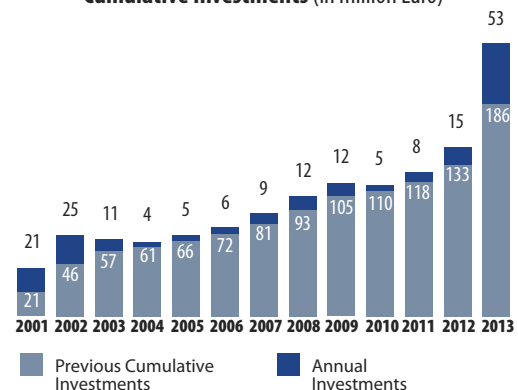




● Subsidiary ● Linked

HELLENIC CABLES has an ascending course of investments that proves its strategic orientation to development. Material investments being realized during 2002-2011 focused on productivity and increase, such as in products' differentiation (increase in manufacturing medium voltage cables, high voltage/extra high voltage cables production capability).

**Cumulative Investments** (in million Euro)



HELLENIC CABLES on an annual basis funds activities aiming at reinforcing its competitive advantage and achieving its objective of manufacturing technologically advanced products. Within that framework it acquired FULGOR in 2011, a company specialized and experienced in manufacturing submarine cables. An existing investment project of approximately euro 50 million was launched in 2012 regarding manufacturing High Voltage Submarine Cables.

#### HELLENIC CABLES Group of Companies Production Units

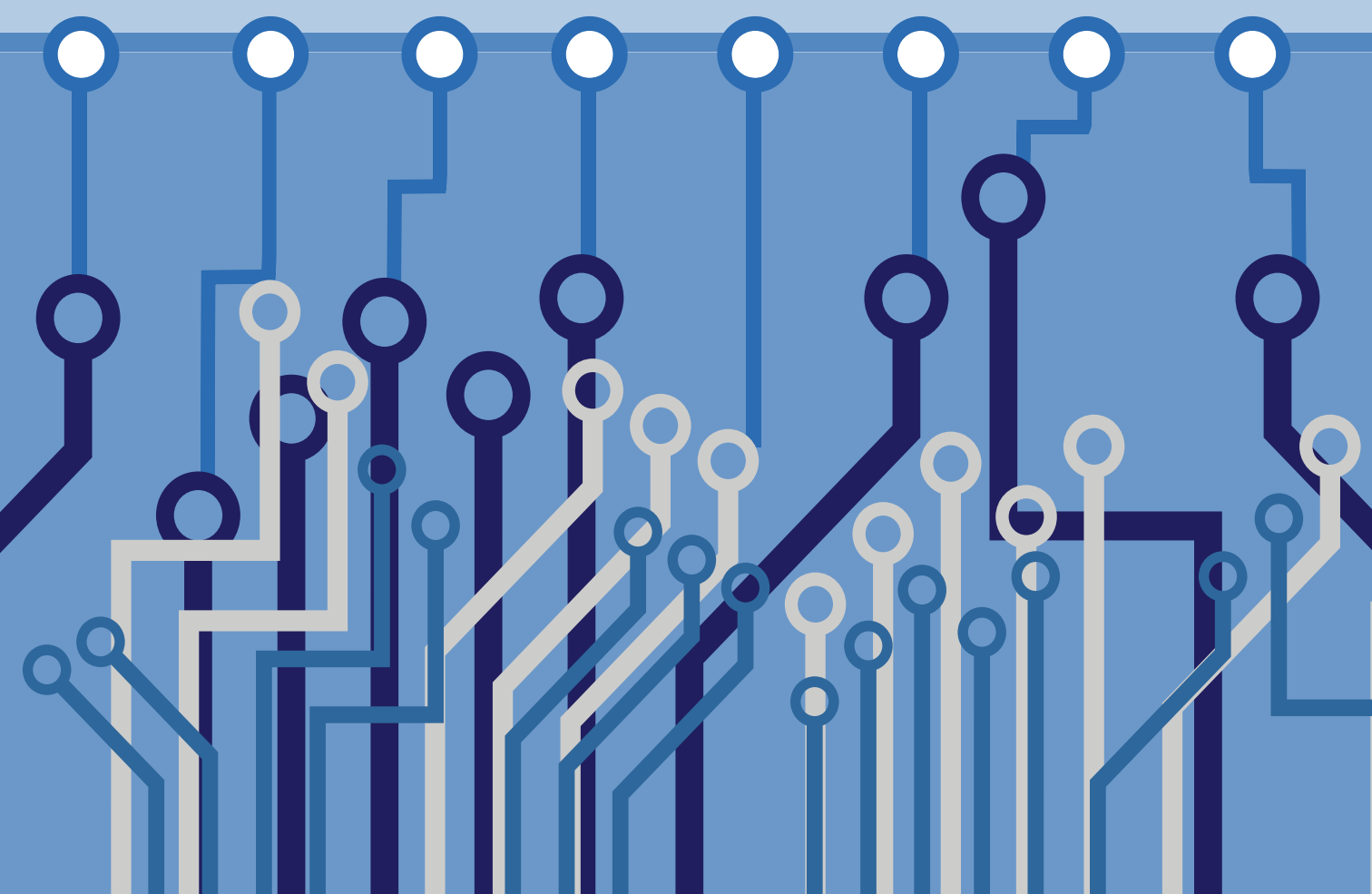
	Basic Product	Installations
<b>Thiva</b>	Power and telecommunication and data transmission cables	Total area: 175,082 sm. Facilities: 44,408 sm. Annual potential: 60,000 tons
<b>Livadeia</b>	Enamelled wires	Total area: 121,818 sm. Buildings: 14,048 sm. Annual potential: 14,000 tons
<b>Oinofyta</b>	Plastic and rubber compounds	Total area: 21,263 sm. Facilities: 6,444 sm. Annual potential: 24,000 tons
<b>Corinthia</b>	Power and submarine cables Copper and aluminium rods	Total area: 218,247 sm. Facilities: 80,048 sm. Annual potential: 50,000 tons of cables and 120,000 tons of wire F8
<b>Bucharest</b>	Power and telecommunication and data transmission cables	Total area: 268,000 sm. Facilities: 102,137 sm. Annual potential: 50,000 tons



## 1. Company Profile

### 1.2 Milestones

1950	Start-up of cable production by VIOHALCO.
1973	Establishment of HELLENIC CABLES S.A.
1992	First Certification of Quality Management System in accordance with International Standard ISO 9001.
1994	Listed in the Main Market on Athens Stock Exchange (ASE).
1999	Acquisition of majority shareholding in ICME ECAB S.A
2001	Certification of Environmental Management System at Thiva plant, according to the International Standard ISO 14001:2004.
2003	Completion of the new Thiva cable production plant and commencement of High Voltage cable production line.
2006	Operation of fire retardant halogen free (LSF) compound production line.



The company was awarded the "Committed to Excellence" prize by the European Foundation for Quality Management.

Commencement of a new production line for 500 kV High and Extra-High Voltage cables.

The company was awarded the "Recognised for Excellence 3 star" prize by the European Foundation for Quality Management.

First edition of "Corporate Responsibility and Sustainable Development Report" according to the standard GRI-G3 which is ranked at GRI Level B.

1 Acquisition of FULGOR S.A., which engaged in production of power cables up to 150 kV, medium voltage submarine cables and optical fibre cables, bare conductors and copper rods (Cu) - aluminium (Al).  
2 Absorption of subsidiary TELECABLES S.A.  
3 Certification of Environmental Management System of Livadeia and Oinofyta plants according to the International Standard ISO 14001:2004.

1 Certification of Management System of Health and Safety in the Company in accordance with the international standard OHSAS 18001:2007.  
2 Electrical submarine interconnections of Thassos & Aegina islands with the continental power distribution system in collaboration with PPC.

Realization of investment project of euro 55 million for manufacturing high voltage submarine cables in FULGOR plant.

2007

2008

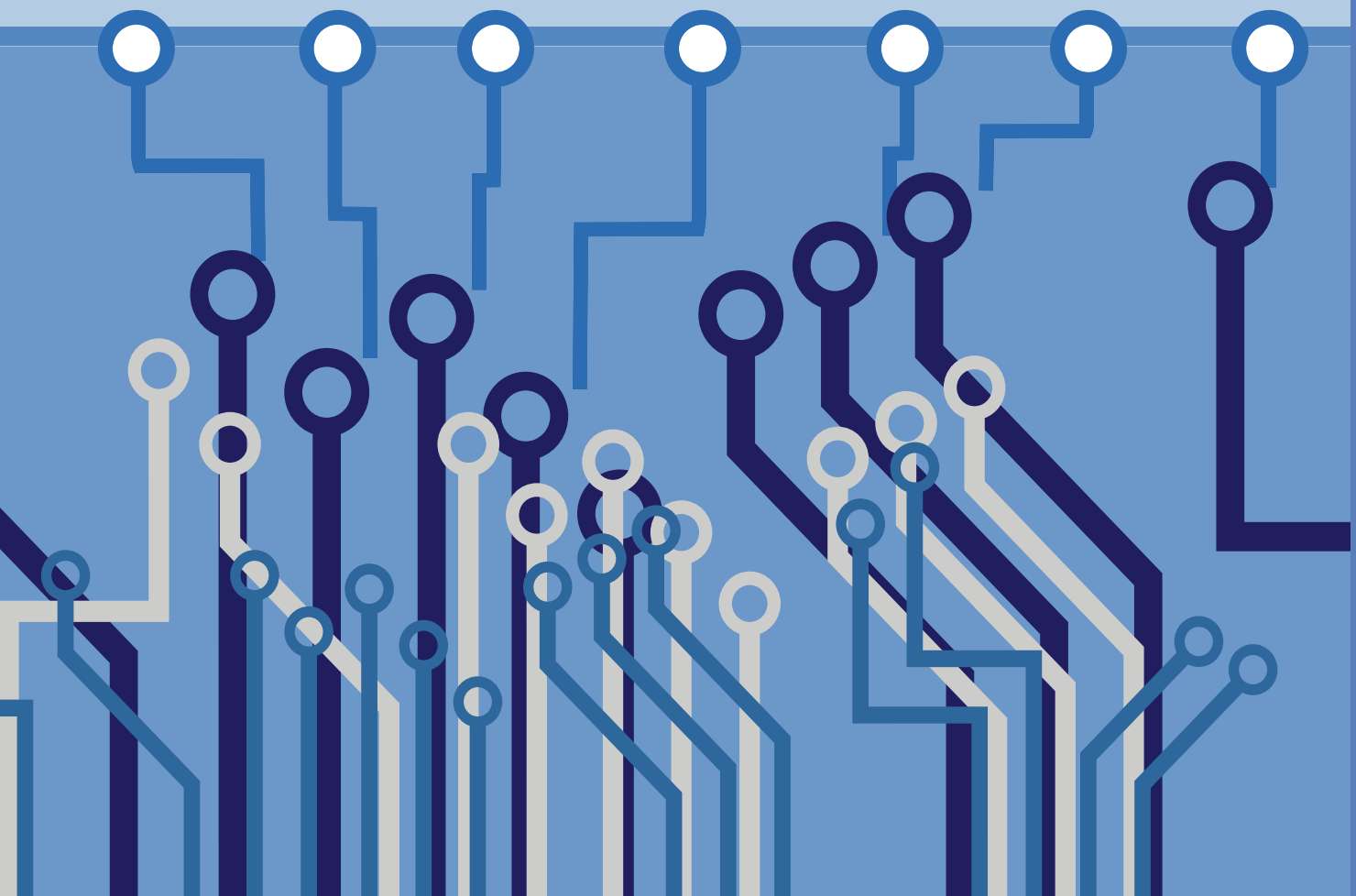
2009

2010

2011

2012

2013-14





## 1. Company Profile

### 1.3 Vision, Mission, Values and Strategic Objectives

**Our vision** is to systematically contribute to the improvement of end consumer's quality of life by providing reliable and safe products, manufactured with environmentally conscious and user friendly modern technologies.

**The Company's mission** is to directly respond to the needs of its customers around the world by constantly improving its products and services, laying particular emphasis on the development of human resources, corporate and social responsibility and creating value for shareholders and partners.

#### Our PRINCIPLES are:

- ✓ Respect for environment and people.
- ✓ Knowledge, competence and professional conduct.
- ✓ Honesty, integrity and prudence.
- ✓ Team spirit and collaborative attitude.
- ✓ Orientation towards actions and results.

#### Strategic Objectives for 2013

Increase of sales of added value products

Approaching and developing new markets (focusing on countries outside the EU)

Penetration of the Transmission Systems Operators (TSO's) market

Credit risk reduction

Working Capital optimization

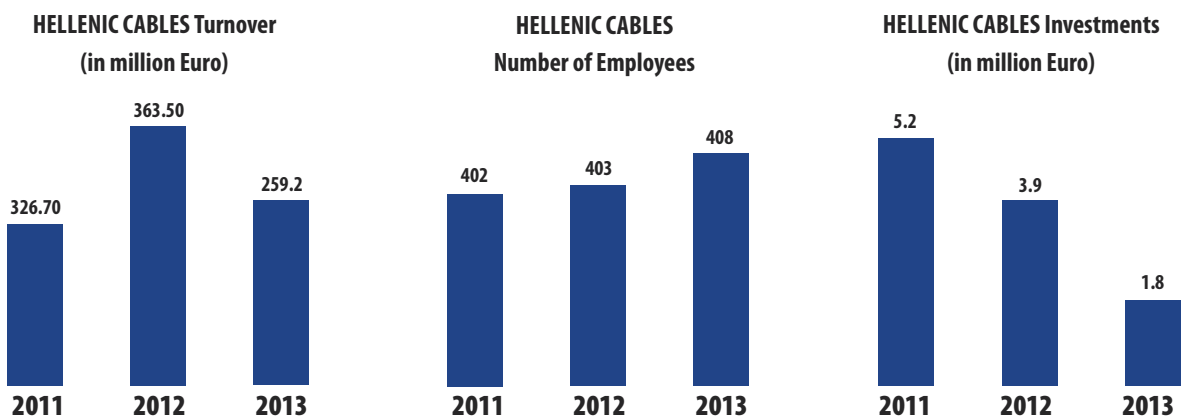
Increase of competitiveness

## 1.4 HELLENIC CABLES and FULGOR

HELLENIC CABLES is in cable manufacturing from 1950 as a production unit of the former VIOHALCO. In 1973 HELLENIC CABLES S.A is established, as an independent subsidiary of VIOHALCO, expanding its productive and commercial activities. From 1994, the company is listed in the Main Market on Athens Stock Exchange (ASE).

With its three production units in Greece, the Company ensures high levels of potential and quality, as all units are certified according to the requirements of the International Standards, EN EN ISO 9001:2008 (Quality Management System), EN ISO14001:2004 (Environmental Management System) and OHSAS 18001:2007 (Health and Safety Management System).

The Company's efforts in providing high quality and technological supremacy products results in the worldwide recognition of its registered trademark CABLEL®. The wide range of its products meets the customers' high demands around the world, namely network administrators, technical and commercial companies.



HELLENIC CABLES acquired FULGOR in 2011, which was already in restructure procedures. Since 2012, a large investment programme of euro 55 million has been launched for administrative and operational integration of FULGOR in HELLENIC CABLES Group of Companies. This investment's expected benefits are multiple, including the following:

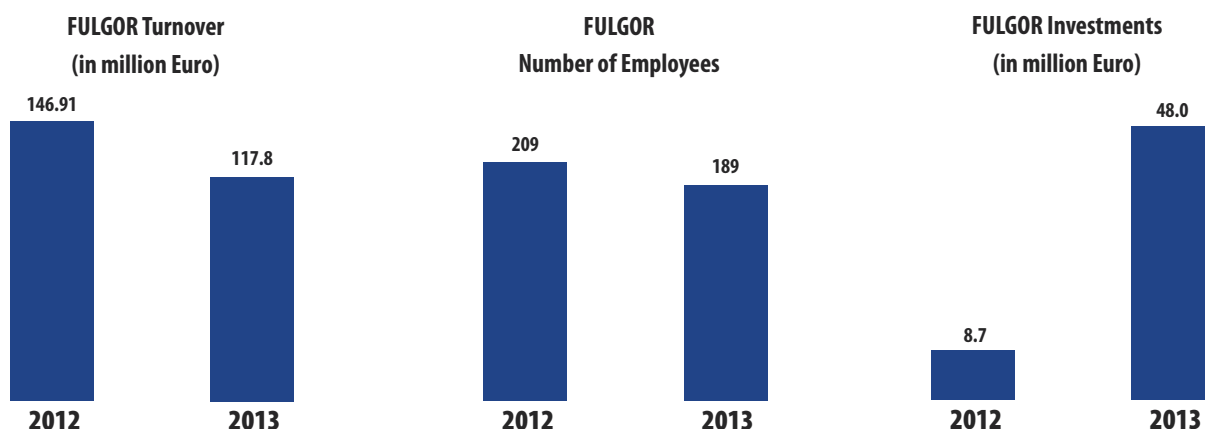
Manufacturing high added value products, further development of product range, achieving further synergies, increase of sales and cooperation shares, expansion in new dynamic marketplaces and profit margin improvement.



***Upon the completion of the investment HELLENIC CABLES Group will constitute one of the few producers of high-voltage submarine cables worldwide.***







# 1. Company Profile



However, the successful and even integration of FULGOR in the HELLENIC CABLES Group, in addition to Capital investments requires time in order to develop a common corporate culture with common policies and processes. The organisational restructuring efforts in addition to aligning policies and procedures were intensified during 2013 and will continue in 2014 as well.

## 1.5 Membership of Associations and Organizations

HELLENIC CABLES and FULGOR strengthen their presence in the Greek and the global cable and enamelled wires market through their active participation in Greek and international networks, policy makers organizations, research organizations and networks, chambers etc. Through participating in these organizations, our Group of Companies seeks to share its knowledge and experience in order to closely monitor the trends and contribute to the developments of its operating segment.

	HELLENIC CABLES	FULGOR
<b>Mandatory Membership of Associations</b>		
 <b>Athens Chamber of Commerce and Industry (ACCI)</b> was established in 1914 for the purposes of protection and promotion of commercial and industrial enterprises.	HELLENIC CABLES has been a member of ACCI since 1973.	FULGOR is a member of ACCI.
<b>Volunteer Membership of Associations</b>		
 <b>Hellenic Federation of Enterprises (SEV)</b> aims to contribute to the modernization and development of Greek enterprises through the creation of a competitive national capital in the European and global financial competition. Also, SEV is a member of the Union of Industrial and Employers' Federations of Europe (Business Europe), the leading independent organization representing European enterprises.	HELLENIC CABLES is an active member of SEV and has adopted its Code of Conduct for Sustainable Development.	FULGOR is a member of SEV.
 <b>Conseil International des Grands Réseaux Electriques (CIGRE)</b> was established in 1921. CIGRE promotes collaboration between experts from around the world, development and knowledge sharing, communication of research results and best practices among the members of the Council. Also, the objective of CIGRE is communication of research results to policy makers on issues of electricity networks.	HELLENIC CABLES is an active member of CIGRE, supporting the body's work groups.	
 <b>Hellenic Network for Corporate Social Responsibility (EDEKE)</b> aims to promote the concepts of Sustainable Development, Corporate Responsibility and Social Cohesion in our country, as well as to develop mechanisms for communication, collaboration and coordination among the network's affiliated companies for joint implementation of programmes and exchange of best practices.	HELLENIC CABLES has been a key member of EDEKE since 2009.	

## HELLENIC CABLES

## FULGOR

## Volunteer Membership of Associations



**Europacable** was established in 1991 and represents 85% of wires and cables producers in Europe. The organization seeks to provide reliable sources of technical information in respect of cables and wires with active participation in standards specifications processes

HELLENIC CABLES is an active Member of the organization through the company executives' participation in its various committees.

FULGOR is a Member of Europacable.



**Federation of Mainland Greece Industries (SBSE)** aims to support its members by promoting entrepreneurship, competitiveness, sustainable development and environmental protection in Central Greece

HELLENIC CABLES is a member of SBSE.



**International Cablemakers Federation (ICF)** with more than 100 members from more than 30 countries around the world, was established in 1990 in Vienna. The objectives of the ICF include promoting energy conservation and safety, as well as improvement of recovery and reuse of cables materials.

HELLENIC CABLES is an active member of ICF.



**Institute of Electrical and Electronics Engineers (IEEE)**, is the greatest business association worldwide that promotes technological innovations for the benefit of humanity. IEEE and its members aim at inspiring the world community through publications of scientific articles, participation in congresses, technological standards and both professional and training activities.

HELLENIC CABLES is a member of IEEE.



**Hellenic Management Association (EEDE)** aims to contribute to the development and promotion of the implementation of modern management principles, methods and techniques to any collective effort- both in the private and in public sector - in Greece and abroad, as well as to highlight the importance of the role of managers.

HELLENIC CABLES participates in EEDE activities as a member.



**Hellenic Copper Development Institute (HCDCI)** was established in 1996 in order to provide responsible information and promote copper and copper alloy applications, use and products to experts and the general public. HCDCI is affiliated with the European Copper Institute and is financed by the International Copper Association, a global network of 27 Copper Centres.

HELLENIC CABLES is a member of HCDCI.



**Aluminium Association of Greece (AAG)** was established in 1985. The members of AAG are companies and industries, engaged in bauxite mining, aluminium production, aluminium processing, and manufacturing of products for various applications and uses as well as associations representing these companies. AAG aims to strengthen the position of aluminium in the competitive market of materials, to increase its usage and contribute to the achievement of environmental, social and financial objectives of its members, always aspiring at sustainable development.

HELLENIC CABLES participates in AAG activities as a member.



**The Union of Athens Exchange Listed Companies** includes more than 150 companies, representing approximately 80% of Athens Exchange capitalization

HELLENIC CABLES has been its member since 1994.



**Hellenic Romanian Chamber** was established in 1999. The objectives of the Chamber include the development and strengthening of business and economic relations between Greece and Romania, encouraging cooperation between the businessmen and organizations of both countries, and promotion of investment activities. Moreover, the objective of the Chamber is to promote a spirit of solidarity between the two countries.

HELLENIC CABLES is a member of Hellenic Romanian Chamber.



**Business Council of Greece and Latin America** aims to contribute to the development of business dialogue between Greece and Latin America. In particular, it promotes relations between the business communities of the countries in order to increase investments, exports of goods and services, transfer of expertise.

HELLENIC CABLES is a member of the Council.

FULGOR is a member of the Council.



**Arab-Hellenic Chamber of Commerce & Development** was established in 1979. The objective of the Chamber is the development and promotion of financial relations between Greece and the Arab countries, the encouragement of bilateral agreements and joint investment.

HELLENIC CABLES is a member of the Chamber.

FULGOR is a member of the Chamber.



**French-Hellenic Chamber of Commerce** was established in 1885. Its main mission is to support financial, industrial, commercial and tourist relations between the two countries.

HELLENIC CABLES is a member of the Chamber.



**Hellenic-Italian Chamber of Athens** was established in 1952. The objective of the Chamber is the development and promotion of financial and commercial relations between Greece and Italy. It is a member of Italian Commercial Chambers (Assocamerestero), with presence in fifty countries worldwide and is officially re-cognized in Greece.



## 1. Company Profile

### 1.6 Subsidiary Company ICME ECAB

ICME ECAB constitutes an important subsidiary company of HELLENIC CABLES. The key performance data of the company are presented below.

Since 1999, HELLENIC CABLES became the major shareholder in ICME ECAB, one of the most important cable manufacturing industries in Southeast Europe, with an annual turnover between euro 120 and 150 million. This turnover depends on the international marketplace rates, the orders' volume and is notable that contributes to the trade balance of Romania.



#### ICME ECAB Milestones

- ICME ECAB S.A. was established 1949, in Bucharest of Romania, under the name Electrocablu, as a cable manufacturing company
- In January of 1959, η ICME ECAB merged with Electroizolantul (insulating materials manufacturing Company) and were renamed to Fabrica de Cabluri și Materiale Electroizolante (FCME).
- In April of 1973, it is renamed in ICME ECAB (Întreprinderea de Cabluri și Materiale Electroizolante, cable and insulating material manufacturing Company).
- Since April of 1998, Austrian company ISOVOLTA (Österreichische Isolierstoffwerke AG) becomes major shareholder of ICME ECAB. ICME ECAB is restructured and divided in two distinguishable production units: (a) electrical insulating material production unit and (b) cables manufacture unit. The second production unit becomes an independent company and in May of the same year HELLENIC CABLES S.A becomes major shareholder in ICME ECAB.

#### Key Product Categories of ICME ECAB

The first type of products that ICME ECAB has manufactured were power cables. Gradually, its range of products has been expanded. The continuous differentiation of its products constitutes the company's strategic objective.

Key Product Categories of ICME ECAB are:

- Power cables
- Telecommunication and data transmission cables
- Plastic and rubber compounds.

It is worth mentioning that as a result of ICME ECAB integration in the HELLENIC CABLES Group of Companies, its range of products was considerably expanded.

The on-going participation in research and development programmes, the significant investment in new technologies and the continuous quality controls, have strengthened the company's position in the market thus gaining a strong competitive advantage.



### ICME ECAB Membership of Associations and Organizations

The company is a member in numerous organizations and business associations, such as:

- FIC - Foreign Investment Council
- APPCR - Professional Association of Romanian Cable Manufacturers
- AREX – Association of the Romanian Exporters
- “Arkadia” – Cultural Foundation

and holds active seats in a number of technical committees (TC) of the International Electrotechnical Commission (IEC).

### Geographical Coverage

In addition to its presence in Romania, where constitutes the leading cable manufacturer ICME ECAB exports its products in countries all over the world, including UK, Germany, France, Kuwait, Greece, Dubai, Israel, Qatar, Hungary, Croatia, Bulgaria, Slovenia, Estonia, Luxemburg, Austria, Libya, Malta, Cyprus, Czech Republic, Armenia, Albania, Kazakhstan etc.

ICME ECAB concentrates its efforts in further increasing its exporting activities in other marketplaces as well, focusing on South Africa, Gabon, USA and others.

### Integrated Management System

The Integrated Management System implemented by ICME ECAB consists of three individual certified systems in accordance with following international standards:

- Quality Management System certified in accordance with International Standard ISO 9001:2008,
- Environmental Management System certified in accordance with International Standard ISO 14001:2004 and
- Health and Safety Management System certified in accordance with International Standard OHSAS 18001:2007.

The Integrated Management System is implemented by ICME ECAB for over a decade and is constantly being improved in order to constitute a powerful tool in managing all material issues of the company. Its procedures ensure the proper operation of the company's daily works. Furthermore they promote the Group policies regarding quality and customer satisfaction, reducing environmental impact due to its activities, constant decrease of occupational risks and awareness raising of all employees in all above.

Within the implementation of the Integrated Management System, key performance indicators (KPI's) are developed and monitored regarding: financial development, quality, environmental impact, workplace health and safety, social impact.

The company succeeds in identifying the trends related to its activities, through systematic examination of these indicators. Furthermore ensures the timely distribution of resources, its balanced and steady development and locating areas for future improvement.



## 1. Company Profile



### Corporate Responsibility in ICME ECAB

Corporate responsibility is incorporated in our range of activities and constitutes the main pillar of our company's development.

We demonstrate responsibility during product's development and new technologies' incorporation. This brings about benefits not only for our company, but for the society as well. We prove actively our environmental concerns as well as our concentration on Health and Safety issues, by undertaking relevant activities. We understand that our professional integrity affects the prosperity of employees, shareholders and all our business partners in general.

The corporate responsibility we all undertake, implies – among other:

- Respect for Human Rights, recognizing the UN Universal Declaration of Human Rights.
- Providing a safe and healthy working environment for the employees, in compliance with applicable laws and regulations.
- Prohibition of child and forced Labour according to ILO conventions C138 and C182.
- Respect for human dignity for all employees. Any kind of harassment, sexual, physical, psychological or verbal or harassment pertaining to any aspects of their gender, nationality, religion, age or lifestyle, culture, customs and any other differentiation parameter is prohibited.
- Transparency and meritocracy regarding working hours and compensation.
- Signing a labour agreement with all employees.
- Minimizing the environmental impact through its constant monitoring. Minimizing as possible the waste and gas emissions through a correct assessment of the environmental risks generated by our activities and our responsible attitude.
- Safe handling and disposal of chemical and other materials identified as hazardous when released to the environment. The use of hazardous materials is avoided when other less hazardous alternatives are available.
- Continuous improvement in resource usage efficiency.
- Respect and strict compliance with national and international legislation and refusal of corruption, bribery, fraud, or other like activities.

ICME ECAB performances in every axis of Corporate Responsibility and Sustainable Development include:



### Our People

Our employees are the leading factors for ICME ECAB development and success. We constantly aim at providing optimal working conditions, in order for them to feel safe, wherever they may work. Through the implementation of training and education programmes we provide them the appropriate knowledge to keep them at the forefront of the latest professional developments regarding their specialization.

Employees in ICME ECAB	%
Men	78%
Women	22%
Employees from the broader region of Calarasi	70%
Employees from Bucharest	30%
Full-time employees	100%
Employees under permanent employment contract	100%

Age Distribution of Human Resources	20-25	25-35	35-45	45-55	Over 55
Men	23	101	123	97	91
Women	6	31	26	36	22
<b>Total</b>	<b>29</b>	<b>132</b>	<b>149</b>	<b>133</b>	<b>113</b>

In ICME ECAB, the ongoing training and development of our people is a key priority. We encourage the participation of all employees in our training programmes and we ensure the development of appropriate conditions in order to facilitate their attendance.

Through the constant training of our human resources we aim at:

- obtaining the necessary knowledge and information arising from modern working environment and contribute in improving their skills and
- dissemination of the fundamental principles of the company regarding the proper professional altitude.

Our aim is to create a common corporate culture grafted on the principles of continuous improvement. Adopting a common corporate contributes in changing the mentality of the employees and makes them to be more sensitive regarding their contribution in company's and society's development.

We transform the many years of specialized experience and creative capacity of our employees into the successful technologies and products that will maintain and strengthen our leading position in marketplace.

We all aim at **creating Added Value** through our activities, since it constitutes the key element of company's sustainable development.

### Caring for our people's Health and Safety

The Occupational Health and Safety Management System is a key part of the integrated management system of ICME ECAB. For these issues also, the company fully complies with the current regulatory framework and has developed related policy and activities in order to support its people. Our aim is the continuous improvement of the working environment and the prevention of accidents and occupational diseases.



## 1. Company Profile

### Seminars in Health and Safety / hours / number of employees

Number of seminars	16
Attendees	1,362
<b>Total training hours</b>	<b>13,135</b>

### Expenditure on Health and Safety by category (in Euro)

Personal Protective Equipment (PPE)	72,900
Fire (maintenance / upgrade of fire protective equipment)	6,873
Medical service and health monitoring	9,607
Staff training on OHS issues	2,200
Operation of Health and Safety Department	2,000
Consulting Services	5,680
Safety upgrade projects	9,965
Workplace cleaning	42,267
<b>Total</b>	<b>151,492</b>



### Our customers and business partners

We ensure high quality levels for our products in order to maintain high satisfaction levels for our **customers** and **partners**. Our products constitute a key success factor of our activities. We use our many years of experience and specialization in order to provide to our customers complete solutions that fully meet their requirements and establish long term relationships of trust with them.

The customers' service level, the constantly high quality of the products and the company's reliability have created a strong corporate identity and reputation for ICME ECAB.

Incorporating **innovation** in our operation, we promptly and successfully meet the current needs, but also form solutions which shall answer to the market's future needs.

### Our Products' Quality

ICME ECAB products bear the registered trade mark of the parent Company HELLENIC CABLES. In addition, significant part of the Company's products is certified from external bodies, as:

- VDE-Germany,
- LCIE - France,
- IMQ - Italy,
- OICPE - Romania,
- EBETAM - Greece,
- SABS – South Africa,
- SII - Israel, etc.

It is worth noting that the manufacture of some products is supervised from specialized bodies, such as: UL - USA, Network Rail - UK, ABS - USA.

Our Quality Management System and our products' certifications along with regular inspections performed by our customers ensure our products' quality. Our performance in these inspections, place us in the list of approved

suppliers of a great number of companies such as: TE Connectivity, Siemens Transportation, Alstom, Electricity Authority of Cyprus, Hungarian Railways, Auto Kabel, Deddie, Romanian Railways Authority, E-On, etc.



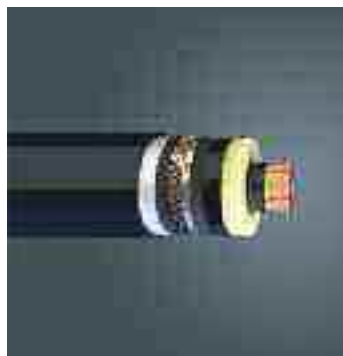
### Our responsibility for Environment

ICME ECAB administration fully implements the environmental policy of HELLENIC CABLES Group of Companies and the current regulatory framework for environment.

Based to our environmental policy framework, we invest on minimizing our environmental footprint as well as implementing methods for continuous improvement of the company's environmental performance. Our environmental goals include optimal use of resources, pollution prevention and efficient waste management.

The participation and support of all our employees plays a key role for our success in protecting the environment. By acknowledging the human factor's contribution, we have developed strict procedures that are mandatory for our employees. Regular training of our human resources and providing information for these issues is our ongoing objective.

Expenditures on environmental protection (in Euro)	2012	2013
Environmental factors' monitoring (chemical analysis, etc.)	14,368	16,796
Operation and maintenance of anti-pollution equipment (special filters, treatment plants, etc.)	-	1,768
Environmental remediation projects	3,540	52,890
Investments on new anti-pollution equipment	1,582	-
Waste management by appropriately licensed subcontractors	125,335	126,064
Permitting obligations (contractors' studies, environmental engineer remuneration, etc.)	-	15,712
<b>Total</b>	<b>144,825</b>	<b>213,230</b>





## 2. Corporate Responsibility and Sustainable Development



### 2.1 Corporate Responsibility Management and CSR Axes

The company develops its business strategies based on the vision, mission and values set and acknowledges that Corporate Responsibility is a fundamental factor for achieving Sustainable Development. The strategic approach of Corporate Responsibility is based on five axes, in order the company to complete its mission and comply with values and commitments towards its stakeholders:

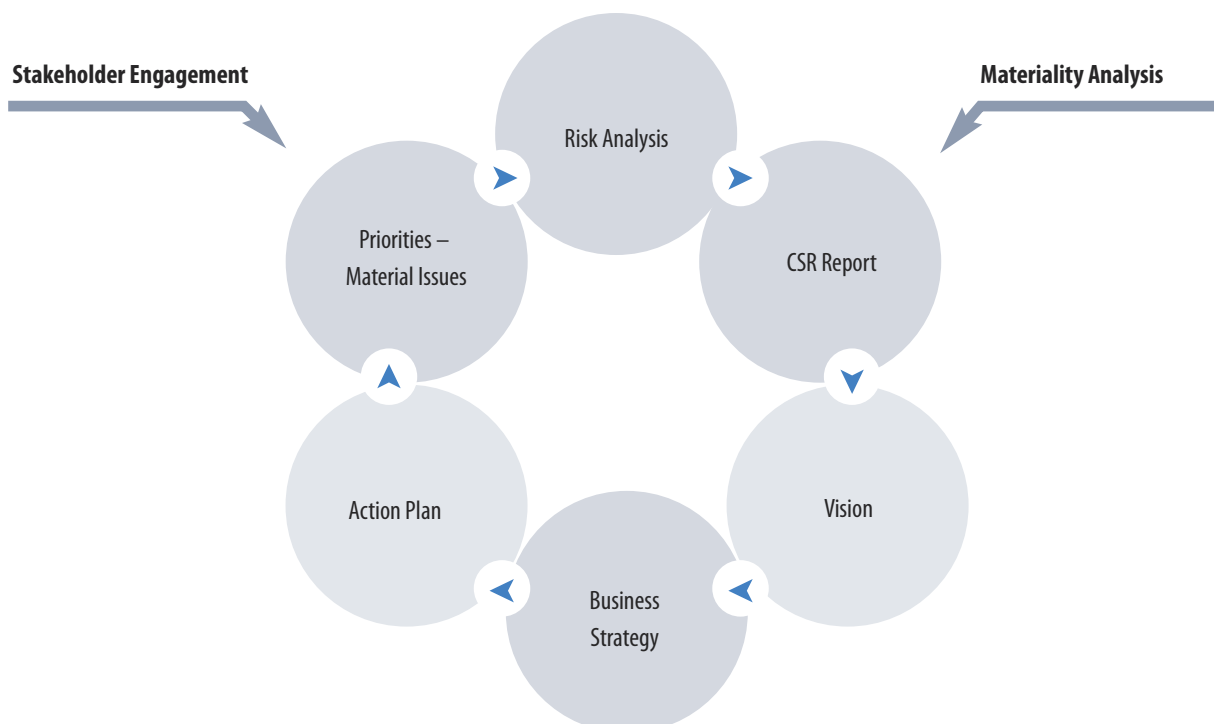
- Corporate Governance and Economic Development
- Marketplace (customers, partners and suppliers)
- Human Resources
- Environment
- Local Community

### Corporate Responsibility Axes



The aforementioned axes were identified upon the completion of the materiality process. During the materiality process, the Company's CSR team has assessed and prioritized the most important issues. The issues raised were further discussed with representatives from different stakeholder groups in order to confirm the implementation of the process.

By publishing on an annual basis its Corporate Responsibility and Sustainable Development Report in the last five years HELLENIC CABLES has established a regular communication with its stakeholders and therefore is able to take advantage of its stakeholders opinions and engagement results. The methodology developed by the Company in order to effectively manage its corporate responsibility issues includes the following steps:



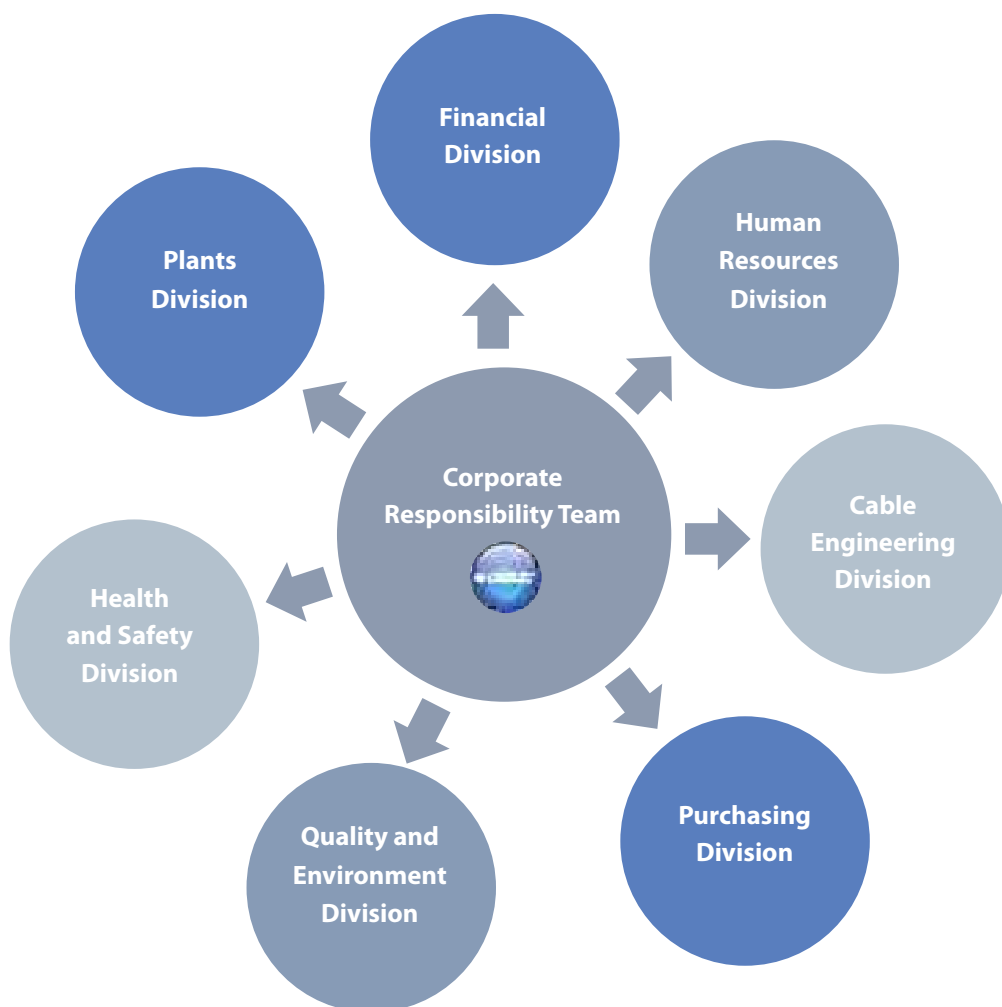


## 2. Corporate Responsibility and Sustainable Development

The Corporate Responsibility Team which is comprised of representatives from all divisions, thus covering the full range of the Company operations, assures the successful implementation of the above mentioned methodology. The Corporate Responsibility Team is responsible for designing the Annual Action Plans, and for reviewing, on a regular basis, the arising Corporate Responsibility issues.

The Head of Cable Engineering and Marketing Division has undertaken the task of coordinating the management of Corporate Responsibility and Sustainable Development issues and in collaboration with other company divisions, takes care to disclose the practices and policies of responsible development to all departments and employees of the Company. At administrative level, the person-in-charge of Corporate Responsibility and Sustainable Development issues is the General Manager, who shall inform the Board of Directors of the Company.

The Company's objective is to ensure that the Corporate Responsibility activities cover the full range of its operations and facilities.







## 2.2 Corporate Social Responsibility and Sustainable Development Policy

HELLENIC CABLES and its subsidiaries have incorporated the principles of Corporate Social Responsibility in their business operations, thus recognizing that their long-term growth and prosperity of society at large can only be achieved through Sustainable Development. Concern for employee Health and Safety, respect and protection of the environment, comprehensive coverage of customer needs and harmonious coexistence with the local communities in which they operate are the main issues of Corporate Social Responsibility of HELLENIC CABLES and its subsidiaries.






Corporate Social Responsibility and Sustainable Development Policy of HELLENIC CABLES is in accordance with the Company's values of responsibility, integrity, transparency, effectiveness and innovation and is determined by the Management, which is committed to the following issues:

- Implementation of the CSR Policy at all levels and in all the Company's operating entities.
- Strict compliance to the legislation in force and full implementation of standards, policies, internal guidelines and procedures applied by the Company as well as other commitments, arising from voluntary agreements, countersigned and accepted by HELLENIC CABLES.
- Two-way and on-going communication with all stakeholders in order to identify and record their needs and expectations. Development of mutual trust relations with the stakeholders makes a significant contribution to meeting the Sustainable Development objectives.
- Providing safe and healthy working environment for our people, collaborators and any third party involved.
- Protection of human rights and provision of a work environment of equal opportunities, free from any discrimination.
- Open communication, based on transparency, with all the Company's stakeholders.
- Continuing efforts to reduce the environmental footprint, though implementing responsible actions and preventive measures in accordance with Best Available Techniques, in order to reduce and minimize the impact of the Company's operations on the environment.
- Continual pursuit of creating shared value for the stakeholders.

In order to realize the aforementioned commitments - even beyond formal compliance with the legislation in force - the Company voluntarily and responsibly has been planning and implementing the relative programmes, while, at the same time, setting strategic priorities, which focus on the following areas of Corporate Social Responsibility of HELLENIC CABLES:



## 2. Corporate Responsibility and Sustainable Development

	1. Economic Growth and Corporate Governance	The Company aims to achieve positive financial results, implements a system of sound Corporate Governance, assesses and manages business risks in order to safeguard the interests of the stakeholders. It develops procedures and takes measures both to enhance transparency and to prevent and combat corruption.
	2. Marketplace	The Company focuses on achieving best and complete customer satisfaction and invests in Research and Development in order to provide new products and services of high quality and added value, thereby improving its position in an ever-evolving business environment. Additionally, responsible business conduct is required to be practiced by the Company's suppliers and collaborators.
 	3. Human Resources – Occupational Health and Safety	<p>The Company respects and supports internationally- recognized human rights and implements fair reward, meritocracy and equal opportunities policies in respect of all its employees, free from any discrimination. It also provides opportunities for ongoing training and development of human resources with respect to its personnel diversity.</p> <p>A healthy and safe working environment is a matter of primary importance to the Company. The Company continually takes measures and implements investment plans, aiming at continuous improvement of Health and Safety at work.</p>
	4. Environment	Concerning the domain of environmental management, the company applies the principle of prevention and takes systematic steps to minimize the impact of its operations on the environment. Aiming at environmental protection, the Company implements various programmes for optimal management of resources, promotes metal recycling, reduction of carbon emissions and waste management.
	5. Local Communities	The Company designs and implements actions to meet the fundamental needs of society in terms of employment, development, education, health, environment, social welfare and culture. It encourages volunteerism and supports initiatives, in order to develop the local communities, in which it operates.

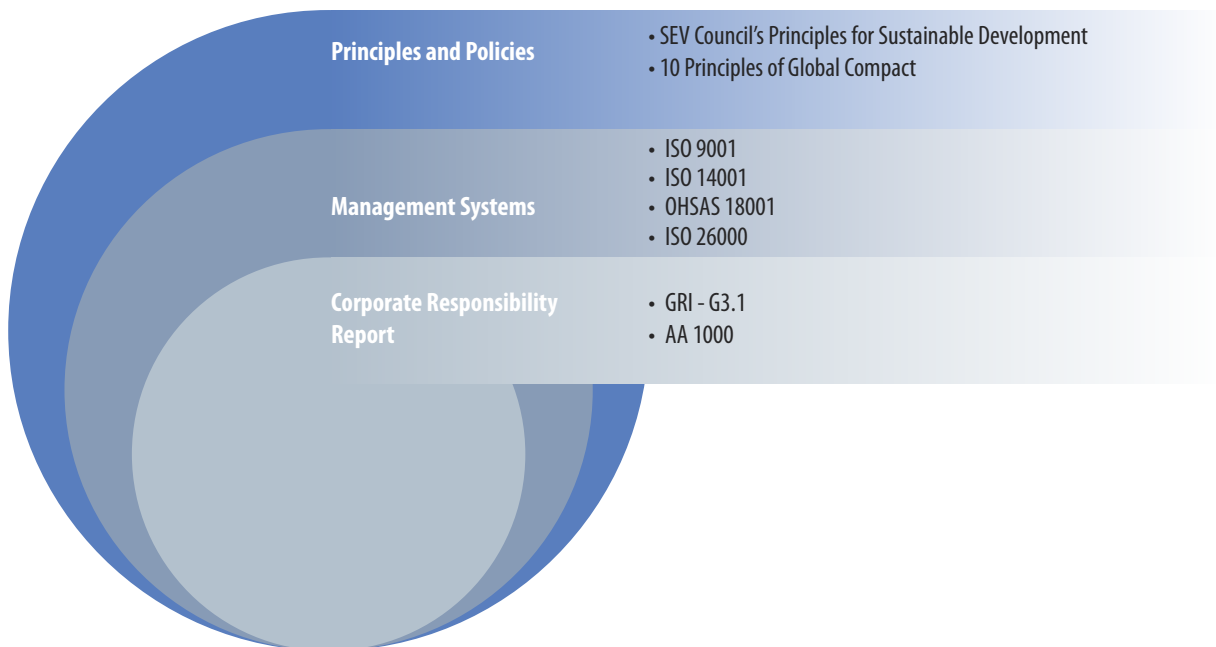
In respect of all the above key issues concerning HELLENIC CABLES and its subsidiaries, we set targets of Corporate Social Responsibility and Sustainable Development, which are annually assessed for their effectiveness and revised when deemed necessary.

The relevant policy, the results of HELLENIC CABLES performance as regards issues of Corporate Social Responsibility, as well as the implementation of programmes and achieving the objectives set, are disclosed, on an annual basis, in order to keep all stakeholders informed.

The opinions and view of the stakeholders are taken into account under an annually-held Management Review of all the above issues.

## 2.3 Commitments and International Standards

The Company implements international standards directives also in compiling its annual Corporate Responsibility and Sustainable Development Report. The implemented International Standards are:



### SEV Council for Sustainable Development

HELLENIC CABLES has adopted the Code of Conduct of SEV Council for Sustainable Development which participates in the regional network of World Business Council for Sustainable Development (WBCSD). The council aims at contributing in the establishment of a dialogue frame to address the key issues regarding Sustainable Development, between incorporations, State and the society in general.



**Further information on the Code of Principles of SEV Council for Sustainable Development is available on SEV website**  
[www.sevbcsd.org.gr/principles](http://www.sevbcsd.org.gr/principles)





## 2. Corporate Responsibility and Sustainable Development

### Global Compact Principles

Furthermore, HELLENIC CABLES respects the principles of the United Nations Global Compact and through the annual Corporate Responsibility and Sustainable Development Report discloses its actions in relation to the 10 Principles. Specifically, commitments and actions taken by the Company to comply with the Principles of the Global Compact are presented in the table below:

10 Principles of Global Compact	Our Commitments	Our Systems and Procedures
<b>Human Rights</b>		
<p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p><b>Principle 2:</b> make sure that they are not complicit in human rights abuses.</p>	<p>Corporate Responsibility and Sustainable Development Policy</p> <p>Respect for internationally agreed human rights is an unquestioned principle for HELLENIC CABLES</p>	<p>The Company takes due care to ensure the observance of human rights throughout its operations.</p> <ul style="list-style-type: none"> <li>• Employees' Code of Conduct and Values</li> <li>• Procedures as defined by the "Internal Regulations".</li> </ul>
<b>Labour</b>		
<p><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p><b>Principle 4:</b> the elimination of all forms of forced and compulsory labour;</p> <p><b>Principle 5:</b> the effective abolition of child labour;</p> <p><b>Principle 6:</b> the elimination of discrimination in respect of employment and occupation.</p>	<p>Corporate Responsibility and Sustainable Development Policy</p> <p>The Company implements open door policy in order to establish direct contact between all the hierarchy levels. Being in full compliance with the relevant legislation, the Company is explicitly against all forms of child and forced and / or compulsory labour. Through the adopted procedures, the Company ensures that its employees are over 18 years old. Additionally, the Company implements equal opportunities policy and avoids any form of discrimination.</p>	<p>The Company ensures safeguarding and maintenance of recognized labour rights throughout its operations.</p> <ul style="list-style-type: none"> <li>• Employees' Code of Conduct and Values</li> <li>• Procedures as defined by the "Internal Regulations".</li> </ul> <p>Moreover, the Company implements Health and Safety Management Systems in all its plants, which are certified according to the requirements of standard OHSAS 18001.</p>
<b>Environment</b>		
<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>Principle 8:</b> Businesses should undertake initiatives to promote greater environmental responsibility;</p> <p><b>Principle 9:</b> Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Corporate Responsibility and Sustainable Development Policy, Environmental Policy</p> <p>The Company ensures minimal possible burden on the natural environment in full compliance with the existing legislation. The Company adopts the precautionary principle in the management of its environmental issues.</p>	<p>The Company implements Environmental Management System certified according to the requirements of the International Standard ISO 14001:2004 and makes efforts to reduce its environmental footprint.</p>
<b>Anti-Corruption</b>		
<p><b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>The Company is against all forms of corruption. The Company is committed to operating in an ethical and responsible manner and implements procedures, aimed at controlling and monitoring all its activities.</p>	<p>The Company ensures development of transparent procedures in order to combat all forms of corruption in the entire course of its operations.</p> <ul style="list-style-type: none"> <li>• Employees' Code of Conduct and Values</li> <li>• Procedures as defined by the "Internal Regulations"</li> <li>• Internal Audit</li> <li>• Independent Auditors' Audit.</li> </ul>

Further information about UN Global Compact is available on <http://www.unglobalcompact.org/>



#### ISO 14001 for the Environment

The Company implements the internationally recognized standard ISO 14001 in all its plants (Thiva, Oinofyta and Corinthia), since the establishment of an operational and administrative model based on the following three commitments, is considered of key importance:

- Pollution prevention,
- Continuous improvement of environmental performance and
- Compliance with laws and legislation.

#### OHSAS 18001 Standard for Workplace Health and Safety

In the area of Health and Safety the Company implements the internationally recognized standard OHSAS 18001, aiming at setting specific goals and objectives and furthermore implementing activities for its achievement. Elimination of occupational accidents, creating a safe working environment and a Health and Safety culture for all employees constitute our vision. It is noted that all Company's plants are certified according to the requirements of the international standard OHSAS 18001 Workplace for Health and Safety.





## 2. Corporate Responsibility and Sustainable Development

### Standard on Corporate Responsibility ISO 26000

Having already implemented the aforementioned ISO management systems, the Company launched the process of integrating the guidelines of the new standard into its procedures. As this new standard constitutes a framework of guidelines and not a certifiable management system, the effort regarding integration of its principles is a long and continuous process. In particular, the table below presents, per standard Axis, actions and commitments made by the Company:

#### 1. ORGANIZATIONAL GOVERNANCE

Selecting appropriate corporate governance principles and practices is a commitment, which protects the interests of all the company's Stakeholders. Through the decisions taken at both strategic and operational level, the Company seeks to promote the concept of business ethics, ensure transparency of its operations and achieve Company's management compliance with the interests of its stakeholders. Further details are included in the chapter "Financial Development and Corporate Governance".

#### 4. LABOUR PRACTICES

It's the people at HELLENIC CABLES that play the major role in its development. In line with the aforementioned commitment, the Company has developed Human Resource Policies and implemented procedures, which lead to the development of its employees' professional skills. Further details are presented in the chapter "Our People". Our key priority is to provide a safe workplace where the employees' health is protected. The Company has developed and implements certified Health and Safety Management Systems under international standard OHSAS 18001 at all its plants. Further details are included in the chapter "Health and Safety in our Workplace".

#### 7. COMMUNITY INVOLVEMENT AND DEVELOPMENT

The Company supports local communities and covers a very important part of its needs of human resources from their workforce. Moreover, it supports local entrepreneurship, selecting suppliers from the local communities, in which it operates (where possible). Further details are included in the chapter "Our Contribution to Society".

#### 2. FAIR OPERATING PRACTICES

The Company aims at meeting the needs and expectations of its stakeholders in a transparent manner and thus respects the codes of ethics within the organization as well as in its transactions with any part of its value chain. The Company carries out preventive actions related to the determination of the limits of responsibility and influence, exercised by every person, the development of controls for prevention of corruption, the conduct of relevant audits throughout the Company as well as the provision of information to its executives on transparency and corruption issues. As a result of the Company actions, no case of corruption has been identified for another consecutive year.

#### 5. CUSTOMER ISSUES

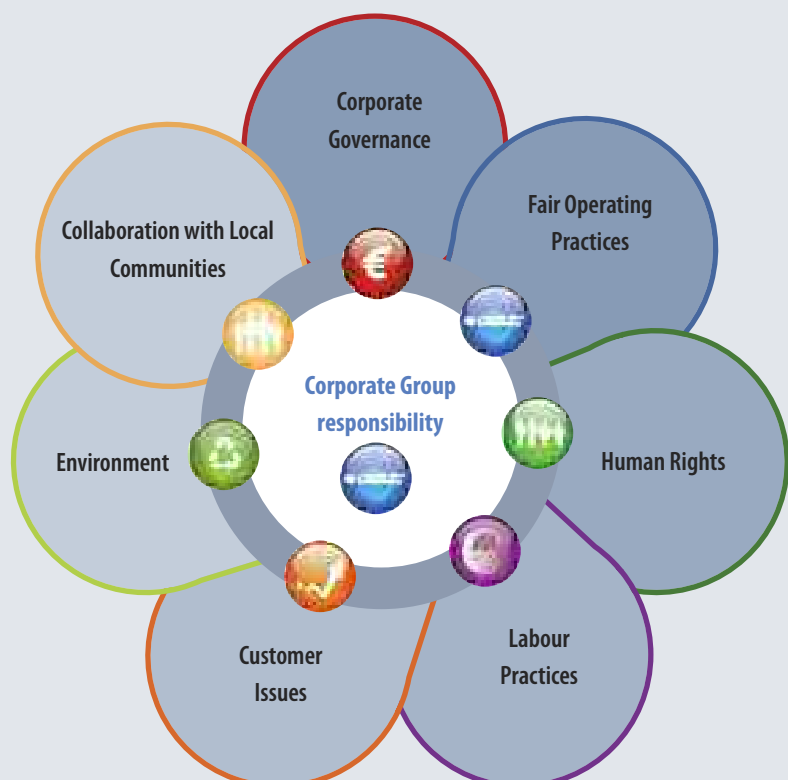
Manufacturing high quality products, which is one of its key competitive advantages of the Company, is an issue of non-negotiable priority. The Company seeks to establish relationships of mutual trust with its customers, aiming at their satisfaction and ensuing harmonious terms of cooperation. The Company applies procedures for measuring customer satisfaction and recording complaints, in order to take corrective measures. Further details are included in the chapter "Our Presence in the Marketplace".

#### 3. HUMAN RIGHTS

Providing equal opportunities and respect for human rights are two important principles of Company's code of conduct. Promoting Human Rights is in full accordance with Greek Legislation, thus making it our non-negotiable priority. In 2013 a specialized training on Human Rights to senior executives was held. Further details are included in the chapter "Our People".

#### 6. ENVIRONMENT

The Company is aware of environmental consequences of its activities and is committed to manufacturing quality products using means and methods that help reduce its environmental footprint. The objective is to continuously improve its environmental performance. Regarding the total of its plants, the Company applies the comprehensive Environmental Management System, which is certified under international standard ISO 14001:2004. Further details are included in the chapter "Our Environmental Approach".



### Global Reporting Initiative Guidelines Framework

The Global Reporting Initiative (GRI) is the international organization that issues the guidelines GRI-G3.1. These guidelines are the most recognized framework for the development of a CSR Report worldwide. We implement and follow GRI guidelines, having decided to develop our annual CSR Report in accordance with international regulations. Thereby our CSR Report presents conclusions and results based on specific performance indicators and within the company's commitments-obligation, strategy and corporate governance framework.

**The last chapter of the current Corporate Responsibility and Sustainable Development Report 2013 includes tables presenting the linkage both – between Global Compact principles and the indicators of international framework, GRI-G3.1 and the new International Standard ISO 26000 with the GRI-G3.1.**

## 2.4 Materiality Analysis

In developing the Corporate Responsibility and Sustainable Development Report 2012, assessment and prioritization of the material issues was realized through the materiality procedure for first time. Defining the material issues (materiality analysis) was based on the Global Reporting Initiative GRI-G3.1 guidelines and the Accountability standard AA 1000. Material Issues that were published in this report were next evaluated by stakeholders' representatives through the "Corporate Dialogue workshop", organized during the BRAVO awarding procedure.

The participants (social partners) of the workshop were in total seven (7): five (5) that were proposed from the Company and two (2) from BRAVO committee.

This specific methodology included the following steps:

1. Each participant independently made his/her first observations and remarks, regarding the report in general.
2. They joined an open dialogue related to the material issues per CSR pillar, in order to create a common acceptable material issues list.
3. Each participant independently prioritized the material issues.

Result of the fore mentioned procedure was the compiling of report sent to the company. The report has included:

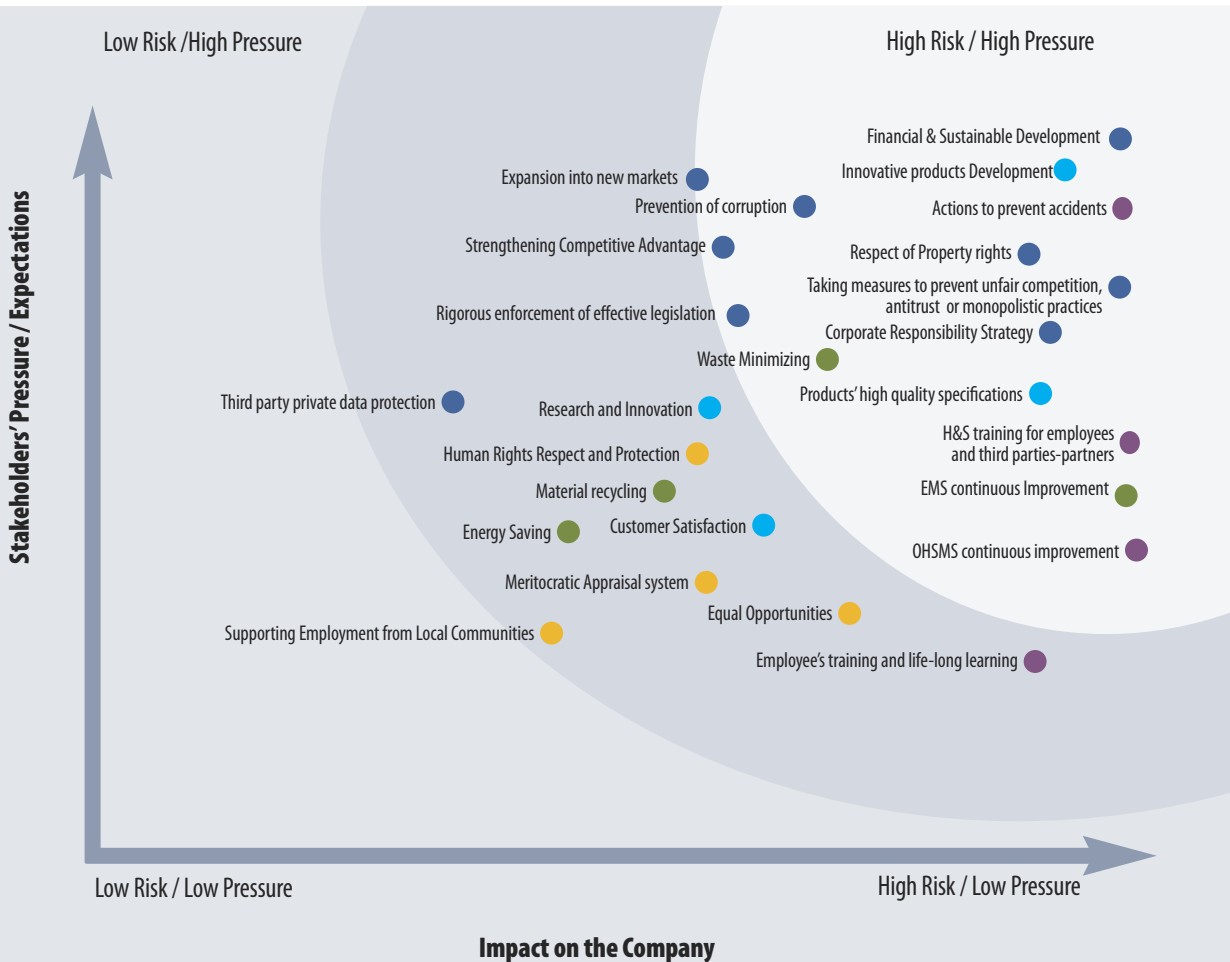
- Individual and overall remarks of the participants regarding the Report
- list of material issues and,
- material issues ranking.





## 2. Corporate Responsibility and Sustainable Development

### Materiality Map



**The vertical axis represents the Stakeholders' pressure per material issue and the horizontal axis the remaining impact on the Company (based on the residual risk), after implementing corporate responsibility programmes.**

On developing the current Report, the CSR team reassessed the material issues considering the stakeholders' remarks and concerns. This information was disclosed to the team through unofficial feedbacks and opinions from various stakeholders throughout the year. Also, changes that have taken place in market conditions and in the Company's operational environment have been included. The reassessment procedure's results formed the "materiality map".

The Company's CSR material issues are the basis - both for the development of the Corporate Responsibility and Sustainable Development Report, and for the formulation of action plan in response to stakeholders' needs and expectations.

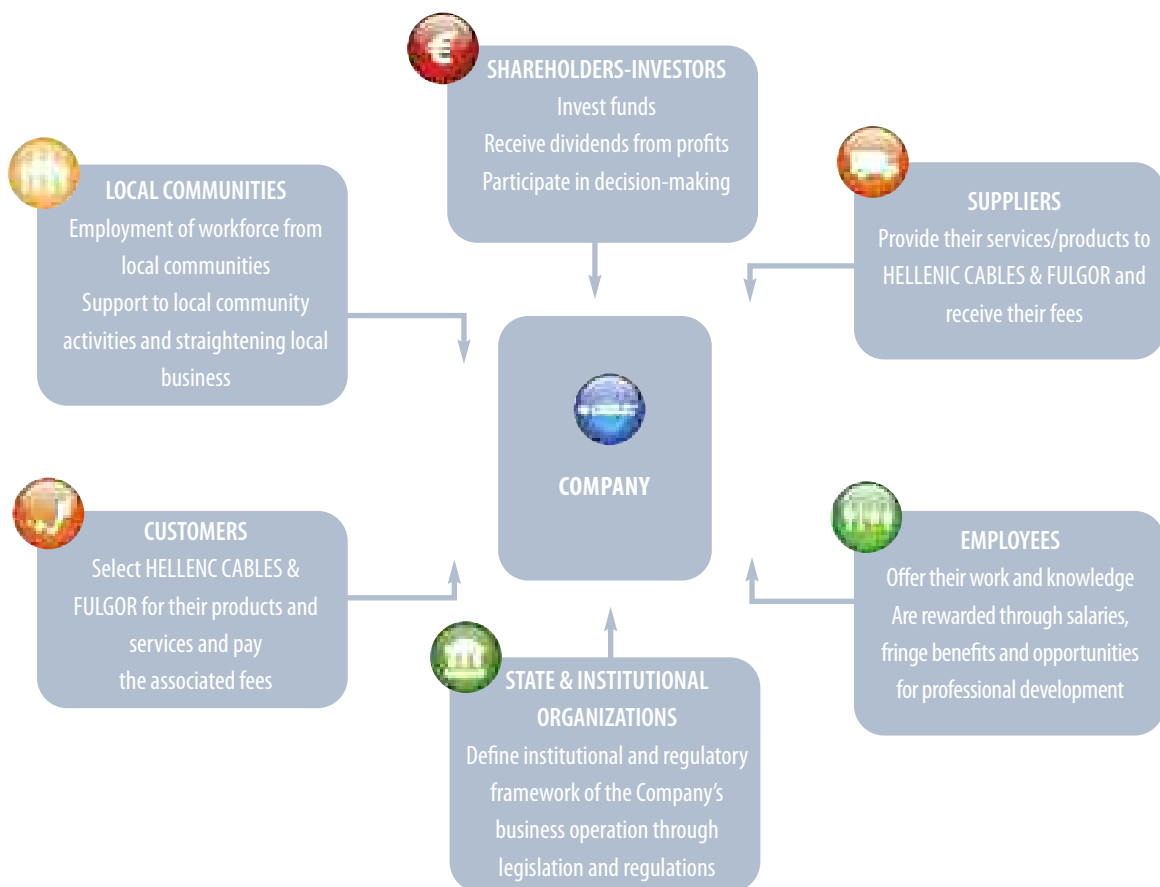
Identifying the material issues provides the basis for decision making regarding CSR issues (per corporate division and CSR axis) that could affect the Company's performance.



## 2.5 Stakeholder Engagement

The Company has identified as stakeholders all the groups which directly link to its activities. Stakeholders are defined as all those that affect or are significantly influenced by the Company's operations. Considering the factors that determine the Company's relations with its stakeholder groups, the interaction framework in respect of every such group has been recorded as follows:

### Stakeholders of HELLENIC CABLES and FULGOR – Interaction Framework



Engaging with the Company's stakeholders includes a broad framework of interactive communication. In establishing a two-way communication, we have developed a variety of techniques and communication channels regarding all our stakeholder groups to ensure that we keep informed and operate in a way that takes into account their needs and concerns.

#### Common communication channels

for all our stakeholders are:

- Corporate websites [www.cablel.com](http://www.cablel.com) and [www.fulgor.com](http://www.fulgor.com)
- Annual Financial Report and Annual Corporate Responsibility and Sustainable Development Report
- Corporate presentations at conferences, fora and institutions
- Press releases, announcements, reports, articles etc.



## 2. Corporate Responsibility and Sustainable Development

### Stakeholders of HELLENIC CABLES and FULGOR:

#### «How we communicate and the issues – concerns recorded within 2013»



SHAREHOLDERS

##### How we communicate

- Annual General Meeting
- Extraordinary General Meetings
- Analysts' communication with the Company's executives
- Investor Relations Department
- Reporting and presentation of results on quarter, half-year and annual basis

##### Main issues

- Earnings and dividends
- Company's expansion into new markets
- Incorporating innovative ,modern and high technology products
- Strengthening the Company's competitiveness
- Operating cost containment
- Ensuring the rights and interests of shareholders
- Responsible Corporate Governance and Sustainable Development



CUSTOMERS

##### How we communicate

- Customer Satisfaction Survey (every 2 years)
- Customer Service Department
- Ongoing contact through the Commercial Department
- Complaint handling
- Presence at segment exhibitions

##### Main issues

- High level of service
- Quality and reliability of products and services
- Incorporating innovative ,modern and high technology products
- Delivery Time
- After sales support
- Avoid supplying chain problems
- Total solution provider



EMPLOYEES

##### How we communicate

- Intranet
- Annual employee satisfaction survey
- Update via electronic correspondence and newsletters on bulletin boards (for labour force)
- Corporate Events

##### Main issues

- Growth and development
- Training programmes
- Health and Safety Issues
- Employees Appraisals
- Recruitment & Retirements
- Additional Benefits



SOCIETY

##### How we communicate

- Communication with local authorities
- Participating in local communities events
- Organized visits to facilities

##### Main issues

- Support of employment through recruiting employees from the local communities
- Selecting suppliers from the local communities
- Support of local communities activities
- Environmental protection



SUPPLIERS

##### How we communicate

- Communication with suppliers through Supplies Department of the Company
- Collaboration with selected suppliers on additional product certification
- Participation in segment associations
- Presence at suppliers' exhibitions

##### Main issues

- New products development
- Expansion into new markets
- Products Certification
- Merit-based / objective assessment
- Support of local suppliers
- Payment issues



STATE AND INSTITUTIONAL ORGANIZATIONS

##### How we communicate

- Participation in conferences and events of Company's sector or general business interest
- Consultation with state and institutional bodies' representatives at national or/and regional level

##### Main issues

- Compliance with effective legal and regulatory framework
- Support of state activities and programmes
- Payment of taxes
- Export activity
- Employment

Material issues arising from the dialogue and cooperation with stakeholders are assessed by the Company while developing its action plans, in order to promote cooperation and generate added value for every stakeholder group. The information, arising from the ongoing communication with stakeholders is incorporated into:

- business process re-engineering
- improving performance in specific areas (products, services, production processes, Health & Safety, environmental performance)
- upgrading the level of cooperation with each group and community in general.

Individually designed policies, approaches and activities regarding the most significant of the aforementioned issues are recorded in the respective Chapters of the Company's Corporate Responsibility and Sustainable Development Report.









*Corporate Responsibility Team*



## 2. Corporate Responsibility and Sustainable Development

### 2.6 Our Response to Stakeholders Needs

The Corporate Responsibility issues, as recorded above, are subject to systematic management across the whole range of our operations. In particular we have identified the key areas based on the results of the materiality analysis and we implement relative actions to respond to the most important issues.

Stakeholders	Our response and key actions to main issues per stakeholder group
 Customers (buyers and product users)	<ul style="list-style-type: none"> <li>• Implementation of Quality Management System according to the requirements of the international standard ISO 9001:2008, to ensure the quality of products and services (see Chapter "Our Presence in the Marketplace", section "Product Quality").</li> <li>• Development of products incorporating technology for the safety of end-users (fire retardant cables, fire resistant cables, low smoke emission) (see Chapter "Our Presence in the Marketplace", section "Caring for Health &amp; Safety within the Product's Life Cycle").</li> <li>• Qualitative and efficient customer service (see Chapter "Our Presence in the Marketplace", section "Customer-Focused Philosophy").</li> </ul>
 Employees	<ul style="list-style-type: none"> <li>• Implementation of Certified Health and Safety Management System in accordance with the requirements of OHSAS 18001:2007.</li> <li>• Implementation of a 360 employees' evaluation system (see Chapter "Our People" section "Human Resources Performance Appraisal").</li> <li>• Training programmes and lifelong learning (see Chapter "Our People" section «Human Resources Training»).</li> <li>• Additional benefits to all the employees (see Chapter "Our People", section "Benefits to our people").</li> <li>• Enforcement of an "open doors" policy for all employees and arrangement of regular meetings between top and middle management in order everyone to be informed on the Company's developments (see Chapter "Our People", section "Internal Communication").</li> </ul>
 Suppliers	<ul style="list-style-type: none"> <li>• Implementation of procedures for selecting and assessing the suppliers (see Chapter "Our Presence in the Marketplace", section "Our Suppliers").</li> <li>• Performing annual controls of selected suppliers.</li> </ul>
 Local Communities	<ul style="list-style-type: none"> <li>• Supporting local employment by recruiting manpower from the broader area, in which the Company operates (see Chapter "Our Contribution to Society", section "Supporting Local Employment").</li> <li>• Supporting suppliers from the local community (see Chapter "Our Contribution to Society", section "Supporting Local Economy").</li> </ul>
 Shareholders – Investors	<ul style="list-style-type: none"> <li>• Targeted actions to improve financial outcomes at all levels (chapter "Financial Development and Corporate Governance").</li> <li>• Publication of Corporate Responsibility and Sustainable Development Report, while constantly improving standards of accountability and in conformance with the internationally recognized guidelines GRI-G3.1, AA1000 and the new ISO 26000 for Social Responsibility Development.</li> </ul>
 State & Institutional Organizations	<ul style="list-style-type: none"> <li>• Development and implementation of procedures to facilitate full and strict Company's compliance with legislation.</li> <li>• Collaboration with state and institutional bodies to achieve the Company's effective contribution to country's economic recovery.</li> </ul>

## 2.7 Recognition of HELLENIC CABLES performance

The Company continually seeks improvement regarding its financial position, its business course and the presented sound accountability. This effort was also recognized in 2013.

### “TRUE LEADER” award

For the third consecutive year, HELLENIC CABLES was awarded as “True Leader” on October 22, 2013. Such awards are granted only to the companies and groups of companies, which simultaneously satisfy specific, objective and measurable criteria, noting high performance and progress in 2012. In particular, out of a total of 20.500 entities surveyed, only 35 Companies and 8 Groups - among them HELLENIC CABLES - managed to successfully meet the following required criteria:

- They are included in the 500 most profitable companies or 200 most profitable groups of companies for the year 2011, based on the financial data of Business Leaders in Greece edition (EBITDA criterion ranking).
- They are among 500 companies or 200 groups of companies with the highest number of employees and have experienced an employment growth from 2011 to 2012.
- The Companies or the Leading Group companies have high ICAP Credit Score (for Group of Companies, the leading Company is evaluated).
- They are ranked in the 10 top positions of their respective industries (based on turnover).



The award ceremony was held under the auspices of the Ministry of Development, Competitiveness, Infrastructure, Transport and Networks. There were participation of senior executives from the Greek market and representatives of policy makers from the Hellenic Federation of Enterprises (SEV), Athens Chamber of Commerce and Industry (ACCI), the National Confederation of Greek Commerce (ESEE), the Association of Chief Executive Officers (ACEO), etc. The award ceremony is organized by ICAP Group.

### «Bravo! 2014» Awards

The evaluation results of the Sustainability Reports published in 2013 were presented during the Bravo! 2014 ceremony. According to these results HELLENIC CABLES Corporate Responsibility and Sustainable Development Report earned a distinction in category “Consumers and Marketplace”.

### Award for the 2012 Corporate Responsibility and Sustainable Development Report

The Company’s attitude towards sustainability and its relative actions are included in the annual Corporate Responsibility and Sustainable Development Report. In 2013, Corporate Responsibility and Sustainable Development Report 2012 was awarded for yet another year by the University of the Aegean. The company was among the top 5 companies, whose Reports were assessed and distinguished. The assessment is based on the specifications of GRI-G3.1 Reporting Framework on Corporate Social Responsibility (CSR). It is related to the level of compliance with the indicators of the GRI-G3.1 framework, the coverage level of CSR principles and integration of CSR strategy.





## 3. Financial Development and Corporate Governance



### 3.1 Financial Performance

2013 was a very contradictory year for the Company, since we were confronted to consequences of decreasing demand, increased competition, the falling metal prices and the difficult funding situations. On the other hand, the completion of the investment project regarding FULGOR creates promising perspectives.

Although the Company remains the leading force in domestic market for one more year, the financial results were affected by the decreasing demand. A corresponding decreasing demand was observed in main European markets as well, reducing the Company's exports, at least to these markets. On the other hand, the exports to countries outside the EU were increased.

It is worth mentioning that, despite the difficulties the company faced, it proceeded in significant investment programme of almost euro 50 million.

The majority were state of the art equipment-related investment for manufacturing high voltage submarine cables in FULGOR. Investments were also made in order to reinforce the capacity, the productivity and the flexibility of HELLENIC CABLES.

HELLENIC CABLES financial results (in million Euro)	2011	2012	2013
Total revenue (turnover)	326.66	363.52	259.17
Operating profit	7.9	0.0	-5.0
Operating cost	318.8	363.5	264.2
Payments to capital providers	7.9	12.9	11.2
Profit / (loss) before tax	1.6	-8.9	-12.4
Net profit / (loss) after tax	1.1	-6.9	10.7
Tax payment – indirect (VAT)	4.0	1.0	0.9
Tax payments – direct	0.6	0.5	0.5
Total payments to governmental bodies (total of indirect and direct tax payments)	4.6	1.5	1.4
Grants (excluding Manpower Employment Organization) OAED	0.8	3.5	1.9
Total Equity	94.5	87.5	77.2
<b>Total investment</b>	<b>5.2</b>	<b>3.9</b>	<b>1.8</b>
<b>Total assets</b>	<b>238</b>	<b>257</b>	<b>265</b>

FULGOR financial results (in million Euro)	2011	2012	2013
Total revenue (turnover)	19.61	146.91	117.8
Operating profit	(4.35)	(2.22)	(3.0)
Operating cost	23.96	149.14	120.86
Payments to capital providers	5.7	2.5	2.9
Profit / (loss) before tax	(3.9)	(5.4)	(7.0)
Net profit / (loss) after tax	(2.4)	(5.0)	(9.4)
Tax payment – indirect (VAT)	0.2	1.9	0.9
Tax payments – direct	0.4	0.4	0.4
Total payments to governmental bodies (total of indirect and direct tax payments )	0.5	2.3	1.3
Total Equity	4.7	18.1	14.3
<b>Total investment</b>	<b>0.5</b>	<b>8.7</b>	<b>48.0</b>
<b>Total assets</b>	<b>75</b>	<b>82.5</b>	<b>144.0</b>

**Further information on the Company's financial results is included in the Annual Financial Report 2013, Annual Report 2013 and in the Companies' websites [www.cablel.com](http://www.cablel.com) and [www.fulgor.com](http://www.fulgor.com).**



### 3. Financial Development and Corporate Governance

#### 3.2 Corporate Governance

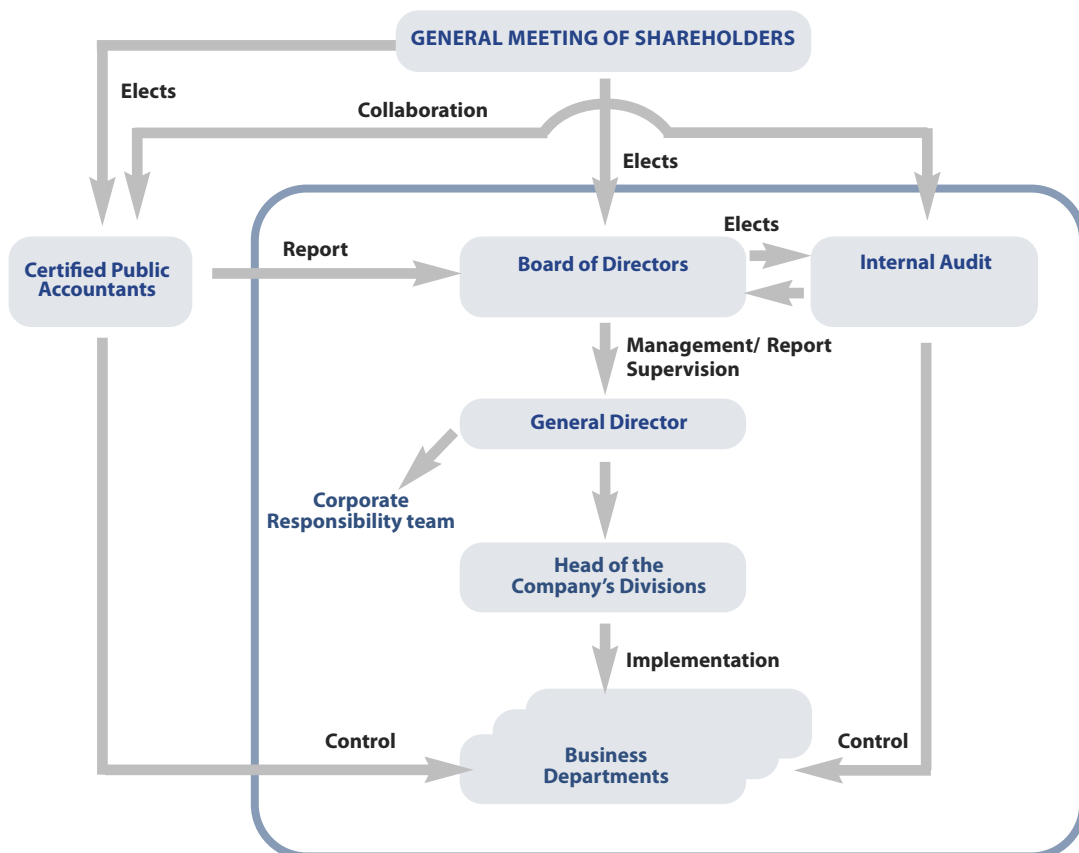
Being a company with worldwide presence, the selection of appropriate corporate governance principles and practices and, therefore the protection of all its stakeholders' interests, is a commitment.

Through the decisions taken at both strategic and operational levels, the Company seeks to promote the concept of business ethics and facilitate alignment of its management with its stakeholders' interests.

With a view to maximizing the Company's value to the advantage of its stakeholders, as well as ensuring the adequate, accurate and timely provision of information to them, we have developed the corporate governance framework, which includes:

- management bodies with clearly defined roles, responsibilities and obligations,
- appropriate organizational structure and corporate processes,
- effective internal control system and
- organized communication system with both the company's exterior and interior environment.

#### Company's Corporate Governance System





## Company's Corporate Governance System

The members of the HELLENIC CABLES Board of Directors are elected for a one-year term by the General Meeting of shareholders. The existing Board of Directors of HELLENIC CABLES consists of 12 members and was elected by the General Meeting on 14 June 2013. A special General Meeting on 28 November 2013 validated the election of Mr. Georgios Passas as a member of the Board of Directors from 17 October 2013 replacing Mr. Rudolf Wiedenmann.

The Board of Directors is formed with a view to ensuring fair and equitable treatment of all shareholders, including minority shareholders and foreign shareholders. In its majority, HELLENIC CABLES Board of Directors consists of non-executive members and includes at least two independent non-executive members, thus maintaining the required balance between executive and non-executive members and protecting the company from making any choices and taking any decisions that might serve the interests of an individual or a group of individuals rather than the company as a total.

## HELLENIC CABLES Board of Directors \*

Full Name	Role
Ioannis Batsolas	Executive Member, Chairman of BoD
Costantinos Laios	Non Executive Member, Vice Chairman
Ioannis Stavropoulos	Executive Member
Nikolaos Galetas	Independent Non Executive Member
Alexios Alexiou	Executive Member
Georgios Passas	Executive Member
Andreas Kyriazis	Independent Non Executive Member
Michail Diakogiannis	Non-Executive Member
Georgios Stergiopoulos	Non-Executive Member
Andreas Katsanos	Non-Executive Member
Iakovos Georganas	Non Executive Member
Ronald Gee	Non Executive Member

\* HELLENIC CABLES Board of Directors members' CVs are presented in the Annual Report 2013 and Annual Financial Report 2013.

The Audit Committee supports the Board of Directors of HELLENIC CABLES to fulfill its mission of safeguarding the effectiveness of accounting and financial systems, audit mechanisms, business risk management systems and assure compliance with both the legal and regulatory framework and effectively implement Corporate Governance principles. The Audit Committee of HELLENIC CABLES is elected and acts under the Law 3693/2008 and consists of three non-executive members of the Board of Directors, one of whom is independent.

**1. An independent non-executive BoD member is defined as the member who a) has not served or does not currently serve as an employee executive officer or president of the BoD of the Company or subsidiary within the previous three years, b) does not have or did not have within the previous year material business relationship with the Company or subsidiary, particularly as a major customer, supplier or consultant of the Company or as a partner, shareholder or member of the BoD, or as a senior executive of a legal entity that has such relationship with the Company or any subsidiary, c) has no second-degree affinity or marital relationship with a non-independent BoD member, senior executive director or key shareholder of the Company or its subsidiary and d) does not hold shares representing more than 0.5% of the share capital of the Company (L.3016/2002). A non-executive member is not involved in handling the daily issues of the Company.**



### 3. Financial Development and Corporate Governance

In particular, the Audit Committee is responsible for the following:

- To assess the effectiveness of all administration levels regarding the preservation of the resources and their compliance with the established policy and procedures of the company,
- To evaluate the procedures and data about their effectiveness regarding achievement of the objectives and assess the corresponding policy and programme,
- To regularly audit the Divisions' and Departments' various activities in order to ensure the proper function of their operations, that the operations are conducted in accordance with administration directives and that the Company's policy and procedures comply with corporate objectives and administrative standards.
- To examine the Internal Audit reports and evaluate their efficiency, confirm their accuracy and their adequacy to support the results.

#### HELLENIC CABLES Audit Committee

Name	Non-Executive Member	Independent Member
Andreas Kyriazis		√
Michail Diakogiannis	√	
Andreas Katsanos	√	

The Audit Committee met four times in 2013 (in its entirety).

Regarding FULGOR, Board of Directors is elected for a two-year term by the General Meeting of shareholders. The existing Board of Directors of the Company consists of 8 members, elected according to FULGOR policy to select members of BoD that will ensure its stakeholders' interests.

#### FULGOR Board of Directors

Name	Role
Aldo Dapelo	Non-Executive Member, Chairman of BoD
Georgios Passas	Executive Member, Vice Chairman
Ioannis Batsolas	Deputy Commissioned Counselor (Executive Member)
Ioannis Theonas	Deputy Commissioned Counselor (Executive Member)
Alexios Alexiou	Executive Member
Dr. Rudolf Wiedenmann	Non-Executive Member
Evaggelos Piperis	Non-Executive Member
Nikolaos Vrontisis	Non-Executive Member

FULGOR bases the selection of members of the Board of Directors on certain criteria such as adequate experience, knowledge of the areas of Company's operations and the market, leadership skills, integrity and honesty. Through this selection procedure, the BoD members communicate to the possible extent the stakeholders' expectations that are linked to Company's operations.

HELLENIC CABLES and FULGOR Board of Directors are responsible for formulation, implementation and enforcement of long-term strategic and operational objectives of the Company and compliance with the principles of sound corporate governance and sustainable development of the Company. Furthermore the BoD ensures avoiding conflicts of interest and examines any cases where deviation from the protection of confidentiality policy is observed.

It is also responsible to ensure the reliability of the Company's Financial Statements, before their final approval from the General Meeting. HELLENIC CABLES and FULGOR Board of Directors meets regularly in order to ensure that any action-plan of the Company is carried out in accordance with its principles, policies and strategy. Particular importance is placed on the issues related to corporate responsibility practices of the Company and in particular on Occupational Health& Safety and the environmental issues.

The performance of the Board of Directors members is assessed at least annually, during the regular General Meeting, where it is assessed how its decisions contribute to the operation and development of the Company.

The remuneration of the BoD members is approved from the Shareholders' General Meeting and is influenced by the overall performance of the Company in financial terms as well as in terms of responsible operation.

### **Internal Audit and Risk Management System**

The Company's internal audit system ensures the adequacy and effectiveness of the corporate activities, the reliability of the provision of financial information, the compliance with laws and regulations in force and the risk management. Our target is to maintain an effective internal audit system that is able to safeguard Company's assets, in addition to locate, record and manage the significant risks. In order to achieve our target, a special independent Audit Team supports the Company's Internal Audit Department.

The Internal Audit Department assesses the adequacy and effectiveness of internal audit system and controls, regardless their content (accounting, financial or other), thus evaluates the Company through its activities' reviews, acting as a tool for management control.

The Internal Audit Division of the Company performs numerous audits during the year in respect of which the issues of implementation of the Corporate Responsibility policy, especially in Environment, Health and Safety are addressed. Audit results are collected and reported to the Company's Board of Directors (HELLENIC CABLES and FULGOR) at least on a quarterly basis.

The Board of Directors of HELLENIC CABLES annually evaluates the Internal Audit system in respect of the range of its activities and internal audit function's effectiveness, the adequacy of risk management and internal audit reports, as well as regarding the response and effectiveness of Management in respect of findings or weaknesses in Internal Audit System.

The Company's Internal Audit system plays a significant role in managing efficiently the risks faced by the Company, by identifying, categorizing and limiting them. Based on Precautionary Approach, the Company's risk management policy was developed and is implemented in order to early identify and assess the risks faced by the Company, set limits for risk exposure and perform audits based on these. The risk management policies and relevant systems are periodically assessed in order to incorporate the current market trends regarding the Company's activities. The Internal Audit Department, being assigned the monitoring of risk management procedures and policies, performs statutory and special audits in order to evaluate these procedures' implementation. The results of these evaluations are reported to the BoD.

The risk management general programme implemented, aims at minimizing their potential negative effect in Company's financial performance and overall operation.



### 3. Financial Development and Corporate Governance

Any changes realized inside the Company are considered in the program's ongoing review. Thereby, in 2013 the company collaborated with an independent body, in order to perform an analytical and structured risk evaluation, as well as to identify potential risks, either not considered so far, or arising from internal procedures. The independent body has overviewed Company's policies and procedures, has identified and quantified the risks, has related the risks to the policies and procedures in force and finally has evaluated them. Result of the above was the development of Company's Risk Matrix Profile. The independent body is now expected to provide improvement and review suggestions regarding the Company's operating policies.

The risks faced by the Company due to its activities are divided in financial, environmental, occupational and operational:

Risk category	Description
Financial Risks	<p>The major categories of financial risks associated with Company's operations of are as follows:</p> <ul style="list-style-type: none"><li>• Market risk (foreign exchange risk, interest rate fluctuation risk, products price fluctuation risk)</li><li>• Credit risk (banks and customers)</li><li>• Liquidity Risk</li><li>• Capital Risk</li></ul> <p>Financial Division implements the management policy of specific instructions issued by the Company, in order to face the financial risks. Further information on the financial risks' management is included in the Annual Report 2013 and Annual Financial Report 2013.</p>
Environmental and Occupational Risks	<p>Environmental is considered the risk that is related to atmosphere and water pollution, as well as to climate change. Environmental indicators are used to assess the environmental risks. These indicators, linked with economic ones, depict the environmental risk in economic terms.</p> <p>Occupational is considered the risk related to health and safety of employees and is derived from exposure to any harming factors of the working environment. In order to assess this risk, indicators are used. These indicators relate the probability/frequency of exposure of the employees to a risk located in the working environment to their severity of the affects to employees.</p> <p>The Company acknowledges the interaction between its operation and the natural and working environment. Thereby, policies and systems are implemented and investments regarding technology research and development are made, aiming at sustainable development. In addressing the potential impact on the environment (environmental risk) and on the Health and Safety of its personnel, (occupational risk) the Company has conducted all the necessary risk assessment and takes preventive measures and initiatives by monitoring the relevant indicators (Quality, Environment, Health and Safety). These indicators are monitored and evaluated on a regular basis and are disclosed to all the Company's levels. In addition, in respect of all its facilities, the Company holds certification of Quality Management System in accordance with ISO 9001:2008, Environmental Management System in accordance with ISO 14001:2004 and Occupational Health &amp; Safety Management System accordance with OHSAS 18001:2007.</p>

## Operational Risks

The operational risks relate to the production cost, the risks deriving from climate change and natural disasters as well as the problems in internal procedures, in working relationships, in Company's systems and in every dysfunction due to human factor.

In addressing the Operational Risks the company:

- Develops and implements extensive training programmes regarding its activities
- Performs regular audits
- Develops organization and operation policies and systems
- Applies strict operation and security criteria, in full accordance to Greek and European Directive SEVESO II.
- Applies and audits the code of conduct implementation level
- Enters into agreements for Company's protection or/and reducing the Company's exposure in such risks
- Collaborates with local authorities to facilitate quick and effective response to potential incidents.

### Avoiding Conflicts of Interest

In the light of the **precautionary approach** and protection of stakeholders' interest, specific measures and practices have been taken in order to identify, monitor and address all cases of conflicts of interest. In particular, in the Company:

- We define, in relation to services and products provided, all cases or circumstances which constitute or may give rise to a conflicts of interest.
- We implement appropriate mechanisms and systems in order to handle and avoid conflicts of interest.
- We ensure implementation of these mechanisms and strive to constantly update them to prevent any potential conflicts of interest.
- We apply confidentiality policy, whereby executives, partners and employees of the Company have specific and expressed obligation of keeping confidentiality of information relating to and concerning the operations of the Company, its business and its customers.
- All the executives, employees and partners are subject to SEC provisions on personal transactions for the purposes of preventing any cases that may lead to conflicts of interest arising from access to privileged information or other confidential information related to Company's transactions or its customers.
- We apply the policy of prohibiting recruiting persons, whose spouse or second degree relative by blood or marriage is already employed with the Company to ensure the principle of independent decision-making by our executives in various business segments.

### Communication with Shareholders

We recognize that every shareholder's participation adds value in our development course and we aim at establishing an open and continuous dialogue.

During the General Meeting of Shareholders', minority shareholders are given the opportunity to participate, express their views and communicate with the members of the Company's Board of Directors. During the year all shareholders are able to make proposal and/or be informed about the Company's course through the Investor Relations Department, which should respond responsibly and accurately to any request - question made by a shareholder. The Investor Relations Department collects the issues raised by all Company's shareholders and then forwards them to the Chief Financial Officer and General Director, who, in turn, report them to the Board of Directors.



### 3. Financial Development and Corporate Governance

#### Transparency Management and Corruption issues

The Company aims at meeting the needs and expectations of its stakeholders in a transparent manner, respecting the codes of ethics within the organization as well as in its transactions and interactions with any part of its value chain. Thereby the Company carries out preventive actions related to the determination of every person's responsibility and influence limits, the development of controls for prevention of corruption as well as the conducting of relevant audits throughout the Company.

Within the above frame, the company's executives were trained regarding transparency and corruption issues in 2013. In ensuring our clients' interests and strengthening Transparency in all our activities, Company's Commercial Directors sign a corporate contract. Thus, they commit not to participate in procedures, that may end in collusions with potential competitors about prices adjustment, offers' coordination, limiting the market or the production, or quotas imposing based on geographical region or customers' distribution.



#### Targets for 2013

Conduct of analytical and structured risk assessment by an independent body in order to identify any additional risks that are not identified by the Company and / or arising from the procedures, under which the Company operates.

Senior Executives training on transparency and corruption issues.

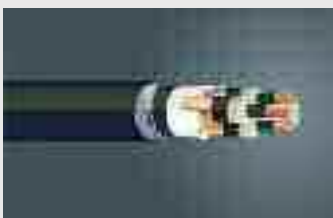
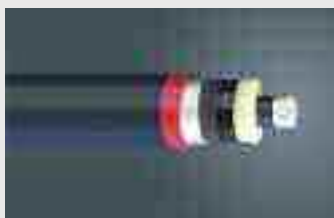
#### Outcome

Carried out. Further information is included in section "Internal Audit and Risk Management System".

Carried out. Further information is included in section "Transparency Management and Corruption issues".

#### Target for 2014

Company Policies' review, based on the risk evaluation which will result from independent body's assessment.





## 4. Our presence in the Marketplace



### 4.1 Our Products and their Applications

The Company manufactures a broad range of high technology and quality products, which are available in the markets where it operates under the internationally registered trademark CABLEL®

#### Power Cables

- Indoor installation cables
- Control cables
- Industrial and outdoor installation cables
- Fire retardant, fire resistant, halogen-free cables
- Medium Voltage Cables
- High Voltage and Extra High Voltage cables
- Copper conductors (for grounding applications) and overhead Cu, Al and ACSR conductors
- Ship and marine installations fire resistant cables
- Copper and Aluminium rods



#### Telecommunications and data transmission cables

- Gauging and control cables
- Copper conductor cables: Conventional telephone cables - Telephone exchange cables - Data transmission cables – High frequency telephone cables
- Optical fiber cables (single-mode & multi-mode): Underground dielectric cables, in tubes - Underground dielectric cables, directly buried (steel reinforcement) - Underground dielectric cables, featuring rodent protection - Indoor installation LSZH cables (central tube or tight buffered) - Aerial installation cables (“8”-sized or ADSS)
- Signaling & railway signaling cables

#### Submarine cables

- Medium Voltage and High Voltage cables
- Composite Medium Voltage and High Voltage cables with integrated Optical fiber cables
- Optical fiber cables

#### Plastic and rubber compounds

- PVC-based plastics
- Polyolefin-based plastics
- Elastomers

#### Enamelled wires

- Winding wires for electric motors and transformers
- Copper wires for grounding / earthing and box / can manufacture

We are the sole manufacturer of enamelled wires in Greece.

The Company's cables are used in various applications:

#### Cables

Mostly used in:

- Buildings
- Outdoor installations and industrial applications
- Transmission and distribution networks
- Installations with special requirements
- Ships and marine applications
- Telecommunications and data transmission networks
- Renewable energy sources
- Islands - continental system interconnections
- Offshore aeolic parks interconnections

#### Enamelled wires

Mostly used in:

- Transformers
- Motors – generators
- Small motors
- Relays – coils
- Self-supporting windings-avoids varnish impregnations



## 4. Our presence in the Marketplace

### Compounds

Mostly used in:

- Cable industry
- Production of soft water pipes
- Production of flexible spiral pipes
- Production of hard flexible pipes for electrical applications
- Rubber and plastic soles
- Flexible elastic and plastic profiles

Our Company was certified in 2013 from independent bodies in respect of manufacturing the following new products:

- NA2XSY,
- N2XSY,
- N2XS(F)Y, from 6/10 kV to 18/30 kV,
- NA2XS(F)Y, from 6/10 kV to 18/30 kV,
- N2XS(F)2Y, from 6/10 kV to 18/30 kV,
- NA2XS(F)2Y, from 6/10 kV to 18/30 kV,
- NA2XS(FL)2Y, from 6/10 kV to 18/30 kV,
- 22-AXEKVCVEY / 22-AXEKVCVE / 22- CXEKVCVEY/ 22- CXEKVCVE 12/20 (24) kV,
- Electric Cables– Cables with XLPE insulation for rated voltages from 3.8/6.6 kV to 19/33 kV,
- Electric Cables with extruded insulation for fixed installation for rated voltages from 300/500 V to 1900/3300 V (XLPE Distribution cables)

**Further information on Company's products and their applications is presented at the site [www.cablel.com](http://www.cablel.com), in the sections "Products" and "Applications."**

### "Turnkey" Solutions

The Company has the necessary expertise to develop and provide complete solutions "turnkey solutions" that meet its customers' special requirements.



### Turnkey Solutions

Design and manufacture of products according to customer's demands and project's needs.

Special equipment needed for cable connections and termination of cable ends.

Transportation and installation of cables at the project site.

Civil engineering works required for installation and protection of cables.

Testing, initial operation and delivery of the system to the customer (commissioning).

Full Project Management.

Customer's staff training in system operation and maintenance.

Maintenance / support to the customer.

### Major Projects

#### **Project : Undergrounding Distribution Lines 150 kV In Aliveri Region Customer A.D.M.H.E . (S.99252)**

The project's objective was the undergrounding of four overhead three-phased circuits distributing High Voltage electrical Energy which connect the overhead lines from the Aliveri High Voltage Centre (HVS) to the new HVS (GIS), located in the new PPC Energy generation plant in Aliveri.

The total route length is approximately 5 km. During the project implementation the following were installed:

- 57 km of 150 kV underground cable (72 drums) with aluminium conductor of 800 mm<sup>2</sup> cross section,
- 12 150 kV outdoor terminations at two electric energy pillars



- 60 150 kV underground cable joints with cross bonding,
- 12 GIS terminations 150 kV inside the Aliveri High Voltage Centre

Due to the customer's special demand, a temporary undergrounding was done of a 1km double circuit distribution line.

The project included assembling of 12 outdoor terminations at scaffoldings located at terminal stations. The project was delivered on time, without any loss and in accordance to the specifications set by the customer.

Upon the successful trials that were implemented, the project was electrified and is in operation since 11/10/13.

- EON Netz AG is placed among our customers, with which we have established long term collaboration
- The delivery and supervision of a 132 kV project for DEWA, UAE has been completed.



## 4. Our presence in the Marketplace

### 4.2 Product Quality

The Company responds successfully to customers' requirements in terms of quality and furthermore creates the necessary conditions for improving its performance. Quality Control checks are carried out at all stages of production, while our Quality Control Department inspects the final product before shipping to the customer.

We have developed our Quality Policy and we have implemented a certified Quality Management System (QMS) since 1986, which is in accordance with the requirements of ISO 9001:2008 standard.

The Company is committed to:



We implement an Integrated Quality Management System in accordance with the requirements of ISO 9001:2008.

### Certification Systems and Compliance Marks

It is our nonnegotiable priority to provide high quality products. The implementation of Certification Systems ensures the manufacturing process. All Company's plants are certified and comply with the requirements of standard ISO 9001:2008.

In addition, our products are accompanied by compliance marks, and quality mark licensing from internationally recognized Certification bodies demonstrating the strict specifications, in compliance with which they are manufactured.



In addition, in ensuring its products' quality, the Company performs Type Tests (TT) in independent and internationally recognized laboratories abroad, such as:



Furthermore the Company can also perform type tests in its facilities, which are monitored and controlled by independent certification bodies.

All products are accompanied by the required quality control test reports, technical and other additional data according to the customers' demands. Additional information is provided about their implementation and use, ensuring health and safety of end users.

Information about the product or service

- Technical Data
- Special Instructions
- Marking or labeling on products or their packaging
- Testing certificates
- Conformity certificates
- Responses to customers' queries

Composition (particularly for substances that may have environmental or social impact)

- Technical Data
- Special Instructions
- Marking or labeling on products or their packaging
- Testing certificates
- Conformity certificates
- Responses to customers' queries
- Marking or labeling of Products or packages that come under a Community Directive (CE marking)

Safe use of product or service

- Technical Data
- Special Instructions
- Responses to customers' queries
- Product Specifications
- Material Safety Data Sheets (MSDS) for compounds



## 4. Our presence in the Marketplace

### 4.3 Caring for Health & Safety within the Product's Life Cycle

The Company, following the relevant legislations and regulations, takes due care of its products' impact on the end users'/ customers' health and safety, at various stages of the product's life cycle. For this reason it:

- Employs suitably trained personnel for cable production and has laboratories that conduct quality checks during the production and design of new products that are demanded in international markets.
- Conducts tests of compliance with the corresponding specifications during production, post-production and, if necessary after installation.
- Performs additional tests to ensure materials' compliance with specific regulations (e.g. RoHS, REACH etc.).
- Performs all appropriate specifications tests on every type of product, including aging trials to predict the product's behaviour over time.
- Purchases safe and environmental friendly raw materials.

**Product Lifecycle Stages \* during which the products' impacts on health and safety are assessed:**



*\*At these stages, all cables' specifications related to their design, the materials used in their production and the necessary testing are taken into account. Compliance with the specification requirements, often certified by independent bodies, ensures that the cable, when used correctly, does not burden the environment or harm the consumers. Potential impact lies within the limits, prescribed by standards and regulations.*

Moreover, aiming to provide cables that offer increased safety in case of fire, the Company has designed a wide range of cables such as fire retardant cables, fire resistant cables, halogen free cables and low smoke cables.

**Fire retardant cables** contain materials that delay the burning of cables and, therefore, the spread of fire (cables often run through building walls and floors).

**Fire resistant cables** operate even when their insulation has been completely destroyed by fire, thus allowing critical equipment to function. Fire resistant cables are distinguished into cables that offer:

- Insulation integrity which ensures that the cable can be in operation.
- Circuit integrity that ensures that the electric circuit can operate as a system (cable and supports).

**Halogen-free cables** do not release chlorine, fluorine or bromine when they burn. These chemicals are toxic and cause irritation and damage to the respiratory system. They are also corrosive and can damage electronic components and contacts.

Cables that contain PVC release thick smoke in large quantities when they burn, that hinders eyesight and makes exiting from a burning building difficult. **Low smoke cables** release less smoke, so as not to encumber vision.

#### 4.4 Research and Development

The Company focuses on research and development of new technologies in its production in order to develop new, innovative and high quality products and environmental friendly services of high added value.

##### Cooperation with Viscas Corporation

In order to cope with the technical specifications of technologically advanced products, HELLENIC CABLES, within the last ten (10) years has signed technology transfer agreements with VISCAS Company (a joint venture of Japanese corporations FUJIKURA and FURUKAWA) that is a leading high voltage cables and submarine cables producer.

##### Participation in the European Project "Tanocomp"

We invest in research and development of new technologies and participation in technology transfer groups.

Our Company exploits every opportunity provided for participation in technology transfer groups. The Company has participated, as a stakeholder in the European Programme Tanocomp.

This two year project (2011-2013) was funded under the EU programme "Life Long Learning" and is managed by a consortium in which the following Partners participate:

- Steinbeis - Europa - Zentrum
- Aitiip Centro Tecnologico
- Marketmentor LTD
- Glonatech Global Nanotechnologies.



## 4. Our presence in the Marketplace

Company's executives, who participated in the Project Activities, had the opportunity to learn more about nanotechnology and material preparation for various applications and to exploit the potential of nanocomposites. Based on the framework of the project, a network of participants was created, in order to exchange ideas and views on the use of nanotechnologies in the industry segment, in which they operate. HELLENIC CABLES expects to gain remarkable benefits from its participation in similar programmes and use of high performance technologies, developing innovative procedures.

### Polymer Laboratory

The Company, paying particular attention to new technologies and research and development, has established a state-of-the-art Polymer Laboratory at its plant in Oinofyta. The laboratory mainly conducts chemical analyses and identification of raw materials, with emphasis on quality control and analysis of polymers of underground cables and, high-voltage and submarine cables. In particular, the characteristics, on which the testing is focused, are related to the degree of crosslinking, analysis of the byproducts of the crosslinking reaction, detection of thermal memory of polymers etc. Finally, it is worth noting that research and development of new plastics and elastomer compounds takes place in the laboratory.



### 4.5 Customer-focused Philosophy

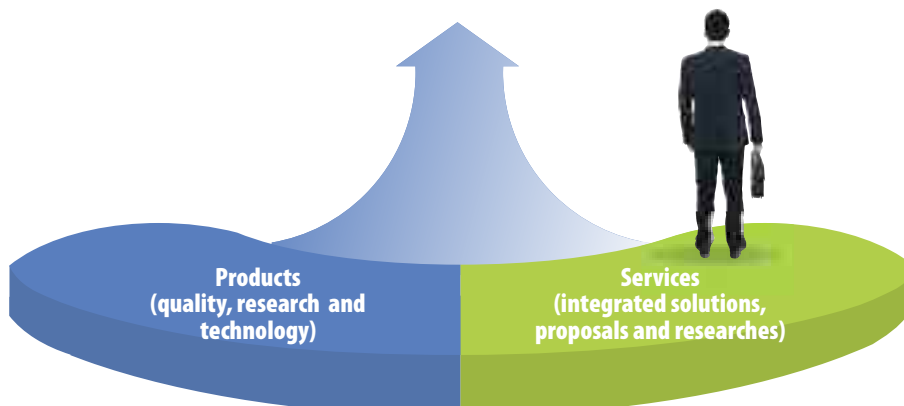
The Company operates in its domestic market as well as in markets of Europe, Asia, America and Africa, with a significant turnover rate referring to exports for 2013 .

The Company takes due care to establish relationships of trust with its customers in order to achieve customer satisfaction and ensure harmonious cooperation terms.

Aiming at this direction, the method of approaching our customers includes the following characteristics:

## Customer Satisfaction

### Integrated Services and Products





The Company seeks the ongoing communication with its customers as well as attracting new ones. Thereby, it participates in numerous exhibitions, presenting its capacities as well as its products' and integrated services' advantages. In 2013 the Company participated in exhibitions in Europe, Asia and America.

**Hannover Messe**  
Germany

**AWEA Wind Power**  
USA

**MEE**  
United Arab Emirates

**Power & Electricity  
World Africa**  
South Africa

Our customers have the opportunity to implement quality audits of our products or other issues as well, on the premises of our plants. Such audits were carried out in 2013 by the following companies:

- ENEL, Italy,
- Vattenfall, Germany,
- Dubai Electricity & Water Authority (DEWA), Dubai,
- Newfoundland Power Inc., Canada.

We are also assessed from our customers regarding our financial data, our environmental and Health and Safety performance.

No complaint regarding the product quantity delivered to customers.

Our relationship with our customers relies on mutual trust, on-going communication and mutual beneficial collaboration.

**Reliability**

**Sincerity**

**Consistency**

**Transparency**

**Responsibility**

**Adaptability**

**Imminence**



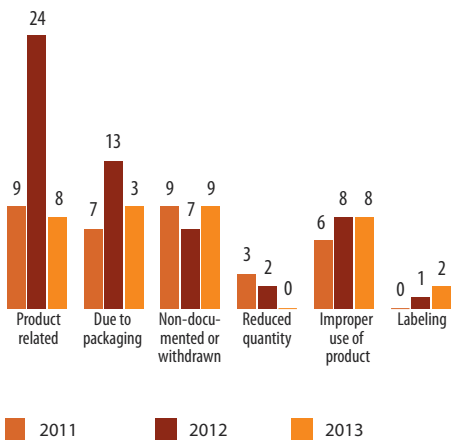
## 4. Our presence in the Marketplace

From the aforementioned audits the issues that need improvement become apparent and on the other hand so do our special characteristics which motivate our customers to continue collaborating with us

We regard receiving a complaint as a 'challenge' for improvement, since our ultimate objective is to achieve customer satisfaction. Therefore we have implemented systematic complaint management procedures, whose results constitute a tool which we use in decision making.



**HELLENIC CABLES Customer Complaints (number)**



The product related complaints in HELLENIC CABLES decreased at the rate of 67%.

Overall customers' complaints decreased at a rate of 35%.

Regarding FULGOR, in 2013 22 customer complaints were expressed in total. 22 of them were product related, 3 due to packing, 2 regarding improper use of product and 3 were non-documented complaints.

### 4.6 Our Suppliers

We acknowledge as our suppliers those key partners who contribute in our effort to manufacture competitive and high quality products through the provision of high quality raw and other materials.

#### We assess our suppliers

The Company implements a supplier evaluation system, for those suppliers who are going to join the list of approved vendors as well as for the existing ones. All suppliers should conform to specific objective and measurable criteria, also including the implementation of an ISO 9001:2008 Quality Management System. Furthermore, the existence of an Environmental Management System certified according to the requirements of the International Standard ISO 14001:2004 is positively evaluated.

Furthermore the Company's suppliers are evaluated for their conformance with the European Regulation REACH. The Company examines if all suppliers have been adequately informed about the regulation and is not working with suppliers that do not conform with it. In addition, certification of conformity with European Regulation REACH is required according to the order-provision procedure, as well as providing the corresponding Material Safety Data Sheets (MSDS).

The Suppliers' evaluation procedure was reviewed in 2013 by adding new Corporate Responsibility related criteria.

These new criteria relate to Occupational Health and Safety management, according to standard ISO 18001 and accident prevention. For the existing suppliers, continuing our collaboration with them is reviewed in case of

- problems in supplier's performance are observed, that cannot be dealt with,
- no collaboration with a supplier takes place for over three years

In addition, for existing suppliers, spot checks are conducted in order to ensure compliance with the prescribed procedures, agreed upon technical specifications and quality of raw materials.



### Targets for 2013

### Outcome

High Voltage Laboratory in Thiva to be certified according to the requirements of the International Standard ISO 17025:2005.

The objective will be considered for implementation within 2014, since the FULGOR plant certification according to ISO 17025:2005 has been considered as the optimal choice. The FULGOR plant will now possess the administrative and technical abilities to perform specific tests, measurements and calibrations according to standard or in-house methods, with specific equipment and within specified accuracy limits.

Additional criteria regarding suppliers' evaluation in respect of Corporate Responsibility. The new criteria will be related to Occupational Health & Safety management under OHSAS 18001:2007 and prevention of accidents.

Target carried out. Further information is presented in section "Our suppliers".

Review of customer satisfaction survey questionnaire, incorporating questions regarding HELLENIC CABLES Corporate Responsibility.

The review will be considered within 2014, where a new customers' satisfaction survey will be realized

Inform suppliers about HELLENIC CABLES Corporate Responsibility Policy.

The objective will be considered within 2014, as Company intends to develop a special programme about supply chain responsible management.

### Targets for 2014

- The High Voltage Laboratory in Thiva plant to be certified according to the requirements of ISO 17025:2005.
- Development of a supply chain responsible management programme.

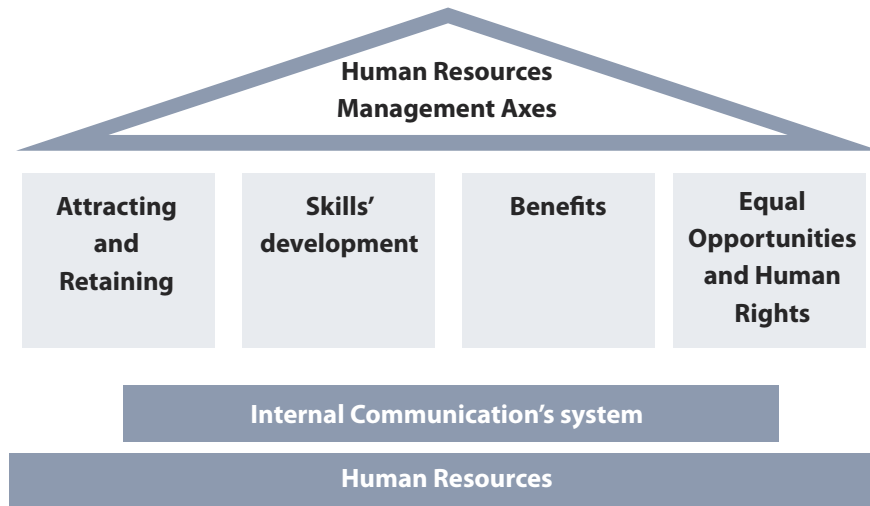


## 5. Our People



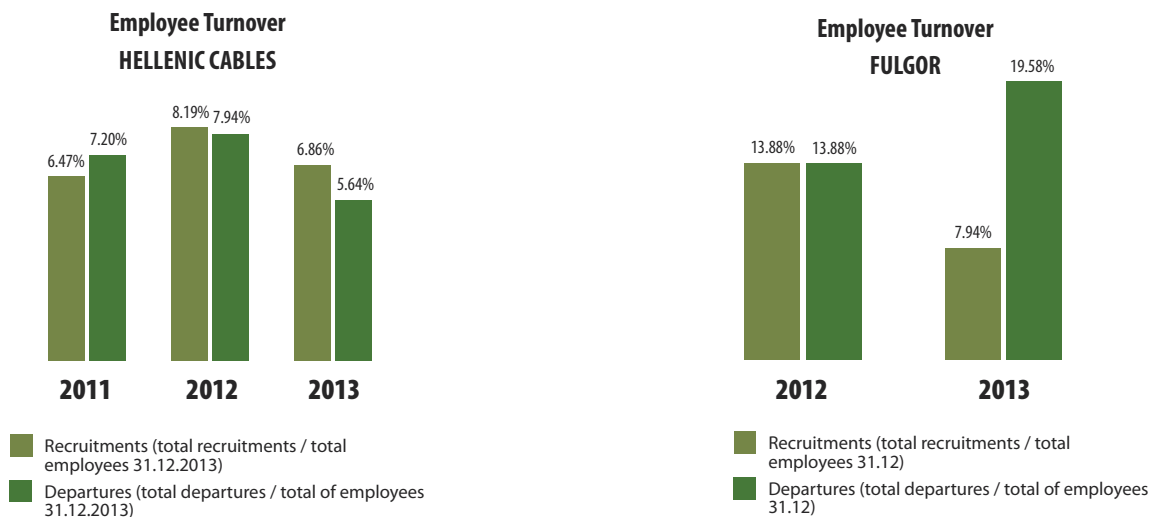
People play the major role in our Company's growth. In recognition of their contribution, the Company is committed to their continuous improvement and seeks their rewarding. The last two years, in particular, during the gradual integration of FULGOR, we acknowledge that our people are the key factor that contributes to the successful completion of this integration.

The cultivation of the corporate culture is built and supported by the Company's "Code of Conduct and Ethics" as well as by the Human Resources Management Policy. This Policy is based on specific axes regarding operational issues (daily activities' management) as well as strategic issues (continuous development, skills' improvement, motivation).



## 5.1 Attracting and Retaining Employees

We focus on attracting talents and retaining our employees. This particular period, where internal changes take place, retaining our experienced and specialized personnel will contribute in the maintenance and disclosure of our corporate culture. At HELLENIC CABLES, the average employee tenure is 15 years, proving that we do make substantial efforts to maintain our existing workforce.



## 5.2 Developing Our People

The Company constantly invests in its employee's development through planning and conducting training activities for improving their professional skills and abilities related to their specialization. It also provides adequate information on new professional trends. Moreover, the employees' performance's appraisal constitutes an important factor in their development.



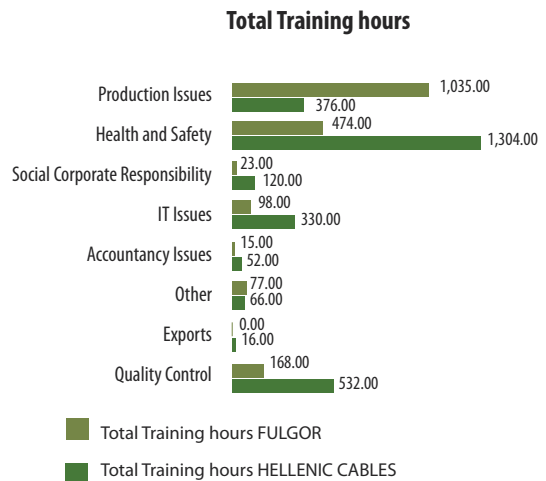
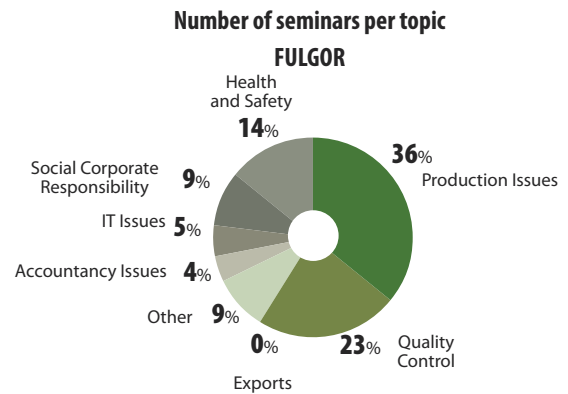
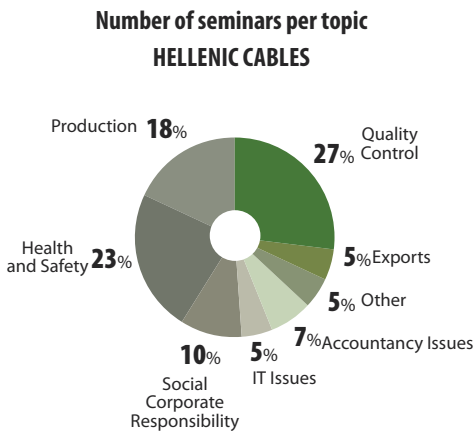
## 5. Our people

### Human Resources Training

The Company, on annual basis, plans and organizes various educational programmes and seminars for its employees aiming to:

- improve the skills related to their professional position,
- expand their knowledge on key issues not directly linked to their professional position, but expected to enhance their performance and productivity and furthermore the Company's long-term competitiveness.

In 2012, 62 training courses were conducted in total, (40 from HELLENIC CABLES and 22 from FULGOR) which were conducted internally or in cooperation with external body and specialized trainers. In total 4,686.00 hours were devoted to training in seven (7) different topics, addressing all the hierarchical levels of the Company:



During 2013, were trained:

- 64% of HELLENIC CABLES employees
- 43% of FULGOR employees

### Human Resources Performance Appraisal

HELLENIC CABLES has developed and implements appraisal procedures for all its employees.

Personnel's appraisal differentiates in respect of the employee category in which each individual belongs to. The procedures' basic differences are the frequency of implementation and the appraisal criteria which each one includes.

For the employee categories (a) Management / Experts and (b) Administrative Staff either the annual appraisal procedure or every two years "360° Performance Appraisal" is performed. The 360° Performance Appraisal was not performed in 2013, as it was realized in 2012.

	Men	Women	Total
Directors	8 (100%)	-	8 (100%)
Senior executives	15 (65%)	-	15 (65%)
Administrative staff	25 (76%)	8 (33%)	33 (58%)
<b>Total</b>	<b>48</b>	<b>8</b>	<b>56 (64%)</b>

In performing the Annual Appraisal specific assessment criteria, observations and improvement proposals are applied. The assessment criteria for each employee refer to:

- Professional knowledge
- Achieving the assigned targets
- Performance
- Ability to undertake initiatives and responsibilities
- Responsibility and accuracy in his assignments' execution
- Ability of adapting to new conditions and changes
- Leadership
- Ability in harmonious collaboration with his colleagues (team-spirit).

Foremen and workers' appraisal is performed every six months. During previous years this procedure was performed monthly, but from 2013 is performed every semester.

	Men	Women	Total
Foremen and workers	280 (89%)	6 (100%)	286 (89%)
<b>Total</b>	<b>280 (89%)</b>	<b>6 (100%)</b>	<b>286 (89%)</b>

Foremen and workers are assessed in respect of the following:

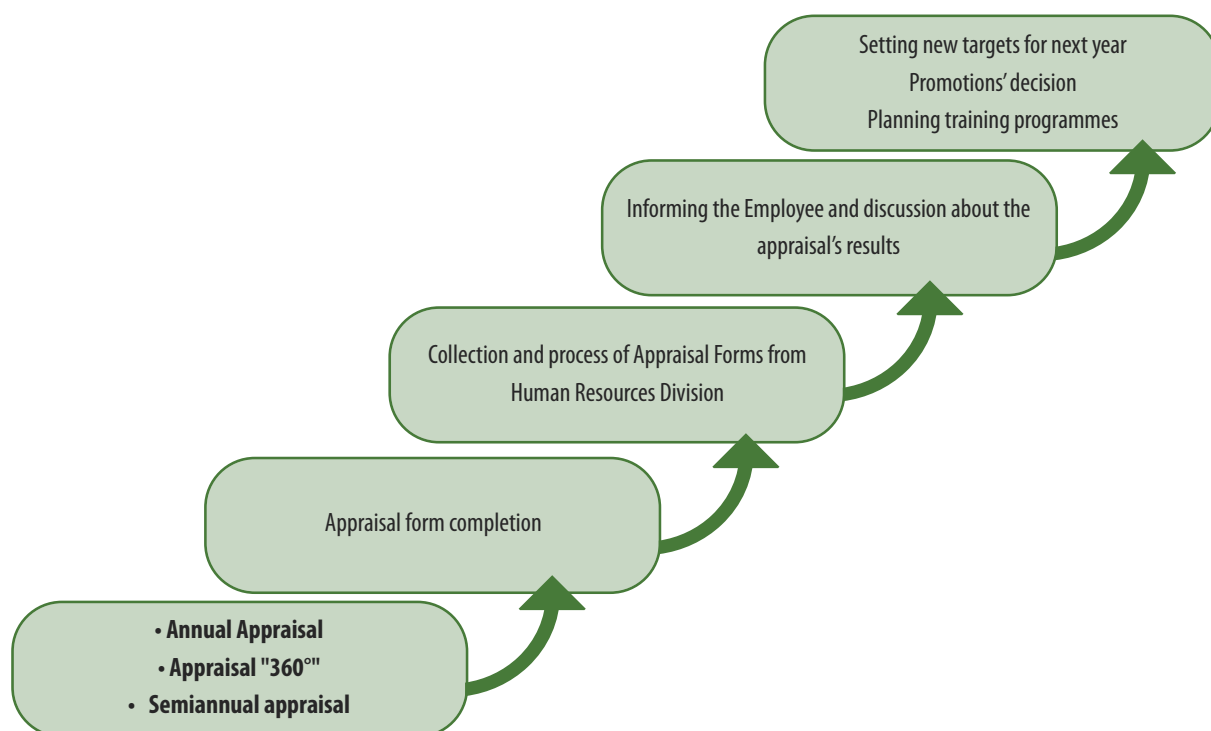
- Willingness,
- Completion of production papers,
- Tidiness in workplace,
- Compliance with Health & Safety regulations.

Overall, in 2013, 84% of HELLENIC CABLES employees received feedback on their performance either once - under the standard Company's procedures, or twice when it comes to Foremen and workers. It has to be noted that 7% of Company's personnel was recruited within 2013. Furthermore, 9% of employees holds working positions with special requirements that did not allow the implementation of existing appraisal procedures.

Given that in 2013 the integration of FULGOR was in full swing and considering the significant number of internal changes in the Company, its personnel's evaluation was not performed. This will allow the personnel to fully adapt to the changes realized.



## 5. Our people



### 5.3 Benefits to our People

We believe that retaining our talented executives and motivating our personnel is a key factor to our success. Our concern for maintaining an attractive working environment. In that direction, we offer to our people additional benefits (beyond those foreseen in the relative institutional framework). Those benefits aim at providing them a better standard of living and rewarding them for their valuable contribution.

Additional benefits can have a form of health service benefits, financial or other type of benefits and are offered to all employees, irrespectively of the labour agreement type.

Additional benefits offered to employees	HELLENIC CABLES	FULGOR
<b>Health Care Benefits</b>		
Additional medical & hospital coverage	*	*
Life insurance	*	*
<b>Financial benefits</b>		
Employee meals	*	*
Transportation of employees with leased buses	*	*
Financing post-graduate programmes	*	*
Financial coverage in case of temporary or permanent disability to work	*	*
<b>Other Benefits</b>		
Sabbatical from work to attend post-graduate programmes	*	*



The Company also offers additional benefits to some employees, in respect of their hierarchical position, years of employment, any objective difficulties in completing their assignment (working outside the Company's premises).

Finally HELLENIC CABLES offers summer camps for employee's children, a benefit that is intended to be provided to the children of FULGOR's employees as well.

Additional benefits offered to specific executives	HELLENIC CABLES	FULGOR
Company car	*	*
Mileage allowance	*	*
Cell Phone	*	*
Laptop	*	*

## 5.4 Equal Opportunities and Human Rights

Equal opportunities and respect for human rights and diversity are integral principles of the Company's Code of Conduct & Ethics. In order to establish the ideas of human rights to its the personnel, specialized training for Humans Rights was planned in 2013 for Company's executives.

### Equal Opportunities and Diversity

There was no record or report of any incident or complaint on discrimination based on diversity characteristic.

Regarding equal opportunities, at our Company there is no discrimination based on gender or any other diversification characteristic under recruitment and employee appraisal procedure. Employee recruitment is based on the candidate's typical and essential qualification and on the extent to which they meet the requirements of the position to be filled or the current position. Accordingly, salaries and remunerations are determined on the same basis. It is worth mentioning that our Company employs 5 people with disabilities and 13 employees of different nationality (other than Greek nationality) and religion.

As far as it concerns women in Company's workforce, low participation is observed. Although equal attracting and promotion opportunities are offered to both men and women, specific facts seem to discourage their participation. In particular, the nature of Company's operations (industry, the distance between its production units and the major urban centers) are in a way "responsible" for women's low participation in the workforce. The Company supports mothers belonging to our workforce and enables them to make use of reduced working hours, or absence of one day per week. Such a benefit is also provided to fathers in case they apply for it.



## 5. Our people

### Child and Forced Labour

There has no incident of child and forced labour ever been recorded in the Company

The Company, operating in Greece, implements the effective legislation, which bans child and forced labour.

Our Company follows strict procedures to avoid children recruitment and forced labour.

The adopted policies and procedures concerning human resources management have ensured non-existence of such cases.

### 5.5 Internal Communication

In order to build trust, respect and goodwill among employees and to cultivate the corporate culture we have developed a communication system that it is supported from open channels in all levels of hierarchy. We have also adopted an "Open Doors Policy", which constitutes the basis of our internal communication system.

The internal communication channels serve:

➤ **Internal Corporate Communication, performed by:**



**Regular meetings with personnel**

The General Manager and the Heads of Company Departments hold regular meetings in order to inform all employees.



**Intranet**

The employees have access to information concerning the Company, in order to be directly informed for corporate issues, such as internal affairs and Company's initiatives and progresses. They are also properly and on-time informed about Company's systems, policies and procedures.



**Newsletters**

Distributed material, either printed or electronic, informs employees about important issues.



**Bulletin Boards**

All personnel has direct access to bulletin boards that are used to post announcements, when necessary.



➤ **Recognition and Rewarding, achieved through:**  
the System of submission of new ideas and proposals



➤ **Communication regarding social and other issues through:**  
Various events are organized for a particular purpose, such as the New Year's Eve Celebration.

### System of submission of new ideas and proposals

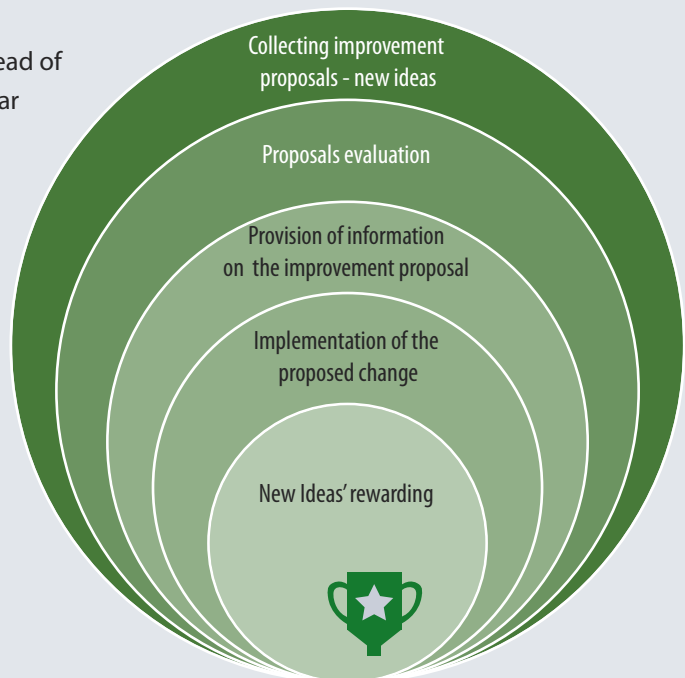
The System of submitting new ideas and proposals brought forward in 2013 as well, proposals and procedures for the Company's operation improvement, arising from employees' suggestions.

30 new ideas were proposed in total during 2013, 20 of which were implemented and rewarded. It must be noted that both the participations and the rewards are each year increasing. All the employees - regardless of divisions and departments - can participate.

For the purposes of submitting new ideas, a special form available to the employees has been developed and used. Each employee submits his proposal using this form. The proposal submitted summarizes also the benefits that will result from the implementation of the proposed change - idea. The proposals should relate to one of the following issues:

- production,
- maintenance,
- safety of employees and facilities,
- environmental protection,
- operation of the sales department or financial services.

The completed forms are submitted to the Head of Human Resources Department, who, at regular intervals (at least every two months), communicates them to the appropriate Assessment Group. The Group consists of the Director of the relevant Plant, Head of Cable Engineering Division and Head of Technical Division. After the evaluation of the submitted ideas, the General Management is informed and finally decides whether or not to implement the proposal and thus to reward the employee who proposed the idea.





## 5. Our people

### 5.6 Human Resources Data

#### Diversity indicators

Gender	HELLENIC CABLES			FULGOR	
	2011	2012	2013	2012	2013
Men	374 (93%)	374 (93%)	378 (93%)	195 (93%)	174 (92%)
Women	28 (7%)	29 (7%)	30 (7%)	14 (7%)	15 (8%)
<b>Total</b>	<b>402</b>	<b>403</b>	<b>408</b>	<b>209</b>	<b>189</b>

#### Age distribution

Age class	HELLENIC CABLES						FULGOR			
	2011		2012		2013		2012		2013	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
18 – 25	17	-	10	1	9	2	0	1	2	3
26 – 35	93	12	76	11	79	11	49	5	39	5
36 – 45	139	5	128	7	130	8	76	5	71	4
45 – 55	104	11	129	8	131	7	57	2	54	2
56 and above	21	-	31	2	29	2	13	1	8	1
<b>Total</b>	<b>374</b>	<b>28</b>	<b>374</b>	<b>29</b>	<b>378</b>	<b>30</b>	<b>195</b>	<b>14</b>	<b>174</b>	<b>15</b>

#### Origin

	HELLENIC CABLES			FULGOR	
	2011	2012	2013	2012	2013
Attica	19%	19%	19%	10%	13%
Rest of Greece	3%	3%	3%	-	-
Viotia greater region	78%	78%	78%	-	-
Corinthia greater region	-	-	-	90%	87%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

#### Other data

	HELLENIC CABLES						FULGOR			
	2011		2012		2013		2012		2013	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Personnel belonging to minorities	13	-	13	-	13	-	-	-	-	-
Individuals with Disabilities	3	-	3	-	3	-	1	1	1	1

## Distribution in hierarchical levels

Levels	HELLENIC CABLES								
	2011			2012			2013		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Board of Directors	12	0	12	12	0	12	12	0	12
Directors	9	0	9	8	0	8	8	0	8
Senior Executives	22	0	22	23	1	24	23	0	23
Administrative staff	34	22	56	33	22	55	33	24	57
Foremen and workforce	309	6	315	310	6	316	314	6	320
<b>Total *</b>	<b>374</b>	<b>28</b>	<b>402</b>	<b>374</b>	<b>29</b>	<b>403</b>	<b>378</b>	<b>30</b>	<b>408</b>

Levels	FULGOR					
	2012			2013		
	Men	Women	Total	Men	Women	Total
Board of Directors	5	-	-	5	-	-
Directors	5	-	5	3	1	4
Senior Executives	17	5	22	14	5	19
Administrative staff	7	7	14	6	8	14
Foremen and workforce	167	1	168	151	1	152
<b>Total *</b>	<b>196</b>	<b>13</b>	<b>209</b>	<b>174</b>	<b>15</b>	<b>189</b>

\* The members of BoD are not included in workforce

## Employee Turnover

### Recruitments by age and gender

Age class	HELLENIC CABLES						FULGOR			
	2011		2012		2013		2012		2013	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
18 – 25	2	-	3	-	2	2	-	1	3	5
26 – 40	18	1	19	4	15	4	17	1	8	-
41 – 50	1	1	7	-	4	1	7	-	1	-
51 and above	3	-	-	-	-	-	3	-	1	-
<b>Total</b>	<b>24</b>	<b>2</b>	<b>29</b>	<b>4</b>	<b>21</b>	<b>7</b>	<b>27</b>	<b>2</b>	<b>13</b>	<b>5</b>



## 5. Our people

### Recruitments by region

Region	HELLENIC CABLES			FULGOR	
	2011	2012	2013	2012	2013
Attica	3	6	7	12	6
Viotia	23	26	21	-	-
Corinthia	-	-	-	17	9
Rest of Greece	-	1	-	-	-
<b>Total</b>	<b>26</b>	<b>33</b>	<b>28</b>	<b>29</b>	<b>15</b>

### Departures by age and gender

Age class	HELLENIC CABLES						FULGOR			
	2011		2012		2013		2012		2013	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
18 – 25	-	-	2	-	1	-	-	-	1	-
26 – 40	10	-	18	1	6	3	6	-	14	1
41 – 50	4	-	2	-	6	-	10	-	8	-
51 and above	15	-	7	2	5	2	13	-	13	-
<b>Total</b>	<b>29</b>	<b>0</b>	<b>29</b>	<b>3</b>	<b>18</b>	<b>5</b>	<b>29</b>	<b>-</b>	<b>36</b>	<b>1</b>

### Departures by region

Region	HELLENIC CABLES			FULGOR	
	2011	2012	2013	2012	2013
Attica	8	2	6	4	2
Viotia	21	28	17	-	-
Corinthia	-	-	-	25	35
Rest of Greece	-	2	-	-	-
<b>Total</b>	<b>29</b>	<b>32</b>	<b>23</b>	<b>29</b>	<b>37</b>

## Training indicators

HELLENIC CABLES	Number of Employees by category			Number of training hours by category			Average of training hours by Employees' category		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Board of Directors	0	0	0	0	0	0	0,00	0,00	0,00
Directors	16	1	17	281	8	289	17.56	8.00	25.56
Senior Executives	20	0	20	783	0	783	39.15	0.00	39.15
Administrative staff	26	12	38	289	304	593	11.12	25.33	36.45
Foremen and workforce	180	5	185	1,213	16	1,229	6.74	3.20"	9.94
<b>Total</b>	<b>242</b>	<b>18</b>	<b>260</b>	<b>2,566</b>	<b>328</b>	<b>2,894</b>	<b>56.71</b>	<b>8.00</b>	<b>64.71</b>

FULGOR	Number of Employees by category			Number of training hours by category			Average of training hours by Employees' category		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Board of Directors	0	0	0	0	0	0	0.00	0.00	0.00
Directors	3	1	4	86	56	142	28.67	56.00	35.50
Senior Executives	14	5	19	900	191	1,091	64.29	38.20	57.42
Administrative staff	6	8	14	67	10	77	11.17	1.25	12.42
Foremen and workforce	151	1	152	482	0	482	3.19	0.00	3.19
<b>Total</b>	<b>174</b>	<b>15</b>	<b>189</b>	<b>1,535</b>	<b>257</b>	<b>1,792</b>	<b>92.95</b>	<b>94.20</b>	<b>187.15</b>

## Employment data

HELLENIC CABLES	2011			2012			2013		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Personnel in total	374	28	402	374	29	403	378	30	408
Collective labour agreements	100%	100%	100%	100%	100%	100%	100%	100%	100%
Non collective labour agreements	-	-	-	-	-	-	-	-	-
Labour agreements of indefinite duration	374	27	401	372	28	400	376	28	404
Labour agreements of definite duration	-	1	1	-	-	-	-	1	1
Seasonal employment	-	-	-	-	-	-	-	-	-
Full time employment	373	28	401	372	28	400	376	28	404
Part time employment	1	-	1	1	-	1	1	-	1
Other (practice)	4	2	6	1	1	2	1	1	2



## 5. Our people

FULGOR	2012			2013		
	Men	Women	Total	Men	Women	Total
Personnel in total	195	14	209	174	15	189
Collective labour agreement	100%	100%	100%	100%	100%	100%
Non collective labour agreement	-	-	-	-	-	-
Labour agreements	195	14	209	171	15	186
Of definite duration	-	-	-	-	-	-
Seasonal employment	-	-	-	-	-	-
Full time employment	195	14	209	171	15	186
Part time employment	-	-	-	1	-	1
Other (practice)	-	-	-	2	-	2



### Targets for 2013

Train the Corporate Responsibility Team on policies and procedures relating to human rights and equal opportunities.

Inform the employees' families on serious diseases.

### Outcome

Target achieved. The training was conducted: 40 training hours for Human Rights and 20 Company's employees attended the training.

Target achieved. An informative session took place regarding Diabetes disease.

### Targets for 2014

- Summer camps for FULGOR employee's children.
- Training HELLENIC CABLES and FULGOR Executives in respect of: business process management and corporate responsibility, cultivating corporate culture and implementation of appraisal procedures.







## 6. Health and Safety in our Workplace



### 6.1 Health and Safety Policy and Management System

Caring about Health and Safety in workplace is our fundamental value. Elimination of factors that would lead to accidents or occupational diseases is our ongoing target. In achieving this target, we have developed our Health and Safety Policy and we implement a Health and Safety Management System according to the requirements of the international standard OHSAS 18001:2007. Every year we intensify our efforts and perform various activities aiming to a more safe and healthy workplace both for our employees and our business partners.

### Our Policy for Health and Safety

The Health and Safety Policy in Workplace constitutes an integral part of our operational methods. According to this Policy the Company is committed to:

- manufacture its products and provide its services in a way that ensures accident and occupational disease prevention,
- Fully complies with the effective legislation and regulations regarding Health and Safety in workplace, which the Company has officially accepted,
- makes available the necessary resources and authorizations for implementing OHSMS, providing ongoing training to its personnel and business partners in order to improve their knowledge about Health and Safety in the workplace,
- identifies and assesses the risks and estimates their impact in order to take preventive actions for their elimination,
- monitors Health and Safety performance aiming at continuous improvement,
- supports all employees' participation, by encouraging their proposal submission aiming to improve its Health and Safety performance in the workplace.

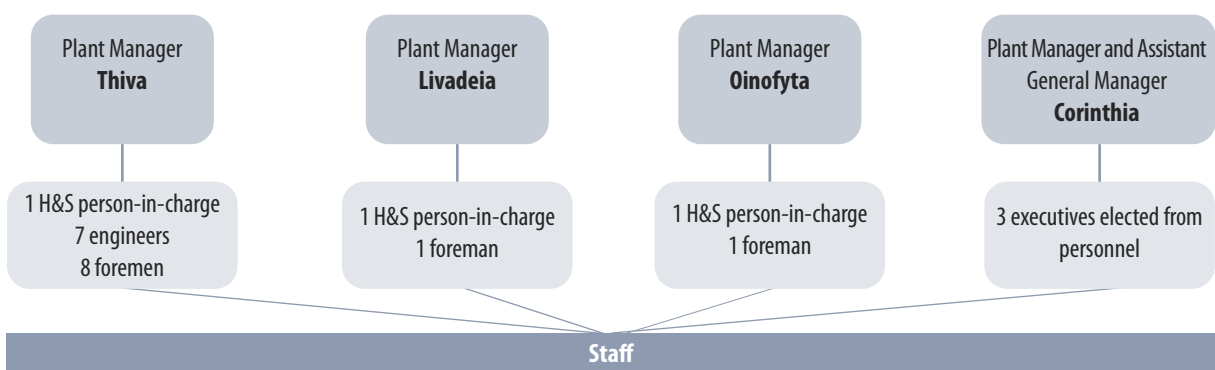
### Health and Safety System and Procedures

In addressing Health and Safety issues, a Health and Safety Management System is implemented which is fully aligned with both effective legislation and international standards. In 2012, the Company's OHSMS was certified according to the specifications of the international standard OHSAS 18001:2007.



The implementation of OHSMS is supported by the Health and Safety committees whose composition was completed in 2013. These committees handle Health and Safety issues in working hours and hold a consulting role. In each production plant a Health & Safety committee is established, representing all employees regarding Health and Safety issues. Each Committee meets regularly and reports to the General Director of each Company's plant (and Director's Associate in the case of Corinthia plant).

### Health and Safety Committees



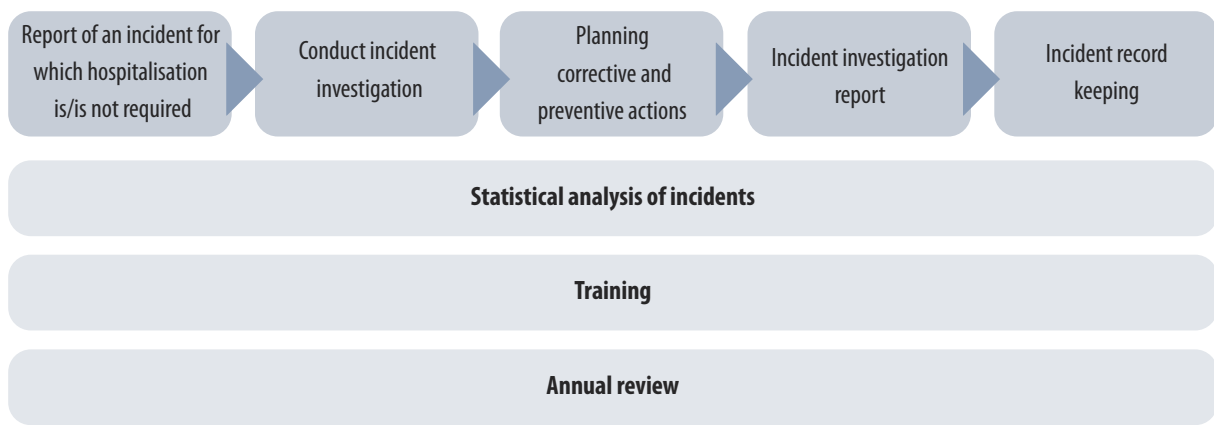


## 6. Health and Safety in our workplace

Additionally, all the System's procedures have been designed and implemented in a way that contributes both to avoiding similar incidents and reducing their numbers.

The incident management process, applied for recording and disclosure of occupational incidents and diseases contributes to this end. This procedure complies with the requirements imposed by the competent national authorities (Occupational Risk Prevention Center –KEPEK, Insurance Agency) and the International Labour Organisation (ILO).

### Incident Management Process



### Our Partners' Health and Safety

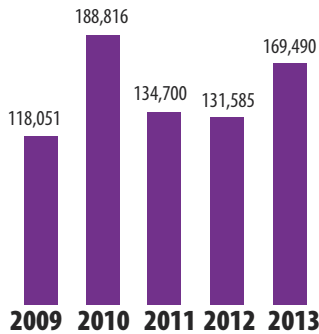
In maintaining a healthy and safe environment in our premises, we ensure that the developed policies and procedures are strictly followed by our sub-contractors and cooperators as well. Prerequisite required for collaboration with any contractor, is his obligation to fill and sign a specific form declaring his committed to the following important issues:

- his personnel is insured at corresponding insurance agencies according to Greek legislation
- he shall take all the appropriate security measures during the accomplishment of the project assigned to
- he shall care for the prevention of accidents for his personnel.

### 6.2 Our investments in Health and Safety

For one more year we have invested in our people Health and Safety. As we aim at upgrading Health and Safety Management System and its procedures, improving the working environment and training the employees in issues regarding corporate culture and conduct, we heavily invest on an annual basis. Each investment is based on Health and Safety Management System implementation as well as on the suggestions made by Health & Safety persons-in-charge and employees.

**Total Investments in Health & Safety per annum  
(in Euro) HELLENIC CABLES**

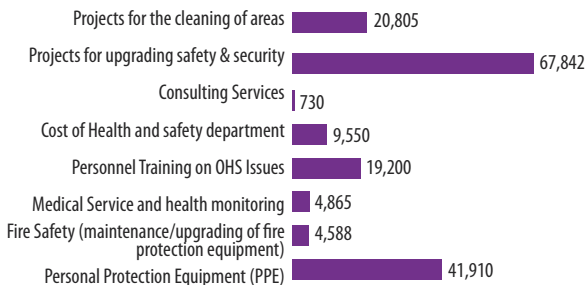


**Total Annual Investments in Health & Safety per annum  
(in Euro) FULGOR**

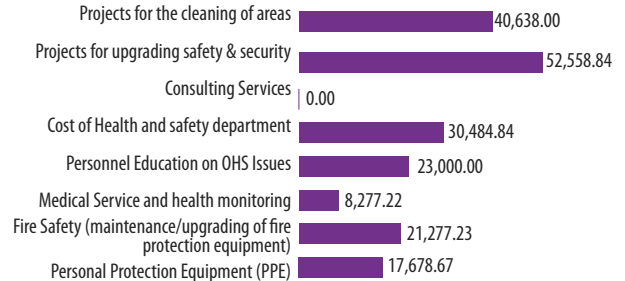


Regarding the differentiation in the level of HELLENIC CABLES investment in 2010, is due to the activities that were initiated in that year, aimed at obtaining Health and Safety Management System certification according to OHSAS 18001:2007.

**Operational Expenditure in Occupational  
Health & Safety by Category (in Euro) HELLENIC CABLES**



**Operational Expenditure in Occupational  
Health & Safety by Category (in Euro) FULGOR**



## 6.3 Health and Safety Programmes and Activities

Health and Safety Programmes and Activities are planned on an annual basis according to both the OHSMS requirements and the results that arise from monitoring specific Health and Safety indicators. Aiming at continuous improvement of Health and Safety in the working environment, the Company has developed programmes that deal with three main axes:

### I. Employee Safety Prevention Programme

- Scheduled Health & Safety internal audits for the purposes of taking immediate corrective and precautionary actions in order to prevent incidents. Safety audits are carried out in every machinery area aiming at recording hazardous conditions and practices that could cause personnel injury.
- Investigation of accidents and incidents in order to identify the underlying reasons and take corrective and preventive actions to avoid reoccurrence.
- Health and Safety leaflets have been published and distributed to all recently recruited personnel.



## 6. Health and Safety in our workplace

- Procurement and use of the most advanced Personal Protection Equipment, according to the requirements of each position and to the high standards set by the Company.
- Emergency drills to ensure equipment integrity and employee readiness.

### HELLENIC CABLES

- In 2013, a total of 64 Health and Safety audits were carried out by the specific audit teams consisting of a foreman, an engineer, a security officer and a machinery operator.
- Health and Safety leaflets have been published and distributed to all recently recruited personnel.
- In 2013, 3 fire drills were carried out, 2 soap oil leakage drills, 2 fuel oil leakage drills and 1 hazardous material leakage drill.

### FULGOR

- In 2013, a total of 2 Health and Safety internal audits were carried out by the relevant audit teams and 1 external inspection from a certified body.
- Health and Safety manuals have been published and distributed to all recently recruited personnel.
- Initiation of the firefighting equipment upgrading, by the installation of fire sprinklers in specific plant's facilities.
- Protective Equipment was replaced in specific machinery.
- In 2013, 2 readiness and emergency drills were carried out (tackling an occupational accident or accident due to fire, tackling leakage of fuel oil, LPG, oil, water or firefighting).

### II. Employee Health Prevention Programme

- Application of personal hygiene rules by all employees.
- Scheduled visits of Occupational Health Doctor. The visits are conducted on weekly or monthly basis, depending on the size of the Company's facilities.
- Employee medical examination by the Occupational Health Doctor after any reported accident.
- Conducting appropriate measurements for Damaging Agents to validate that working conditions meet all required criteria.

### HELLENIC CABLES

- Medical checkups for all employees in order to ensure their good health condition. In 2013, cardiology control and blood tests were carried out.
- Voluntary blood donation sessions and Blood Bank to cover the needs of employees and their families.
- In 2013, measurements were conducted in our plants regarding:
  - o concentration of detectable respirable dust and in the production area, ambient place and in the ambient air.
  - o chemical agents in the production area, ambient place and in the ambient air.
  - o noise level in production area and ambient place .

### FULGOR

- Employees' medical files restructure and update:
  - o maintaining employee personal and family medical history.
  - o filling a special field in the form, referring to medical treatment received by the employee.
- Clinical examination conducted by the Occupational Health Doctor (visual and acoustical acuity, heart rate measurement, assessment employee's mental condition, advisory and nutrition instructions.
- Specialized blood tests to check for lead levels, conducted by certified laboratory (the tests began in 2012 and were completed in 2013).

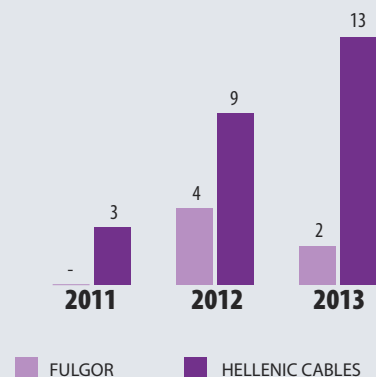
- Specialized medical examinations, relating to specific working positions (otolaryngologist examination for employees working in high altitudes).
- Control to all First Aid Kits and relevant supplies.
- Medicine supply procedure's review.
- Infirmary's equipment upgrading with specialized medical equipment.
- First Aid training conducted by specialized partner.
- In 2013 specific measurements were conducted, such as dust concentration in production area in ambient place and ambient air, magnetic field in production area and ambient place, noise level in aluminium and copper foundries, heavy metals in production area and ambient place.
- Blood donation session (Blood Bank) to cover the needs of employees and their families. The donation is organized from FULGOR employees' union and is supported by the Company's top management.

### III. Regular Training Programmes in Health & Safety issues

We recognize that our employees' contribution is important to achieving our target of creating and maintaining a safe workplace. Therefore we commit and focus on training our employees in both Health and Safety issues, aiming at motivating their awareness and developing a culture of safety.

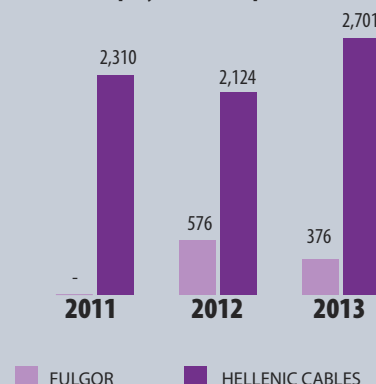
#### Number of Seminars on Health and Safety Issues

#### Number of Seminars on Health and Safety Issues



#### Employees Participation

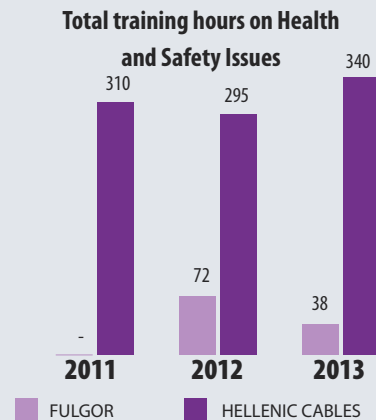
#### Employees Participation





## 6. Health and Safety in our workplace

### Total training hours on Health and Safety Issues



*\*It is noted that in HELLENIC CABLES during 2013 1,304 training hours were carried out internally from qualified executives and 1.397 hours in collaboration with an external training center.*

Additionally, in 2013 our employees have had the opportunity to join prevention, informing and supporting programmes regarding serious diseases. As serious disease is considered any complication in individual's health that have a major impact in him, his family and close environment.

For that reason, HELLENIC CABLES, taking advantage of its partners' network in Health related issues, provides the following benefits to its employees:

- low prices for laboratory and diagnostic medical exams,
- access to an extensive network of doctors from various specialties,
- access and special prices in various private clinics in case of emergency,
- access to on line communication and medical advice 24 hours / 7 days / 365 days a year.

HELLENIC CABLES in addition, organizes almost every year an informative session about a serious disease. In 2013 the session was about Diabetes disease.

In FULGOR, the regular occupational health doctor's visits demonstrated the need for training, focusing on musculoskeletal disorders and precautionary measurements. Specific staff attended this training, whereas it is planned for all employees in 2014.



Supporting Programmes for serious diseases	Education / Training		Counseling		Prevention / Risk Control		Treatment	
	Yes	No	Yes	No	Yes	No	Yes	No
Programme Recipients								
Employees	•		•		•		•	
Employees' Families		•	•			•	•	
Community members		•		•		•		•

### Pictures demonstrating safety improvements in Company's facilities

#### Improving Activities

#### Before

#### After

Position determination and marking.



Removing the materials in use. Use of special marking and their relative explanation to determine storage area.



***To date, no occupational diseases have been recorded in the Company.***



## 6. Health and Safety in our workplace

### 6.4 Key Performance Indicators on Health and Safety

Monitoring the results of all Health and Safety activities is a matter of key importance to our Company. In particular, the Company has developed specific indicators in order to monitor and evaluate the performance of Health and Safety Management System. The use of the aforementioned indicators facilitates detection of deviations from the established targets and highlights the areas in need of improvement interventions.

#### Number of accidents and occupational diseases

	HELLENIC CABLES			FULGOR	
	2011	2012	2013	2012	2013
Number of fatalities	0	0	0	0	0
Number of occupational diseases	0	0	0	0	0

#### Number of incidents by type

	HELLENIC CABLES			FULGOR	
	2011	2012	2013	2012	2013
Incidents without days of absence (minor accidents)	17	11	11	*	2
Near misses	9	9	6	*	*
Incidents with days of absence	2	2	1	8	10
<b>Total</b>	<b>28</b>	<b>22</b>	<b>18</b>	<b>8</b>	<b>10</b>
<i>*not recorded</i>					

#### Injuries and Absences

	HELLENIC CABLES			FULGOR	
	2011	2012	2013	2012	2013
Injuries / accidents (% to the entire personnel)	0.74%	0.50%	0.50%	3.80%	5.29%
Absences due to workplace injuries or accidents to the entire personnel (absence hours/total occupation hours in %)	0.06%	0.06%	0.06%	0.43%	0.31%

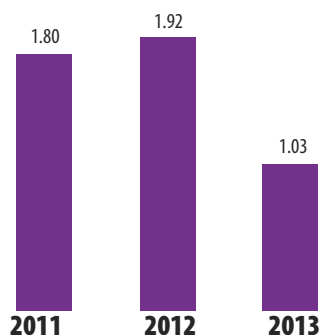
## Annual number of working hours

HELLENIC CABLES	2011	2012	2013
Total hours worked M/H	1,096,451.00	1,042,603.00	973,149.00

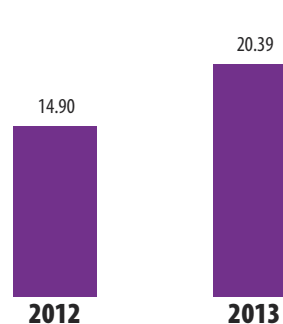
FULGOR	2012			2013		
	Men	women	Total	Men	women	Total
Total hours worked M/H	499,479.00	36,000.00	535,479.00	454,324.00	36,000.00	490,324.00

## Injury Rate (IR)\*

Injury Rate (IR)\*HELLENIC CABLES

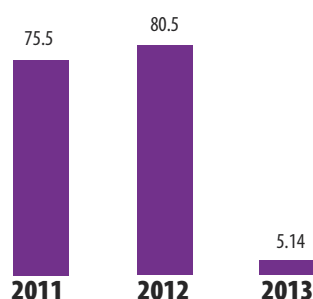
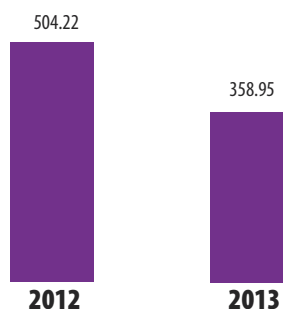


Injury Rate (IR)\*FULGOR



$$\text{Injury Rate (IR)} = \frac{\text{TOTAL NUMBER OF INJURIES} \times 10^6}{\text{TOTAL MANHOURS WORKED}}$$

## Lost Day Rate (LDR)\*

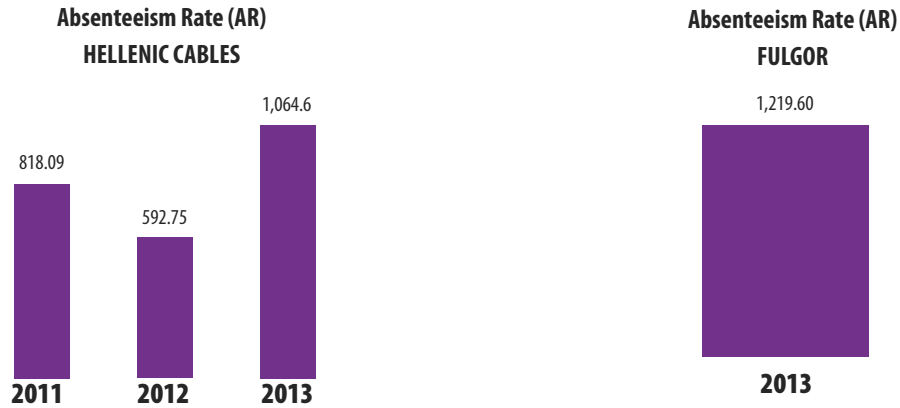
Lost Day Rate (LDR)  
HELLENIC CABLESLost Day Rate (LDR)  
FULGOR

$$\text{Lost Day Rate (LDR)} = \frac{\text{TOTAL NUMBER OF LOST DAYS DUE TO ACCIDENT} \times 10^6}{\text{TOTAL MANHOURS WORKED}}$$



## 6. Health and Safety in our workplace

### Absenteeism Rate



$$\text{ABSENTEEISM RATE (AR)} = \frac{\text{TOTAL NUMBER OF LOST DAYS DUE OTHER REASONS (NOT ACCIDENTS)} \times 10^6}{\text{TOTAL DAYS WORKED}}$$

\* For the calculation of lost days, (a) for injuries the counting begins from the next day of the incident and (b) for diseases, the days count as the number provided from insurance agency

"Minor accidents" are those requiring only first aid and not leading to missed workdays.





### Targets for 2013

### Outcome

Increase safety audits at the Company's three plants by 5%.

Target achieved. In 2013, 64 audits in total were carried out at the Company's three plants, compared to 61 that were carried out in 2012 (increase by 5%).

More than 60% employees in Thiva plant are going to receive first-aid training.

Target achieved.

Training of newly recruited employees on Health and Safety issues by certified organisations.

Target achieved. All newly recruited employees in Company attended a Health and Safety seminar from a certified body. The seminar duration was 8 hours.

### Targets for 2014

#### HELLENIC CABLES

- Distribution of First Aid manual.
- Development of a workplace safety manual for the employees in Thiva.
- Development of a special safety brochure that includes all signs related to Health and Safety, both in English and Greek, in order to be distributed to plants' employees and all visitors.
- Firefighting and emergency situations training of the plants' employees from an external body.
- First Aid training from external body for the employees in Oinofyta plant that did not attend the first training seminar.

#### FULGOR

- Improvement on recording near misses, through training of the entire personnel pointing out its significance.
- Increase by 10% of the training hours in Health and Safety issues.
- Increase of internal safety audits by achieving 10 audits in 2014.
- Vaccination for staff providing cleaning services through EOPYY.



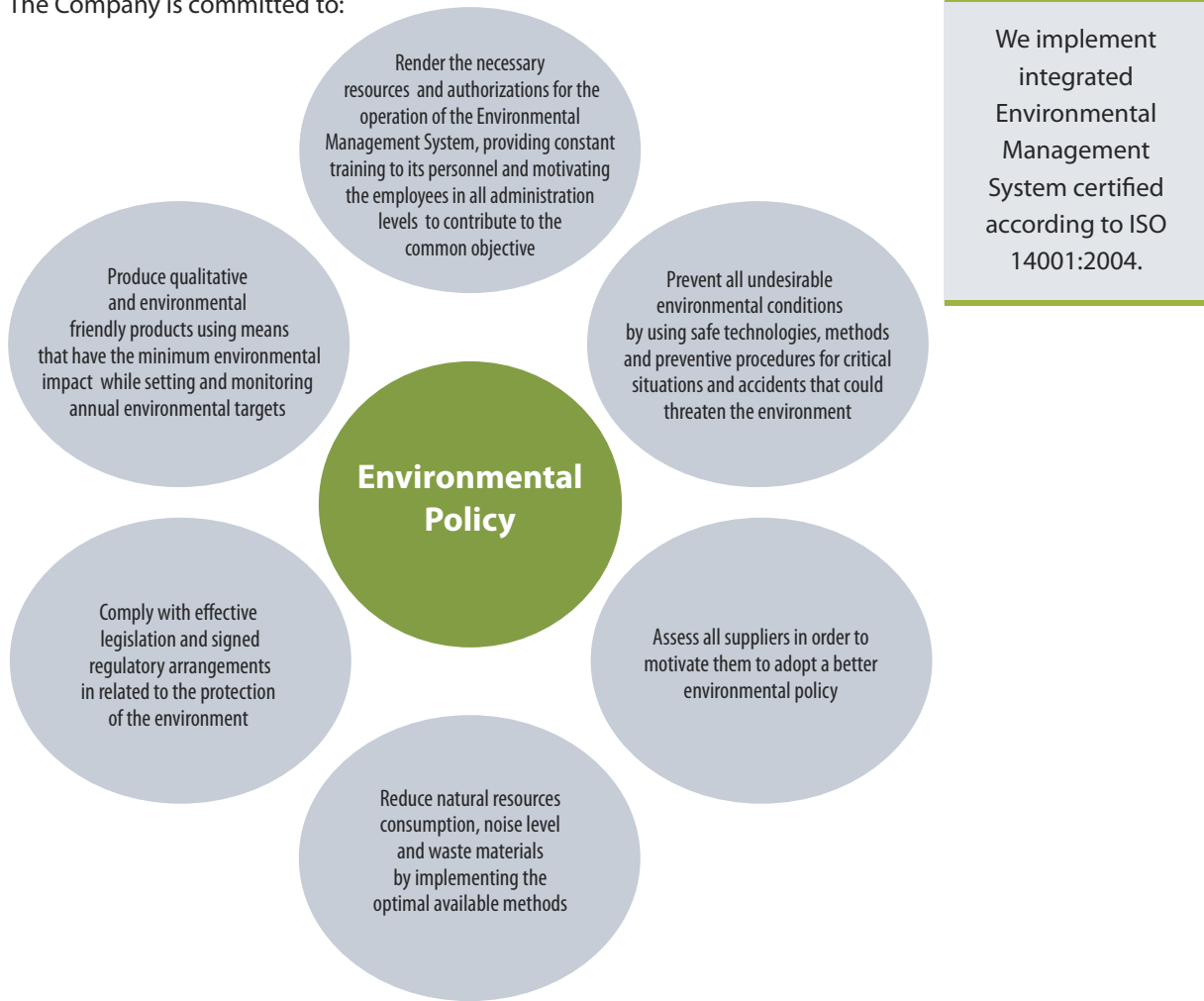
## 7. Our Environmental Approach



### 7.1 Environmental Management System and Environmental Policy

Respecting the environment is a key priority for the Company, therefore an Integrated Environmental Management System is applied to all the plants,, which has been audited and certified in accordance with the requirements of the International Standard ISO 14001:2004. Recognizing the importance of environmental protection and taking into consideration the worldwide environmental problems, the Company aims at reducing its environmental footprint, promoting recycling and protecting natural resources. The Environmental Policy includes the Company's commitment in order to achieve its targets for the protection of the environment.

The Company is committed to:



The Company's Environmental Managers develop and set the targets regarding the Environmental Management System and provide the environmental guidelines for all employees.





## 7. Our Environmental Approach

### 7.2 Investing in the Environment

The Company constantly improves its Environmental Management System, implementing annual investments related to environmental protection and preservation of natural resources.

#### HELLENIC CABLES

Expenditure for environmental protection (in Euro)	2012	2013
Monitoring of Environmental Parameter	22,304	3,891
New environmental protection projects and maintenance of environmental protection equipment	24,543	9,163
Waste management to appropriate licensed contractors	135,627	158,801
Environmental Department and certification cost	20,730	10,730
<b>Total</b>	<b>203,204</b>	<b>182,585</b>

#### FULGOR

Expenditure for environmental protection (in Euro)	2012	2013
Monitoring of Environmental Parameter	9,172	12,350
New environmental protection projects and maintenance of environmental protection equipment	36,500	50,820
Waste management to appropriate licensed contractors	240,071	185,583
Environmental Department and certification cost	39,167	23,933
<b>Total</b>	<b>324,910</b>	<b>271,686</b>

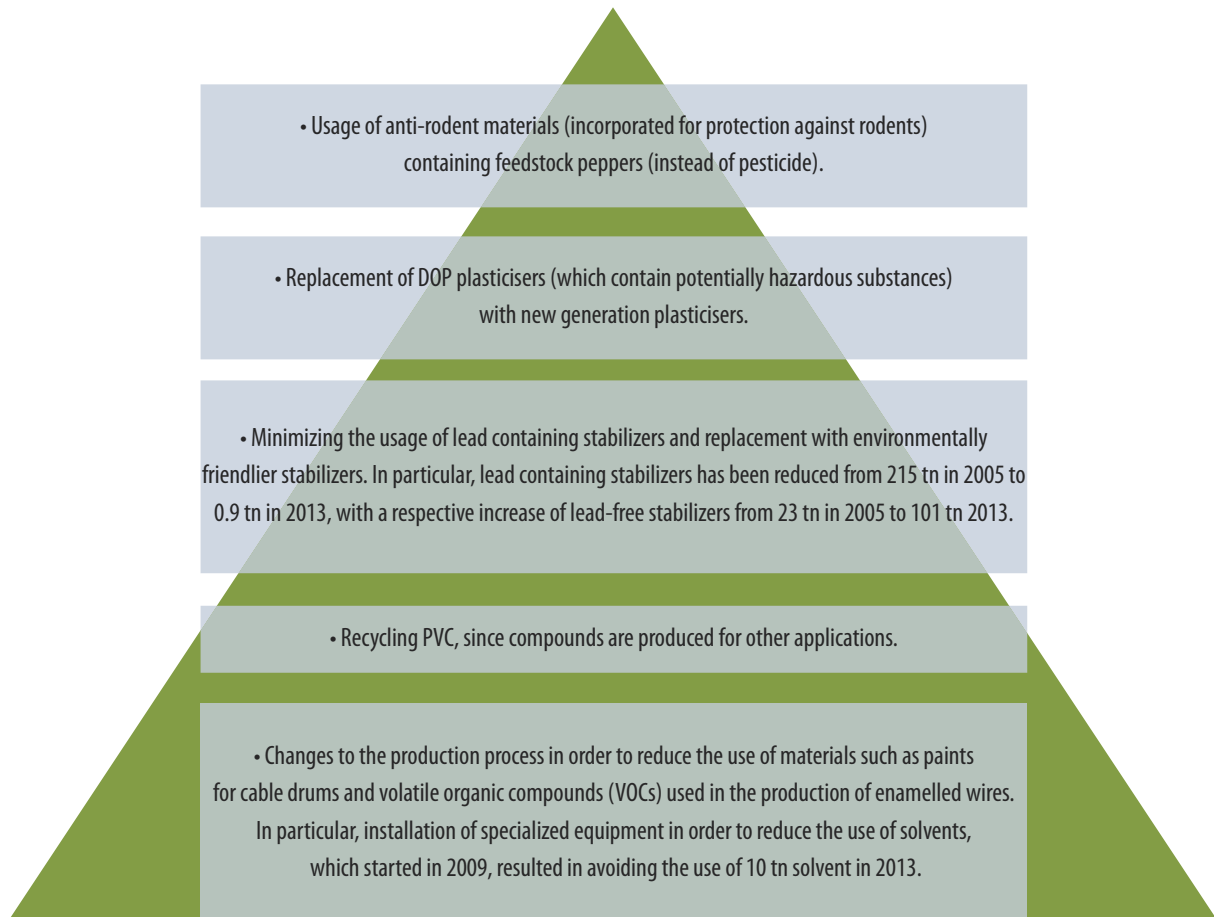




### 7.3 Raw and Secondary Materials

#### Our initiatives for Environmentally Friendly Products

The Company seeks to use raw and secondary materials with environmentally friendly properties, whenever available technologies allow doing so, setting the base for manufacturing environmentally friendly products. The Company's common practice includes:



The Company fully complies with the legislative framework relating to chemical substances and preparations, specified in REACH Regulation, and exclusively collaborates with the suppliers who comply with the REACH Regulation.

#### Raw and Secondary materials Efficient Use

The Company attempts to make coordinated efforts in order to use efficiently renewable and not renewable raw and secondary materials for manufacturing and distributing its products.

Reuse of metals (aluminium and copper) is a characteristic example. These metals constitute the raw materials for cable manufacture. By remelting aluminium and copper scrap the need for raw materials procurement is reduced.

Our goal is to reduce our Environmental Footprint.

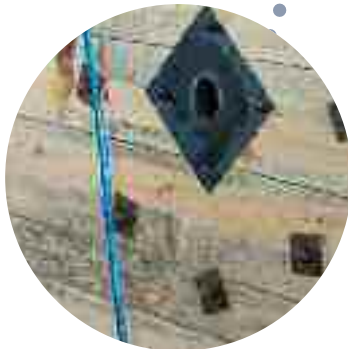


## 7. Our Environmental Approach

In 2013 1,093 tons of Copper and 495 tons of Aluminium total for HELLENIC CABLES and FULGOR have been remelted.



The company recycles Copper and Aluminium metals.



The Company reuses pallets, drums (wood packaging for inserting cables for safe transportation) and reels (plastic packaging for enamelled wires), reclaiming them from the customers (after using the cable), thus leading to significant savings of timber and reuse of plastic.



## Raw and Secondary materials Use

### HELLENIC CABLES

Materials (tn)	2011	2012	2013
Metals (Cu, Al, Fe)	35,060	31,392.47	25,885.57
Insulating materials (PVC)	12,247	10,146.68	7,837.83
Plasticisers	1,974	2,493.37	1,582.29
Aggregates	4,335	5,094.88	3,796.59
Paint	2	0.63	0.15
Volatile organic compounds (VOCs)	24	18.00	18.72
Packaging materials	5,903	6,844	6,045.48

### FULGOR

Materials	2012	2013
<b>Cable Manufacture Unit</b>		
Metals (Cu, Al, Fe) (tn)	7,200	6,902
Insulating materials (PVC) (tn)	8,508	3,072
Packaging materials (tn)	2,550	4,120
Oxygen (m <sup>3</sup> )	843	1,851
Nitrogen (in tn)	228	203
<b>Aluminium Rod Manufacture Unit</b>		
Metals (Cu, Al, Fe) (tn)	11,230	4,517
Metal Scrap from cables (tn)	0	399
<b>Copper Rod Manufacture Unit</b>		
Metals (Cu, Al, Fe) (tn)	20,500	29,556
Metal Scrap from cables (tn)	0	1,093
Oxygen (m <sup>3</sup> )	128	353

*\* In 2013 in FULGOR a significant increase was observed regarding Packaging materials compared to the corresponding in 2012. This is due to relevant customers' demands to use drums for shorter lengths of cables.*



## 7. Our Environmental Approach

In 2013 recycled packaging material was used, corresponding to 14.4% of overall packaging material of HELLENIC CABLES and 11.6% of FULGOR.

### HELLENIC CABLES

Packaging materials (tn)	Total Material	recycled Material	% of recycled use by type
Timber	6,137.13	802.90	13.1%
Rest Packaging materials (paper, plastic etc)	324.56	128.77	39.7%
<b>Total</b>	<b>6,461.69</b>	<b>931.67</b>	<b>14.4%</b>

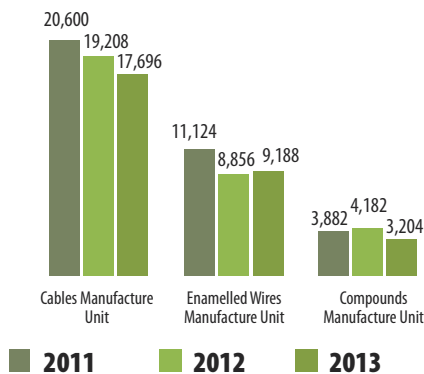
### FULGOR

Packaging materials (tn)	Total Material	recycled Material	% of recycled use by type
Timber	3,786.63	476.33	11.6%
Metal Drums	172.48	0.00	0.0%
Rest Packaging materials (paper, plastic etc.)	161.12	0.00	0.0%
<b>Total</b>	<b>4,120.22</b>	<b>476.33</b>	<b>11.6%</b>

## 7.4 Electric and Thermal Energy Consumption

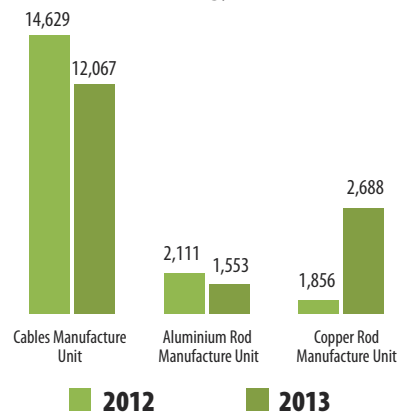
### HELLENIC CABLES

Electric Energy (MWh)



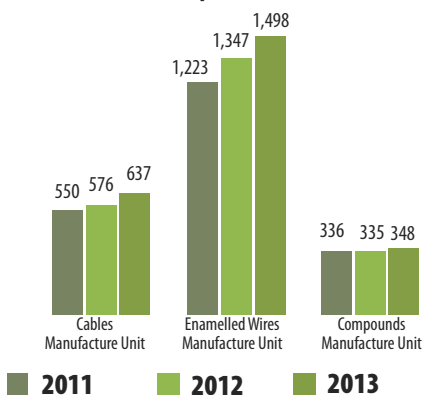
### FULGOR

Electric Energy (MWh)



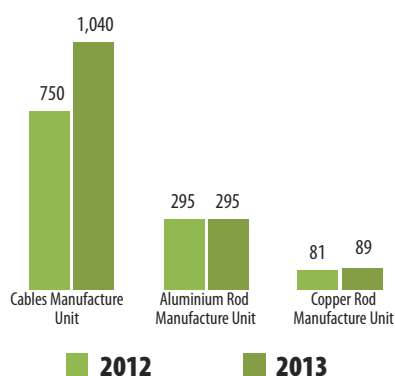
### HELLENIC CABLES

**Specific Electric Energy Consumption (KWh/product tn)**

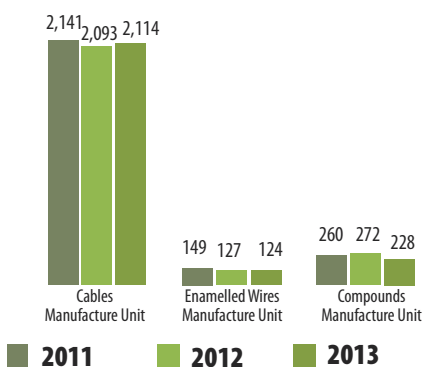


### FULGOR

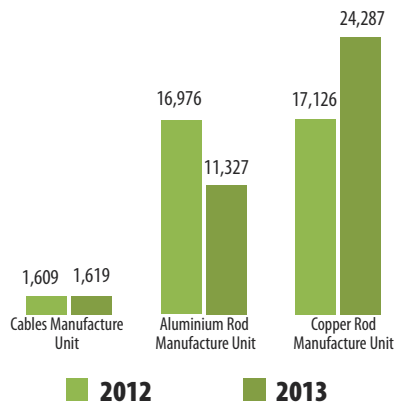
**Specific Electric Energy Consumption (KWh/tn of product)**



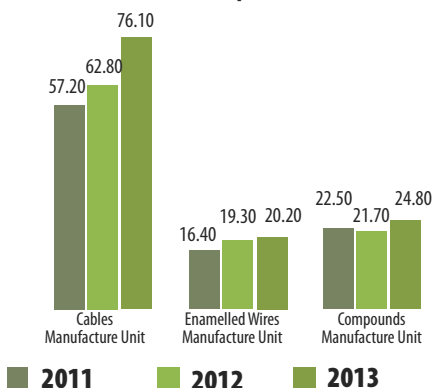
### Thermal Energy (MWh)



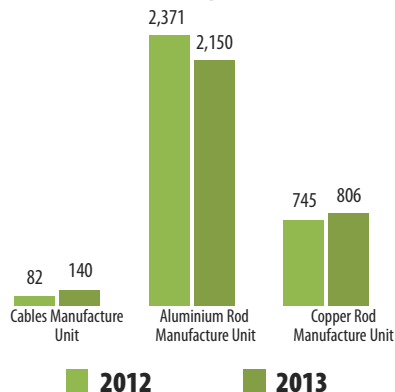
### Thermal Energy (MWh)



**Specific Thermal Energy Consumption (KWh/tn of product)**



**Specific Thermal Energy Consumption (KWh/tn of product)**



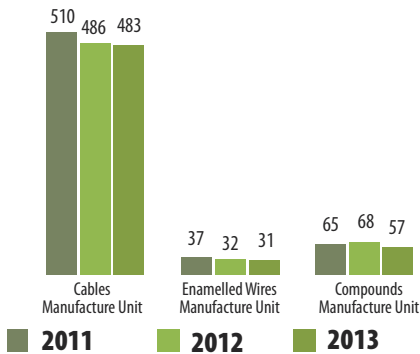


## 7. Our Environmental Approach

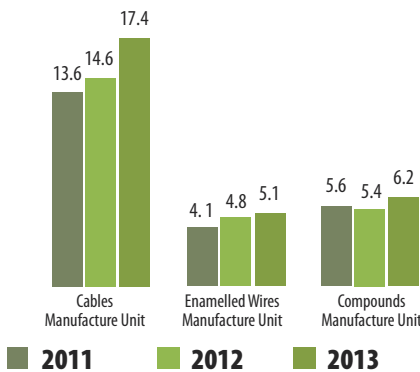
### 7.5 Carbon Dioxide Emissions (CO<sub>2</sub>)

#### HELLENIC CABLES

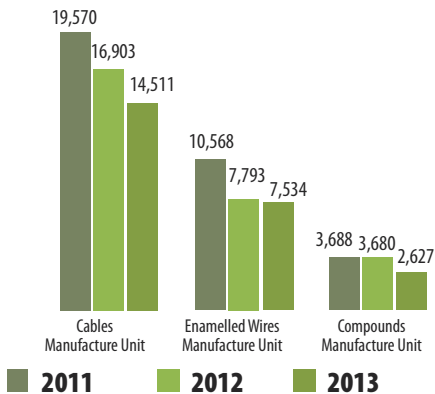
##### Direct Emissions CO<sub>2</sub> (tn)



##### Specific Direct Emissions CO<sub>2</sub> (kg CO<sub>2</sub>/tn of product)

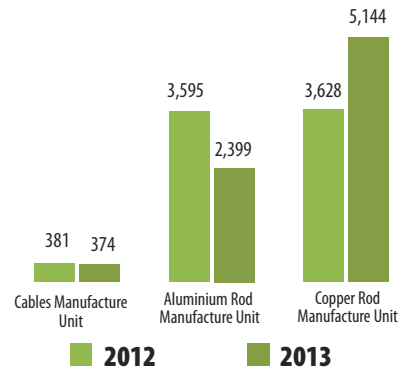


##### Indirect Emissions CO<sub>2</sub> (tn)

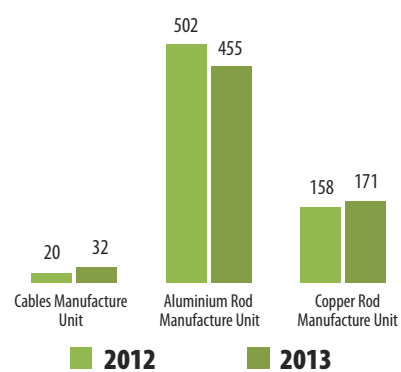


#### FULGOR

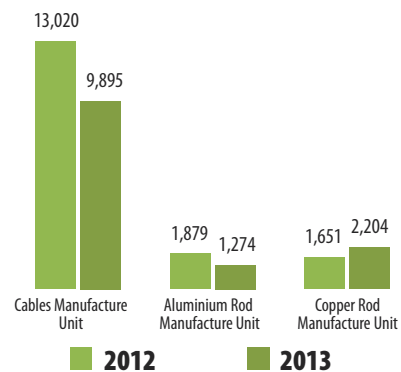
##### Direct Emissions CO<sub>2</sub> (tn)



##### Specific Direct Emissions CO<sub>2</sub> (kg CO<sub>2</sub>/tn of product)



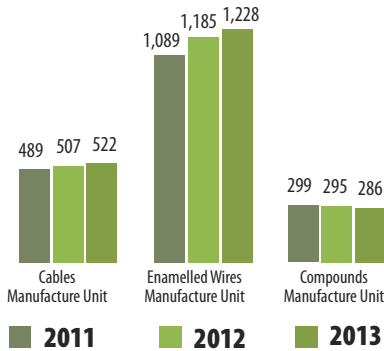
##### Direct Emissions CO<sub>2</sub> (tn)



The gas emissions in atmosphere resulting from human activities are overwhelmingly responsible for the climate change. Thereby, the company emphasizes in monitoring these emissions. Following the Greenhouse Gas Protocol Initiative the Company monitors, controls and reduces its environmental impact due to gas emissions.

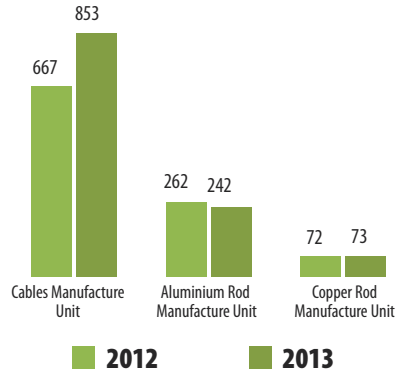
HELLENIC CABLES

Specific Indirect Emissions CO<sub>2</sub> (Kg CO<sub>2</sub>/ tn of product)



FULGOR

Specific Indirect Emissions CO<sub>2</sub> (Kg CO<sub>2</sub>/ tn of product)



The direct emissions' quantity includes the LPG consumption in the manufacturing process, fuel oil consumption for heating and operation of lifting machinery.

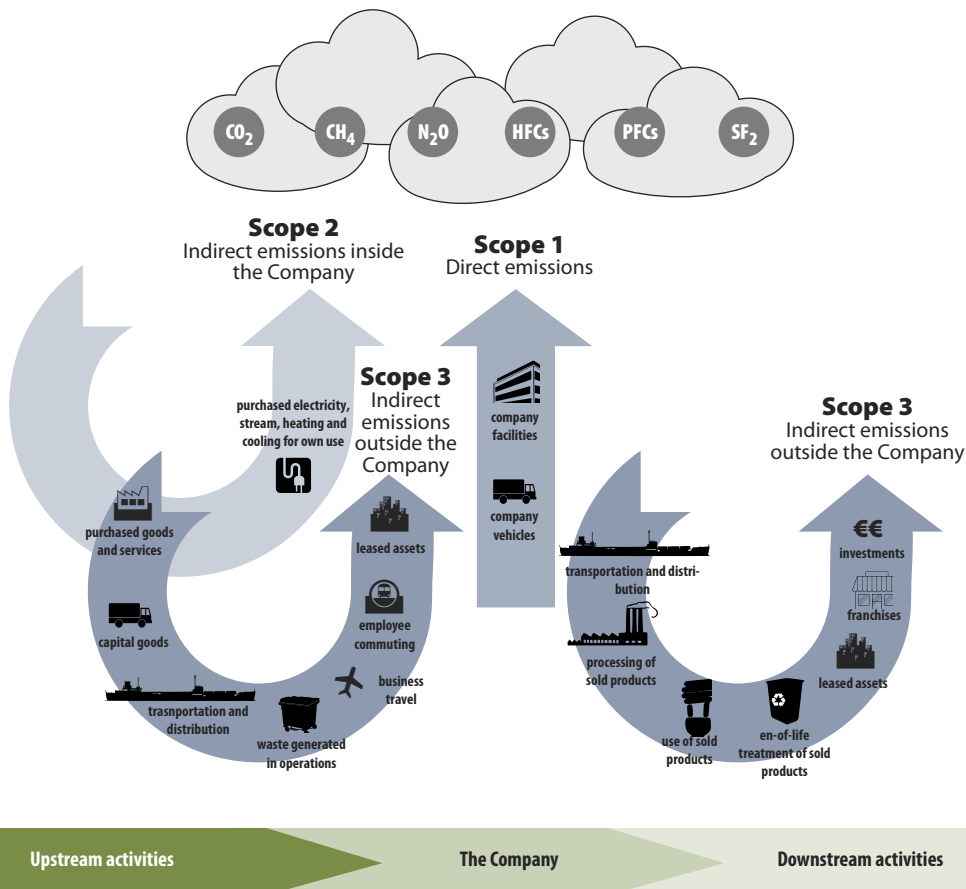
Factor 0.82 Kg CO<sub>2</sub> / KWh is used to calculate indirect carbon emissions for year 2013.

Factor 0.88 Kg CO<sub>2</sub> / KWh is used to calculate indirect carbon emissions for year 2012.

Factor 0.89 Kg CO<sub>2</sub> / KWh is used to calculate indirect carbon emissions for year 2011 (revised).

The emissions calculation was based on GHG Protocol of the World Resources Institute (WRI).

Greenhouse Gas Protocol Initiative





## 7. Our Environmental Approach

### 7.6 Nitrogen Oxides

#### HELLENIC CABLES

Nitrogen Oxides	2011	2012	2013
<b>Cable Manufacture Unit</b>			
Direct Emissions NOx (kg)	567	583	610
Indirect Emissions VOCs (kg)	0	0	0
Specific Direct Emissions NOx (kg/tn of product)	0.020	0.020	0.020
Specific Direct Emissions VOCs (kg/tn of product)	0.000	0.000	0.000
<b>Enamelled wires Manufacture Unit</b>			
Direct Emissions NOx (kg)	35	30	29
Direct Emissions VOCs (tn)	26.26	19.97	18.72
Specific Direct Emissions NOx (kg/tn of product)	0.004	0.004	0.005
Specific Direct Emissions VOCs (kg/tn of product)	2.890	3.040	3.050
<b>Compound Manufacture Unit</b>			
Direct Emissions NOx (kg)	61	64	54
Direct Emissions VOCs (kg)	0	0	0
Indirect Emissions NOx (kg/tn of product)	0.005	0.005	0.006
Indirect Emissions VOCs (kg/tn of product)	0.000	0.000	0.000

#### FULGOR

Nitrogen Oxides	2012	2013
<b>Cable Manufacture Unit</b>		
Direct Emissions NOx (kg)	432	457
Specific Direct Emissions NOx (kg/tn of product)	0.022	0.039
<b>Aluminium Rod Manufacture Unit</b>		
Direct Emissions NOx (kg)	5,586	3,727
Specific Direct Emissions NOx (kg/tn of product)	0.8	0.7
<b>Copper Rod Manufacture Unit</b>		
Direct Emissions NOx (kg)	5,631	7,987
Specific Direct Emissions NOx (kg/tn of product)	0.2	0.3

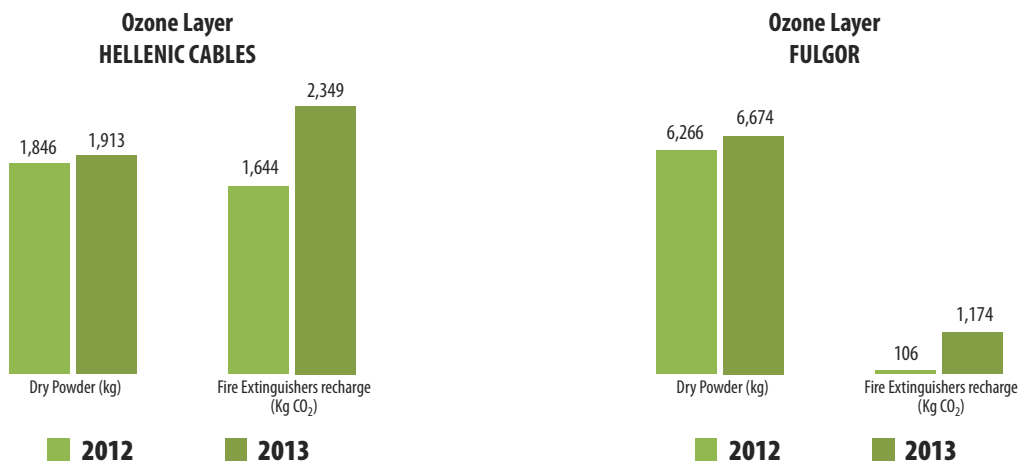
*\*The NOx quantity includes the emissions generated by LPG and Diesel consumption.*

The increased consumption observed in FULGOR for 2013, is due the construction works that were carried out under the investment programme.



## 7.7 Ozone layer

The Company recognizes that Ozone layer protection as well as climate change constitute worldwide environmental issues. To address the effect of the ozone layer depleting, the Company implements a programme, under which, all fire extinguishers in its premises use dry powder and CO<sub>2</sub>.



## 7.8 Water Usage

Our Company ensures the efficient use of water supplies restricting consumption to the minimum feasible level. The water used at the plant of Thiva comes from licensed drilling and Thiva's Water and Sewer Municipal Enterprise (DEYATH). The water used at the plants of Livadeia and Oinofyta comes from licensed drilling and Athens Water Supply and Sewerage Company (EYDAP SA) respectively. For FULGOR the water used comes from licensed drilling.

The water usage indicator is improved the last three years thanks to HELLENIC CABLES significant efforts.

The construction works that were carried out at FULGOR facilities relate to increased water consumption recorded in 2013.

Moreover the optimal water usage is Company's Policy. Use and reuse of sea water as cooling mean constitutes a Company's basic process. In 2013 52.067 m<sup>3</sup> of water were reused in Cable and Aluminium Rod Manufacture Units and 333,433 m<sup>3</sup>, of water in Copper Rod Manufacture Unit.



## 7. Our Environmental Approach

### HELLENIC CABLES

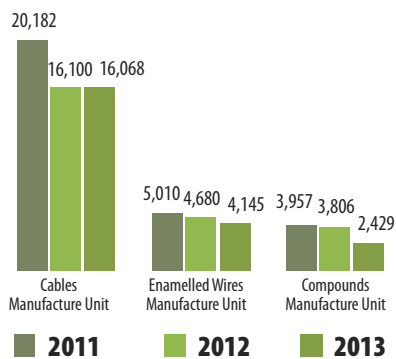
Water Consumption per Source ( m <sup>3</sup> )	2011	2012	2013
Licensed drilling	25,192	14,583	20,213
EYDAP/ DEYATH Water supply networks	3,957	10,003	2,429
<b>Total</b>	<b>29,149</b>	<b>24,586</b>	<b>22,642</b>

### FULGOR

Water Consumption per Source ( m <sup>3</sup> )	2013
<b>Cable Manufacture Unit</b>	
Licensed drilling	162,851
Local drilling	5,591
<b>Total</b>	<b>168,442</b>
<b>Aluminium Rod Manufacture Unit</b>	
Licensed drilling	0
Local drilling	76
<b>Total</b>	<b>76</b>
<b>Copper Rod Manufacture Unit</b>	
Licensed drilling	0
Local drilling	1,866
<b>Total</b>	<b>1,866</b>

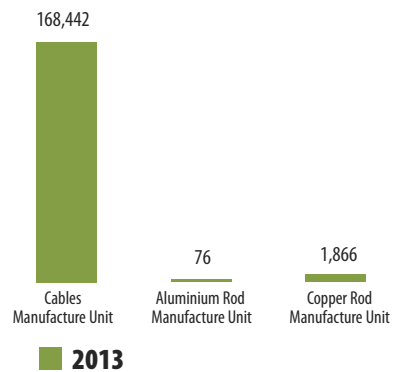
### HELLENIC CABLES

Use of Water (m<sup>3</sup>)

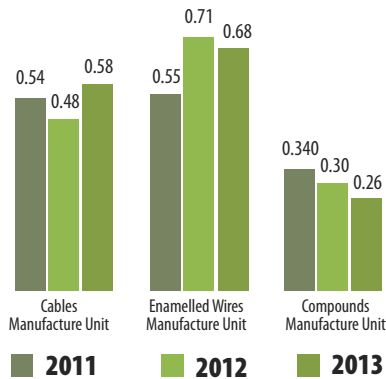


### FULGOR

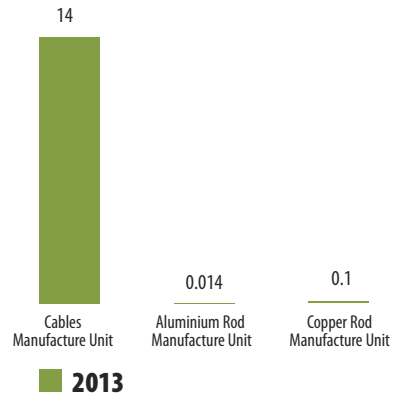
Use of Water (m<sup>3</sup>)



## HELLENIC CABLES

Specific Water Use (m<sup>3</sup>/tn of product)

## FULGOR

Specific Water Use (m<sup>3</sup>/tn of product)

## 7.9 Waste Management

Our Company constantly seeks to minimize its environmental impact and to reduce its environmental footprint through the responsible management of its waste. We manage the waste resulting from the production process, always in accordance with the requirements of Legislations and relative Regulations. We cooperate with companies for waste management (collection, transportation, recovery, disposal) that have all the necessary licenses and follow management practices in accordance with the current legislation. We also cooperate with all approved alternative waste management systems.

Within 2013, 96,81% of HELLENIC CABLES and 76,85% of FULGOR waste was recycled.



## 7. Our Environmental Approach

### HELLENIC CABLES

Type of Waste	Waste Management Method	Quantity in kg		
		2011	2012	2013
Metals	Recycling	2,029,168	1,949,695	1,582,697
Cables	Recycling	0	0	587,000
Plastic	Recycling	0	0	731,060
Paper Timber, tires	Recycling	1,108,547	1,753,352	907,785
Waste Electrical and Electronic equipment (WEEE)	Recycling	0	0	1,970
Emulsions- oils	Energy generation	116,930	110,110	102,100
Varnishes	Energy generation	0	0	0
Coatings	Recycling	4,100	0	1,630
Lead-acid accumulators	Recycling	0	0	940
Slag	Disposal	13,920	4,740	6,020
Polluted absorbent materials	Energy generation	3,320	1,920	1,580
Transformer PCBs	Disposal	0	0	3,280
Industrial Waste	Energy generation	0	0	600
Polluted Packages	Energy generation	0	0	1,090
Polluted grounds	Energy generation	0	0	1,520
Waste	Disposal to landfills	49,020	12,900	9,655
<b>Total</b>		<b>3,325,005</b>	<b>3,832,717</b>	<b>3,938,927</b>

## FULGOR

Type of Waste	Waste Management Method	Quantity in kg	
		2012	2013
<b>Cable Manufacture Unit</b>			
Lead Oxide waste and Pb Batteries	Recycling	4,500	18,550
Waste Emulsions	Energy generation	20,540	15,486
Waste NOKIA	Disposal	0	0
Hazardous filtering media	Energy generation	0	0
Waste Oils	Energy generation	19,170	12,350
Recyclable material (plastic, paper, tires, etc.)	Recycling	88,760	34,580
Recyclable Metals (Non Feron)	Recycling	45,224	482,690
Recyclable Feron Materials	Recycling	233,266	1,046,380
Wood	Recycling	241,640	428,680
Sludge biological treatment	Disposal	24,320	0
Plastics	Recycling	265,240	347,540
Waste Electrical and Electronic Equipment (WEEE)	Recycling	0	22,840
Waste to landfills	Disposal to landfills	221,040	259,070
<b>Total</b>		<b>1,163,700</b>	<b>2,668,166</b>
<b>Aluminium Rod Manufacture Unit</b>			
Waste Emulsions	Energy generation	66,000	61,944
Oil Waste	Recovery	5,550	1,320
Slags	Recycling	38,600	170,500
<b>Total</b>		<b>110,150</b>	<b>233,764</b>
<b>Copper Rod Manufacture Unit</b>			
Waste Emulsions	Energy generation	514,140	468,040
Hazardous filtering media	Energy generation	0	0
Tires	Recycling	0	0
Waste Electrical and Electronic Equipment (WEEE)	Recycling	0	0
Coatings Copper	Recycling	22,516	29,484
Copper flake	Recycling	35,073	45,927
Other recyclable material	Recycling	32,040	83,330
Waste to landfills	Disposal to landfills	2,500	5,990
<b>Total</b>		<b>606,269</b>	<b>632,771</b>

During cable manufacture residues remain at our plants, usually in the form of small solid cable clippings which are next segregated in basic materials and returned in recycling industries.

PE is recycled, while the remaining part is made available to appropriately licensed waste managers that collaborate with the Company.



## 7. Our Environmental Approach

### 7.10 Transportations

HELLENIC CABLES and FULGOR have set as key objective to select environmental friendly means of transportation, regarding the emissions resulting from products and material transportation. This is a challenge for the Company, as it operates in regions where these environmental friendly transportation means have no access (ships, trains etc.)

For the transportation of products, raw and secondary materials of our Company, as well as the transportation of employees to the workplace, we use means of transportation that consume fossil fuels with consequent gas emissions.

The impact arising from the transfer of employees is of particularly low significance, since approximately 90% of employees come from the local communities, and therefore, relatively few transportations are performed. In addition, the Company:

- provides employees with the option of transportation means (leased buses etc.)
- uses teleconferencing facilities (video-conference) in order to minimize, where possible, travelling to customer premises. Moreover, teleconferencing is also used among the Company's executives working at different plants of the Company and administration areas.

In addition, indirect carbon dioxide emissions to the atmosphere resulting from air travel of the Company's employees within 2013 amounted to 141.4 tn and 41.2 tn of CO<sub>2</sub>, (HELLENIC CABLES and FULGOR respectively). In 2013 the carbon dioxide emissions from buses transferring FULGOR personnel at Corinthia plant were recorded.

Emissions from transportation CO<sub>2</sub> (tn)



Emissions' calculation has been performed based on the principles established by the Greenhouse Gas Protocol of the International Organisation World Resources Institute (WRI).



### Target for 2013

The recycling rate of the company shall remain at above 95%.

Installation of specialized equipment in production lines in order to further reduce the use of solvents in Livadeia plant.

### Outcome

Target carried out. In 2013, The recycling rate of Hellenic Cables reached 96.06%.

Target carried out. Most specialized equipment is installed in four production lines resulting in using 4.5 tn solvent less.

### Targets for 2014

#### HELLENIC CABLES

- Replacement of 50% of company cars with diesel ones which have higher energy performance.
- Installing a water recycling system at the Compound Plant's Laboratory.

#### FULGOR

- Replacing melting furnaces with new technology regenerative ones that save fuel at 30%.
- Replacing window glasses at plants' offices with energy ones, aiming at saving energy.
- Reducing fuel oil special consumption per ton of product in Copper Rod manufacture unit at 3% and in Aluminium Rod manufacture unit at 5%.
- Achieving a waste recycling rate above 70% of total Company's waste.



## 8. Our Contribution to Society



The last two decades our society has experienced important changes due to Information Technology and Computer science evolution. Cable manufacture is considered as one of the most important factors on the development of the Information and Communications Technology (ICT) and Renewable Energy (RES) industries. Thereby we recognize the importance of our Company's social and product responsibility related to these fields.

HELLENIC CABLES and FULGOR manufacture a wide range of products including data transmission and telecommunication products, contributing in the creation of shared value developing and supporting various aspects of modern life.



**The Company contributes in addressing global problems regarding:**

1. Climate Change threats
2. Energy related problems (mainly electrical)
3. Improvement of standard of living
4. Health and Safety of Electric Appliances' Users



Our basic product-cable-contributes to creating an important 'intangible' social contribution

**Our Products:**

- Contribute in reducing the impact resulting from human activities that has led to climate change, such as technology achievements that have reduced significantly the business related travels.
- Transport electric energy (from renewable or non-renewable energy sources) to every remotely located area, to island regions, with minimal loss of power (using submarine cables), and generally
- Contribute in many ways in improving the standard of living through electric energy and other type of energy transport, use of Telecommunications in Medicine as well and through many other ICT applications.



In addition our products are being manufactured under the higher quality specifications in order to ensure health and safety of the users (e.g. electric appliances).

It is known worldwide that there are other important elements, beyond financial growth, that provide added value to organizations. The Company recognizes increasing shared value in a responsible way of development and products' placing and that value is countable as the Company's intangible and non-measurable -until today- social product.



## 8. Our Contribution to Society

### 8.1 Shared Value and Social Product

The measurable social product of a company reflects the part of the created shared value for all its stakeholders.



Our measurable social product!

The Company through its business activities makes significant investments and contributes to improving the national financial status, creating jobs, developing human resources, reducing deficits of insurance organizations and resulting in increased public revenue. The outcome of this value is our measurable social product.

SOCIAL PRODUCT (in million Euro)	2011	2012		2013	
	HELLENIC CABLES	HELLENIC CABLES	FULGOR	HELLENIC CABLES	FULGOR
Employee salaries (gross earnings)	14.2	13.0	6.26	11.1	5.08
Insurance Contributions (including private insurance)	3.7	3.5	1.8	3.1	1.5
Other employee benefits	0.9	0.9	0.5	0.9	0.5
Compensations (dismissals / retirements)	0.67	0.3	0.6	0.3	0.5
Payments to capital providers	7.9	12.9	2.5	11.2	2.9
Taxes paid	4.6	1.5	2.3	1.4	1.3
Total investments	5.2	3.9	8.7	1.8	48.0
Payments to domestic suppliers (incl. VAT)	85.3	169.7	91.7	102	55.8
Payments to international suppliers	229.5	197.3	65.5	146.3	100.4
<b>TOTAL</b>	<b>122.5</b>	<b>205.8</b>	<b>179.9</b>	<b>131.8</b>	<b>216.0</b>

## 8.2 Supporting Local Communities

In addition to our goal of contributing to the society at large, we focus on creating shared value for our surrounding communities. We consider those local communities as an important stakeholder and the harmonious co-existence and their further development is our concern.

The Company's Social Contribution axes are:

1. Supporting Local Employment
2. Supporting Local Economy
3. Social Activities
4. Employee's Voluntary Activities.



### Supporting Local Employment

We support employment in local communities and fight unemployment by recruiting our employees from local towns and communities.



### Supporting Local Economy

We aim at cooperating with local suppliers and contractors, provided that they meet the relevant requirements.



### Employee's Voluntary Activities

We develop common activities for the benefit of our fellow citizens, viewing volunteerism as a way of life



### Social Activities

We respond to the local communities' needs developing social activities. We support education, sports and health.



## 8. Our Contribution to Society

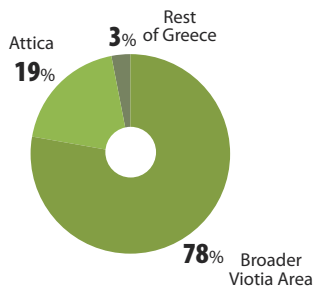
### 8.3 Supporting Local Employment

HELLENIC CABLES supports local communities through recruiting employees from the region it operates (Thiva, Livadeia, Oinofyta Viotia)

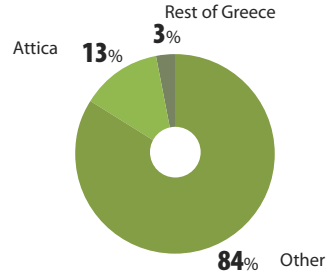
It should be noted that the Company has a positive impact in local employment, employing a total of 408 individuals, where approx. 81% of the personnel originates from the local communities.

It is characteristic that 84% of HELLENIC CABLE human resources works in Viotia region and respectively 78% of its employees comes from broader Viotia area.

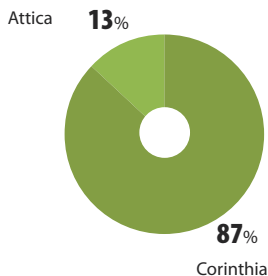
**Distribution of Human Resources  
by Geographical Region of Origin  
HELLENIC CABLES S.A.**



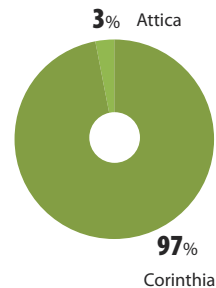
**Distribution of Human Resources  
by Geographical Region of Employment  
HELLENIC CABLES S.A.**



**Distribution of Human Resources  
by Geographical Region of Origin  
FULGOR S.A.**



**Distribution of Human Resources  
by Geographical Region of Employment  
FULGOR S.A.**

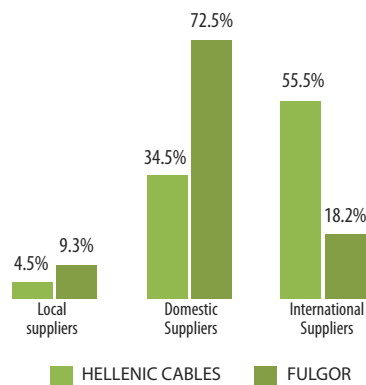


The majority of FULGOR employees (87%) also come from Corinthia local communities, as its plant is located in Sousaki of Corinthia Prefecture. The percentage of employees working in Corinthia approaches 97%, as only 5 from a total of 189 individuals are working in Company's offices in Athens.

## 8.4 Supporting Local Economy

However, due to the fact that the raw and secondary materials used by both HELLENIC CABLES and FULGOR, are mainly produced abroad, the percentage of international suppliers has remained in high levels in 2013 as well.

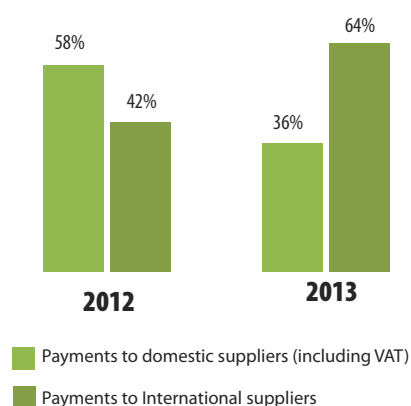
Geographical Distribution of Suppliers



Purchases Rate by Origin  
HELLENIC CABLES



Purchases Rate by Origin  
FULGOR



Additionally, following its recent decision, the Company purchased, within 2013 as well, metal drums for cables packaging from a local supplier who operates in Thiva. The Company has assessed this procurement as very positive because supports local economy and also reduces the procurement cost.

## 8.5 Social Activities

The Company undertakes social activities responding to the needs that arise from the discussions and contacts with the representatives of the local communities. In 2013 HELLENIC CABLES supported the following:



## 8. Our Contribution to Society

- NGO "Smile of the Child".
- LYREIO CHILDREN'S FOUNDATION by money donation instead of corporate presents in Christmas
- Oinofyta Nursery School by donating computers.
- Special Professional Education and Training Laboratory of Piraeus by also donating computers
- The Maroussi Police station by contributing to repairing its vehicles.

HELLENIC CABLES, additionally donated equipment for the operation of the laboratories of Technical High Schools, such as EPAL of Thiva, Chalkida, Oinoi and Chalkida Technical School.

Additionally, in supporting counseling to young people on professional orientation the Company organizes training and informing visits at its plant in Oinofyta for High school students. In 2013 students from Thiva and Oinoi visited its facilities.

FULGOR supported local volley team "PAMVOHAIKOS" in 2013 as a sponsor. It is worth mentioning that FULGOR offered water from one of its drillings in Corinthia in order to support the needs for water of Municipality of Agioi Theodoroi, during the summer.

### 8.6 Volunteerism

Volunteering is an initiative developed by our Company's employees in a personal, spontaneous, benefit-free manner and solely in terms of solidarity. Viewing volunteerism as a way of life, HELLENIC CABLES encourages its employees to participate in voluntary activities and has established these two annual activities:

#### Blood Donation

Since 2009, HELLENIC CABLES maintains a Blood Bank to meet the needs of its employees and their families. In 2013, 3 blood donations were organized, at which 60 persons participated and 25 blood units were collected. In 2013, 7 additional units were offered to cover needs of our fellowmen.

#### Voluntary Donation Programme "Our Joint Contribution to Solidarity Society":

In December 2013, for a fourth consecutive year, our employees participated in the programme "Our Joint Contribution to Solidarity Society", which was organized in cooperation with Bishopric of Livadeia. The response and awareness in order to collect the largest possible quantities of basic necessities (food, clothes and toys) to support families in need was real important.





#### Targets for 2013

Collaboration with local bodies to provide counseling to young people on professional orientation.

#### Outcome

Target carried out. See § 8.5 «Social Activities».

#### Targets for 2014

##### HELLENIC CABLES

- Organization of an informing event «First Aid in home for Adult-Child-Baby» in collaboration with “Life Support Educating Center”, for our employees, their families and members of the local communities.

##### FULGOR

- Organization of informing events about serious diseases in our age, for the local community.







## TABLES OF PERFORMANCE INDICATORS AND LINKAGE WITH INTERNATIONAL STANDARDS



## Corporate Responsibility Key Performance Indicators Table

Key indicators regarding financial, environmental and social performance are presented below, featuring the last three years of HELLENIC CABLES and for the year 2013 of FULGOR:

	HELLENIC CABLES			FULGOR
	2011	2012	2013	2013
<b>ECONOMIC GROWTH</b>				
Turnover (Total Revenue) (in million Euro)	326.66	363.5	259.2	117.8
Operating Profit / losses (in million Euro)	7.9	0.0	(5.0)	(3.0)
Net Profit / (Losses) (in million Euro) – after taxes	1.1	(6.9)	(10.7)	(9.4)
Operating Cost (in million Euro)	318.8	363.5	264.2	120.86
Payments to Capital Providers (in thousand Euro)	7.9	12.9	11.2	2.9
Tax Payment (million Euro) – Indirect (VAT) (in million Euro)	4	1.0	0.9	0.9
Tax Payment (million Euro) – Direct (in million Euro)	0.6	0.5	0.5	0.4
Total Payments to Governmental Bodies (total of indirect and direct taxes paid) (in million Euro)	4.6	1.5	1.4	1.3
Fines (in Euro)	0	0	0	0
Total Investments (in million Euro)	5.2	3.9	1.8	48
<b>HUMAN RESOURCES</b>				
Number of Employees	402	403	408	189
Training Man-hours (training x hours)	1,990	3,865	2,894	1,792
Training Expenditure (in Euro)	53,000	48,000	64,000	20,000
Total Investments on Occupational Health and Safety	134,700	131,585	169,490	193,915
Injury Rate (Lost work hours X 106/ Total man-hours worked)	1.80	1.92	1.03	20.39
Minor Accidents (that did not result absence from work)	17	11	11	0
Injuries that resulted absence from work	2	2	1	10
Near misses	9	9	6	0
Number of Fatalities	0	0	0	0
<b>MARKETPLACE</b>				
Customers' Complaints Ratio (increase / decrease per year)	52%	25%	-35%	-
Customers' Complaints (total number)	44	55	36	22
Product related	19	24	8	14
Due to packaging	7	13	9	3
Improper use of product	6	8	8	2
Other complaints	2	10	11	3
Payments to Domestic Suppliers incl. VAT (in million Euro)	85.3	169.7	102	55.8
<b>ENVIRONMENT</b>				
Electric Energy Consumption (MWh)	35,606	32,246	30,088	16,308
Thermal Energy Consumption (MWh)	2,550	2,492	2,466	37,233
Indirect Emissions CO <sub>2</sub> (tn)	33,826	28,376	24,672	13,373
Direct Emissions CO <sub>2</sub> (tn)	612	586	571	7,917
Expenditure on Environmental Protection	263,933	203,204	172,585	238,135
Direct Emissions NO <sub>x</sub> (kg)	663	677	693	12,171
Water usage (m <sup>3</sup> )	29,149	24,586	22,642	170,383.5
<b>SOCIETY</b>				
Employees from the Local Community (%)	78%	78%	78%	87%
Total Value of Social Product* (in million Euro)	122.47	205.76	131.79	115.60

\* Payments made to international suppliers are not included.

## Global Compact and GRI-G3.1 Linkage Table

The following table presents the linkage between the GRI-G3.1 indicators covered in the correspond to the Global Compact's 10 Principles.

Area	Global Compact Principles	GRI-G3.1 Indicators
<b>Human Rights</b>	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	EC5, LA4, LA6-9, LA13, LA14, HR1-11, S05, PR1, PR2, PR8
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses	HR1-11, S05
<b>Labour</b>	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	LA4, LA5, HR1-3, HR5, S05
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour	HR1-3, HR7, S05
	Principle 5: the effective abolition of child labour	HR1-3, HR6, S05
	Principle 6: the elimination of discrimination in respect of employment and occupation	EC7, LA2, LA13, LA14, LA15, HR1-4, S05
<b>Environment</b>	Principle 7: Businesses should support a precautionary approach to environmental challenges	EC2, EN18, EN26, EN30, S05
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	EN1-30, S05, PR3, PR4
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	EN2, EN5-7, EN10, EN18, EN26, EN27, EN30, S05
<b>Anti-Corruption</b>	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	S02-6

## GRI-G3.1 Indicators Application Level in the Report

In this Corporate Responsibility and Sustainable Development Report, HELLENIC CABLES has met the requirements for a "B+" Application Level, according to the Global Reporting Initiative's G3.1 reporting guidelines. In order to increase the quality of accountability and transparency, the Company assigned an external verification organisation to verify its Application Level. The external verification organisation's statement is presented below, after the GRI-G3.1 Indicators table.

Report Application Level	C	C+	B	B+	A	A+
Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level
Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level
Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level	Report Application Level



## GRI-G3.1 Indicators Table and Linkage with ISO 26000

The linkage of the contents of the Corporate Responsibility and Sustainable Development Report 2013, regarding the indicators of GRI-G3.1 and in relation to the sections of the new standard ISO 26000 is presented below. Moreover, every indicator coverage has been highlighted according to the results of the self-assessment, carried out during the development of Corporate Responsibility and Sustainable Development Report 2013.

Description	ISO 26000 section	Notes / Section
1.1 Chairman's statement	6.2	Message from the Top Management
1.2 Description of key impacts, risks and opportunities	6.2	Message from the Top Management / 1.4 HELLENIC CABLES S.A. and FULGOR S.A. / 2. Corporate Responsibility and Sustainable Development / 3.2 Corporate Governance § Internal Audit & Risk Management System
2.1 Name of the Company	-	«HELLENIC CABLES S.A.» and «FULGOR S.A.»
2.2 Primary brands, products, and/or services	-	4.1 Our Products and their Applications
2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	6.2	1.1 Global Presence of HELLENIC CABLES Group of Companies / 1.4 HELLENIC CABLES S.A. and FULGOR S.A. Company's organizational structure is composed of Governance Bodies, Divisions, Departments and supportive offices. More specifically, is composed from the Board of Directors, to which the General Manager reports directly, and the Divisions of: Quality, Systems Management, Planning, Marketing, Human Resources, Personnel, Information Technology, Financial, Cable Engineering, Cable Commercial Division, Enamelled Wires Commercial Division and Plants' Management Division. It is worth noting that a Health & Safety and Environmental Manager is appointed at each Company's plant who reports directly to the respective Plant Manager. In 2013 the company did not participate in any joint venture.
2.4 Location of organization's headquarters.	-	Mesogeion Av 2-4, Tower Building B, 11527 Athens
2.5 Countries where the Company operates	-	1.1 Global Presence of HELLENIC CABLES Group of Companies / 4.5 Customer-Focused Philosophy. The Company has manufacture sites in Romania and Greece.
2.6 Nature of ownership and legal form	-	Société Anonyme. HELLENIC CABLES S.A Shareholding Structure: 72,5% - HALCOR, 27,5% - Free Float. FULGOR SA Shareholding Structure: 100% HELLENIC CABLES S.A.
2.7 Markets served	-	1.1 Global Presence of HELLENIC CABLES Group of Companies / 4.5 Customer-Focused Philosophy
2.8 Scale of the Company	-	1.4 HELLENIC CABLES S.A. and FULGOR S.A. / 3.1 Financial Performance / 4.1 Our Products and their Applications / 5. Our People
2.9 Significant changes during the reporting period	-	General Information about the Report
2.10 Awards received in the reporting period	-	2. Corporate Responsibility and Sustainable Development
3.1 Reporting period	-	General Information about the Report
3.2 Date of most recent previous report	-	General Information about the Report
3.3 Reporting cycle	-	General Information about the Report
3.4 Contact point	-	Feedback Form
3.5 Process for defining report content	-	General Information about the Report
3.6 Boundary of the report	-	General Information about the Report
3.7 Specific limitations on the scope or boundary of the report	-	General Information about the Report
3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities	-	General Information about the Report
3.9 Data measurement techniques and the bases of calculations	-	General Information about the Report / 6.4 Key Performance Indicators on Health and Safety / 7.5 Carbon Dioxide Emissions / 7.6 Nitrogen Oxides
3.10 Explanation of the effect of any re-statements of information provided in earlier reports	-	General Information about the Report / 6.4 Key Performance Indicators on Health and Safety
3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	-	General Information about the Report
3.12 Table identifying the location of the Standard Disclosures in the report	-	GRI-G3.1 Indicators Table and Linkage with ISO 26000
3.13 Policy and current practice with regard to seeking external assurance for the report	7.5.3	General Information about the Report / GRI-G3.1 Indicators Table and Linkage with ISO 26000 (Independent External Verification Report and Statement on the Level Check
4.1 Governance structure of the organization	6.2	2. Corporate Responsibility and Sustainable Development / 3.2 Corporate Governance / 6. Health and Safety in our workplace § Health and Safety System and Procedures / 7.1 Environmental Management System and Environmental Policy
4.2 Indicate whether the Chair of the highest governance body is also an executive officer	-	3.2 Corporate Governance
4.3 Number and gender of members of the highest governance body that are independent and /or non-executive members	6.2	HELLENIC CABLES Board of Directors consists of 8 non-executive members, two of which are independent non-executive members. All non-executive members (including independent non-executive members) are men. FULGOR Board of Directors' non-executive members are 2 men.

		ISO 26000	
Description		section	Notes / Section
● 4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	6.2	2. Corporate Responsibility and Sustainable Development / 3.2 Corporate Governance / 6 Health and Safety in our workplace § Health and Safety System and Procedures / 7.1 Environmental Management System and Environmental Policy
● 4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives	6.2	3.2 Corporate Governance / 5.2 Developing Our People. The remuneration of the BoD members is approved from the Shareholders' General Meeting and is linked to and affected by the overall performance of the Company in terms of financial metrics and responsible operation.
● 4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	6.2	3.2 Corporate Governance § Internal Audit & Risk Management System, § Avoiding Conflict of Interest, § Transparency Management and Corruption issues.
● 4.7	Process for determining the composition, qualifications, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	6.2	3.2 Corporate Governance. The Company provides equal opportunities to men and women in terms of the nomination and election as members of the Board of Directors.
● 4.8	Internally developed statements of mission or values, codes of conduct, and values relevant to economic, environmental, and social performance	6.2	1.3 Vision, Mission, Values and Strategic Goals / 2. Corporate Responsibility and Sustainable Development / 5. Our People / 6.1 Health and Safety Policy and Management System / 6.3 Health and Safety Programmes and Activities / 6.4 Key Performance Indicators on Health and Safety / 7. Our Environmental Approach / 8. Our Contribution to Society
● 4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental and social performance, including relevant risks and opportunities	6.2	2. Corporate Responsibility and Sustainable Development / 3.2 Corporate Governance / 6.1 Health and Safety Policy and Management System / 6.2 Health and Safety Programmes and Activities / 7.1 Environmental Management System and Environmental Policy. HELLENIC CABLES Board of Directors met 86 times during 2013. Within these meetings the Company's Financial, Environmental and Social performance was assessed.
● 4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	6.2	3.2 Corporate Governance
● 4.11	Explanation of whether and how the precautionary approach or value is addressed by the organization	6.2	2. Corporate Responsibility and Sustainable Development / 3.2 Corporate Governance / 6.1 Health and Safety Policy and Management System / 6.3 Health and Safety Programmes and Activities / 7. Our Environmental Approach
● 4.12	Externally developed economic, environmental, and social charters, values, or other initiatives to which the organization subscribes or endorses	6.2	2. Corporate Responsibility and Sustainable Development / 1.5 Membership of Associations and Organisations / 7.3 Raw Materials and Auxiliary Materials. The Company HELLENIC CABLES S.A, listed in the Main Market on Athens Stock Exchange (ASE), has adopted the Hellenic Corporate Responsibility Code (additional information is provided in Corporate Governance Statement included in Annual Financial Report 2013).
● 4.13	Memberships in associations and/or national/international advocacy organizations	6.2	1.5 Membership of Associations and Organisations
● 4.14	List of stakeholder groups engaged by the Company	6.2	2.5 Stakeholder Engagement
● 4.15	Basis for identification and selection of stakeholders with whom to engage	6.2	2.5 Stakeholder Engagement
● 4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	6.2	2.4 Material Issues Evaluation 2.5 Stakeholder Engagement 2.6 Our Response to Stakeholders Needs
● 4.17	Key topics and concerns that have been raised through stakeholder engagement	6.2	2.4 Material Issues Evaluation 2.5 Stakeholder Engagement 2.6 Our Response to Stakeholders Needs
<b>Performance Indicators</b>			
<b>Economic Performance Indicators</b>			
	Disclosure on Management Approach	6.2, 6.8	Message from the Top Management / 1.1 Global Presence of HELLENIC CABLES Group of Companies / 1.4 HELLENIC CABLES S.A. and FULGOR S.A. / 2. Corporate Responsibility and Sustainable Development / 3.1 Financial Performance / 4. Our presence in the Marketplace
● EC1	Direct economic value generated and distributed	6.8, 6.8.3, 6.8.7, 6.8.9	2. Corporate Responsibility and Sustainable Development / 3.1 Financial Performance / 8. Our Contribution to Society
● EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	6.5.5	Message from the Top Management / 2. Corporate Responsibility and Sustainable Development / 3.2 Corporate Governance § Internal Audit & Risk Management System / 4.4 Research and Development / 7.3 Raw Materials and Auxiliary Materials



## GRI-G3.1 Indicators Table and Linkage with ISO 26000

Description	ISO 26000 section	Notes / Section
EC3 Coverage of the organization's defined benefit plan obligations	-	5.3 Benefits to Our People The Company participates in its employees' retirement plan, as determined by the current legislative framework.
EC4 Significant financial assistance received from government	-	3.1 Financial Performance Greek State is not involved in the shareholder structure of the Companies HELLENIC CABLES S.A and FULGOR S.A. In addition, HELLENIC CABLES S.A and FULGOR S.A. did not receive any financial assistance (grant) from the government within 2013.
EC5 Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	6.3.7, 6.4.4, 6.8	5.3 Benefits to Our People. The salary offered to the employees – even for the new hires - is higher than that determined by the National General Collective Agreement.
EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	6.6.6, 6.8, 6.8.5, 6.8.7	4.6 Our Suppliers / 8.4 Supporting Local Economy
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	6.8, 6.8.5, 6.8.7	8.3 Supporting Local Employment It's the Company's common practice to hire collaborates coming from the local community than other candidates having similar qualifications but coming from other cities.
EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement	6.3.9, 6.8, 6.8.3, 6.8.4, 6.8.5, 6.8.6, 6.8.7, 6.8.9	Message from the Top Management / 2. Corporate Responsibility and Sustainable Development / 4.4 Research and Development / 8. Our Contribution to Society
EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts	6.3.9, 6.6.6, 6.6.7, 6.7.8, 6.8, 6.8.5, 6.8.6, 6.8.7, 6.8.9	Message from the Top Management / 1.1 Global Presence of HELLENIC CABLES Group of Companies / 2. Corporate Responsibility and Sustainable Development / 3.1 Financial Performance / 4.4 Research and Development / 8. Our Contribution to Society
<b>Environmental Performance Indicators</b>		
Disclosure on Management Approach	6.2, 6.5	7. Our Environmental Approach / 7.1 Environmental Management System and Environmental Policy / 7.2 Investing in the Environment / 7.3 Raw Materials and Auxiliary Materials / 7.4 Thermal and Electric Energy Consumption / 7.5 Carbon Dioxide Emissions / 7.6 Nitrogen Oxides / 7.7 Ozone Layer / 7.8 Water Usage / 7.9 Waste Management / 7.10 Transportations / Key Performance Indicators Table
EN1 Materials used by weight or volume	6.5, 6.5.4	7.3 Raw Materials and Auxiliary Materials
EN2 Percentage of materials used that are recycled input materials	6.5, 6.5.4	7.3 Raw Materials and Auxiliary Materials S Raw and Auxiliary materials Efficient Use
EN3 Direct energy consumption by primary energy source	6.5, 6.5.4	7.4 Thermal and Electric Energy Consumption / Key Performance Indicators Table. It is noted that the Company does not purchase biofuels, ethanol and hydrogen. In addition, the Company does not produce or sell energy.
EN4 Indirect energy consumption by primary source	6.5, 6.5.4	7.4 Thermal and Electric Energy Consumption / Key Performance Indicators Table. The total electric energy generated from the provider PPC S.A consisted for 2013 of 7.2% renewable energy sources. In particular, the fuel mix, regarding the whole country, as published from PPC S.A, is presented as follows: Ignite: 15% Fuel oil: 17.65% Natural Gas: 25.43% Hydro electrical: 22.34% RES: 7.20% Interconnections: 12.38%.
EN5 Energy saved due to conservation and efficiency improvements	6.5, 6.5.4	No new energy conservation measures were implemented in 2013
EN6 Initiatives to provide energy-efficient or renewable energy based products and services	6.5, 6.5.4	No relative initiatives were undertaken to provide more energy efficient products and services that thereby use less energy, due to these initiatives
EN7 Initiatives to reduce indirect energy consumptions and reductions achieved	6.5, 6.5.4	7.10 Transportations
EN8 Total water withdrawal by source	6.5, 6.5.4	7.8 Water Usage
EN9 Water sources significantly affected by withdrawal of water	6.5, 6.5.4	The Company does not withdraw water bodies from a system recognized by environmental experts to be particularly sensitive due to its relative size, function, or they characterize its status as a rare, threatened, or endangered. Also, the Company does not withdraw water from a Ramsar-listed wetland or any other nationally or internationally proclaimed conservation area.
EN10 Percentage and total volume of water recycled and reused	6.5, 6.5.4	HELLENIC CABLES S.A: This information cannot be provided through the current Company's environmental management system, though the Company is taking actions in order to record such data in the future. FULGOR: 7.8 Water Usage
EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	6.5, 6.5.6	The Company does not operate inside or adjacent to protected areas and areas of high biodiversity value
EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	6.5, 6.5.6	The Company constantly monitors its environmental impact as required from the certified Environmental Management System it implements. The Company does not operate inside or adjacent to protected areas and areas of high biodiversity value

Description	ISO 26000	
	section	Notes / Section
EN13 Habitats protected or restored	6.5, 6.5.6	No habitat restoration plan has been developed
EN14 Strategies, current actions, and future plans for managing impacts on biodiversity	6.5, 6.5.6, 6.8.3	The Company does not operate inside or adjacent to protected areas and areas of high biodiversity value
EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	6.5, 6.5.6	The Company does not operate inside or adjacent to protected areas and areas of high biodiversity value
EN16 Total direct and indirect greenhouse gas emissions by weight	6.5, 6.5.5	7.5 Carbon Dioxide Emissions / Key Performance Indicators Table
EN17 Other relevant indirect greenhouse gas emissions by weight	6.5, 6.5.5	7.10 Transportations
EN18 Initiatives to reduce greenhouse gas emissions by weight	6.5, 6.5.5	7.10 Transportations
EN19 Emissions of ozone-depleting substances by weight	6.5, 6.5.3	7.7 Ozone Layer
EN20 NOx, SOx, and other significant air emissions by type and weight	6.5, 6.5.3	7.6 Nitrogen Oxides The Company's production units do not release persistent organic pollutants (POPs), hazardous air pollutants (HAPs), or stack or fugitives
EN21 Total water discharge by quality and destination.	6.5, 6.5.3	7.9 Waste Management There was no water discharge within 2013, as it depends on the production mix.
EN22 Total weight of waste by type and disposal method	6.5, 6.5.3	7.9 Waste Management The waste management table includes separation of waste as hazardous waste is marked in gray.
EN23 Total number and volume of significant spills	6.5, 6.5.3	There were no spills, which could affect human health, soil, vegetation, water bodies and groundwater, in 2013.
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	6.5, 6.5.3	7.9 Waste Management The Company does not treat, import or transport any type of waste
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	6.5, 6.5.3, 6.5.4, 6.5.6	The Company does not discharge water that could affect the environment
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	6.5, 6.5.4, 6.6.6, 6.7.5	Environmental Management System and Environmental 7.1 Policy / 7.3 Raw Materials and Auxiliary Materials Our initiatives for Environmentally Friendly Products / 7.10 Transportations
EN27 Percentage of products sold and their packaging materials that are reclaimed by category	6.5, 6.5.3, 6.5.4, 6.7.5	7.3 Raw Materials and Auxiliary Materials § Raw and Auxiliary materials Efficient Use
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	6.5	There were no fines or sanctions for non-compliance with environmental laws and regulations
EN29 Significant environmental impacts of transporting products and other goods and materials	6.5, 6.5.4, 6.6.6	7.10 Transportations
EN30 Total environmental protection expenditures and investments by type	6.5	7.2 Investing in the Environment
<b>Labour Practices and Descent Work Performance Indicators</b>		
Disclosure on Management Approach	6.2, 6.4, 6.3.10	5. Our People / 5.1 Attracting and Retaining Employees / 5.2 Developing Our People / 5.3 Benefits to Our People / 5.4 Equal Opportunities and Human Rights / 5.5 Internal Communication / 6. Health and Safety in our workplace / 6.1 Health and Safety Policy and Management System / 6.2 Our investments in Health and Safety / 6.3 Health and Safety Programmes and Activities
LA1 Total workforce by employment type, . employment contract, and region, broken down by gender	6.4, 6.4.3	5.6 Human Resources Data
LA2 Total number and rate of new employee hires and employee turnover by age group, gender, and region	6.4, 6.4.3	5.1 Attracting and Retaining Employees / 5.6 Human Resources Data
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees by significant locations of operations	6.4, 6.4.3, 6.4.4	5.3 Benefits to Our People
LA15 Return to work and retention rates after parental leave, by gender	6.4, 6.4.4	In 2013 there were no parental leaves requested and no maternity/ childbirth leaves received. All women that have received maternity/ childbirth leave continue working in the Company after the 18 month period as well, (as foreseen from the effective legislative framework)
LA4 Percentage of employees covered by collective bargaining agreements	6.4, 6.4.3, 6.4.4, 6.4.5, 6.3.10	5.6 Human Resources Data
LA5 Minimum notice period(s) regarding significant . operational changes, including whether it is specified in collective agreements	6.4, 6.4.3, 6.4.4, 6.4.5	The means of internal communication inside the Company enable the direct employee informing about any significant change, such as structure changes, activities' outsourcing, initiation of new activities etc. The ongoing and multilevel communication eliminates the need to include a minimum period of significant corporate changes in the employment contracts.
LA6 Percentage of total workforce represented in formal . joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs	6.4, 6.4.6	6.1 Health and Safety Policy and Management System



## GRI-G3.1 Indicators Table and Linkage with ISO 26000

Description	ISO 26000 section	Notes / Section
● LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region and by gender	6.4, 6.4.6	6.1 Health and Safety Policy and Management System / 6.4 Key Performance Indicators on Health and Safety. All incidents were recorded in Company's production plants. Only men employees involved in these incidents.
● LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	6.4, 6.4.6, 6.8, 6.8.3, 6.8.4, 6.8.8	6.3 Health and Safety Programmes and Activities
● LA9 Health and safety topics covered in formal agreements with trade unions	6.4, 6.4.6	The Company includes all the Health and Safety topics foreseen by the institutional framework in its employees' labour contracts.
● LA10 Average hours of training per year per employee by gender, and by employee category	6.4, 6.4.7	5.6 Human Resources Data
● LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	6.4, 6.4.7, 6.8.5	5.3 Benefits to Our People. The company does not provide programmes for assisting employees in managing career ending.
● LA12 Percentage of employees receiving regular performance and career development reviews, by gender	6.4, 6.4.7	5.2 Developing Our People / Human Resources Performance Appraisal
● LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	6.3.7, 6.3.10, 6.4, 6.4.3	5.6 Human Resources Data. All (100%) of the HELLENIC CABLES BoD members and its committees as well as all (100%) of the FULGOR BoD members are men. 92% of the HELLENIC CABLES BoD members are older than 50 years and 8% younger than 50 years old. Respectively, 92% of the FULGOR S.A BoD members are older than 50 years and 8% younger than 50 years old. In addition, the BoD of HELLENIC CABLES and FULGOR S.A consist of two individuals not having the Hellenic nationality and there is no disabled individual.
● LA14 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	6.3.7, 6.3.10, 6.4, 6.4.3, 6.4.4	5.4 Equal Opportunities and Human Rights
<b>Human Rights Performance Indicators</b>		
● Disclosure on Management Approach	6.2, 6.3, 6.3.3, 6.3.4, 6.3.6, 6.6.6	5. Our People / 5.1 Attracting and Retaining Employees / 5.2 Developing Our People / 5.3 Benefits to Our People / 5.4 Equal Opportunities and Human Rights / 5.5 Internal Communication
● HRT1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening	6.3, 6.3.3, 6.3.5, 6.6.6	The Company selects its collaborators based on strict criteria, which, however do not include specific provisions on human rights in concluded agreements and contracts. Respect for human rights is protected by national and international legislation, and as a consequence, Company's concluded agreements and contracts come under this legislative framework.
● HR2 Percentage of significant suppliers contractors, and other business partners that have undergone human rights	6.3, 6.3.3, 6.3.5, 6.4.3, 6.6.6	4.6 Our Suppliers. Suppliers' Categories: • Raw Materials screening, and actions taken • Auxiliary Materials • Service Providing Significant suppliers are the Service Providers and especially all the sub-contractors and partners working in the Company's facilities. These suppliers are evaluated based on the criteria, as described in paragraph 4.6
● HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	6.3, 6.3.5	5.4 Equal Opportunities and Human Rights. A total of 40 hours of training on these issues were devoted. 5% was the percentage of the employees trained.
● HR4 Total number of incidents of discrimination and corrective actions taken	6.3, 6.3.6, 6.3.7, 6.3.10, 6.4.3	5.4 Equal Opportunities and Human Rights
● HR5 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.8, 6.3.10, 6.4.3, 6.4.5	In 2013, the Company did not identify suppliers' cases where the right to exercise freedom of association and collective bargaining may be violated or at significant risk. Therefore, no action to support suppliers for this issue has been taken.
● HR6 Child labor	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10, 6.6.6	5.4 Equal Opportunities and Human Rights. The cases in which the company recognizes the potential risk of incidents of child labour are related to the production facilities of HELLENIC CABLES and FULGOR, where its associates' and subcontractors' workforce is employed. The Company inspects these companies, as condemns child Labour cases.
● HR7 Forced and compulsory labor	6.3, 6.3.3, 6.3.4, 6.3.5, 6.3.7, 6.3.10, 6.6.6	5.4 Equal Opportunities and Human Rights. The cases in which the company recognizes the potential risk of incidents of forced and compulsory labour are related to the production facilities of HELLENIC CABLES and FULGOR, where its associates' and subcontractors' workforce is employed. The Company inspects these companies, as condemns forced and compulsory Labour cases.



		ISO 26000	
Description		section	Notes / Section
● HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	6.3, 6.3.5, 6.4.3, 6.6.6	5.4 Equal Opportunities and Human Rights. The security personnel of the Company did not participate in any training concerning aspects of human rights in 2013, since a specialized training concerning aspects of human rights that are relevant to operations was conducted in 2012.
● HR9	Total number of incidents of violations involving rights of indigenous people	6.3, 6.3.6, 6.3.7, 6.3.8, 6.6.7	In the Company no incident of violation involving rights of indigenous people has occurred until today
● HRT0	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	6.3, 6.3.3, 6.3.4, 6.3.5	The company checks the human rights' issues in its overall operations, in order to eliminate any kind of violation at its business units
● HRT1	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	6.3, 6.3.6	5.4 Equal Opportunities and Human Rights. Following the human rights' audits conducted, the Company assessed that there is no risk of human rights abuses in its operations and therefore, it is deemed unnecessary to create a relative formal grievance mechanism
<b>Society Performance Indicators</b>			
	Disclosure on Management Approach	6.2, 6.6, 6.8	1.5 Membership of Associations and Organisations / 2.5 Stakeholder Engagement/ 2.6 Our Response to Stakeholders Needs / 3.2 Corporate Governance / 7.1 Environmental Management System and Environmental Policy / 8 Our Contribution to Society
● S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	6.3.9, 6.8, 6.8.3, 6.8.9	2.5 Stakeholder Engagement /2.6 Our Response to Stakeholders Needs /8. Our Contribution to Society
● S09	Operations with significant potential or actual negative impacts on local communities	6.3.9, 6.5.3, 6.5.6, 6.8	There are no significant negative impacts as the Company monitors all important issues that local communities are facing
● S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	6.3.9, 6.5.3, 6.5.6, 6.8	7.1 Environmental Management System and Environmental Policy / 7.9 Waste Management /8. Our Contribution to Society
● S02	Percentage and total number of business units analyzed for risks related to corruption	6.6, 6.6.3	3.2 Corporate Governance § Internal Audit& Risk Management System, § Avoiding Conflict of Interest, § Transparency Management and Corruption issues. All (100%) business units are assessed for risks related to corruption
● S03	Percentage of employees trained in organization's anti-corruption policies and procedures	6.6, 6.6.3	3.2 Corporate Governance § Transparency Management and Corruption During 2013, a 2 hour training programme was conducted on issues of corporate governance, transparency and corruption, attended by 12 executives (Directors and Key Executives, i.e. 22% of all the executives). Administrative personnel and workforce did not attend the training.
● S04	Actions taken in response to incidents of corruption	6.6, 6.6.3	3.2 Corporate Governance § Transparency Management and Corruption issues. No incidents of corruption or relative legal case were recorded.
● S05	Public policy positions and participation in public policy development and lobbying	6.6, 6.6.4, 6.8.3	1.5 Membership of Associations and Organisations 2.2 Corporate Social Responsibility and Sustainable Development Policy / 2.5 Stakeholder Engagement. The Company through its participation in networks, agencies and organisations, aims to contribute to the development of proposals and policies for the benefit of the industry and of the Greek economy.
● S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country		The Company does not provide any financial or in-kind support to politicians and/or political parties and related institutions.
● S07	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes	6.6, 6.6.5, 6.6.7	There were no relevant legal actions. Furthermore in ensuring our clients' interests, all Company's Commercial Directors sign a corporate contract. Thus, they commit not to participate in procedures that may end in collusions with potential competitors about prices adjustment, offers' coordination, limiting the market or the production, or quotas imposing based on geographical region or customers' distribution.
● S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	6.6, 6.6.3, 6.6.7, 6.8.7	There were no relative fines
<b>Product Responsibility Performance Indicators</b>			
	Disclosure on Management Approach	6.2, 6.6, 6.7	4. Our presence in the Marketplace
● PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement	6.3.9, 6.6.6, 6.7, 6.7.4, 6.7.5	4.3 Caring for Health & Safety within the Product's Life Cycle
● PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	6.3.9, 6.6.6, 6.7, 6.7.4, 6.7.5	There were no relative incidents of non-compliance
● PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	6.7, 6.7.3, 6.7.4, 6.7.5, 6.7.6, 6.7.9	4.1 Our Products and their Applications /4.2 Product Quality./ 4.4 Research and Development



## GRI-G3.1 Indicators Table and Linkage with ISO 26000

### Product Responsibility Performance Indicators

● PR4	Total number of incidents of non-compliance with outcomes regulations and voluntary codes concerning product and service information and labeling, by type of	6.7, 6.7.3, 6.7.4, 6.7.5, 6.7.6, 6.7.9	There were no relative incidents of non-compliance.
● PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	6.7, 6.7.4, 6.7.5, 6.7.6, 6.7.8, 6.7.9	4.5 Customer-Focused Philosophy. The Company is conducting a customers' satisfaction survey every two years. The last survey was performed in 2012 and its results form the criteria for decision making.
● PR6	Programs for adherence to laws, standards, . and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	6.7, 6.7.3, 6.7.6, 6.7.9	4.2 Product Quality. The Company is voluntarily committed to provide sound information on its product and services, adopting the Hellenic Advertisement and Communication Code (2007). Regarding its content and structure, the Code is based on the worldwide effective, CONSOLIDATED ICC CODE OF ADVERTISING & MARKETING COMMUNICATION PRACTICE – ICC, ( <a href="http://www.see.gr">www.see.gr</a> )
● PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	6.7, 6.7.3, 6.7.6, 6.7.9	There were no relative incidents of non-compliance
● PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	6.7, 6.7.7	4.5 Customer-Focused Philosophy. There were no relative complaints
● PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	6.7, 6.7.6	The Company fully complies with laws and regulations concerning the provision and use of products and services hence there were no administrative or judicial sanctions levied against the organization for failure to comply with these laws or regulations.

● Fully Covered

● Partially Covered

*The photographs used for this Report are from shots taken by the photographers Spyros Charaktinos and FBRH Consultants Ltd.*



*The paper used for this Report has been produced from FSC Sustainable Management Forest and plantations and contains 60% pulp from recycled paper.*

## STATEMENT ON THE LEVEL CHECK

The certification body TÜV HELLAS, has been assigned by the management of HELLENIC CABLES S.A., to conduct the Level Check, according to the GRI G3.1 Guidelines Sustainability Reporting, referring to the Corporate Social Responsibility Report of HELLENIC CABLES S.A. for 2013.



The Level Check was conducted based on the corresponding correlation table of GRI Indicators stated by HELLENIC CABLES S.A. in its Corporate Social Responsibility Report, in order to confirm the company's compliance to the requirements of the GRI G3.1 for B (+) Level\*.

The Level Check conducted, does not represent TÜV HELLAS opinion related to the quality of Corporate Social Responsibility Report and its contents.

The Level Check conducted by TÜV HELLAS, according to the Guidelines of the GRI's Sustainability Reporting, verifies the compliance of the HELLENIC CABLES S.A. Corporate Social Responsibility Report for

2013 to the requirements of the GRI's G3.1 for B (+) Level.



\*The (+) on the Level Check, refers to the external assurance of the Chapters "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment", conducted by TÜV HELLAS.

N. Paparoupas  
CSR Product Manager

For TÜV HELLAS

Athens, 17/5/2014

S. Peltekis  
General Director



## INDEPENDENT EXTERNAL VERIFICATION REPORT

**To: Management of HELLENIC CABLES S.A.**



### 1. Independent Verification Report

The company HELLENIC CABLES S.A. (hereafter HELLENIC CABLES) has commissioned TÜV HELLAS S.A. to ensure the Corporate Social Responsibility 2013 of HELLENIC CABLES for the year that ended on December 31, 2013.

### 2. Scope of the verification project of the Corporate Social Responsibility Report

Scope of the assurance project is the provision of a limited level of assurance of the accuracy of the claims mentioned in the sections "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment" (corporate report sections 5, 6 & 7 respectively).

### 3. Conclusions of TÜV HELLAS

According to the project scope and under the assurance procedures, followed by TÜV HELLAS, it is concluded that:

- No misstatement of assertions and statements contained in Chapters "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment" (corporate report sections 5, 6 & 7 respectively) has come to the attention of TÜV HELLAS.
- No errors in data collection at HELLENIC CABLES nor in transferring data in the Corporate Social Responsibility Report, which may materially affect the claims as presented in the "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment", have come to the attention of TÜV HELLAS.

### 4. The basic steps for the Verification

In order to arrive at the above conclusions, TÜV HELLAS followed the below mentioned procedures:

- The procedures followed by HELLENIC CABLES in order to identify and define important issues to be included in the chapters "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment" (corporate report sections 5, 6 & 7 respectively).
- Selected executive personnel of HELLENIC CABLES who have functional responsibility in Corporate Social Responsibility matters were interviewed in order to understand the administrative structure of managing matters of Labor Practices and Decent Work, Health and Safety and Environment as part of the Corporate Social Responsibility.
- The contents of the chapters "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment", were reviewed in comparison to the findings of the above steps, and improvements in the Corporate Social Responsibility Report were recommended where deemed necessary.

### 5. Limitations of the Review

- The range of the review was limited to the activities of HELLENIC CABLES in Greece. More specifically, the examined data were referred to the plants of Thiva, Oinofyta and Livadeia, as well as the FULGOR plant at Sousaki Corinthos.
- In case of any discrepancy in the translation between Greek and English version of Corporate Social Responsibility, the Greek version shall prevail.
- The review is not aimed at ensuring the adequacy of the circumscribed policies or the effectiveness of the operation of the circumscribed measures, but is limited to the information provided in the chapter "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment" (corporate report sections 5, 6 & 7 respectively).

## 6. Verification Standard and Evaluation Criteria

The review for the Corporate Social Responsibility Report 2013, for the year that ended on December 31, 2013 was conducted by verifiers in accordance to TÜV HELLAS's Corporate Social Responsibility Certification Protocol, based on the GRI-G3.1 guidelines.

The assessment of the claims and data of the chapters "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment" (corporate report sections 5, 6 & 7 respectively), was based on the following criteria:

- **Completeness:** with regard to the data of the Chapters "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment", as defined by the limits and the period of the Corporate Social Responsibility Report.
- **Accuracy:** regarding the allegations with regard to the data of the Chapters "Labor Practices and Decent Work", "Occupational Health & Safety" and "Environment", for the sustainability performance of HELLENIC CABLES in 2013 and the collection and transfer of data in the corresponding chapters

## 7. Responsibilities and Functions

The Team for Corporate Social Responsibility of HELLENIC CABLES carried out the Corporate Social Responsibility and Sustainable Development Report that is addressed to the interested parties, thus, is responsible for the information and statements contained therein.

Responsibility of TÜV HELLAS is to express the independent conclusions on the issues as defined in the project scope and in accordance to the relevant contract. The project was conducted in such a way so that TÜV HELLAS can present to HELLENIC CABLES 's administration the issues mentioned in this report and for no other purpose.

## 8. Impartiality and Independence of the verification team

TÜV HELLAS states its impartiality and independence in relation to the project of assuring the Corporate Social Responsibility Report of HELLENIC CABLES. TÜV HELLAS had not undertaken work with HELLENIC CABLES and did not have any cooperation with the interested parties that could compromise the independence or impartiality of the findings, conclusions or recommendations. TÜV HELLAS was not involved in the preparation of the text and data presented in the Corporate Social Responsibility Report.

N. Paparoupas  
CSR Product Manager



For TÜV HELLAS

Athens, 17/5/2014

S. Peltekis  
General Manager





## Feedback Form

Upon completion of the Feedback Form regarding the Report, you can disclose your impressions about our Corporate Responsibility and Sustainable Development Report 2013 and actively contribute to our efforts to improve our performance. The data to be obtained upon completion of the Form will be used solely for internal assessment purposes, performed by Company's Corporate Responsibility Team.

### Which of Company's stakeholders group do you belong to, or what is the type of your engagement/relation with the Company?

- |   |  |
|---|--|
| <input type="checkbox"/> Employee   | <input type="checkbox"/> Supplier                                |
| <input type="checkbox"/> Shareholder  | <input type="checkbox"/> Investor                                |
| <input type="checkbox"/> Customer   | <input type="checkbox"/> Representative of Financial Institution |
| <input type="checkbox"/> Local community member                               | <input type="checkbox"/> NGO Member                              |
| <input type="checkbox"/> Representative from State/Institutional Organization | <input type="checkbox"/> Mass Media representative               |
| <input type="checkbox"/> Other:   |  |

### What is your overall impression as well as your impression per Section of the Company's Corporate Responsibility and Sustainable Development Report 2013?

SECTIONS OF THE REPORT	Excellent	Very Good	Average	Needs Improvement
Company Profile	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corporate Responsibility and Sustainable Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial Development and Corporate Governance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our Presence in the Marketplace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our People	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Health and Safety in our Workplace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our Environmental Approach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our Contribution to Society	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall presentation of the Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Regarding the issues presented in Corporate Responsibility and Sustainable Development Report 2013:

- To what extent do you believe that this Report address the most significant-material issues regarding the Company's activities?
 

<input type="checkbox"/> Excellent	<input type="checkbox"/> Good	<input type="checkbox"/> Moderate	<input type="checkbox"/> Poor
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- To what extent do you believe that the information included in 2013 Corporate Responsibility Report is comparable to the information presented in prior Corporate Responsibility Reports?
 

<input type="checkbox"/> Excellent	<input type="checkbox"/> Good	<input type="checkbox"/> Moderate	<input type="checkbox"/> Poor
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- How would you rate the balance between the Chapters in respect of their content?
 

<input type="checkbox"/> Excellent	<input type="checkbox"/> Good	<input type="checkbox"/> Moderate	<input type="checkbox"/> Poor
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- How would you characterize the Report's wording?
 

<input type="checkbox"/> Excellent	<input type="checkbox"/> Good	<input type="checkbox"/> Moderate	<input type="checkbox"/> Poor
------------------------------------	-------------------------------	-----------------------------------	-------------------------------
- How would you evaluate the design / layout of the Report?
 

<input type="checkbox"/> Excellent	<input type="checkbox"/> Good	<input type="checkbox"/> Moderate	<input type="checkbox"/> Poor
------------------------------------	-------------------------------	-----------------------------------	-------------------------------
- How easily were you able to find the information which interest you?
 

<input type="checkbox"/> Very easily	<input type="checkbox"/> Quite Easily	<input type="checkbox"/> Relatively Easily	<input type="checkbox"/> Not at all easily
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### In your opinion, have the data included in the Corporate Responsibility Report and their way of presentation contributed in proving an overall picture for HELLENIC CABLES activities?

- |                              |                             |  |
|------------------------------|-----------------------------|--|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Needs Improvement |
|------------------------------|-----------------------------|--|



**In your opinion, have the data included in the Corporate Responsibility Report and their way of presentation contributed in proving an overall picture for FULGOR activities?**

- Yes  No  Needs Improvement

**Based on Corporate Responsibility and Sustainable Development Report 2013, how would you rate HELLENIC CABLES as a Responsible Company?**

- Excellent  Very Good  Moderate  Needs improvement

**Based on Corporate Responsibility and Sustainable Development Report 2013, how would you rate FULGOR as a Responsible Company?**

- Excellent  Very Good  Moderate  Needs improvement

**As the Corporate Responsibility Report 2013, includes for first time data the subsidiary Company FULGOR, the overall impression/picture you had related to the previous Report (2012) is**

- Better  Same  Worst  I do not know

**Is there any other information or other issues regarding the Company, you were looking for and were not included in the Report? Please, describe:**

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**Please describe any concerns or issues you may have regarding your cooperation with the Company and you wish to communicate.**

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**What actions do you think the Company should take in order to better meet your needs and concerns?**

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**Personal Information (optional):**

Name/Surname: \_\_\_\_\_  
Company/ Organization: \_\_\_\_\_ Address: \_\_\_\_\_  
Tel./Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

**Please send this form to:**

HELLENIC CABLES S.A.  
George Georgallis  
CSR Manager  
33, Amarousiou-Chalandriou Str., GR-15125 Maroussi, Greece  
Tel.: +30 210 6787 900, Fax: 00 30 210 6787 406  
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*\* All personal data is protected in compliance with the provisions of law on personal data protection.*