



Sustainability Report **2010**

ENERGY
for Life



**HELLENIC
PETROLEUM**



Elefsina Refinery

Report Overview

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In 2006, we at HELLENIC PETROLEUM Group published our first Sustainability Report, to share the Group's progress and performance with our stakeholders. This 6th annual edition of the sustainability report was prepared from an integrated and balanced perspective of the Group's major business performance, economic profitability, environmental soundness and social responsibility during the fiscal year 2010 (January 1, 2010 ~ December 31, 2010).

HELLENIC PETROLEUM took into consideration comments and suggestions from all stakeholders, and reflected these comments and suggestions in this report.

Through this approach, the Group will continue to implement sustainable management measures going forward into the future.

REPORTING GUIDELINES

This report was prepared with reference the GRI's (Global Reporting Initiative) G3 Guidelines, the 10 principles of the United Nations Global Compact and the draft GRI supplement for the Oil & Gas sector.

The United Nations Global Compact (GC) and the Global Reporting Initiative (GRI) are both voluntary initiatives that play complementary roles in advancing universal principles by promoting

organizational accountability and improved performance.

HELLENIC PETROLEUM has adopted the two mutually reinforcing initiatives, assuring a seamless value platform for the implementation of sustainability policies in its strategy and business practices.

REPORT'S CONTENT

The information contained in this report relates to the typical impacts of an oil company on financial, social and environmental sustainability issues. The report takes into account recommendations from stakeholder dialogues and industry associations, as well as disclosure demands by financial analysts and the general public.

All indicators, measurement units, quantities, sizes and numbers in this report correspond to measurements and records using scientifically documented procedures, best available practices, internationally accepted standards and international oil industry standards. There are no changes or differentiations compared to previous reports.

ASSURANCE

To ensure accuracy, completeness and cred-

ibility, this Report is validated as a whole by an independent external verification organization, before it is finalized and published.

HELLENIC PETROLEUM informs its stakeholders that this Sustainability Report has been created for the purpose of demonstrating that the Group achieved a B+ rating based on the GRI report application level indicators. The third-party organization that reviewed this report confirmed that it should be categorized as "B+" according to the G3 Guideline application levels. The verification results can be viewed in Section 6.4.

Moreover, internal controls such as audit trails and statistical checks help to ensure the accuracy of the Sustainability Report. Peer audits and annual third party audits, carried out by accredited bodies, help make sure our reporting is reliable, balanced and relevant to the expectations and interests of our stakeholders.

Information provided through previous reports was neither revised nor reviewed.

REPORTING BOUNDARIES

All supplied information concerns the following list of the Group's companies, which were chosen because they represent the Group's basic activities which are of strategic importance, in Greece and abroad.

It has been decided not to include hydrocarbon exploration and production activity, because it is performed by consortia of a low calibre and with minimum control from our side.

Information submitted concerns the same companies as in the four previous sustainability reports (2006-2009) with improvements and enriched information ad hoc.

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

The data are consolidated at group level. In addition, a breakdown of environmental and safety key performance indicators for the operating business segments are disclosed.

There was no data and information revision concerning any previous sustainability reports. There are no further limitations or exceptions unless otherwise stated.

MATERIALITY & STAKEHOLDERS INCLUSIVE-NESS

The HELLENIC PETROLEUM Group - based on its values & principles, strategy, activities, and the needs of society - annually identifies and recognises its stakeholders. Furthermore, it respects their opinions and seeks to expand communication channels with them. By strengthening internal communication channels, HELLENIC PETROLEUM seeks to build consensus on the basis of management philosophy and efforts of the executives and CEO. It also seek to share visions and strategies with outside stakeholders.

The Group's stakeholders are the physical and legal entities and/or persons that have direct or indirect interest in the Group's operation and with whom, therefore, the Group converses, cooperates and communicates. The Group's stakeholders are:

- Employees & their families
- Local societies
- Our business partners
- Society in general, environment included

Establishing and maintaining constructive relationships with a range of individuals, communities and institutions, helps us to understand and manage our impacts. Stakeholder dialogue underpins all aspects of social performance, from the start-up of a project through to regular operations and ultimately to closure. In 2010, this dialogue strengthened our approach to stakeholders, directly and indirectly affected by our operations, in several of our businesses.

We are committed to engaging with our stakeholders, listening to their views and taking account of their interests. We aim to reflect this commitment in our reporting by:

- engaging with stakeholders to develop and achieve an accountable and strategic response to sustainability;
- identifying and reporting on the issues

that are most relevant and significant to us and our stakeholders; and

- demonstrating that we respond to material issues in our decisions, actions, performance and communications.

The **materiality assessment process** takes into account that reported information covers topics, high risk issues and indicators that would substantively influence the assessments and decisions of stakeholders, both internal - including management - and external. These are:

- The typical impacts of an oil & gas company on social and environmental sustainability issues.
- Information requirements by the management.
- The outcomes of stakeholder dialogues.
- International sustainability reporting guidelines, especially GRI and UNGC, and their respective indicator protocols, from which all core indicators should be covered.
- Best practice examples & Best Available Techniques (BATs) by industry peers.
- Disclosure demands by financial analysts, rating agencies, institutional investors, etc.

To prioritize the report's issues, opinions from internal and external stakeholders are continuously gathered through dialogue, discussion forums, surveys, publications, road shows and meetings.

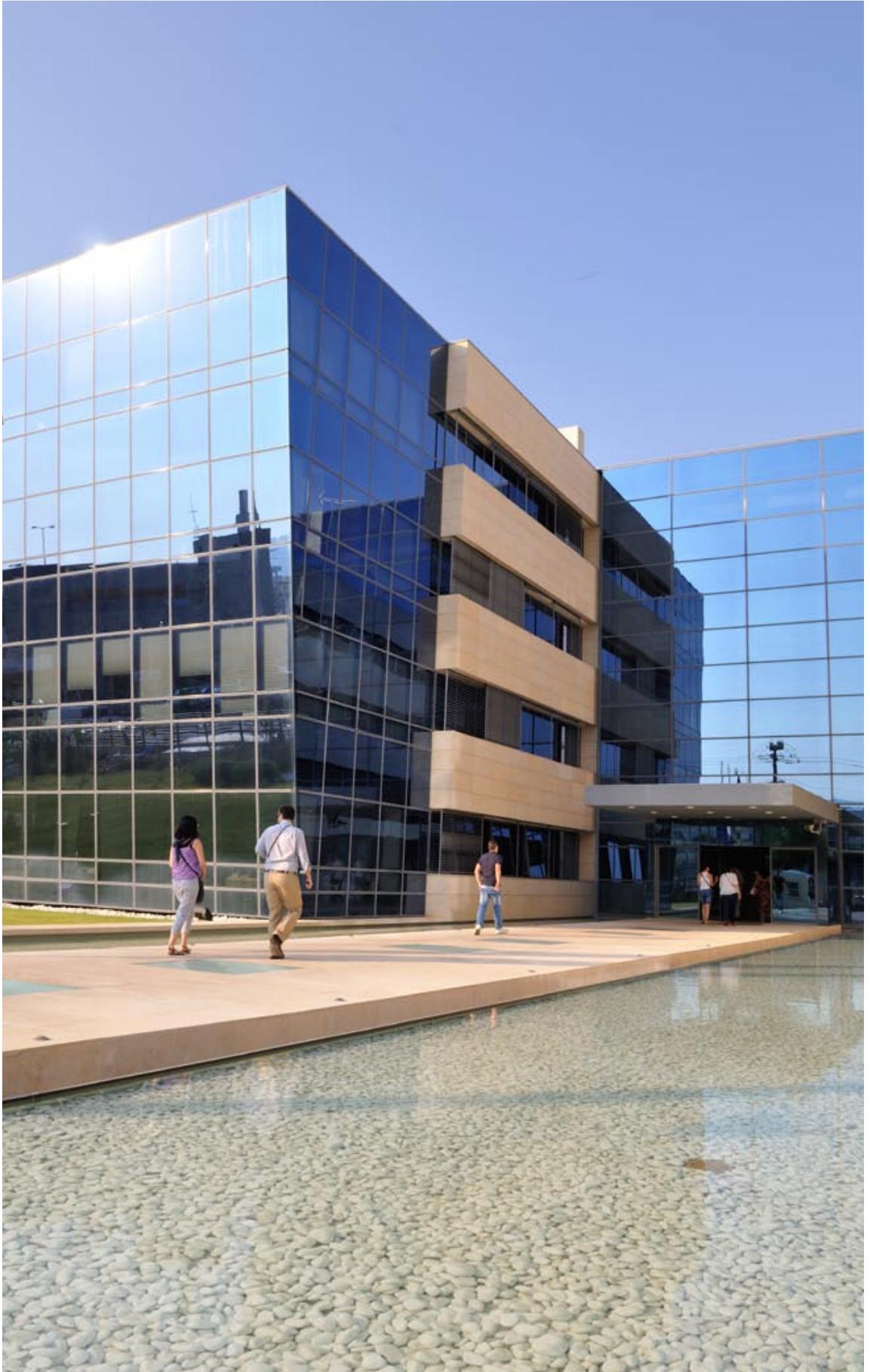
The materiality assessment process consists of the following four steps:

- Analyse issues; identification of internal & external issues and their classification.
- Analyse level of interest; business impact consideration and interest of society.
- Evaluate gathered information; editing review & management review.
- Prepare the report; report writing, verification & rating.

The materiality process in 2010 identified a wide range of issues of interest to our stakeholders. They included:

- corruption & ethical conduct;
- health & safety;
- employees;
- local community concerns;
- climate change (RES, biofuels);
- corporate governance;
- risk management.

Sustainable development
for prosperity, financial efficiency
and better quality of life



Group's Head Office at Maroussi

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1. Message to our Stakeholders



John Costopoulos
Chief Executive Officer

In the course of 2010, we took some important steps on sustainable development issues and take proud of our progress. HELLENIC PETROLEUM is committed on a “doing well by doing good” culture, rendering our business values and principles the platform of our activities. We give top priority to safety, we act responsibly towards society and the environment and we focus on people development. **Our vision for sustainable development sits at the core of our strategy.**

Over the last years we have been facing an unprecedented operating environment dominated by economic uncertainty, that continues to affect the international community and even more severely, the Greek economy.

HELLENIC PETROLEUM Group managed through adverse economic conditions and solidified its market position; Our holistic strategy for sustainable development and our optimised resource management are the foundation of our efforts.

The upgrade and modernization of our refineries in Elefsina and Thessaloniki are on track. Our €1.5bn investment plan will significantly improve the Group’s competitive position as well as environmental performance. Thessaloniki upgrade has been completed and start-up is expected in 2011. Works at Elefsina upgrade project are proceeding according to plan and mechanical erection has reached 80%. **We would like to highlight that 25% of the project’s budget is allocated to environmental works, expected to be reflected in the refinery’s environmental footprint, once in operation.**

These investments will further enhance the Group’s competitiveness supporting its export orientation.

Health and Safety of both our employees as

well as neighboring communities’ inhabitants sits at the top of our agenda. **In 2010 €14.5m were spent on Health and Safety and our staff attended 16,000 training hours.**

Protection of the environment has always been an integral part of the Group’s strategy. Though investing in Best Available Practices, we meet the most stringent national and European environmental specifications

- SO₂ emissions of the Group’s three domestic refineries have been reduced by more than 60% over the last decade.
- 46% of the power needs of the two refineries (Aspropyrgos-Thessaloniki) are covered by CHP (cogeneration or combined heat and power) units with a significant reduction of greenhouse gas emissions by 330,000 tons annually.
- Environmental investments realised in 2010, without including those related to the upgrade, reached € 80 million with additional € 47 expected to be invested in the next four years.

Furthermore, in the coming years we plan to reduce our carbon footprint by at least 250 thousand tons per year, through a range of initiatives:

- Development of a renewable energy power



Product Storage Tank in BEA

generation portfolio.

- Expansion of our activities in biofuels.
- Support of research projects and pilot applications of alternative fuel technologies.
- Investments in innovative technologies for fuels and energy.

We believe that the success of our long term financial objectives is linked with providing for our staff members, our associates and local communities. The future success of the Group is based on our ability to attract and retain staff, through a common set of vision and values that will provide incentives, as well as a corporate culture that will promote sustainable development.

We believe that "People make the difference", hence we constantly endeavor to occupy a unique position in the labor market as a preferred employer and constantly invest on our staff. Their knowledge is enhanced and their skills are developed through targeted training, that in 2010 reached 51,000 man-hours; we plan to reach 60,000 training hours in 2011.

Since 2008 we have committed to adopting the UNCG principles on human rights, labor standards, protecting the environment, fighting off corruption and providing equal opportunities.

This report represents an account of our activities and commitments as part of UNCG adoption (Communication on Progress).

Full compliance with the codes, principles and values is a prerequisite for the Group's long term sustainable performance; we recently re-iterated this through our "Corporate Governance" statement that was published in our 2010 Annual Report.

We realise that our operations extend in areas with diverse social, economical and growth profiles as well as that demands of our stakeholders are constantly changing. Therefore we continue developing credible relationships with local communities and create value for all stakeholders.

We stay on track on delivering our extensive social product that, in 2010, exceeded €3.2m

- Focus on vulnerable social groups.
- Reward young people excelling on their studies.
- Support culture, education and health services provision.
- Offer permanent employment posts, which in the last three years reached 550, with additional hires planned for next year.

Recognizing the significance of all stakeholders, the Group will continue its policy of transparent communication and objective information, acting as an employer of choice and a good "neighbour". We will continue our efforts towards enhancing competitiveness and accelerating our growth trajectory, through a transformational process, aiming at sustainable development.



John Costopoulos
Chief Executive Officer



Aspropyrgos Refinery

2. Report's Overview

This report presents the voluntary and multidimensional corporate responsibility programme of the HELLENIC PETROLEUM Group.

The Group's activities and financial performance are presented in brief, whereas the Group's strategy for sustainable development is presented in detail, with special emphasis on:

- health & safety (section 5.1.3)
- employee policy (section 5.1)
- protection of the environment
- care for the climate and the environment in general (section 4)
- supporting programmes towards local societies (section 5.5)

This report is both an autonomous publication and a complimentary part of HELLENIC PETROLEUM's "Annual Report 2010" and "Financial Report for the Fiscal Year 2010". The reader will find further and more specific information concerning the Group, its strategy and its products and processes, at the Group's website www.hellenic-petroleum.gr or www.helpe.gr (/investors relations / financial statements group & parent company / finan-

cial reports / 2010 12m Group & Parent Company) or at the site http://admin.elpe.gr/Uploads/pdf/ANNUAL_FINANCIAL_REPORT_2010.pdf and at the aforementioned corporate publications.

We believe that all accidents are preventable and our goal is zero injuries across all of our operations

Safety is our top priority.

Corporate activities have long been identified to embrace economic, social, environmental and ethical factors and, most important of all, transparency. HELLENIC PETROLEUM is actively promoting itself as a trustworthy and transparent Group for its stakeholders in order to become a respected oil corporation while performing excellently. Maintaining sustainable growth in a positive and transparent manner is the future goal of HELLENIC PETROLEUM Group.

Sustainable management is one of the essential elements in securing a competitive edge in the era of global competition. HELLENIC

PETROLEUM does its utmost to achieve tangible results through the implementation of strategies while establishing a sustainable management system.

As corporate management changes from profitability to sustainability, HELLENIC PETROLEUM seeks to secure sustainability through a management approach that includes not only a desire to pursue profits but also a responsibility to society and the environment, and thus seeks to achieve a win-win outcome with stakeholders and minimize the impact on the environment.

We made substantial progress on our sustainability performance in the reporting period (2010)

Significantly improved safety performance; nevertheless, one fatality occurred. As a consequence the safety procedures and measures have been stringently reviewed.

No sea - spill incidents in recent years.

Measurable progress on reducing GHG emissions.

Published declaration on corporate governance.

External verifications of our sustainability performance through rating results and awards.

Voluntarily adoption of the draft GRI supplement for the oil and gas sector.

Our future (2011) sustainability activities will include

Further broadening of stakeholder management and dialogue

Risk assessments

Implementation of a business ethics code

Further improvement of the H & S performance, with a focus on process safety

Further reduction of GHG emissions and increased energy efficiency

Biofuels and RES strengthening

Operation of the new units at the Thessaloniki industrial complex and completion of the upgrading works at the Elefsina industrial complex.

We will promote communications with various stakeholders and interested parties to precisely identify their needs and rectify any problems they might be experiencing, further establishing a culture of sharing in a transparent and harmonious manner to achieve co-prosperity.

Sustainable Management Priorities - Goals & Approach

	Economy	Society	Employees	Environment
Goal	Further strengthening in the domestic market as well as in SE Europe	Become a social leader based on partnership with stakeholders	Become a preferred employer. Personnel development & specialization.	Enhance eco-friendly behaviour through indices, environmental measurements & risk control
Approach Strategy	<ul style="list-style-type: none"> ✓ Growth, public benefit, profitability ✓ Supporting R&D activities ✓ Maximizing business capability ✓ Innovative and creative management 	<ul style="list-style-type: none"> ✓ Communication with stakeholders ✓ Training employees ✓ Supporting contractors ✓ Ethical and transparent management ✓ Social contribution 	<ul style="list-style-type: none"> ✓ Learning organization ✓ Continuous improvement of H & S system ✓ Code of ethics ✓ Consolidation at Group level of all HR policies & procedures. 	<ul style="list-style-type: none"> ✓ Measuring environmental performance ✓ Preparation for climate change ✓ Closely monitoring global environmental trends

2011 main priorities & objectives

	Business Priorities	KPIs
1	Further improvement of H S E performance	<ul style="list-style-type: none"> ✓ PSIF (process safety index frequency) ≤ 3.0 ✓ LWIF ≤ 2.75 ✓ Environmental fines ≤ 1
2	Achieving goals on operational profitability	<ul style="list-style-type: none"> ✓ EBITDA $\geq \text{€ } 412 \text{ mil}$
3	Completion of the Elefsina refinery upgrading project / Start-up of the Thessaloniki refinery	<ul style="list-style-type: none"> ✓ In time & within budget completion of upgrading refineries works ✓ Preparations for the new operation mode (technically & commercially)
4	Local retail performance improvement	<ul style="list-style-type: none"> ✓ Maintaining market share ✓ Profitability improvement
5	Accelerated implementation of the transformation and synergies programme	<ul style="list-style-type: none"> ✓ Additional transformation benefit (vs 2010LE) $\geq \text{€ } 38 \text{ mil}$ ✓ Additional synergies HELPE / EKO / HF (vs 2010LE) $\geq \text{€ } 15.5 \text{ mil}$
6	Operational cost containment	<ul style="list-style-type: none"> ✓ OPEX within business units' budgets
7	Human resources growth & development	<ul style="list-style-type: none"> ✓ Updating of business succession plan ✓ 60,000 training hours (HELPE, EKO, HF)

2.1 Group's profile

HELLENIC PETROLEUM is an integrated group of companies with an activity portfolio of high quality covering the whole energy production chain:

- Oil Supply, Refining & Marketing, both within Greece & overseas.
- Fuel Marketing, both within Greece & overseas.
- Petrochemicals Production & Trading
- Oil & Gas Exploration & Production
- Power Generation Production & Trading and Natural Gas.



Refining



Fuel Marketing



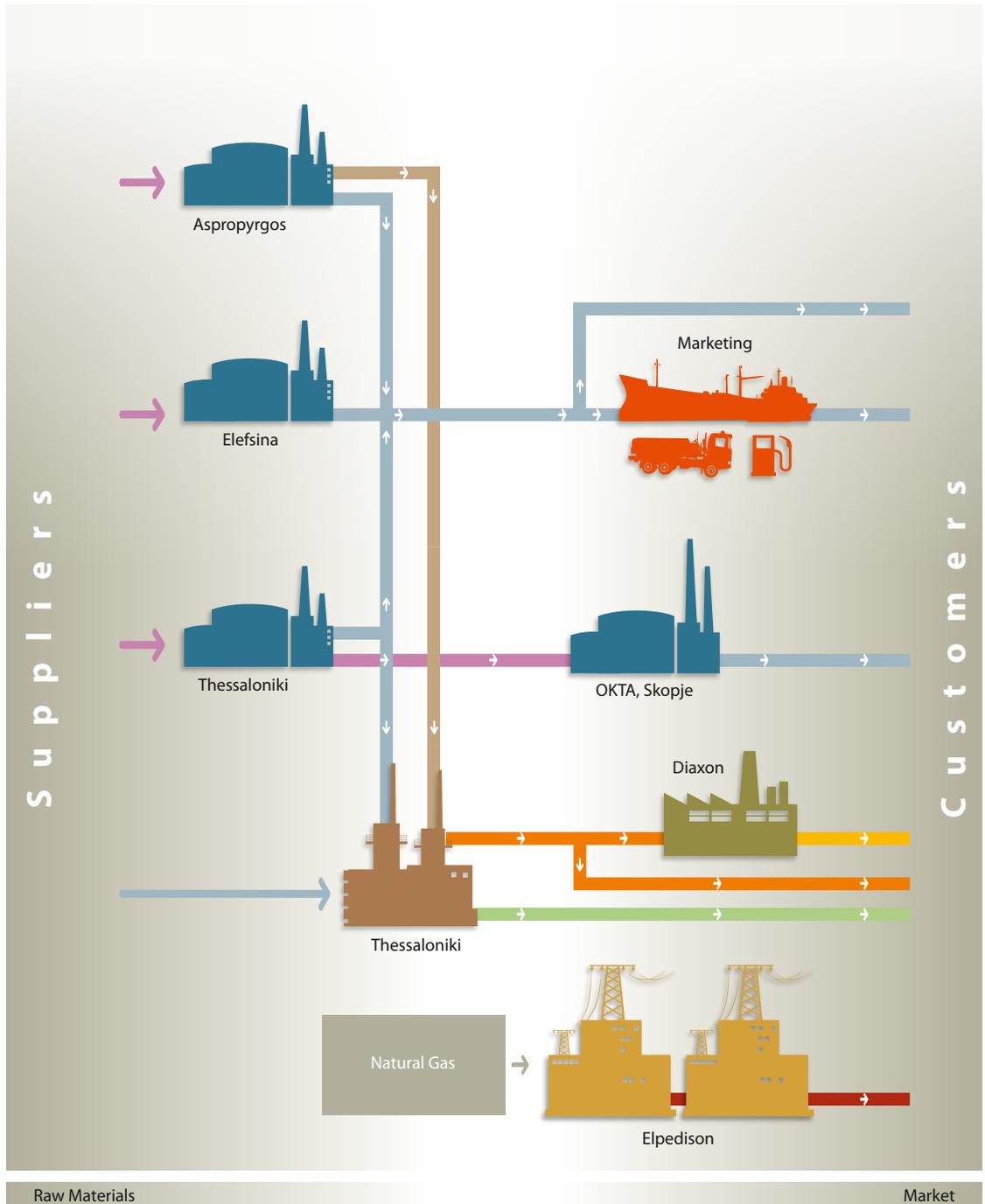
Power & Natural Gas

The Group in brief

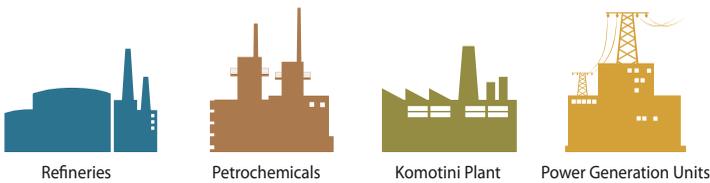
Group's Companies and Participations per Activity Sector.

REFINING	HELLENIC PETROLEUM SA
FUELS MARKETING	EKO A.B.E.E. CALYPSO LTD HELLENIC FUELS S.A.
CHEMICALS	HELLENIC PETROLEUM DIAXON A.B.E.E. ARTENIUS HELLAS S.A.
INTERNATIONAL OPERATIONS (Refining & Retailing)	OKTA AD SKOPJE HELLENIC PETROLEUM CYPRUS LTD RAMOIL CYPRUS LTD EKO BULGARIA EAD EKO SERBIA AD EKO GEORGIA LTD JUGOPETROL AD KOTOR GLOBAL S.A. ELDA PETROLEUM ALBANIA SH.P.K
OIL & GAS EXPLORATION AND PRODUCTION	HELLENIC PETROLEUM CALFRAC WELL SERVICES LTD MELROSE EGYPT EGYPT - W. OBAYED
POWER PRODUCTION & TRADING	ELPEDISON BV
ENGINEERING	ASPROFOS ENGINEERING S.A.
CRUDE/ PRODUCTS TRANSPORTATION & PIPELINE NETWORKS	ATHENS AIRPORT FUEL PIPELINE COMPANY (AAFPC) S.A. VARDAX S.A. THRACE S.A. HELLENIC PETROLEUM - APOLLON MARITIME COMPANY HELLENIC PETROLEUM - POSEIDON MARITIME COMPANY
NATURAL GAS	HELLENIC PUBLIC GAS CORPORATION (DEPA S.A.)

Group's Integrated Operation



— Petroleum products
 — Crude Oil
 — Propylene
 — Polypropylene
 — BOPP Film
 — PVC, Solvents, Caustic Soda, Chlorine
 — Power Generation



The Group in numbers

A Group active in **10** countries

turnover of € **8,477** millions profits of € **180** millions DPS of € **0.45**

With **3,639** employees in Greece and **4,972** worldwide

with over **2,186** service stations across the country
(**30%** domestic market share) and **328** abroad

owns **19** bulk storage and supply terminals

23 aircraft refueling stations at the major air terminals **2** LPG bottling plants

1 lubricants production unit **7** oil products carrying & supplying ships

participates in the **4** pipeline networks: Burgas - Alexandroupolis,
IGI, TGI & South Stream

owns & operates **3** refineries in Greece
(covering **70%** of the country's refining capacity) & **1** refinery in FYROM

sales volume in domestic market **7.47** mil. tons exports **3.10** mil. tons

international retail **3.08** mil. tons 2011-2013 investment plan € **1.5** billion

Environmental investments programme (2010) € **80** millions

Social product of € **2.35** billions

CSR activities of € **3.2** millions in Greece & € **0,2** millions abroad

Occupational H & S investments in 2010 of € **14.34** millions

More than **51,000** training & education hours

Over **60%** reduction of SO₂ emissions in the last ten years

2.2 Vision - Mission - Values

Our vision:

The most efficient Refining and Marketing Group in SE Europe.

Our mission:

Energy for Life

To offer quality product and services in the energy sector, operating with sustainability and high performance in the domestic market and abroad.

With a target of further strengthening the Group in the domestic market as well as in SE Europe, our basic approach towards corporate sustainable management is based on 6 main axes:

1. Boosting oil Refining and Marketing activities in Greece.
2. Further expansion of International Marketing activities and enhancing vertical integration.
3. Managing business portfolio in the areas of Petrochemicals, Exploration & Production for value and growth.
4. Further development in Electricity, Natural Gas, RES and investigation into new technologies.
5. Optimisation of the organisational structure of the Group.
6. Continuous employee growth & development.

Based on this strategy, HELLENIC PETROLEUM will achieve its objective and fulfill its social obligations. Moreover, the Group is contributing to the national economy and development of society.

Core Values & Business Principles

HELLENIC PETROLEUM's statement of business principles sets out the core values and behaviours that, we believe, are essential elements of sustainable value creation.

- ✓ Priority in safety.
- ✓ Invest in our future & strengthen our competitiveness.
- ✓ Focus on results demonstrating initiative & extroversion.
- ✓ Provide customers with quality products & services.
- ✓ Develop HR through meritocracy, teamwork, working environment and job satisfaction.
- ✓ Responsible behaviour towards society and environment.

The afore mentioned principles and values are perfectly aligned with the strategic goals and standards, directives and regulations, which we have been committed to apply, disseminate and integrate into our strategy and operations.

2.3 Corporate Governance

The Board of Directors protects the interests of shareholders and makes decisions in the context of the applicable legislation, by laws and internal regulations, taking into account the greater public interest. The primary obligation and duty of the members of the BoD is to constantly pursue the strengthening of the company's long-term economic value and efficiency and the promotion of its general interests.

The Board of Directors is the supreme administrative body and is elected/appointed by its Shareholders' Meeting (GA).

It consists of thirteen (13) members and its term of office is five years:

- Seven (7) members are appointed by the State.
- Two (2) members are appointed by the corporate shareholder under the name "Pan-European Oil and Industrial Holdings S.A." or its associated companies.
- Two (2) members - minority shareholder representatives are appointed by the Special General Meeting of the remaining minority shareholders.
- Two (2) members - representatives of the Company's employees are elected by direct and universal voting and through the simple proportional representation system by the employees.

The Board of Directors, in its formation into a body, defines the status and responsibility of its members as executive or non executive. The number of non-executive members of the BoD cannot be less than 1/3 of its total number of members. The present 3:10 ratio, of executive and non-executive members, ensures the avoidance of "conflict of interests". There are no "independent members", as the minority shareholders are represented by two members in the BoD.

The members of the BoD and any other person entrusted with responsibilities by the BoD may not pursue their own interests which conflict with the interests of the Group. They should promptly disclose their own interests,

which may arise from the exercise of their duties, to the BoD, as well as any other conflict of interests with those of the Group, (for more detailed information see also section D7 of the "Financial Report for the Fiscal Year 2010", which is posted at the site http://admin.elpe.gr/Uploads/pdf/ANNUAL_FINANCIAL_REPORT_2010.pdf or at the site www.hellenic-petroleum.gr or www.helpe.gr (/investors relations / financial statements group & parent company / financial reports / 2010 12m Group & Parent Company).

HELLENIC PETROLEUM operates within a satisfactory and well-structured system of corporate governance and has applied specific practices of good corporate governance, some of which exceed relevant legal requirements. In addition, and in accordance with the Corporate Governance Code (Declaration) that is posted on the Group's website, the company has voluntarily decided to adopt the Corporate Governance Code for listed companies by the Hellenic Federation of Enterprises (or "Code"). This Code can be located on the website of the Hellenic Federation of Enterprises (or "SEV"), at the site http://www.sev.org.gr/Uploads/pdf/KED_TELIKO_JAN2011.pdf. In the Declaration reference is made when the company deviates or does not apply in its entirety certain provisions of the Code. The Corporate Governance Code (Declaration) has been published as part (section D1) of the "Financial Report for the Fiscal Year 2010" which is available to all employees through the Group's website, at www.hellenic-petroleum.gr or www.helpe.gr (/investors relations / financial statements group & parent company / financial reports / 2010 12m Group & Parent Company) or at the site http://admin.elpe.gr/Uploads/pdf/ANNUAL_FINANCIAL_REPORT_2010.pdf.

In addition to the above mentioned, HELLENIC PETROLEUM has adopted the following corporate governance practices, which are related to the size, composition, responsibilities and operation of the BoD:

- Due to the nature of the activities, shareholder structure and complexity of opera-

tions of the Group, which includes a number of operations and subsidiaries in Greece and abroad, the BoD - numbering thirteen members, which is ten more than the minimum required by law - has established committees that comprise of its members, with advisory, supervisory and authorizing responsibilities, aiming to aid the BoD in its work. These committees are briefly mentioned below and are presented in detail in section D7 of the "Financial Report for the Fiscal Year 2010", which is posted at the address mentioned in the previous paragraph.

I. Investment Committee.

II. Crude oil and Petroleum products Supply Committee.

III. Finance & Financial Planning Committee.

IV. Major Projects Procurement Committee.

V. Labour Issues Committee.

- In addition to the above committees of the BoD, executive and non-executive committees have been established, mainly with an advisory role. They comprise of senior executives of the Group and their goal is to support Management in daily operations and strategy implementation:

I. Group Executive Committee.

II. Strategic Planning and Development Committee.

III. Group Credit Committee.

IV. Capital appropriation and Investment Evaluation Committee.

V. Human Resources and Succession Planning Committee.

VI. Executive Operations Committee

VII. Executive Commercial Committee

These committees assure the direct link of the corporate governance principles with the broader corporate culture, because, apart from the typical adherence to law, personal reliability and responsibility are required. For these reasons the organizational structure is shaped so that certain Departments are directly reporting to the top management.

- The BoD has included specific provisions in the Company's Internal Regulation, banning transactions of shares to the Chairman of the BoD, the CEO and for other members of the BoD, as long as they serve as either Chairman of the BoD or the CEO of a related company. The BoD has also implemented a Procedure of Monitoring and Disclosure of Significant Par-

ticipations and Transactions on the Company's shares, as well as a procedure of Disclosing and Monitoring Transactions and Financial Interests between management staff and the Company's major clients and suppliers.

The Group's Internal Audit Division, which is supervised by non executive members of the Board of Directors, audits all business units. The objective of these internal audits is to provide specialized and high quality services to the top management, through the evaluation of adequacy and effectiveness of control mechanisms and to provide suggestions for improvement on the existing control mechanisms.

Furthermore, consideration for lack of transparency and possible corruption is an integral part of the scheduled and unscheduled audits, and measures will be proposed if relevant cases are identified. The implementation of such measures is monitored on an annual basis (where activities are most threatened) whilst some activities are monitored every 5 to 6 years.

Apart from its evaluation from the annual GA, the BoD monitors and reviews the implementation of its decisions on an annual base. In addition, in the frame of the above mentioned Code (sections A.VII 7.1 & 7.2), investigates the introduction of an evaluation scheme for the BoD's members and the relevant committees.

The 7 members of the BoD, which are appointed by the State, are evaluated by the relevant State Authorities that they represent. For the not elected and not appointed members of the BoD there is not a documented procedure today but their competences, qualifications and expertise are taken into consideration. The annual evaluation of the executive staff (top management includes directors and managers) is based on KPIs linking their performance with company's performance and giving special attention to sustainability criteria (like safety and environment) with a weighting factor of 15%.

The principles of the corporate governance affect the way corporate goals are set and achieved, monitoring systems and risk assessment procedures are adopted, as well as the way transparency is assured and Group's competitiveness is promoted. For these reasons a fully developed and flexible corporate government model is in operation and assures:

- Respect, equal treatment and protection of the interests and rights of all stockholders.
- Transparency in decision making procedures and comply with the legislation and regulations.
- BoD satisfying the independence criteria and the dissociation of the BoD members from the management.
- Establishing of a management with clear roles and ability to balance the qualifications and experience of the executives with the requirements and the breadth of the corporate activities.
- Establishing of rewarding, compensating and evaluating systems able to attract and retain people with the competencies and skills required to achieve the set by the shareholders efficiency.
- Satisfaction of the requirement for information announcement concerning the operational and financial transactions, timely and adequately.
- Awareness in issues related to social responsibility.

The timely and sufficient information of the investors, the society and the stakeholders about the Group's course and performance, without any kind of discrimination, is assured through efficient information exchanging system and departments dedicated to serve certain stakeholders; such as:

- Quarterly financial results are publicly announced 4 times a year, and are then followed-up with a conference call to investors and analysts, as well as with meetings with investors (when and where appropriate).
- Annual General Meeting: held once a year and a statutory requirement, which offer shareholders the chance to quiz management, to review activities and deal with any issues of concern they may have. It is also a good opportunity for the company to gain feedback from shareholders.
- Institutional investor and analyst meetings: approximately 60 a year occur, and are used as a prime opportunity to clearly spell out the investment proposition of the company. HELLENIC PETROLEUM views these meetings with the financial community as an opportunity to gather the thoughts of the market on the company's performance and snippets

of information about its competitors.

- Additional tools of this system are the written and electronic information, the internet, the Group's intranet, bulletin boards, presentations to investors and road shows.

The Group's relation with its stakeholders is characterized by consistent and timely information, fair disclosure, commitment of top management, transparency and availability. It is in the interest of HELLENIC PETROLEUM to effectively communicate with the financial community and other stakeholders in order for the Group's securities to achieve a fair valuation and increase the shareholder value.

Critical to the communications process is the provision of accurate, complete and transparent information, along with a duty to update that information when material changes occur. The integrity of the capital markets is based on full and fair disclosure of information. Without undue delay the Group makes public all such decisions and circumstances concerning the company and its activities as are likely to affect materially the value of the company's listed securities.

2.4 Risk Management

The Internal Audit & Risk Management System is an integral part of the Group's organisation in its effort to manage risk and expediently take measures to meet changes. The objective of this system is to effectively and systematically manage risk through diverse means.

To effectively manage all potential risks - including risks from stricter fair trade practices, and volatility of the foreign currency and oil prices, in addition to environmental risks stemming from the supply and demand imbalance

of petroleum, green house gas regulations, and strengthened product quality standards - the system includes safety and control mechanisms at different operational levels. These are analytically presented in Chapter 3 and Sections D4 & F of the "Financial Report for fiscal year 2010", posted at the website http://admin.elpe.gr/Uploads/pdf/ANNUAL_FINANCIAL_REPORT_2010.pdf, (or [www.helpe.gr/investors relations / financial statements group & parent company / financial reports / 2010 12m Group & Parent Company](http://www.helpe.gr/investors%20relations/financial%20statements%20group%20&%20parent%20company/financial%20reports/2010%2012m%20Group%20&%20Parent%20Company)).

Financial reporting process

22

A. Group Level Controls

A1. Risk identification, assessment and measurement and response against risk

The identification and assessment of risks takes place mainly during the phase of strategic and annual operating planning. Matters examined vary depending on the conditions of the market and the industry and may include for instance political developments in the markets where the Group is active, significant sources of crude oil supplies, changes in technology, macro-economic indicators or the competitive environment.

A2. Planning and Monitoring / Budget

Group performance is monitored through a detailed budget by operating sector and by market. Due to the nature of its operations, the Group's financial results depend greatly on external factors. For this reason, the budget is adjusted at regular intervals in order to take into consideration these changes. Management monitors the development of the Group's financial results through regularly

issued reports, budget comparisons, as well as management team meetings.

A3. Adequacy of the System of Internal Controls

The Management has an elaborate internal control system, part of which is embedded within each unit's operations to monitor and manage risks associated with each unit's operations and performance. The Group also conducts periodic assessments, mainly through its Internal Audit Department, in order to determine the adequacy of its Internal Controls System, (see also section 2.3).

The Group has an Internal Audit Department whose independence from operations is ensured through its reporting lines and structure which, among other things, ensures the adequacy of the procedures of recognizing and managing risks applied by Management, the effectiveness of the Internal Controls System and the quality and reliability of the information given to the Management and the BoD with regard to the System of Internal Controls. Assessment of risks is conducted annually under the framework of the Company's Risk Management.

A4. Roles and Responsibilities of the BoD

The roles and general responsibilities of the BoD are described in the Internal Regulation of the Company, which is approved by the BoD.

A5. Fraud prevention and detection

The areas that are considered to be of high risk for financial fraud are monitored through appropriate internal controls and enhanced security measures. Examples include the existence of detailed organizational charts, process manuals on several areas (procurement, purchasing of petroleum products, credit,

treasury management), as well as detailed procedures and approval authority levels. In addition to the internal controls applied by each department, all Company activities are subject to audits from the Internal Audit Department, the results of which are presented to the BoD.

A6. Internal Regulation

HELLENIC PETROLEUM has drafted an Internal Regulation that is approved by the BoD. The responsibilities and authorities of key job positions are defined within the Internal Regulation, thus promoting sufficient segregation of duties within the Company.

B. Information Technology General Controls

The Group's IT Department is responsible for developing the IT strategy to support the overall Group strategy and provide the required tools and solutions to all Group staff. A key part of its responsibilities is the operation and support of IT systems and applications through the drafting and updating of manuals, and the efficient management of internal and external resources. The Group has developed a sufficient framework to monitor and control its IT systems, which is defined by a set of internal controls, policies

and procedures. Among these are documented job descriptions, roles and responsibilities of the Group IT Department as well as the IT Strategic Plan.

In addition, a specific procedure has been designed to ensure safety through an approved Business Continuity Plan. Finally, access rights have been set in several information systems for all the employees, according to their position and role, while an entry log is also kept for all the Group's IT systems.

C. Internal Controls over Financial Reporting

As part of the preparation of financial statements, numerous controls are in place, using tools and methodologies in line with best international practices. A summary of such controls, relevant to the preparation of financial statements, are:

- C1. Organisation - Segregation of Duties.
- C2. Accounting monitoring and preparation of financial statements.
- C3. Safeguarding of assets.
- C4. Chart of Authorities.

► Preventing impacts on the local communities

The Group's policy for environmental protection complies with the current legislation and the conditions arising from the environmental and operation permits of the facilities. A monitoring system is in operation in order to control the compliance with adopted regulations and standards. Every investment plan takes into consideration the potential environmental requirements and impacts. The relevant expenses are estimated through environmental studies. These studies take into account any potential cost for cleaning remedies or rehabilitation. The Group is committed to implementing the planned programme of actions in case of de-industrialisation or closing of inactive facilities.

A specific example is the upgrading project of the Elefsina industrial complex. The Group prepared a report on how the facility upgrade project affects the area, local citizens and the environmental system. Based on this report, HELLENIC PETROLEUM communicated with the local communities, listened to suggestions and opinions from relevant organizations such as local administrative offices and proposed actions. During the construction phase of the project, the Group concentrated on implementing measures to maintain strict standards in accordance to the final environment impact, health & safety, create job opportunities, strengthen the local market, etc.

► Corporate regulations/standards

A dynamic way to take into consideration potential risks is to conform to international standards and codes and to adopt the best industry practices. We have been committed to applying, disseminating and integrating these standards, codes and practices, which are perfectly aligned with strategic goals, into our strategy and operations: -

- The Global Reporting Initiative, GRI Indicators.
- The 10 principles of the United Nations' Global Compact.
- The ISO 9001, ISO 14001 and OHSAS 18001 international standards.
- The Eco Management & Audit Scheme (EMAS).

- MARPOL conventions.
- ISGOTT safety guide.
- ISM standards.
- European Union's regulation (like REACH), best available techniques (BATs).
- Internal Regulation, published in 2004, and Code of Conduct (under approval).

Scheduled inspections and audits (1st, 2nd & 3rd party) are carried out with reference to the above mentioned standards & codes to ensure compliance with corporate regulations and minimization of risk.

► Occupational Risk Management

Potential risks are detected and controlled according to the criteria of Greek legislation (Law 3850/2010), European and international codes and good practices. All facilities have written occupational risk assessment studies, which also include measures taken to eliminate or control risks and to keep them at low and acceptable levels. In order to prepare these studies the opinions of employees are taken into consideration; they are invited to fill in special questionnaires regarding the nature of their working environment.

The occupational risk assessment studies are

revised whenever the working conditions and environment change or at the latest every five years. All employees are familiar with these studies, so that every employee is aware of the risks s/he might face and the actions which have been made or which should be made in order to eliminate or minimize these risks.

During the scheduling of the corrective actions, high priority is given to the most critical of them; as they have been evaluated in the Hazards Assessment Table.

The Internal Service for Prevention & Protection checks the occupational risk assessment studies of each facility, in order to ensure that the application of the minimum common basic principles of the Group was taken into account.

► Stakeholders relationships

A significant parameter of our continuous involvement is how we understand and put into practice these standards and initiatives exhibiting personal, professional and corporate responsibility, proving our respect for the views, opinions and needs of our stakeholders (through annual public opinion surveys, discussion forums, personal meetings, etc) and applying our commitment to the strategy

of success and sustainable development.

Further relevant information is provided in the Introduction (section: MATERIALITY & STAKEHOLDER INCLUSIVENESS) and in sections 2.3 (two last paragraphs) and 5.

3. The Group's Key Financial Performance

Our approach

Development through sustainability is the Group's objective. The Group's strategy has been developed accordingly, based on a safe and environmentally friendly business

operation, product specifications, corporate responsibility, fruitful cooperation with local societies and added value for the shareholders.

3.1 Selected financial data

The Greek economy went into a deep recession during 2010. This economic crisis had an adverse impact on Group results as new conditions prevailed in the Greek market: the significant increase in consumption taxes of auto fuels (from €410/m³ in January 2010 to €670/m³ in July 2010); the increase of VAT to 23%; strict income policy limiting disposable income; and cash flow limitations, with a resulting credit and liquidity crisis. For the first time, the demand for oil products recorded a decline, estimated at 14%.

A detailed presentation of the Group's activities and financial performance is available at the "Financial Report for the fiscal year 2010", pages 115-125, posted on the website http://admin.elpe.gr/Uploads/pdf/ANNUAL_FINANCIAL_REPORT_2010.pdf, (or [www.helpe.gr / investors relations / financial statements group & parent company / financial reports / 2010 12m Group & Parent Company](http://www.helpe.gr/investors_relations/financial_statements_group_parent_company/financial_reports/2010_12m_Group_Parent_Company)).

Tables 3.1.1 - 3.1.3 present the main financial and operational Group indicators for 2010.

Operational Data	2010	2009
Refinery sales (in million metric tons)	14.56	15.89
Retail sales (in million metric tons)	5.74	6.24
Refinery production (in million metric tons)	12.40	12.23
Employees in Greece	3,639	3,708
Employees in Greece & abroad	4,972	5,295

Table 3.1.1

Financial data (in mil €)	2010	2009
Net sales	8,477	6,757
Report EBITDA	497	390
Adjusted EBITDA ¹	474	362
Reported net income (attributable to the owners of the parent Company)	180	175
Adjusted net income ¹	205	150
EPS (€)	0.59	0.57
Adjusted EPS (€)	0.67	0.49

Table 3.1.2

¹ Adjusted for the impact of crude oil prices and other non-operating items (e.g. special taxation).

External factors, such as the increase in the prices of crude oil and oil products and increased refinery margins, had a positive effect on financial results, while the decrease in domestic demand and decreased retail margins had a negative effect.

Transformation projects and improving competitiveness (e.g. procurement - BEST 50, re-

finery optimisation - DIAS), as well as cost control, contributed to the reduction of operating expenses, adding an additional €63 million in 2010.

Finally, changes in the tax framework had a negative impact on Group results, as they led to an additional charge of €33 million.

Balance Sheet / Cash Flow	2010	2009
Total Assets	6,862	5,763
Total Equity	2,531	2,508
Capital Employed	4,191	3,927
Net Debt	1,659	1,419
Net Cash Flows	-240	-740
Capital Investments	709	614
% of debt on capital employed - Debt Gearing	41%	36%
% return on capital employed - ROACE	5.4%	5.7%
% return on equity - ROE	7.1%	7.0%

Table 3.1.3

3.2 Business Domain

HELLENIC PETROLEUM is an oil refining and marketing Group consisting of companies producing and supplying petroleum products and petrochemical raw materials, generating and trading electric energy and participating in transportation networks of crude oil and oil products.

In line with most international groups in our sector, HELLENIC PETROLEUM is organised in Strategic Business Units which to a large extent determine its organizational structure and form the basis of key strategic decisions, management and monitoring of the Group and reporting of financial results. Specifically, all Group activities are categorized as follows:

- Refining, Supply and Trading (Domestic and International).
- Retail Trading (Domestic and International).
- Petrochemicals.
- Exploration and Production of Hydrocarbons.
- Production & Trading of Power and Natural Gas.

The Group is also active in additional segments, which, despite their strategic importance (Technical Services, Renewable Sources), do not have a significant impact on Group current financial performance.

Products & product mixture

Care for the customer & the environment are two parameters that characterize all the Group's products. The Group produces and markets oil products, petrochemicals and lubricants of high quality and for a wide range

of uses. Every possible effort is taken during the product's life cycle (including design, production, marketing, storing, etc) in order to ensure the users' health and the protection of the environment.



Fuel Station of HELLENIC FUELS SA

Main products are:

Premium Gasoline

This is the premium gasoline with an octane number of 98 or higher. Additives ensuring excellent engine performance are added to the product, thus improving engine performance while maintaining the same high level of power and fuel efficiency even after a long ride. It is also an environmentally friendly product that reduces harmful exhaust gases.

Gasoline

Optimal blending of unleaded gasoline results in outstanding engine power and fuel efficiency. It contains a fuel cleanser to remove deposits and keep the engine clean. It also reduces harmful exhaust and enhances the driving experience.

Diesel (Ultra Low Sulfur)

It is the first eco-friendly low sulfur diesel brand that improves problems exhaust- and noise-related that were prevalent in existing diesel fuel. A premium diesel additive was added, helping maintain a clean engine. Since December 2008, the Group has been producing a more eco-friendly product by introducing biodiesel.

Fuel Oil

This is characterized by almost no smell, smoke and soot after combustion, thus suitable for heating use at home. It is also very economical since it goes through the refining processes, thus offering excellent caloric value and combustibility.

LPG

Liquefied petroleum gas (propane/butane) is a flammable mixture of hydrocarbon gases used as a fuel in heating appliances and vehicles. It is increasingly used as an aerosol propellant and refrigerant, replacing chlorofluorocarbon in an effort to reduce damage to the ozone layer.

Petrochemicals

Organic and inorganic compounds and mixtures (propylene, polypropylene, active agents, etc) made from petroleum (crude oil) or natural gas.



Fuel Station of EKO ABEE

The Group is active in Greece, Cyprus, Bulgaria, Serbia, Montenegro, Georgia, Albania and FYROM. At the same time the Group exports to all the high demand markets in the SEE region. All fuel-consuming sectors of the local economies are served. The customer portfolio includes motorists, big industry, state and commercial companies.

The Group is active, through its subsidiaries, in retail and wholesale in domestic and international markets. The company sells fuels (Gasoline, Diesel, LPG, Jet A1) and lubricants to customers active in retail, marine, aviation and industry. Besides fuels and lubricants the company offers a wide range of

services through its network of petrol stations in Greece and abroad. Key services are car wash, auto lubricant change, mini market, restaurant and cafes.

In terms of fuel and lubricants, in Greece for EKO, around 70% of volume is driven by retail and in the international market around 60% of volume is driven by retail. In the domestic market the product mixture in 2010 may be seen in table 3.2. The corresponding volumes for HELLENIC FUELS (ex BP), a subsidiary of the Group, being the licensee of the BP brand for ground fuels in Greece, are also presented in table 3.2.

Product mixture in the domestic market, in 2010

Products	EKO	HF
Gasoline	26.5%	
Unleaded 95 gasoline		40.5%
Unleaded 100 gasoline		2.8%
LRP gasoline		1.5%
Automotive Gas Oil	29.8%	25.5%
Heating Gas Oil	20.3%	26.9%
Lubricants	0.3%	1.4%
Fuel Oil	0.2%	
Mazout	19.7%	
Bitumen	1%	1.3%
LPG	2%	

Table 3.2



Upgrading Project at Elefsina Refinery

3.3 Basic Strategic Goals

The core objective of the Group's strategy is to achieve sustainable profitable growth, based on the principles of safe and environmentally friendly operations of its plants and high specifications of its products, of corporate social responsibility and cooperation with local communities, and of adding value to its shareholders.

The main pillars supporting this strategy are presented below:

Refineries

For the years 2011 and 2012, the investment programme currently in progress focuses on the completion of upgrading and successful start-up and commercial operation of the Elefsina and Thessaloniki refineries. These investments are expected to bring significant benefits to the Group, such as:

- Improvement of the Greek market's security of supply with products of the highest standards.
- Flexibility in selecting the crude oil sources, as refineries will be able to effectively utilise a wide range of crude oils.
- Substantial improvement on the environmental impact levels of refinery operations.
- Increased profitability, as production of less profitable distillation products (e.g. fuel oil) will be replaced by production of more value-added products.

Retail Trading

The acquisition of the HELLENIC FUELS network has considerably improved the Group's position in the Greek retail market. The aim is the implementation of all synergies between the two retail companies and the refineries and the further development of the petrol station network in the Greek market.

Expansion of International Retail Operations

Profitable expansion in neighbouring international markets is today even more important than previously, due to the recession in the domestic Greek market. The main markets in which HELLENIC PETROLEUM operates are Cyprus, Montenegro, Serbia and Bulgaria. Each market faces different challenges and opportunities for growth. Specifically, of strategic importance is the safeguarding and improvement of the supply chain with the appropriate facilities in these markets, in order to support the continuous growth of the Group's business activities.

Operations other than Refining and Trading

An important objective for the Group is also the securing of added value from the portfolio of activities besides refining and trading. The significant investment in the power generation and trading sector, through the joint venture with ELPEDISON, is a major step towards diversification in the Group's investment portfolio.

Group Restructuring and Transformation

The results of the last two years confirmed the importance of the efforts to transform its organisational structure and operations, transforming HELLENIC PETROLEUM into a modern, competitive Group, both at local and regional level.

- Project DIAS, which is in progress in the refining segment with the assistance of external consultants and the participation of all refinery managers, aims to improve efficiency and enhance competitiveness of the Group.
- Similarly, the successful completion of the BEST 50 procurement cost cutting initiative, along with the decision to expand the programme, achieves further cost reduction.

- Relocation of the Group's headquarters and co-location with the Group's subsidiaries of EKO and HF (HELLENIC FUELS) in order to share supporting services leading to reduced operating cost and increased service quality.
- Synergies programme among EKO and HF targeting the optimum utilization of infrastructure, facilities and storage areas of the Group.

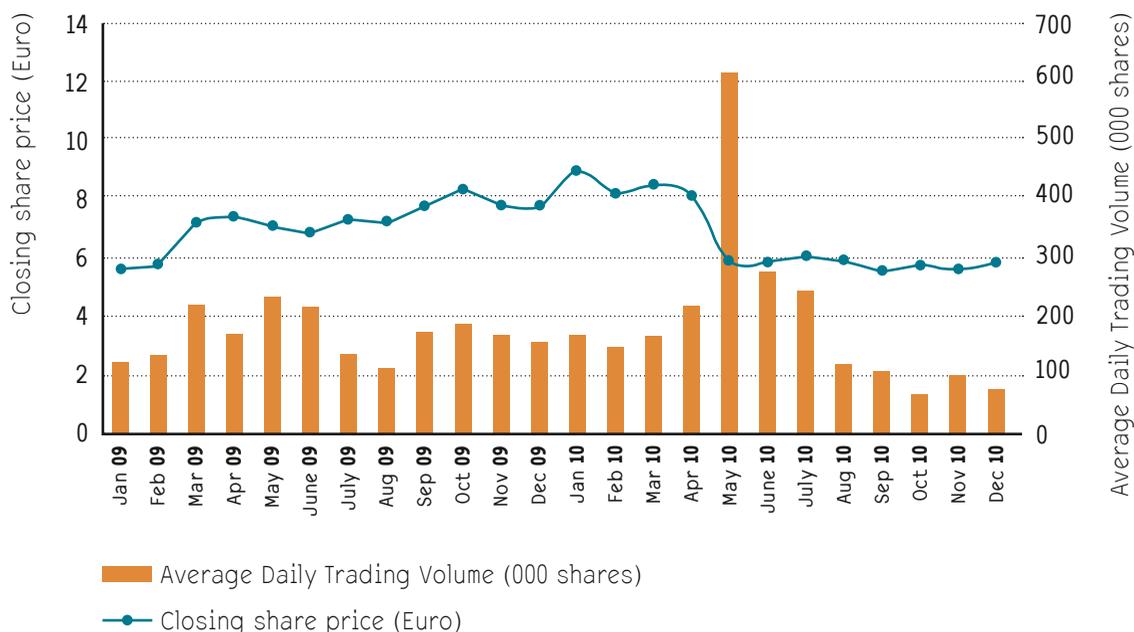
Based on the above, and despite the significant challenges posed by the developments in the Greek economy, the Group's prospects are considered positive. HELLENIC PETROLEUM's improved competitiveness, together with systematic risk monitoring and its strong financial position, allows the Group to overcome the current crisis and continue its positive trend in the following three years.

3.4 Shareholders Information

HELLENIC PETROLEUM's share closed on 31.12.2010 at a price of €5.86, 28% lower than at the end of the previous year. In spite of

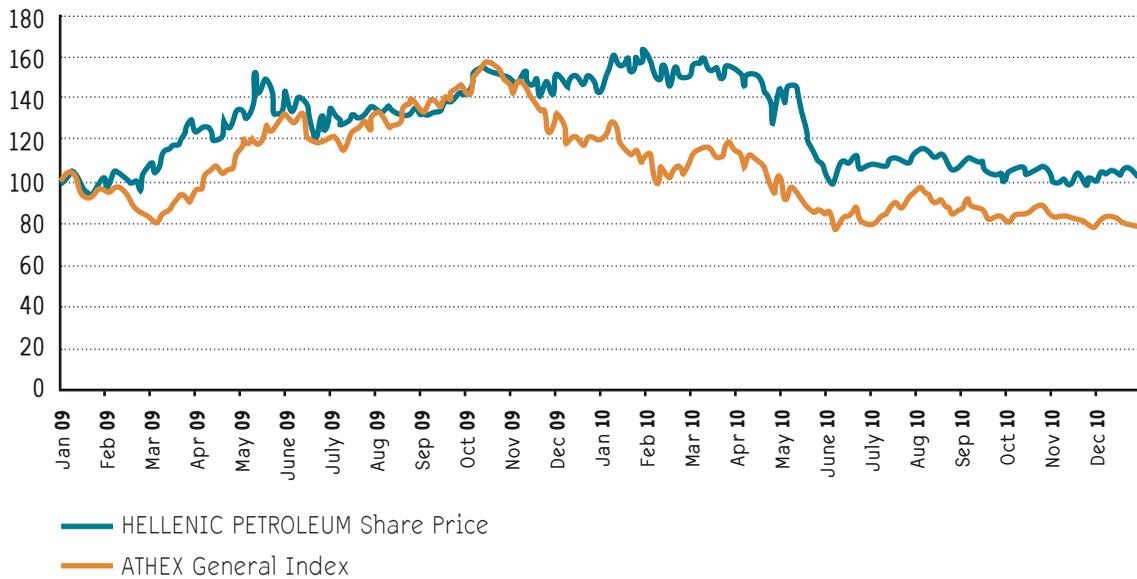
this, the share price outperformed the General Index of the Athens Exchange, which dropped by 38% during the same period.

The Share of HEL.PE. in ATHEX

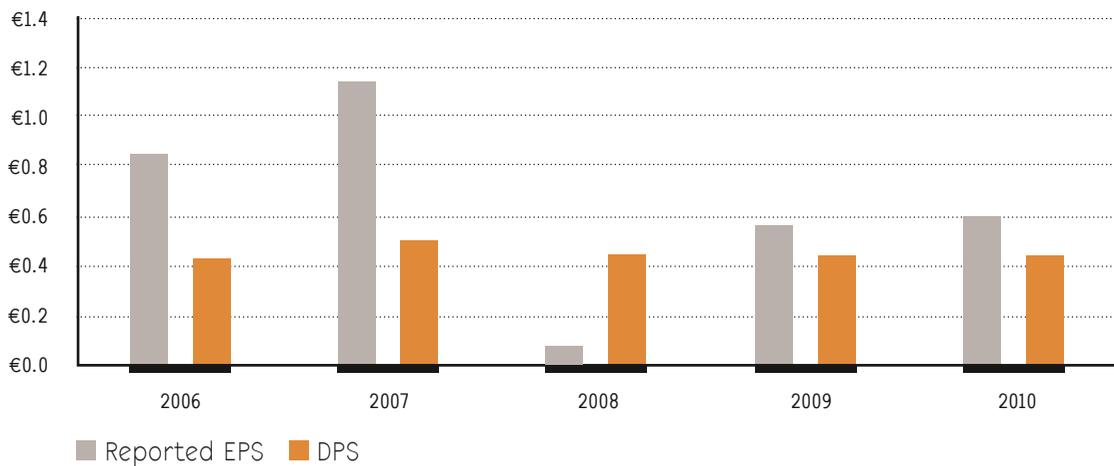


The following chart depicts the return of HELLENIC PETROLEUM share as compared with the ATHEX General Index during the period from January 2009 to December 2010:

Comparative Performance of the Share Price Versus the ATHEX General Index



Earnings & Dividends per share



Shareholders (individuals or legal entities) holding more than 5% of the total number of the Company's shares, either directly or indirectly, are listed in table 3.4.

Shareholding on 31.12.2010

PanEuropean OIH SA	41.1 %
Greek State	35.5 %
Institutional Investors - Greek	11.2 %
Institutional Investors - Foreigners	4.5 %
Retail Investors	7.7 %

Table 3.4



3.5 Social Product

The HELLENIC PETROLEUM Group - based on its values and principles, strategy, activities, and needs of society - annually identifies and recognises its stakeholders. Further relevant information is provided in the Introduction (section: MATERIALITY & STAKEHOLDERS INCLUSIVENESS) and in sections 2.3 and 5.

HELLENIC PETROLEUM defines as its social product the financial contribution to the broader society, namely the stakeholders. The Group, in the context of its business strategy, carries out significant investments thus contributing to the country's economic development and creating secondary revenue through the development of new activities in

parallel with the main investment policy. Consequently, employee competences and skills are improved, human capital is upgraded, cash flow to the national security deficit is ensured and job opportunities are created, through the significant investments in new products, new technologies and infrastructure. Moreover, income is created through taxation and savings, contributing to an income increase of the public sector.

In 2010, the Group's turnover was € 8,477 mil. (compared with € 6,757 mil. in 2009) and the distributed social product was € 700 mil. (compared with € 683 mil. in 2009). The distribution of the social product is presented in chart 3.5.

The distribution of the social product

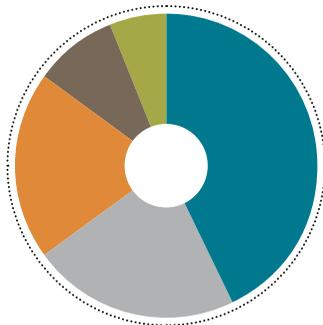


Chart 3.5

In 2010, the Group's turnover was € 8,477 mil. (compared with € 6,757 mil. in 2009) and the distributed social product was € 700 mil. (compared with € 683 mil. in 2009). The distribution of the social product is presented in chart 3.5.

- 43% to employees (salaries & other benefits)
- 20% to the shareholders
- 22% to State (duties, taxes, insurance contribution)
- 6% reserves
- 9% to the banks (loan interest).

Duties and purchase taxes of the retail companies of the Group (EKO & HF) are not included in the previously mentioned amounts. The social product (these duties & taxes included), for 2010 totals € 2,350 mil (€ 1,455 mil, in 2009).

4. Environmental performance

Our approach

HELLENIC PETROLEUM practices environmentally-friendly management policies in accordance with best available practices and a standardized system, in all areas including production and storage throughout all work procedures from design to operation. When it comes to construction, we spare no effort in taking preemptive measures against any possible marine contamination that might occur during the operation of handling incoming and outgoing oil shipments in addition to the proper treatment of a variety of contaminating substances.

The HELLENIC PETROLEUM integrated management system is focused on establishing an environmental, safety & health integrated system, disclosing environment related information, training to prevent environmental accidents or outsourcing the treatment of waste material. Through continuous environment-related investments, the Group is not only improving the environment in terms of atmosphere, water quality or soil, it is also expanding the development of eco-friendly products (biofuels & RES).



Aspropyrgos Refinery

4.1 Our contribution to environment

For HELLENIC PETROLEUM, the target of sustainable development is a main strategic option, not just as an expression of its corporate social responsibility, but also as a critical element of competitiveness in the area of energy production and supply.

The environmental protection, as one of the pylons of sustainable development, has top priority at all Group's activities. This is visible in the application of an integrated environmental policy in the daily operation and in the planning and implementation of significant investments with an environmental orientation. Focal point of all programmes is the Group's operation with respect for the environment and the people and the assurance for the best conditions as far as H, S & E are concerned.

In this context, the company, continuously and systematically:

- Monitors all global and European developments in its sector.
- Adopts Best Available Techniques and systems during equipment renovation and replacement.
- Modernizes its production process to meet the strictest European and international environmental specifications.
- Supplies products that meet the strictest quality and environmental specifications aiming for the minimisation of the environmental impact of the product cycle (production, storage, distribution, consumption).
- Applies modern methods in HR management and trains the employees on environmental issues.
- Practically demonstrates its interest for the environment and the local communities. Shares the residents' interests and concerns (about HSE) and actively collaborates in the effort for sustainable development and a better quality of life.



Koumoundourou Lake

HELLENIC PETROLEUM's commitment to sustainable development is reconfirmed with the implementation of two significant projects investing €1.5 billion, in order to modernize the Elefsina and Thessaloniki refineries. These investments illustrate the goal for sustainable development, as they combine the:

- Group's development
- competitiveness improvement
- reduction of imports and the sufficiency at high quality fuels
- significant improvement of the local environment with significant reduction of the local emissions and wastes
- environmental improvement, at national dimensions, with the supply of cleaner fuels, strengthening of the employment providing job opportunities mainly for the neighbouring to the facilities local communities.

The investment at the Thessaloniki refinery was completed in 2010 and the upgraded facility shall start operation in 2011. The upgrading works at the Elefsina refinery shall be completed in schedule and the operation shall start in 2011. Following these projects' accomplishment the refineries will be able to produce products in accordance with the new European and international specifications, while achieving environmental improvement by reducing local pollutants by up to 85% in Elefsina and 55% in Thessaloniki. Indicatively, 25% of the total cost of the Elefsina refinery modernization is directly linked with environmental works. This is visible in the significant environmental improvements that are expected to be achieved during the operation of the refinery.

Group's target is to make on time and ongoing investments in Best Available Techniques, in order to meet the strictest national and European environmental specifications.

The applicable environmental conditions of operation, for the Group's refineries, comply with the Integrated Pollution Prevention and Control (IPPC) Directive, taking into account

the full application of Best Available Techniques.

It should be noted that the HELLENIC PETROLEUM's industrial facilities are among the first installations in Greece, which were harmonized with the terms of the IPPC Directive; while the BATs application at the Thessaloniki's refinery was successfully audited by ENTEC - a European Union's consulting authority.

Furthermore, HELLENIC PETROLEUM follows the European legislation review and is prepared for the introduction of the new directive for industrial emissions (review of the IPPC directive and integration of the directive on large combustion plants, IED/Industrial Emissions Directive - 2010/75/EE). The new directive is expected to be in effect gradually in the next years.

The Group participates in the formation of a European sector benchmarking in relation with the CO₂ trading scheme for the period 2013-2020.

The Group's refineries take on significant activities, even in voluntary basis, as an integral part of the previously mentioned commitments. Indicatively the following are presented:

- Installation of a new environmental station at the tanks of the storing facility at Megara
- Planning for the upgrading of the wastewater treatment plant at Aspropyrgos refinery
- Installation of new particulate matter and aromatic hydrocarbons (BTEX) monitoring devices at the Aspropyrgos environmental measurement stations
- Planning for the reduction of NO_x emissions and increase of the performance of sulfur recovery units
- Approval of the financing for the project "monitoring the Koumoundourou lake ecosystem and planning of actions to manage, restore & highlight the area".

Over 60% reduction of SO₂ emissions the last decade

Moreover, besides supplying market with clean fuels, HELLENIC PETROLEUM uses cleaner fuels in order to meet its own energy demands (in production processes like burners and boilers) thus reducing air pollution. The use of pollution control techniques further reduces air emissions from the facilities. The refiner-

ies maximise the use of fuel gases generated through the production process. These gases are passing through a desulphurisation process in order to have a zero sulphur concentration and, consequently, zero sulphur dioxide emissions to air.

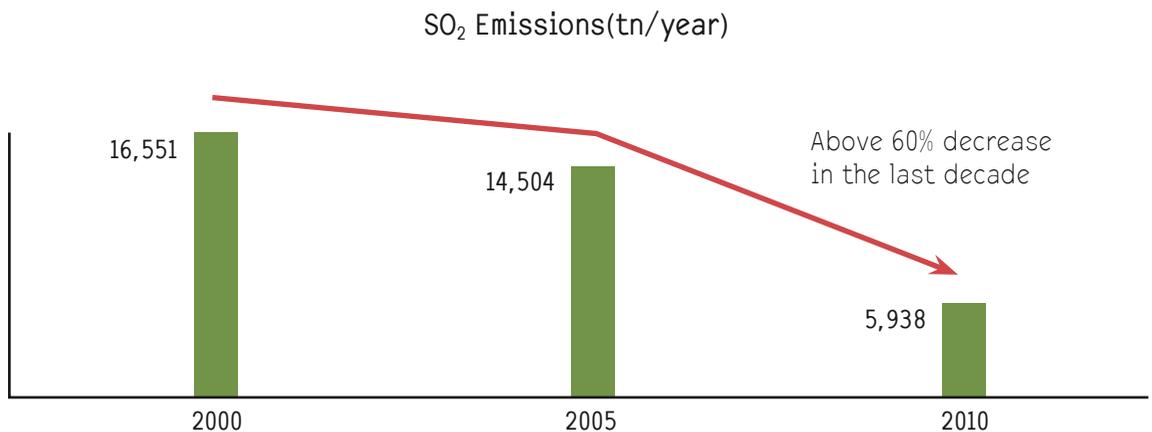


Chart 4.1: Sulphur dioxide emissions from the Group's domestic refineries (tons SO₂)

As shown in the chart 4.1 the total sulphur dioxide emissions from the three refineries of HELLENIC PETROLEUM Group in Greece have been reduced by 60% within the period of the last ten years.



Thessaloniki Refinery

4.2 Energy Consumption - Climate Change

Energy efficiency

In refineries, energy efficiency is a very significant parameter and constitutes the main area where the Group's efforts focus in its contribution to tackling climate change.

The Group's refineries consume energy for the production of the final products. The strict specifications of the final products (zero sulphur fuels) contribute to the reduction of pollutants but their production process is energy intensive. The Group's refineries have managed to produce environmentally friendly products while maintaining high energy efficiency.

The refineries of the Group are optimized in terms of energy efficiency and as a result, the fuel consumption and the emissions to air are minimized. Moreover, the high-pressure steam produced - in addition to its use for the heat requirements of the production process - is used for the production of electricity (co-production units). It is indicatively reported that, since 1988 in Aspropyrgos refinery & since 2007 in Thessaloniki refinery, such combined heat & power units are in operation,

covering 46% of the electricity required; consequently, resulting in the improvement of the refinery energy efficiency. Once again, the extra benefit is that the emission of 330,000 tons CO₂ is avoided (estimation based on preliminary assessments), contributing to the reduction of greenhouse gases emissions at national level.

This benefit, as far as electricity is concerned, is graphically illustrated in chart 4.2.1. The blue bars represent CO₂ emissions due to electricity bought from PPC (with a PPC 2008 weighted coefficient of 1kg CO₂/kWh). The green bars represent the CO₂ emissions that are avoided, because of electricity own-production within the refineries and consequently no need for PPC to produce that power.

Obviously, if energy optimisation actions had not been implemented, then significant CO₂ emissions, corresponding to energy losses, would have been added to CO₂ emissions due to the need for additional electricity from PPC, resulting to a total of 1 million tons CO₂

46% of the electricity required is covered by combined heat & power units in the refineries, contributing to significant reduction of greenhouse gas emissions at national level

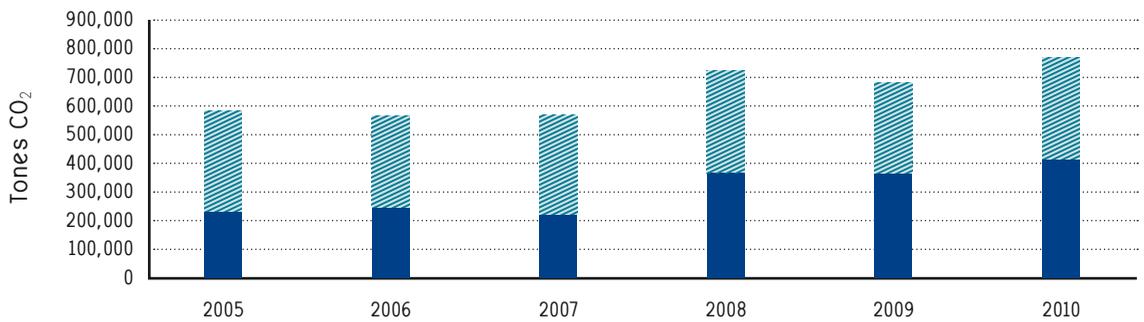


Chart 4.2.1: CO₂ emissions (indirect, Group's refineries in Greece) due to total electricity use & electricity own-production

In addition to the aforementioned significant measures, there is continuous effort to improve the energy efficiency of individ-

ual equipment (e.g. furnaces, boilers, etc) through modifications and upgrading, as well as inspections and scheduled maintenance.

CO₂ emissions & trading scheme

HELLENIC PETROLEUM participates in the European Union's Greenhouse Gas (GHG) Emissions Trading System (ETS); a mechanism introduced by the Kyoto Protocol in order to help limit GHG emissions. Exploiting this tool, the company significantly contributes to the national obligations as they derived from the Kyoto Protocol commitment (ΦΕΚ 117/A/30-5-02) and the relevant European legislation. The national legislation (KYA 54409/2632, ΦΕΚ 1931/B/2004) has been harmonized with the directive 2003/87/EC for the establishment of a trading system for the GHG emission allowances in EU. The national allocation plan (NAP) for GHG emission allowances, for the period 2008-2012, was approved with the decree KYA 52115/2970/E103/2008 (ΦΕΚ 2575B').

It has to be noted that the total direct CO₂ emissions of the three refineries of the Group account for only 2% of the total CO₂ emissions in the country (2008 census data).

In the framework of the ETS, the Ministry of

Environment, Energy & Climate Change has issued to the three refineries the necessary GHG emissions permits. The CO₂ emissions from the Group's facilities are monitored according to the proper and approved methodology. Based on this monitoring, annual reports are compiled and then verified by certified bodies (Decision 2007/589/EC) with respect to their reliability and accuracy. The verified reports are submitted to the Ministry of Environment, Energy & Climate Change. Then, the Group surrenders the allowances that correspond to the CO₂ emissions from its facilities.

Chart 4.2.2 illustrates the verified CO₂ emissions (in accordance with the relevant legislation), from the Group's facilities, in 2009 & 2010. It can be seen that the verified CO₂ emissions in 2010 are 40,000 tons less than the allocated emission allowances for this year. Moreover, the increase of the verified emissions in 2009-2010 is mainly due to the turnaround of Aspropyrgos refinery, for two months, in 2009, for scheduled general maintenance.

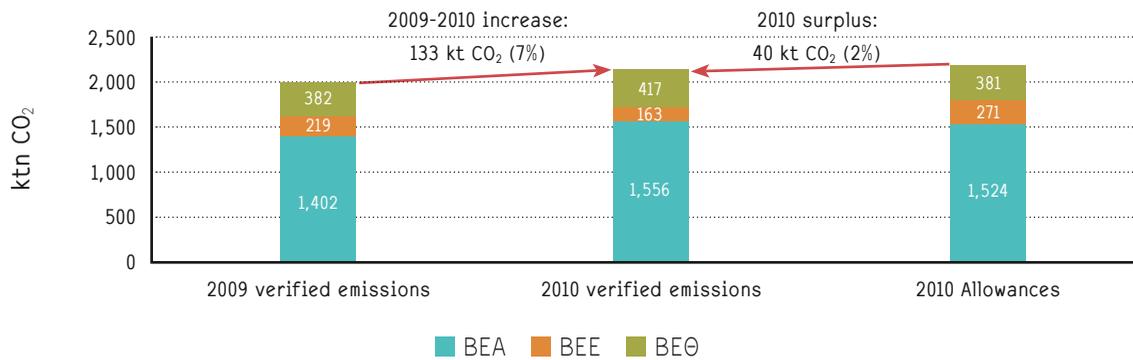


Chart 4.2.2: Verified CO₂ emissions & emission allowances from the 3 refineries, (thousand tons CO₂).

The Group is preparing for the new allocation of CO₂ emission allowances, for the period 2013-2020, through the shaping of the European benchmarking for the refineries.

Bio-fuels

Biofuels are a wide range of fuels which can be derived from rapeseed, sun flower, wheat or sugar beet. The term also covers fuels derived from recycled greases, animal fats or food residues. There are two main types of biofuels:

- **Bio-diesel** is a fuel, similar to diesel, which can be used in the majority of conventional diesel cars mixed with mineral diesel. Biodiesel is produced from oils or fats using transesterification and is the most common biofuel in Europe.
- **Bio-ethanol**, mixed in small quantity (up to 10%) with gasoline, can be used in conventional gasoline cars. It can be derived from the fermentation of plant material.

HELLENIC PETROLEUM, voluntary, has initiated preparations - through a research project with the Fuels & Lubricants Lab of NTU - for the use of bioethanol as a gasoline additive. A pilot introduction of bioethanol is scheduled in order to use it as raw material for the

production of bio-ETBE, a gasoline additive.

Biofuel is the only direct replacement of the mineral diesel, which is available in a large scale for use in transportation. Biofuels use contributes to more environmentally friendly transportation without major changes in the vehicles and the fuel distribution networks.

The improvement of the vehicles' energy performance is the most significant & low cost approach to reduce the CO₂ emissions. The biofuels are particularly important at the replacement of mineral fuels in aviation or navigation where electrification is not possible. Moreover, the production and use of biofuels may increase the energy security of a country because of the reduction of the dependence from mineral fuel imports and the often oil price spikes. In addition to the aforementioned, biofuels, can contribute to the diversification of the agriculture and the development of rural economy.

HELLENIC PETROLEUM Group, proving its commitment towards sustainable development, uses biodiesel as an additive to mineral diesel. The biodiesel quantities that have been received and used as additive to mineral diesel are presented in table 4.2.3.

Year	Biodiesel (m ³)	% v/v in bio-diesel
2006	46,580	2.01
2007	79,010	3.65
2008	62,788	3.04
2009	68,961	3.84
2010	108,063	6.39

Table 4.2.3: Biodiesel received and used as mineral diesel additive

Renewable Energy Sources

The Group's subsidiary HELPE RES manages the projects portfolio and implements the Group's strategy in the development of renewable energy sources. Objective is the production, supply and marketing of RES as well as the participation in other renewable energy consortia. The company already participates with 25% at the BIODIESEL SA, by importing and marketing biofuels in the domestic market.

In the sector of electricity generation from RES, the company has set as objective the development of significant installed capacity from wind farms, micro-hydroelectric systems, photovoltaic panels and energetic use of biomass, in the next years. In this way the company shall also contribute to the balance of GHG emissions.

Among the objectives is the reduction of the Group's carbon footprint by offsetting at least 250,000 tons CO₂-e, which corresponds to the activities of refining and electricity generation.

More specifically, the group aims to a power

portfolio of at least 100MW until 2014. This will be achieved by means of:

- Use of the Group's real estate for the installation of photovoltaic panels (at roofs of buildings, industrial complexes, service stations).
- Buyouts of existing RES installations (wind farms, photovoltaics, biomass, micro-hydroelectrics).
- New project development.

The company's project portfolio already includes photovoltaic projects under development and projects of 5MW that have been submitted for license to the relevant authorities. These shall be either ground or on-roof constructed at Group's owned or leased real estate. Middle-term objective is the further expansion of the energy portfolio to 20MW.

At the same time the Group invests in biofuels & RES new technologies through the support of specific research programmes in cooperation with Greek universities and research organizations.

Headquarters' Carbon footprint

As part of the efforts to limit the Group's total carbon footprint, the project 'calculation of the GHG emissions from the Group's headquarters (HQ) activities' was implemented in 2010. The project was carried out in cooperation with the CSE (Centre of Sustainability and Excellence), based on available or calculated data (for the period from March to December 2010) or answers to a relevant questionnaire.

Relevant data included electricity consumption of the HQ building, employees' commuting

to/from work, corporate cars, corporate air travel and waste, in accordance with international standards. The results were verified by the foundation «MyClimate».

To take the project further, HELLENIC PETROLEUM, proving its environmental commitment, made use of the programme «Climate Neutral» in order to offset the GHG emissions which correspond to corporate air travel and corporate cars. The total emissions offset were 392 tons of CO₂-e.

4.3 Natural Resources

The Group's refineries consume energy and natural resources (crude oil, water) for the production of the end products. To minimise raw material waste, the refineries have appropriate systems in order to collect losses and

use them. Wherever it's technically feasible, the BATs are implemented in order to recover waste in raw materials from the various effluent streams. The recovery percentages, for 2010, are presented in table 4.3.1.

Facility	Percentage	Quantity recovered
Aspropyrgos refinery	0.26 %	19,400 tn
Thessaloniki refinery	0.65 %	19,270 tn
Elefsina refinery	0.22 %	3,770 tn

Table 4.3.1: Raw material recovery in 2010

Significant measures are planned for the reuse of the consumed water. The pre-treatment of the wastewater streams and their reuse are part of the refinery production processes. In

this way reductions concerning fresh water consumption and effluents are achieved. The percentages concerning the water reuse, in 2010, are presented in table 4.3.2.

Facility	Percentage	Quantity reused
Aspropyrgos refinery	5.2 %	208,058 m ³
Thessaloniki refinery	5.9 %	140,000 m ³
Elefsina refinery	2.0 %	23,500 m ³

Table 4.3.2: Water reused in 2010

It is noteworthy that the various processes use closed loop cooling systems. The water is used to cool warm streams (complimentary to the use of heat exchangers, as previously described). The warm water, resulting from the cooling process of the warm water streams, is used for the heating of cooler streams; making the most of its thermal energy. At the end of this process the water used as a cooling factor is finally guided to cooling towers, where it is air cooled and reused in this cool-

ing/ heating cycle. The benefit of this process is reduced consumption of both energy and water.

Charts 4.3.3 and 4.3.4 present the trends of energy and water consumption at the OKTA's refinery the last five years. The expected increase of consumption, because of the operation of new units in the last two years, was limited in 2010, as far as energy consumption is concerned. Works to reduce the water consumption are in progress.

Energy Consumption

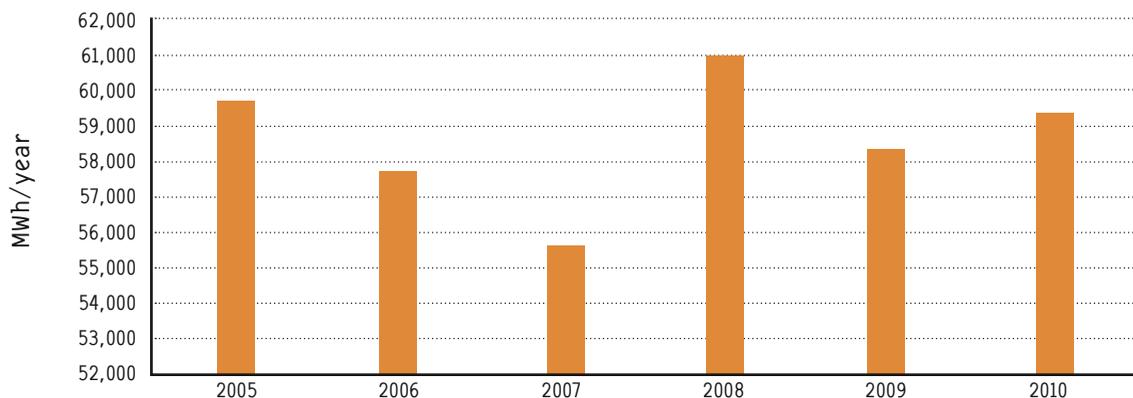


Chart 4.3.3: Energy consumption at OKTA refinery

Water Consumption

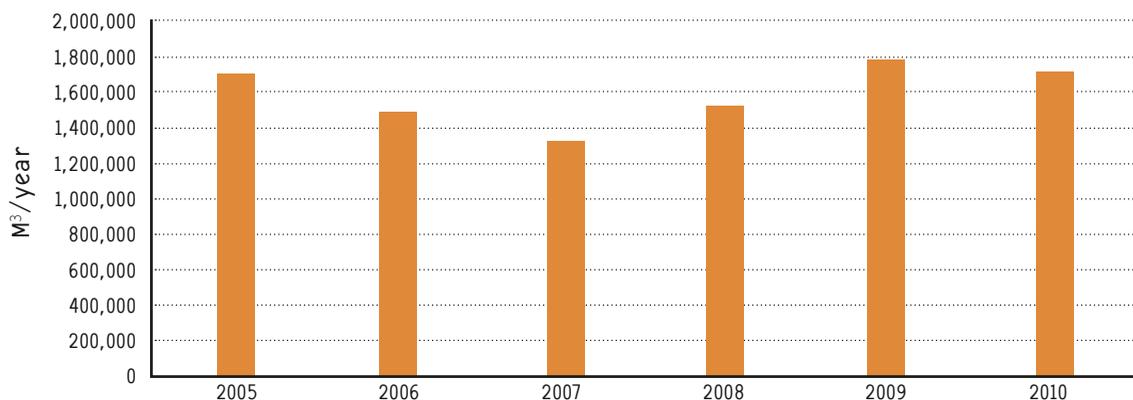


Chart 4.3.4: Water consumption at OKTA refinery

The performance in relation with energy and water consumption at the other Group's subsidiaries, in 2010, is presented in tables 4.3.5 & 4.3.6. Despite the fact that these consumption are not considered significant, measures

are planned in order to be further reduced. One indicative example, at the EKO's & HF's storage facilities, is the intervention at fuel pumps operating system resulting to savings of 43 MWh.

Facility	Quantity (MWh)
EKO & EK	5,584
DIAXON	4,913
HELLENIC PETROLEUM CYPRUS	725
EKO Bulgaria	15,468
EKO Albania	75

Table 4.3.5: Electric energy consumption at Group's subsidiaries, in 2010

Facility	Quantity (m ³)
EKO & EK	35,032
DIAXON	51,257
HELLENIC PETROLEUM CYPRUS	2,400
EKO Bulgaria	17,200
EKO Albania	2,300

Table 4.3.6: Water consumption at Group's subsidiaries, in 2010



Fuel Station of OKTA



OKTA Refinery



Group's Installations at Aspropyrgos

4.4 Emissions to Air

Charts 4.4.1, 4.4.2 & 4.4.3 present the total air emissions from the refineries of HELLENIC PETROLEUM in Greece. These emissions are well below the limits imposed by regulations. The estimation methodologies and emission measurements follow international and European standards. Sulphur dioxide emissions, in particular, are gradually reducing, which is attributed to projects and actions that have been implemented to that end.

Total sulphur dioxide emissions from the three refineries of HELLENIC PETROLEUM Group in

Greece, in 2010, were approximately 70% lower than the new quantitative emission limits imposed by the Greek State.

The fuel gas desulphurization projects implemented at the facilities in conjunction with the improved specification of the fuel oil used for own-consumption have contributed to the remarkable reduction in sulphur dioxide emissions from the refineries. Nitrogen oxide (NOx) emissions also appear to be steady, as low-NOx burners are being used in the majority of furnaces.

Sulphur Dioxide (SO₂) Emissions



Chart: Sulphur dioxide emissions from domestic refineries

(The current limit value is referred to the new Environmental Permits for refineries, according to IPPC Directive)

Nitrogen Oxides (NO_x) Emissions



Chart 4.4.2: Nitrogen oxide emissions from refineries in Greece

The refineries are already using techniques for the early detection and repair of leaks and the results of these improvements are already visible. The volatile organic compound

emissions (VOCs) represent a percentage of the refineries' waste. The reduction of these losses will not only have as a result an environmental benefit but also a financial one.

Volatile Organic Compounds (VOC) Emissions



Chart 4.4.3: Volatile Organic Compound emissions from refineries in Greece

A special reference has to be made on the significant contribution of the programme for Leak Detection and Repair (LDAR); in accordance with the Best Available Techniques for the efficient record and monitor of VOCs emissions. More specifically, for the last three years, there is a visible reduction of VOCs emissions based on the data measured and evaluated through the LDAR mechanism at Aspropyrgos refinery, (see chart 4.4.3).

The early leak detection and repair system identifies and records the equipment that leaks and then proceeds to its immediate repair. The inspection procedure is scheduled and any diffused emissions from equipment are compared with the strictest (in relation with international standards) internal limits of the facilities.

The best available techniques, for the storage and transport of the products, targeting at reduction of VOC emissions, include the installation of secondary seals in the floating roof tanks, painting of the VOC tanks with white paint (high reflective), bottom loading of the tank trucks and vapour

recovery systems at the loading installations. The equipment maintenance is the significant parameter in the production process.

Bottom loading of tank trucks is applied in almost all installations, both for safety and environmental protection issues. All Group's installations are equipped with vapour recovery systems, used when loading gasoline, according to relevant laws.

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

Significant progress has been made, during the recent years, in the OKTA refinery, as far as the reduction of air emissions is concerned. One of the major investments was the sulphur recovery unit targeting to the reduction of the SO₂ emissions. The unit built in 2008, started operation in 2009. Charts 4.4.4 and 4.4.5 show the improvement achieved as far as air emissions are concerned.



Jetty at Aspropyrgos Refinery

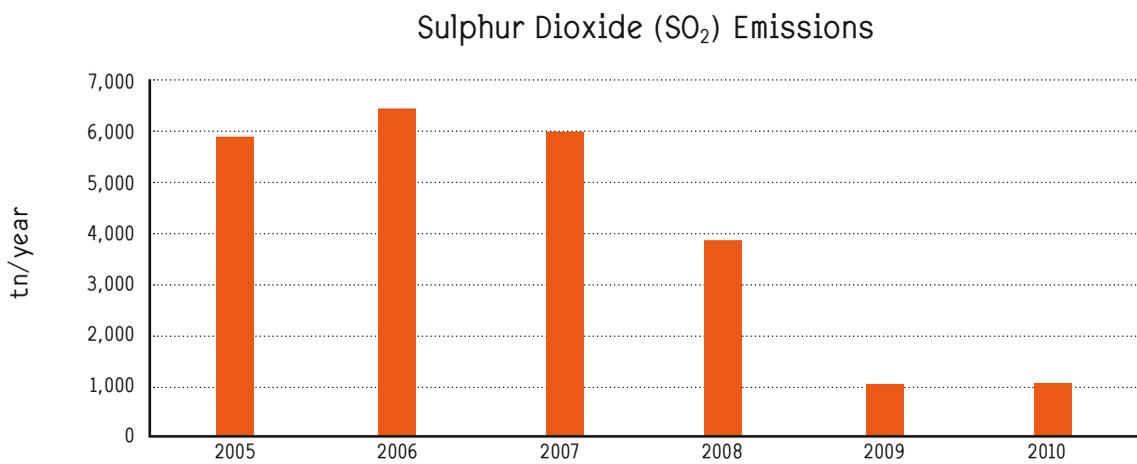


Chart 4.4.4: OKTA's refinery SO₂ emissions, during the period 2005-2010

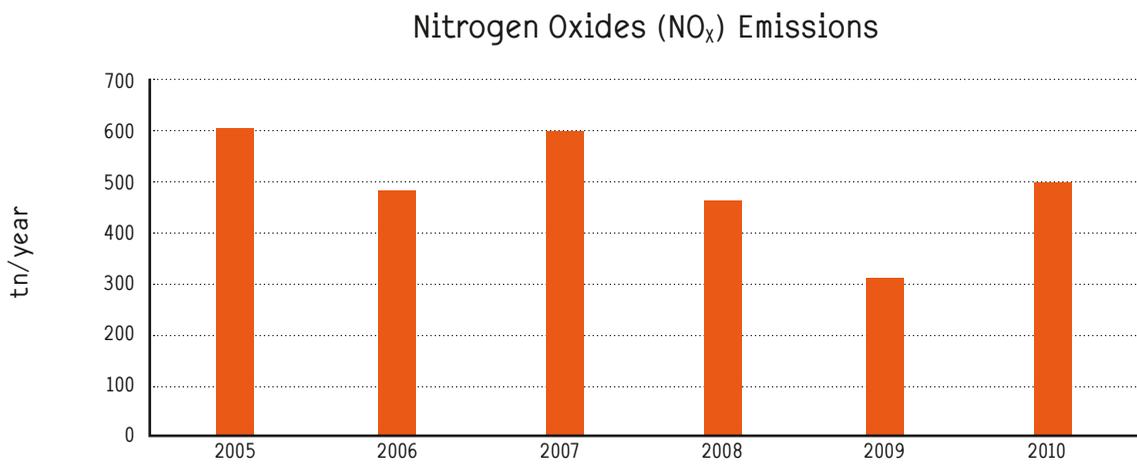


Chart 4.4.5: OKTA's refinery NO_x emissions, during the period 2005-2010

4.5 Air Quality

The air quality monitoring stations that operate within the boundaries of the domestic refineries depict a satisfactory level of air quality. In some parameters the effect from external sources (such as traffic or neigh-

bouring activities) is visible. Charts 4.5.1 - 4.5.3 show the trend of emissions during the last ten years, in relation to the ambient air quality limit values of the current national and European legislation.

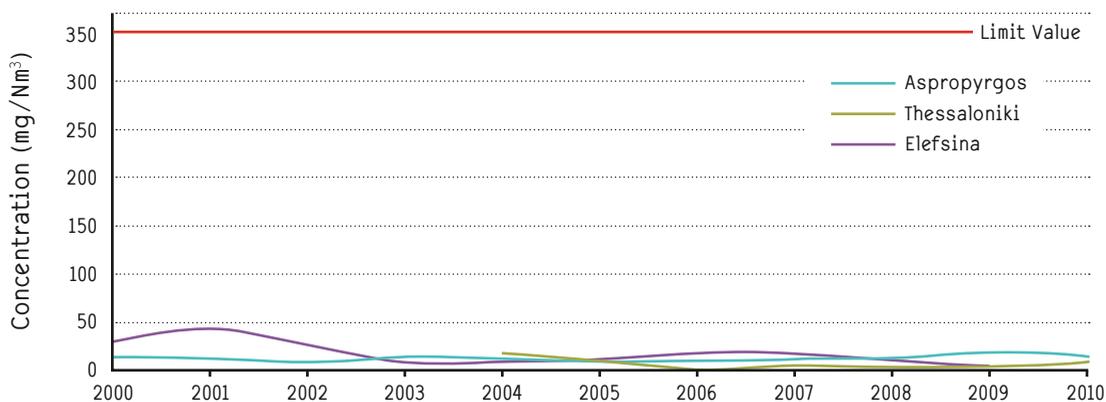


Chart 4.5.1: Average annual SO₂ values

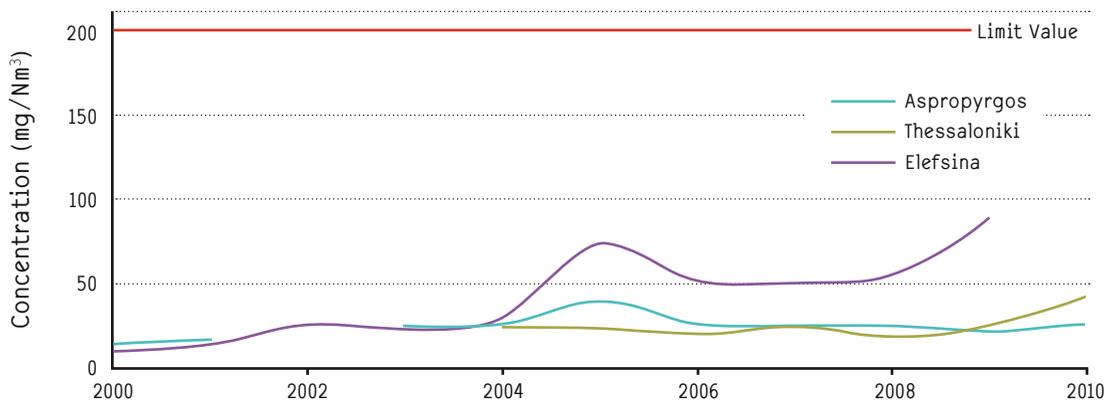


Chart 4.5.2: Average annual NO_x values



Chart 4.5.3: Average annual PM values (Particulate Matter)

Note: The operation of the BEE industrial complex (Elefsina refinery) was limited and periodic, so in the relevant charts (4.5.1. to 4.5.3) there is no representative and reliable average concentration value for 2010.

Specifically in the case of PMs (particulate matter) parameter, the effect from the external sources is visible, due to the fact that the

emissions from the furnaces and the burners of the refinery are extremely low, (the main volume of the used fuels are desulphurised gases).

4.6 Liquid Waste Management

Best Available Techniques are applied to the refinery's wastewater treatment process. The facilities' specialized laboratories continuously monitor the effluent's physical and chemical characteristics in order to confirm

ary uses or as extinguishing water. Part of the refinery's production process is the pre-treatment of the effluent and their re-use in order to save fresh water, reduce wastes and reduce their organic load. The planning and

"50% lower than the corresponding legislative limits for hydrocarbon quotient, a fact that constitutes a corporate target"

that the measured values are well below the imposed limits.

The three refineries already have in operation modern wastewater treatment units. These units include first and second level treatment and in some occasion and third level treatment. Furthermore, at Aspropyrgos refinery the ballast water is treated in a separate treatment unit.

Wastewater recycling is the first priority in the refineries' wastewater management process, e.g. hydrocarbons recovered from the wastewater treatment units are re-refined and the use of treated wastewater for auxil-

implementation of recycling programmes have led to the gradual reduction of effluent quantities, while all the relevant quality parameters - like the hydrocarbons concentration - are 50% below the corresponding legislative limits, a fact that constitutes a corporate target.

All facilities have emergency plans to deal with a sea pollution incident. The relevant port authorities approve these plans. Drills are conducted on a regular (annual) basis, usually in collaboration with the competent authorities, in order to maintain a high level of readiness and to prevent sea pollution incidents.

In the past years there have been no oil spill incidents in the marine environment.

The relevant Group's performance is presented in table 4.6.

Facility	quantity (m ³)
EKO & EK	35,336
DIAXON	41,005
EKO Bulgaria	104,812
EKO Albania	2,300

Table 4.6: Group's total effluents volume

4.7 Solid Waste Management

Hazardous wastes are not stored within the refinery facilities

They are temporarily stored in accordance with legal provisions and good environmental practices until their final disposal.

The effort to recycle old metal and plastic materials, as well as wood, tires and lubricants is ongoing; materials to be recycled are segregated and properly managed. All facilities are implementing paper and battery recycling programmes, at both production units and offices. Modern technology is utilised in order to minimise the use of the paper. There are special recycling bins at various points in the work areas for all materials mentioned above.

Significant steps have been made with regard to the management of hazardous wastes, such as the oily sludge from wastewater treatment units or tank cleaning residues. Environmentally friendly treatment technologies are used in order to make them inert. In case this is not applicable, hazardous waste is pre-treated and then disposed to specialized licensed companies.

An indicative example is that of spent catalysts that cannot be regenerated and are sent abroad to specialized and licensed waste management companies so that precious metals are recovered or thermal destruction is carried out.

The relevant Group's performance is presented in table 4.7.

Facility	Quantity (tn)
EKO & EK	450
DIAXON	318
EKO Bulgaria	270
EKO Albania	15
HELLENIC PETROLEUM CYPRUS	6

Table 4.7: Group's total solid wastes volume

4.8 Biodiversity

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

None of the Group's installations are near protected areas (e.g. NATURA). All installations are in established industrial areas, without any protected ecosystems in proximity, therefore neither significant impact has been identified nor has relevant action been initiated.

Refinery operation is inevitably linked with emissions affecting the quality of ambient air and surface water. The Group's refineries, using the best available techniques & continuously improving their environmental performance, are trying to minimize any potential impact to the natural environment. Pollution prevention measures and the corresponding investments also contribute to that objective.

The Group - because of the neighbouring of the Aspropyrgos refinery with the Koumoundourou lake - trying to protect the ecosystem of the lake, has voluntarily initiated a project for the protection of the lake. In this frame, the Group decided to finance the programme "monitoring the lake's ecosystem and planning

of actions to manage restoration & highlight the area". The programme, with duration of 18 months, started in 2011, shall be implemented by the Hellenic Centre for Marine Research and is under the auspices of the Ministry of Environment, Energy & Climate Change, which is going to exploit the programme's results.

Among the programme's goals - apart from obtaining comprehensive knowledge and information about the status of the ecosystem & the potential risks - are:

- Pollution risk assessment and monitoring of the qualitative characteristics of the water.
- Planning and optimization of activities concerning management, protection and restoration of the lake.
- Development of training and awareness material for the lake's ecosystem.

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

- Builds up zones, by means of planting indigenous tree species, with intention of defining the land uses, as well as, the improvement of the land that surrounds the refinery ground.
- Apply action plans to prevent ground and

underground pollution that can affect the water natural resources.

- Avoid use of any raw materials, characterised as eco-toxic, throughout refinery operations.

At the beginning of the year 2009, the Group did carry out forest replanting to an area of 63.5 hectares, which had been destroyed be-

cause of fire during the summer 2007. The area is in the vicinity of Koumoundourou Lake at the municipality of Aspropyrgos. The reforestation was part of the Group's CSR programme aiming to the improvement of the quality of the areas where the Group operates. In this framework, HELLENIC PETROLEUM continues the conservation & highlight of the area.

4.9 REACH regulation

Since 2006, HELLENIC PETROLEUM is working on the harmonization with the requirements imposed by the regulation REACH (Registration, Evaluation and Authorisation of Chemicals), R1907/2006 which is in effect from 01.06.2007.

REACH, which is one of the most complex regulation of the EU's legislation, requires, from the producers and importers of substances, to submit to the European Chemicals Agency (ECHA) information concerning the identity, the characteristics and the use of such substances.

HELLENIC PETROLEUM successfully completed the submission of the produced and imported substances falling into the deadlines of the article 23 of REACH regulation (30.11.2010).

For this reason actively participates, as founding member, to consortia that were established for the compilation of the substances submission dossiers and the successful completion of the next phases of the regulation. In this context, the continuous communication with all members of the supply chain, in accordance with the regulation's arrangements, are of significant importance.

For the classification and labelling, which are

part of the substances submission dossier, and the review of the products MSDS, the new regulation R1272/2008 (CLP) for substances classification, labeling and packaging is taken into account.

This regulation, which is in force since 20.01.2009, incorporates the Globally Harmonised System (GHS) into the EU's legislation.

For substances of a quantity less than 1000tn/year (for which the relevant submission dossiers will be submitted to ECHA in accordance with the deadlines of the article 23 of REACH) and the substances that are excluded of submission, HELLENIC PETROLEUM has already submitted to ECHA the information required by the article 40 of the CLP regulation.

With respect to the authorisation procedure, among the first steps is the inclusion of substance in the potentially authorized list of substances (Substances of Very High Concern, SVHC) and the definition of priorities by the ECHA for their inclusion in the Annex XIV of REACH regulation (potentially authorized list of substances). None of the substances that are part of HELLENIC PETROLEUM's products is included in the list of SVHC which is available at ECHA's website.

4.10 Environmental Investments

HELLENIC PETROLEUM is investing €1.5 billions for the modernisation and upgrading projects concerning the Elefsina and Thessaloniki refineries. Additionally, further environmental investments are in progress at the three domestic refineries.

Especially, in 2010, the environmental investments budgeted at € 80 millions and concerned improvements, modernisation and processes upgrading affecting the Group's environmental performance. Projects like improvement of drainage system, upgrading of the water waste management unit, storing facilities for crude oil of low sulphur, procurement of instruments and automated measuring systems

of environmental parameters were part of these investments.

Moreover, for the period 2011-2015, the scheduled environmental investments budget at € 47.1 millions. The scheduled projects include the adoption of the best available techniques, energy efficiency systems and approaches for the environmental protection, with the reduction of emissions and the upgrading of the wastewater treatment. The schedule, indicatively, includes works such as the installation of new turbines, the upgrading of the wastewater treatment unit, the replacement of older boilers, tanks, etc.

4.11 Environmental Training

Further to the above mentioned, the Group continuous, in a systematic way, its investments in the awareness and training of its personnel regarding environmental protection and management.

The environmental training programmes, apart

from the employees, extend to customers, suppliers, subcontractors and citizen groups like schools.

Indicatively, in tables 4.11, the employees and non-employees that were trained in environmental issues, in 2010, are presented.

Table 4.11: Trainees & man-hours of environmental training

At refineries: employees	481 trainees	335 man hours training*
At refineries: non-employees	2,988 trainees	1,423 man hours training*
At subsidiaries: employees	180 trainees	544 man hours training
At subsidiaries: non-employees	676 trainees	356 man hours training

* the contribution of 10 training hours to the employees and 22 hours to the non-employees of the Elefsina refinery are not included

4.12 Environmental GRI Indicators

Indicator GRI	Description		BEA	BEE	BEØ	OKTA	Units	Report's Section & comments
EN1	Crude oil		7,244.92	1,739.24	2,978.00	844.49	ktn	
	materials	catalysts		8.08	25.00	117.00	tn	
		additives	720.66		239,135.00	82.00	tn	
EN2	Recycled material	Slop oil/crude oil	0.26	0.22	0.65	0	(tn/tn)	4,3
EN3	Energy	Self-consumption fuels	6,178,930	641,517.00	1,533,333.00	776,194.00	Mwh	
		total	496,903.63	41,546.00	229,522.00	59,367.00	Mwh	1 Mwh = 3.6GJ
	Electric energy	Self-production	326,236.70	0.00	29,453.00	0	Mwh	
Total from PPC		170,666.93	41,546.00	200,069.00	59,367.00	Mwh		
EN4	Indirect energy consumption	Conventional sources	159,437.04	38,812.27	186,904.46	59,367.00	Mwh	
		RES	11,229.88	2,733.73	13,164.54		Mwh	
EN5	Energy saved		158,508.00	-	-	-	GJ	4,2 (it concerns reductions of fuel consumption due to operational improvements at the furnaces, steam consumption due to operational improvements and losses due to inspections)
EN6	Initiatives for energy efficient products & RES		See section 4.2 (biofuels & RES)					4,2
EN7	Initiative for reduction of indirect energy consumption (apart from PPC)		Measurement of indirect energy consumption from HQs building & employees in 2010. An estimated reduction of energy consumption by 5% - from the measured quantities - is due to the replacement of business trips with teleconferencing. Also, a significant percentage of employees is using company buses or the public transportation instead of private cars.					4,2
EN8	Water withdrawal	total	3,982,908	8,070,864	2,360,169	1,422,400	m ³	BEA: Estimated
		Sea water	946,997	6,912,000	0	0	m ³	
EN9	Affected water sources		Not such significantly affected water sources.					
EN10	Water recycled & reused	Percentage	5.2%	2.03%	5.93%	2.28%		
		volume	208,058	23,520	140,000	32,400	m ³	
EN11	Location & size of land		None of the Group's refineries is near protected areas (NATURA, RAMSAR). All installations are in established industrial areas					
EN12	Significant impacts		Significant work has been done for the minimization of impact on the environment and the ecosystem. Refineries are the industrial sector with the widest application of the Best Available Techniques for environmental protection.					EN11 4,8
EN13	Habitats protected or restored		No such habitats, see also EN11 and section 4.8.					4,8
EN14	Impacts on biodiversity		See section 4.8					4,8
EN15	IUCN red list species		0	0	0	0		
EN16	Total CO ₂ emissions	Verified emissions	1,555.90	163.41	417.00	192.00	ktn CO ₂ -eq	4,1, 4,4, 4,5 (for the HQs building the indirect emissions from electric energy are 4,496 tnCO ₂ -eq)
		Indirect emissions - national grid (PPC 1kgCO ₂ /kwh ELEM 0.91kgCO ₂ /kwh)	170,666.93	41,546.00	200,069.00	54,023.97	tn CO ₂ -eq	
EN17	Indirect emissions CO ₂		Total indirect CO ₂ emissions from all activities, apart the consumption of electric energy (air trips, private transportations, food preparation, refuse), at HQs building, amount to 2,223 tn CO ₂ -eq.				tn CO ₂ -eq	4,2
EN18	Initiatives to reduce GHG emissions	Energy save - energy exploitation of the thermal streams & steam	326,236.70	0.00	29,453.00	0.00	tn CO ₂ -eq	4,2 (estimation based on preliminary assessments)
EN19	Emissions of ozone depleting substances	HCFCs	0.018	0.001	0.000	0.000	tn CFC-eq	
EN20	Air emissions	NO _x	2,728	296.8	621.8	499.8	tn	4,4
		SO ₂	3,543	730.5	1,664	1,097	tn	4,5
		VOC	950.3	1,210	302.8	600.0	tn	

Indicator GRI	Description	BEA	BEE	BEΘ	OKTA	Units	Report's Section & comments	
EN21	Water discharge	volume	2,080,581.16	3,211,355.76	1,072,000.00	1,346,000.00	m ³	
		destination	Saronicos gulf	Saronicos gulf	Thermaikos gulf	Skopje		
		Treatment process	The refineries effluent treatment units include treatment of 1st, 2nd and, occasionally, 3rd level treatment.				Effluent treatment unit	4,6
		Δείκτης H/C	0.80	5.73	0.98	1.04	HC/throughput	
		BOD	15.79	17.57	11.2	-	mg/l	Limits: Saronicos 40, Thermaikos 60
		COD	77.73	61.96	118	31.7	mg/l	Limits: Saronicos 150, Thermaikos 180
		TSS	12.25	34.8	12.1	11.6	mg/l	Limits: Saronicos 40, Thermaikos 70
EN22	Type & weight of waste	Phenol	0.15	0.07	0.07	-	mg/l	Limits: Saronicos & Thermaikos 0.5
		Total	4,415.97	4,453.27	5,355.60	472.50	tn	(categorization in accordance with the European Catalogue of Waste)
		hazardous	2,519.06	1,292.90	6.60	465.00	tn	4,7
		Non hazardous	1,896.91	3,160.37	5,349.00	7.50	tn	(categorization in accordance with disposal code D or recovery code R. The method is chosen based on the waste characteristics and the method availability).
		Reuse	2,808.02	4,453.1	177.10	448.00	tn	
		Recycle	12.25	0,17	16.00	0	tn	
EN23	Significant spills	burning	1,595.71	0	0	0	tn	
		burial	0	0	5,162.50	7.50	tn	
EN24	Exported hazardous waste	>100bbbls (GRI Draft Oil and Gas Supplement)	1	0	0	0	tn	The spill (~400bbbls) was handled in accordance with the relevant procedure (oil pumping) and the recovery was based on the removal of the ground.
		quantity	1516.22	0	0	0	tn	The non exported hazardous waste is calculated by subtraction from EN22.
EN25	Affected ecosystems	percentage	60	0	0	0	%	
		No affected ecosystems. See EN11, EN13 & section 4.8						
EN26	Initiatives to mitigate environmental impacts from the products	<p>The supply of "cleaner" fuels (zero sulphur), the addition of bio-diesel to fuels and the use of cleaner self-consumption fuels contribute to the reduction of the environmental impacts from the main Group's products, ie fuels. More specifically, a reduction of the sulphur content of the following fuels, has been achieved, because of significant environmental investments:</p> <p>Gasoline, diesel 0.005%/w/w(2006) 0.001%/w/w (2010) Air Fuel 0.30%/w/w (2006) 0.24%/w/w (2010) Gas oil (heating) 0.2%/w/w (2006) 0.1%/w/w (2010) Fuel oil (self-consumption) 2.7%/w/w (2006) 1.0%/w/w (2010)</p> <p>Moreover, the production of environmentally friendly products takes place using BATs, which means an energy efficient approach and less waste.</p>						
EN27	Packaging material	Packaging materials are not in use since fuels are transported via pipelines, tank trucks and ships. See also section 4.7.						
EN28	Environmental fines	0	0	0	0	0		
EN29	Significant environmental impacts of transporting raw material, products & employees	<p>Products transportation: More than 90% of raw material is transported using ships and the rest trough pipe network. The products are transported using ships, trains, pipe networks and trucks. The improvement of the fuel quality contributes to the reduction of environmental impacts during transportation.</p> <p>Employee transportation: A survey in 2010 studied the transportation methods of employees in order to quantify the environmental impacts from employee transportation. The results showed that a 35% did not use private cars but preferred company buses or public transportation (total emissions from transportation of 337.9 tn CO₂-eq). Also, because of the availability of modern teleconference rooms the need for professional air trips was reduced.</p>						
EN30	Environmental expenses and investments	4,990	5,630	68,950	0	K€	4,10	

5. Stakeholders

Our approach

Recognizing that communication with stakeholders is an important factor in corporate management, HELLENIC PETROLEUM tries to accurately understand the demands and needs of its stakeholders and reflect those demands in actions and programmes.

The Group continuously evaluates the needs and expectations of its employees and is placing great effort in satisfying these needs. These needs include enhancing the quality of life, fostering talent, strengthening competencies, and stabilizing labor/management relations. In addition, the Group is striving to create a mutually co-existent culture and establish trust to carry out fair trading practices. Efforts are also being made to provide customers with the best product and services.

Moreover, HELLENIC PETROLEUM is implementing diverse support projects for the devel-

opment of the local community by supporting local projects and through projects to improve quality of life.

Stakeholders are frequently engaged with the purpose of describing the company's vision, understanding needs and expectations and adjusting the company's offer as required. Characteristic examples are the consumer surveys (section 5.4) that are periodically organised aiming to identify the key shifts in consumer needs and requirements, the annual public opinion surveys (section 5.5), the public forums (Kamari, 01.03.10) the employee satisfaction surveys and the periodic communication with shareholders (section 2.4). All these surveys are planned and implemented accordingly. The results of these surveys are evaluated and specific actions are undertaken.



Sponsorship for the Construction of a Playground at Aspropyrgos

5.1 Our People

Our approach

HELLENIC PETROLEUM provides equal opportunities for personal and professional evolution with no discrimination. We believe that equal opportunity policy is a meaningful prerequisite for a fair, prosperous and efficient work environment.

The Group does not in any way discriminate against gender, academic background, age, religion, regional origin, or disability. No discrimination based on sex exists when hiring or promoting employees. The wage level for all new hires, whether male or female, are the same. HELLENIC PETROLEUM provides fair and equal opportunities for training and promotion based on personal ability and competence; and fairly evaluates and compensates

workers' performance without discrimination.

We believe that the accomplishment of our strategic goals and the future of the Group depend on our people which are our driving force.

The never-ending care for the health and the safety of our employees and the concern for their families constitutes a part of the recognition we owe to our people for our success. Related activities in health and safety are analytically presented in section 5.1.3.

The "life learning programmes" are part of the same framework targeting the continuous improvement of the employees' skills, knowledge and capacity. These training programmes are analytically presented in section 5.1.2.

To enable employees to enjoy a balance in work and life, in addition to the welfare programmes outlined by law - such as health insurance, national pension or employee insurance - the Group provides other various support measures for its employees related

to culture & leisure, stable living and health or financial support.

In this framework, the Group plans and implements policies and actions that cover a broad spectrum of employee-benefits.



Control Room - Thessaloniki Refinery

Employees and their families enjoy benefits such as:

- ✓ Productivity bonus.
- ✓ Low interest rate on small loans.
- ✓ Operation of infirmaries staffed with physicians and nurses qualified to handle emergencies.
- ✓ Special emphasis is given to preventive medicine (free annual check-ups, special medical examinations, preventive vaccination).
- ✓ Health insurance scheme covering treatment and hospital care, for all employees and their families.
- ✓ Life insurance / pension schemes.
- ✓ Supplementary pension fund.
- ✓ Foreign language courses.
- ✓ Free transport services to / from work and compensation based on kilometres traveled for business purposes.
- ✓ Financial assistance for employees who are in particular need.
- ✓ Shopping vouchers at Easter and Christmas periods for 2,000 children.
Special events are organized for the employees and their families who work shifts on Christmas Eve, New Year's Eve, etc. At Xmas celebration the employees' children receive presents, play and dance.
- ✓ Expenses covered for summer camp for employees' children aged from 6 to 16 years (330 children participated in 2010).
Childcare allowance and financial assistance, for employees' children, at the beginning of the school year (for 1,445 children & 400 students in Greece and the amount of € 20,000 abroad).
- ✓ Extra financial support for families with more than 3 children.
- ✓ Gifts to employees with many years of service.
- ✓ Employees may use the facilities' restaurants free of charge and they are provided with an additional annual subsidy for coffee and snacks.
Financial awards to employees' children who excel in their studies (330 children participated in 2010) and to newly admitted students (for 109 new students in Greece and the amount of € 5,860 abroad).
- ✓ Extra financial support to employees due to marriage, births, etc.
In 2010, 371 employees' children participated in the nursery subsidy programme, whereas 1876 employees participated in the annual excursion programme organized by the company.
- ✓ Informative events were organised concerning the Group's progress and goals.

The employee pensioning plans cover 91% of the employees. The relevant expense, in 2010, exceeded € 8.5 mil. The current value of the defined contribution plan is based on a number of factors which are determined through documented assumptions and methods.

At the end of 2010 the HELLENIC PETROLEUM Group employed a global workforce of 4,972 employees. To them we owe our success and therefore the qualifications and personal commitment of all our employees represent a crucial competitive advantage, particularly in an industrial sector characterized by hi-tech and high competitiveness.

In order to maintain our leading position in the global environment, we organize our workforce into an elite team marked by a high degree of expertise, know-how and commit-

ment. These qualities are prerequisites for high achievement in the professional environment and guarantee the success of the Group. Therefore, we see it as a major part of our responsibility to foster the motivation and long-term employability of our employees.

In this framework, the continuous training and education, performance evaluation, motivation, a secure workplace, equal opportunity policy and the employee's health and safety are significant parameters of our commitment to our people.

Table 5.1.1 presents the distribution of our global workforce, whereas charts 5.1.2, 5.1.3 and the table 5.1.4 present additional forms of employee distribution according to gender and academic background.

Table 5.1.1: Group's global workforce distribution

Company	No of employees
HELLENIC PETROLEUM SA	2,467
EKO ABEE	510
HELLENIC FUELS SA	206
ELPEDISON POWER SA	60
ELPEDISON TRADING	7
VARDAX SA	1
HELPE CONSULTING	7
ASPROFOS ENGINEERING	221
DIAXON ABEE	97
POSEIDON M.C./ APPOLON M. C	63
GROUP, in Greece	3,639
OKTA CRUDE OIL REFINERY A.D.	728
EKO - GEORGIA LTD	182
GLOBAL PETROLEUM ALBANIA Sh.A / ELDA PETROLEUM ALBANIA	8
JUGOPETROL AD KOTOR	257
HELLENIC PETROLEUM CYPRUS LTD	59
EKO BULGARIA EAD	57
EKO SERBIA AD	42
GROUP, abroad	1,333
GROUP, total	4,972

Chart 5.1.2: Employee distribution according to gender

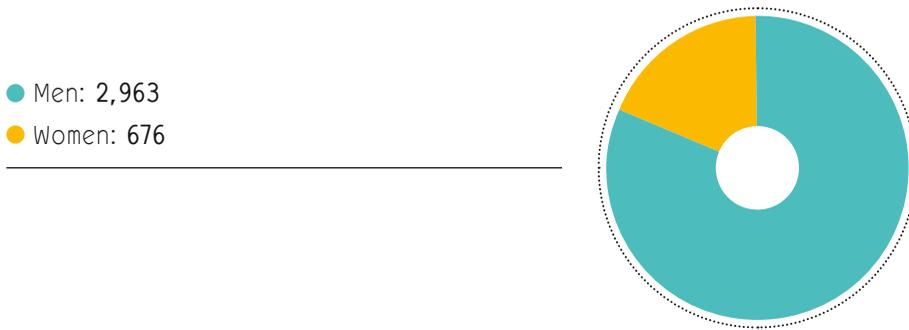
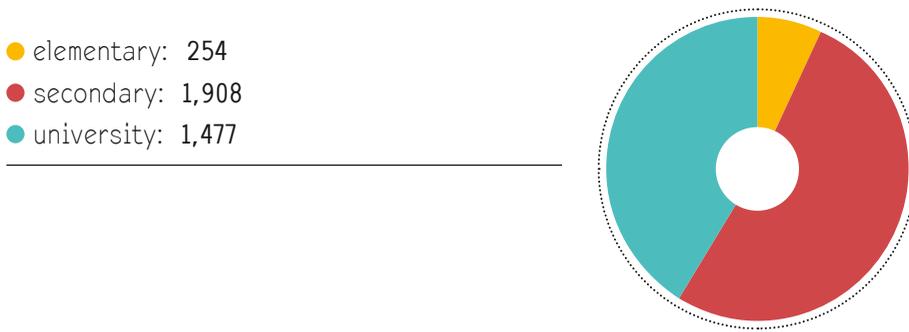


Chart 5.1.3: Employee distribution according to academic background in Greece



In 2010, the expenses for remunerations and other employee benefits exceeded the amount of € 18 mil. The employee retention rate was over 95%, see table 5.1.4.

Table 5.1.4: Employee turnover by gender & age

Age	In Greece		abroad	
	men	women	men	women
20-29	2	1	0	0
30-39	1	3	0	0
40-49	0	1	1	3
50-59	106	8	6	10
> 60	33	5	64	44

5.1.1 HR Management System

Our approach

HELLENIC PETROLEUM plans, adopts and implements modern policies and strategies in the sector of Human Resources which support the Group's primary target to become a preferred employer.

The main objective of the human resources management is the highest employee job satisfaction and the balance between professional and social life.

HELLENIC PETROLEUM offers high wages to its people, rewarding them for their valuable contribution. Top management is remunerated on the basis of the Senior Executives Remuneration System, which is directly linked with the Performance Evaluation System and the achievement of previously defined company and individual goals (KPIs). This performance evaluation system covers executives of the Group, in Greece and abroad.

The Group and company objectives originate from the annual business plan of the Group, which in turn derives from the medium-long term business plan, the annual budget and the areas where the group pays special attention. The Group's objectives are common but during personal meetings, at all levels of hierarchy, these objective are cascaded, specialized and personalized, covering finally the whole hierarchy. The achievement of these objectives at group, company and individual levels is directly connected with the shaping of the annual remuneration scheme. Furthermore, the achievement of specific objectives (such as in health, safety, environment) is a permanent part of the evaluation and the KPIs, with a

weighting factor of 15%.

In 2010, after the Group's reorganization, 100% of employees was evaluated in accordance with the company's performance evaluation system.

Further actions are scheduled in order to strengthen our common corporate culture. In this framework the human resources management, at Group level, will be homogeneous and the systems for policies and procedures concerning the employees shall be consolidated.

Using modern approaches, such as the performance evaluation system, all employees have the chance to move up through both quantitative evaluation (performance, objectives, goals) and qualitative evaluation (skills, competencies, talents). HELLENIC PETROLEUM's basic objective is the fulfilment of job vacancies by moving or promoting employees within the Group's companies. Since 2004, there is an internal work regulation covering all labour aspects; the regulation is accessible to employees through the corporate intranet. All employees have been accordingly informed and trained.

5.1.2 Training - Education

Our approach

Development and lifelong learning, for our employees, constitute one of our main goals and a significant competitive advantage of the HELLENIC PETROLEUM Group.

Our people are central to the success of our business strategy. Their skills and dedication help to deliver business results and address environmental and social challenges.

The Group's Department of Organisation & Development of HR has responsibility for planning and applying the Group's System of HR Training Policy. In cooperation with the business units, studies, plans and implements the annual educational and training programmes that are based on the Group's strategy and needs. Within this framework, the Group sets up and launches policies covering the employees participation in seminars & conferences, in Greece or abroad, employee registration to Open University and postgraduate programmes, foreign language learning, subscriptions to scientific magazines and professional associations.

In order to maintain the leading position of the Group, in the years ahead, we must not only invest in modern technology and advanced products, but also, to the same extent, in the development of our people. Our transformation to a Learning Organization is a vital part of our corporate sustainable policy. Providing our employees with a wide range of training approaches and knowledge tools for a meaningful role in the Group, we are safeguarding, at the same time, our own competitiveness in the long term.

Our approach to training focuses mainly on the establishment of a safe working environment encompassing challenge, motivation and opportunity to develop the skills necessary to today's requirements and the Group's strategic goals.

Our primary aim is to gear our training as closely as possible to the real needs of the workplace and the employees. Therefore, the continuous education and training needs are systematically analyzed and actions are scheduled in every functional area. In general, constantly upgrading the employee's qualifications and improving their skills is a responsibility of both managers and employees.

Specifically, in the refineries, within the framework of the project DIAS, specialised training programmes are planned in order to strengthen the technical skills and the managerial sufficiency of the employees.

The involvement and support from the Departments of HR, Sales & Marketing, in the implementation of the training programmes, is quite significant.

Chart 5.1.2.1: Distribution of Training & Education expenses

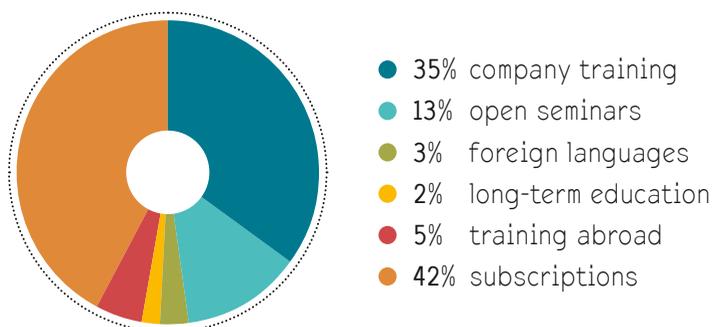


Table 5.1.2.2: Average number of training hours per employee by the employee's educational level

Elementary education	11.1 hours/ employee
Secondary education	29.2 hours/ employee
Technological education	23.4 hours/ employee
University education	34.6 hours/ employee

In 2010, significant training and education investments were implemented in various subjects. The topics that were included in the training and education programmes are indicatively presented below:

- New technologies (refining, maintenance, etc).
- Safety.
- Labour, commercial and financial subjects.
- Managerial skills and marketing.
- Project management.
- Communication and presentation skills.
- Sales & sales inspection.

- Management of Quality, Health, Safety and Environment.
- Specialised informatics skills - on the job training.
- Learning of foreign languages (English and German).

The HELLENIC PETROLEUM Group's investment in the abovementioned areas, in 2010, was € 1.2 million (see chart 5.1.2.1 and table 5.1.2.2). The total number of training hours in 2010 was 51,000. Furthermore, the expenses for the libraries, subscriptions to technical & scientific magazines and memberships to professional associations amounted to € 480,000.



Training Seminar for Employees

5.1.3 Occupational Health & Safety

Our approach

First priority at HELLENIC PETROLEUM Group is the health and the safety of both employees and communities in the vicinity of

our facilities. Therefore, a safe workplace is provided to all employees, contractors, visitors and trainees.

5.1.3.1 Policy and H & S Management Systems

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

- Its policy, which considers the issues of health and safety as a primary prerequisite and a management commitment at all Group's operations. In this policy, it is clearly expressed that safety, health and environmental protection are always first priority.
- The implementation of this policy is achieved through a complex and versatile safety management system. HELLENIC PETROLEUM aims at receiving certification for the Occupational Health and Safety Systems at all facilities in accordance with the internationally recognized OHSAS 18001 Standard. The refineries at Elefsina & Thessaloniki, the Skaramaga industrial complex (lubricants, chemicals and fuels storing facilities), the liquid fuel storing facilities at Elefsina & Aspropyrgos and the jet refuelling stations at the airports, have already been certified in accordance with the aforementioned standard, while the remaining facilities are also heading towards certification.

In the organizational framework for health and safety, the following have been set up and are in operation:

- Corporate Health, Safety, Environment & Sustainable Development Division, at Group level.
- Health, Safety and Environment Department, at each facility.
- Appointed safety supervisors, in-house physicians and nurses more than cover the requirements with regard to the relevant

legislation for occupational health and safety, (Law 1568/1985 and Presidential Decree 17/1996).

- Internal Service for Safety and Prevention, according to P.D. 95/1999, with the objective to monitor the health and safety of employees, keep sanitary conditions, enforce proactive measures and accident avoidance actions.
- Occupational Health and Safety Committees, at each facility, consisting of elected representatives of the employees, according to Law 1568/1985. Every employee has the right to be elected in these committees. Law 1568/1985 defines the authorities and the operation of these committees. The committees participate in regular meetings with the facility management and put forward recommendations to improve the workplace with regard to Health and Safety.

All available Greek and European legislation for health, safety and environment has been posted on Group's intranet. The list of legislation is regularly updated with simultaneous notification of all concerned departments, for complete and timely information and harmonisation with the new requirements.

Furthermore, since 2009, a significant number of European standards on health, safety and environment are available to all employees on the intranet.

The relevant Group's (joint) procedures, informative and educational material, concerning environment, health and safety issues, are also posted on the above-mentioned site.

5.1.3.2 Operational Safety - Management of Change

Aiming to ensure Health and Safety in the workplace, techniques and measures beyond those imposed by the regulations and legislation are being implemented. Within this framework, the conduct of a study in order to analyse operational hazards (HAZOP or Hazard & Operability Study) is a necessary prerequisite for every new unit or major modification made in already existing units.

The operation and maintenance of the facilities relies on well-trained and experienced staff and is based on compliance with safe operating procedures. What is considered to be particularly important is the Permit to Work (PTW) procedure to protect staff, contractors and equipment while the necessary work is being carried out. Employees have at their disposal written instructions on how to deal with emergency situations (loss of power, loss of utilities, steam, air, etc.) and they are periodically trained on how to apply them.

Any changes in equipment or working conditions should be checked from the safety point

of view prior to implementation.

All accidents or near misses are recorded, investigated and, if necessary, corrective actions are taken so as to avoid reoccurrence. All incidents are statistically analyzed with the aim to improve safety. Within this framework, standard definitions and categories of incidents are established, aiming to distribute and report uniformly all incidents at the facilities of HELLENIC PETROLEUM. Injuries, ignitions, leaks, damages or road accidents are included in the list of monitored incidents.

Investigations concerning important international accidents are monitored and the company assesses and evaluates the conclusions internally. The company is informed about accidents and the relevant information is available at all facilities.

Since 2009 the monthly bulletin of the Centre for Chemical Process Safety, USA (Process Safety Beacon), concerning the safety of production processes, is translated and distributed to all technical personnel.

Safety Audits

Scheduled internal and external safety audits are carried out by:

- The Departments of Health & Safety at each industrial complex.
- The Corporate Division for H-S-E & Sustainable Development. The relevant Section of the Division organizes and participates in peer-audits among the Group's refineries. The Section also regularly schedules audits in all Group's facilities and makes sure that the experience, knowledge and the application of good practices are properly disseminated.
- Special committees at each facility.
- Visit-exchange programmes among the managers and safety supervisors from different units.
- Independent, globally recognized, third party auditors according to scheduled audits or invited by experts of the involved insurance companies.
- The relevant authorities for major accidents prevention (Seveso audits).

Emergency Plans

At all HELLENIC PETROLEUM's industrial facilities, safety studies have been drawn up and filed with the competent authorities, in accordance with the Seveso II European directive. These include the most important major accident scenarios and the measures for preventing and coping with them, in case of an emergency. Emergency plans and plans for evacuation due to an earthquake, fire, etc. have been drawn up for industrial plants as well as office buildings.

Regular fire drills and evacuation exercises, performed jointly with the Fire Brigade, ensure well-trained staff and contribute to the continuous improvement of equipment and emergency response plans.

In particular, when for dealing with a possible

major accident, apart from the internal emergency plans, external emergency plans (commonly known as Plans for Dealing with Major Technological Accidents, SATAME) specifying the method of state intervention, have also been drawn up by the authorities. The protection of the public plays a vital role in the internal and external emergency plans. The SATAMEs include instructions that should be given to the local communities.

Moreover, scenarios dealing with sea pollution accidents (oil spills) have been drawn up, taking into consideration the relevant legislation and the local port authorities. The safety assessment studies of the harbour facilities are completed and relevant safety plans have been drawn up for each harbour facility.



Snapshot from Training Seminar - Aspropyrgos Refinery

5.1.3.3 Employee Health Assurance

Every industrial complex has its own infirmary (first aid facility), which operates on a 24-hour basis. Physicians and nurses staff the facilities. They have the necessary equipment to handle emergency situations and can provide immediate medical assistance to employees. They also administer vaccinations (eg. anti-tetanus).

The facilities also have privately owned ambulances, in case an immediate transfer to the hospital is necessary.

Employees participate, free of charge, in preventive medical check-up schemes and in the required laboratory tests. The results of the tests are handled as personal and sensitive data and the internal occupational physicians, exclusively and always with the aim to protect the health of employees, evaluate them.

All of HELLENIC PETROLEUM's facilities have a

non-smoking policy.

Independent laboratories carry out periodic preventive tests concerning the quality of drinking water.

HELLENIC PETROLEUM, in compliance with the relevant legislation, carries out measurements of harmful factors in the working environment in order to confirm that employees, at all facilities, are not being exposed to levels that can be harmful to their health.

Personal protective equipment is provided to the employees of all industrial complexes, based on common, modern specifications in accordance with EUN standards. It is noteworthy that over the last five years special fireproof uniforms, with antistatic characteristics, have been given to all employees in the production, storage and distribution units, in accordance with the requirements of the ATEX legislation.



Aspropyrgos Refinery

5.1.3.4 Training in H & S

A procedure concerning basic training in health and safety has been established in 2010. This procedure is common in all industrial

complexes and contributes to the achievement of a corporate culture in health and safety.

The Group's staff training in Health and Safety issues is multilateral and includes the following subjects:

- Fire safety - use of fire extinguishing equipment.
- First aid - dealing with burns.
- Use of personal protective equipment (e.g. breathing apparatus).
- Reviews of international accidents (causes - results).
- Periodic review / re-training on important safety and emergency procedures.
- Participation in drills.
- Material Safety Data Sheets (MSDS).

The safety training extends further in order to include contractors, customers, truck drivers, gas station staff, students and undergraduates. Visitors are informed on safety instructions for each facility with relevant informative leaflets.

Since 2008, a systematic training programme in safety issues has been initiated, specifically for contractors, including supervisors and operators. The training is based on methodology and material that is provided to contractors by HELLENIC PETROLEUM. The trainees have to pass certain tests in order to be admitted to work within the facilities.

In this context, a training seminar on health issues was voluntary organized, in cooperation with TITAN & XALYBOURGIKI. The Group's contractors from neighbouring communities attended this seminar.

In 2010, ASPROFOS organized, within its facilities seminars for correct time and stress management and training on first aid, (with the participation of 15 employees who received the «European First Aid Certificate»).

Table 5.1.3.4 presents the number of employees and non-employees (contractors, citizens, etc) that received health and safety training, in the HELLENIC PETROLEUM facilities, during 2010.

Table 5.1.3.4: Employees & non-employees trained in H & S

Number of employees	4,438
Trained employees	2,221
Training man hours	17,000
Trained non- employees	3,915
Training man hours	11,890

5.1.3.5 Safety Investments

The Health & Safety Departments of HELLENIC PETROLEUM's industrial complexes, invested a total amount of € 14.34 million in safety issues, in 2010. These expenses (table 5.1.3.5) include investments concerning the procure-

ment of personal protection equipment, the upgrading of fire extinguishing equipment, equipment purchasing & maintenance, safety studies, etc.

Table 5.1.3.5: Group's investments in safety issues

Implemented in 2010	€ 14.34 mil
Approved for 2011-2015	€ 36.24 mil

It is stated that these investments do not include amounts (tens of millions of euro) spent in the frame of general maintenance, complex projects and refinery upgrading.

5.1.3.6 H & S Targets and Indexes

Each industrial facility sets measurable targets for improving its performance in Health and Safety. The performance, as opposed to the targets, is examined on an annual basis and a relevant report is presented.

In addition, HELLENIC PETROLEUM participates in the annual survey and in the comparative assessment, which CONCAWE carries out, with regard to accidents. Through this cooperation, HELLENIC PETROLEUM keeps up with international developments with regard to establishing additional indices for monitoring safety performance.

In 2010, one fatal accident and 26 work related accidents were reported at HELPE's facilities. The work related accidents equate to 4.7 lost workday accidents per million man-hours (LWIF index). No occupational disease incident was recorded at any of HELLENIC PETROLEUM's facilities.

Table 5.1.3.6 analytically presents the incidents, per facility, in 2010, and the corresponding LWIF, AIF and LWIS indices. The incidents and indices definitions are in accordance with the CONCAWE's guidelines (see glossary at section 6.5).



Snapshot from Firefighting Seminar

Table 5.1.3.6: Incidents in 2010, concerning employees & non-employees, based on CONCAWE's guidelines

FACILITY	Refineries BEA, BEE, BEØ	HQs	EKO	HF	DIAXON	ASPROFOS	HELLENIC PETROLEUM CYPRUS	OKTA refinery	EKO Bulgaria	JUGOPETROL AD KOTOR	GLOBAL PETROLEUM ALBANIA
Lost Workday Injuries (LWIs)	26	3	1	0	2	0	0	-	0	2	0
Fatalities	1 ¹	0	0	0	0	0	0	-	0	0	0
Medical Treatment Cases (MTC) ²	5	0	0	0	0	0	0	-	0	0	0
Restricted Workday Injuries (RWI)	0	0	0	0	0	0	0	-	0	0	0
LWIF	4.7	4.6	0.5	0	12.2	0	0	8.8	0	4.2	0
LWIS	15.6	24	19	0	28	0	0	-	0	20.5	0
AIF (All Injury Frequency)	5.8	4.6	0.5	0	12.2	0	0	-	0	4.2	0
Occupational diseases rate (/10 ⁶ hours)	0	-	-	-	0	0	-	-	0	0	0
Absenteeism ³ (%)	2.8 ⁴	-	-	-	2.46	-	-	-	-	2.94	0.29

¹ Contractor's staff.

² Cases of first aid are not included.

³ All types are included (illness, accident, etc).

⁴ The percentage concerns only the BEØ complex.

Charts 5.1.3.6a to 5.1.3.6f present the LWIF, LWIS and AIF indices trend over the period 2004-2010 at HELLENIC PETROLEUM Group's facilities, compared to the CONCAWE's indices. It is noted that the values from 2004 to 2009 include incidents that took place at the refineries and the headquarters, whereas, since 2010, the values further include incidents at EKO & HF as well as incidents concerning

contractors' staff (non-employees). This inclusion facilitates comparison with CONCAWE indices (see glossary, section 6.5, for terms explanation).

The temporary LWIF & AIF increase in 2008-2009 is partially attributed to the extended general maintenance works at the Aspropyrgos industrial complex. This type of maintenance is scheduled every five years.

Chart 5.1.3.6a LWIF index

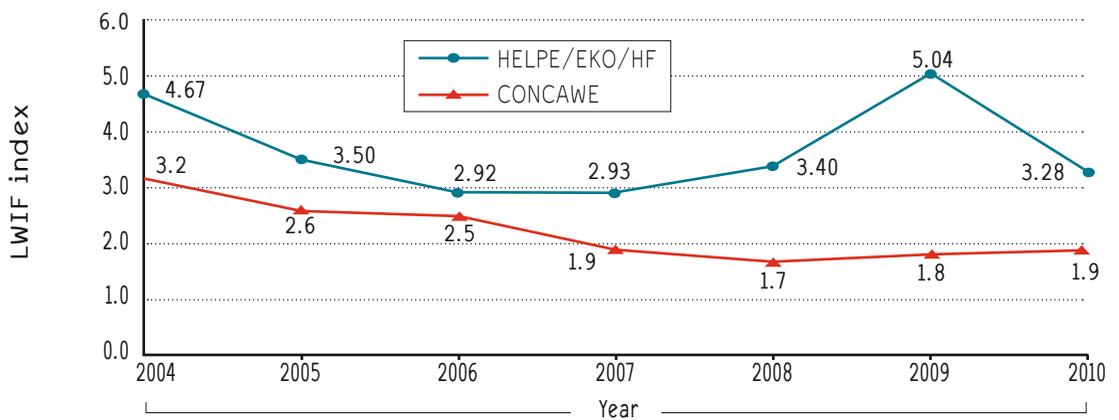


Chart 5.1.3.6b AIF index

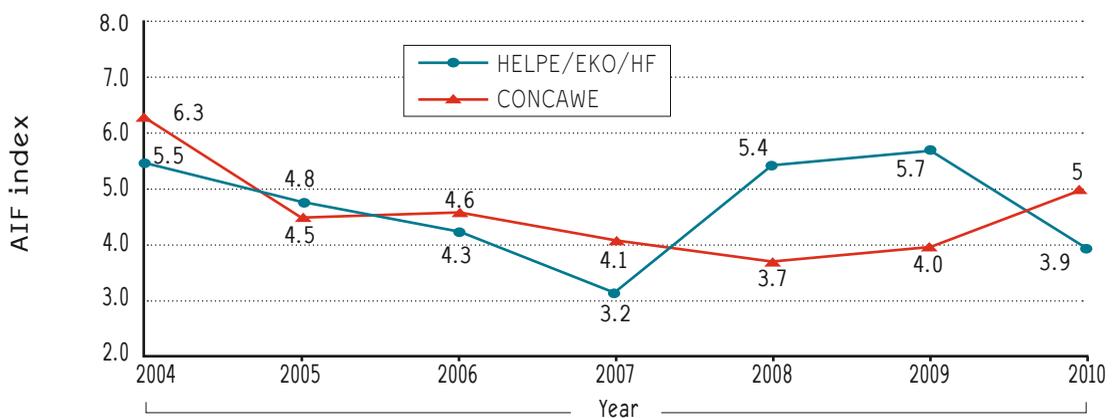


Chart 5.1.3.6c LWIS index

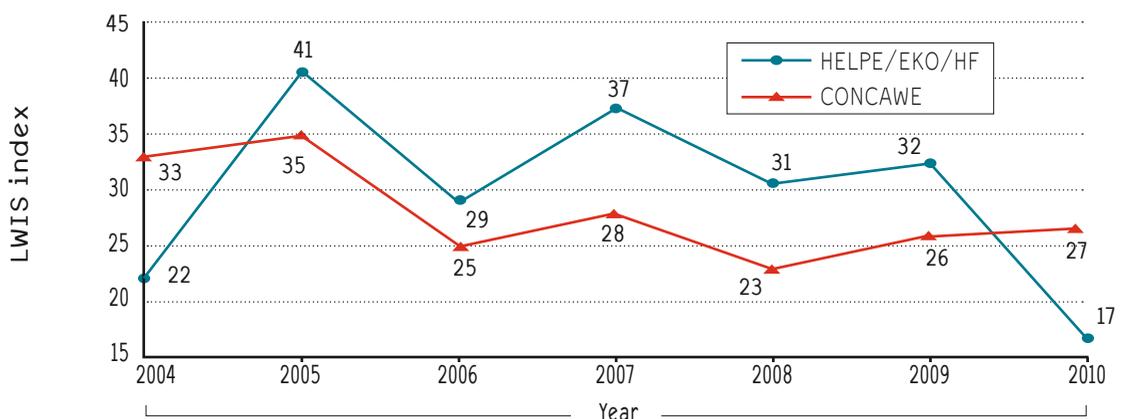


Chart 5.1.3.6d LWIF index at EKO

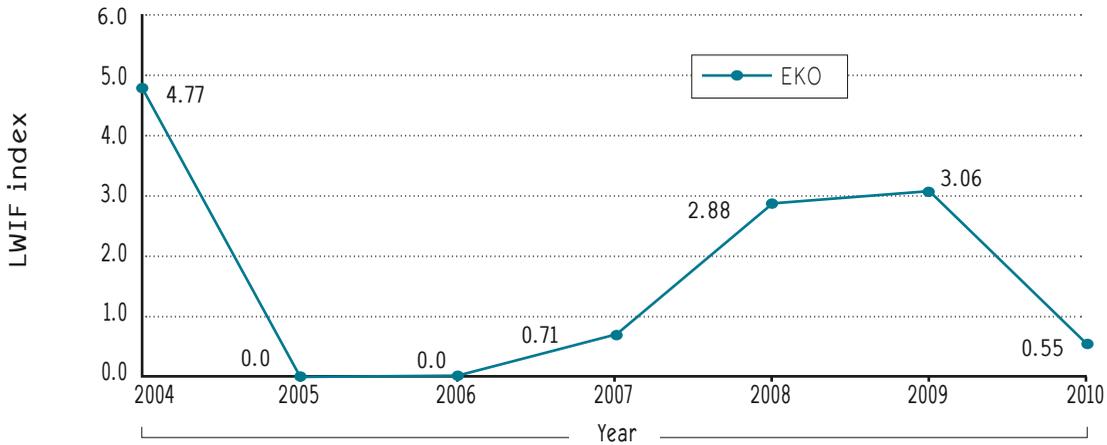


Chart 5.1.3.6e LWIS index at EKO

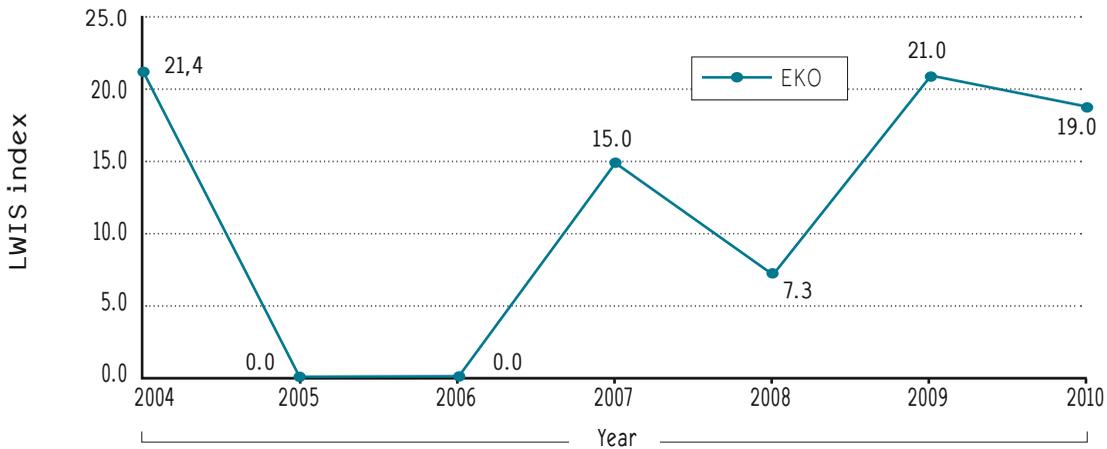
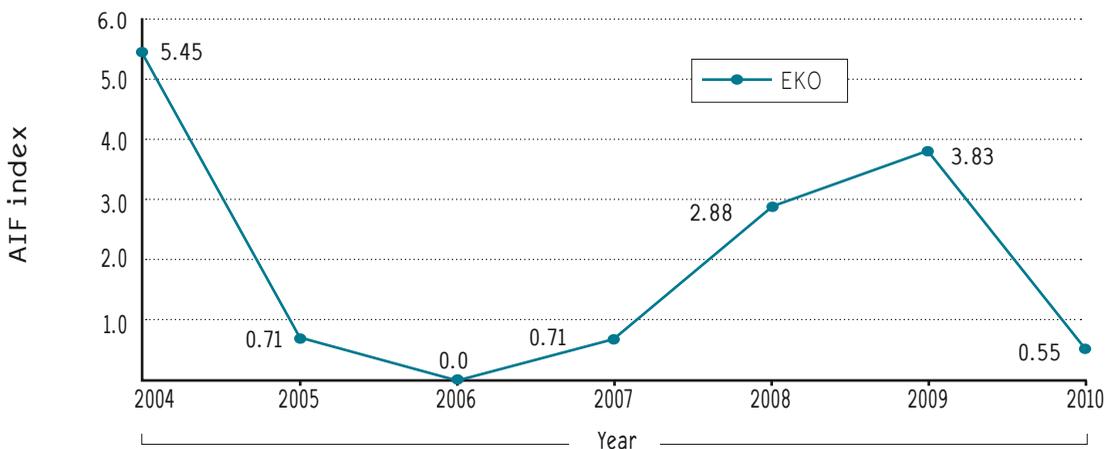


Chart 5.1.3.6f AIF index at EKO



In the framework of a joint effort, among the European refineries, in order to establish specific process safety indices, HELLENIC PETROLEUM continued in 2010 the systematic monitoring of the PSIF index (Process Safety Incident Frequency, per 1 million workhours)

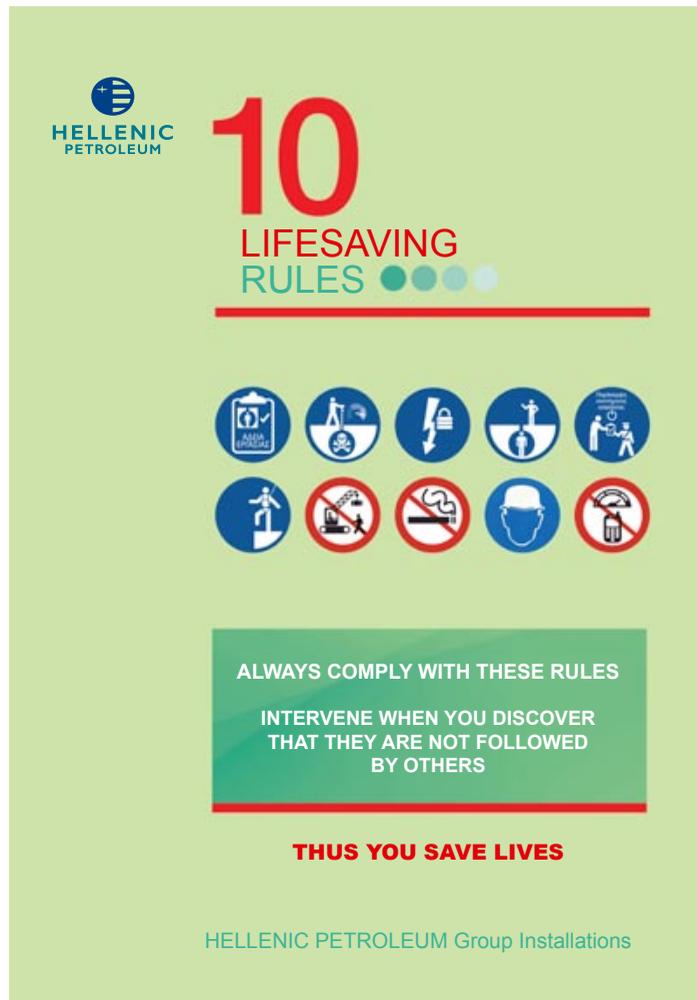
which was split into two special categories in accordance with the new API RP 754 (Recommended Practice 754 "Process Safety Performance Indicators for the Refining and Petrochemical Industries"). PSIF data are reported to CONCAWE for benchmarking purposes.

5.1.3.7 Safety Culture Improvement for Zero Accidents

Aiming at the further reduction of incidents globally, the well-known "Winning Hearts & Minds" programme concerning the assessment and improvement of the safety culture continued in 2010. The programme is in its second phase with presentations to refinery supervisors concerning improving supervision and direct intervention to correct unsafe situations. The programme is organised with the cooperation of experienced consultancy agency

specialised in refinery operation and safety improvement. The programme is extended to the Group's subsidiaries starting with HELPE Cyprus and DIAXON (in 2010).

A leaflet reminding of the ten basic safety rules (10 life saving rules) was published and distributed to all employees in order to further strengthen the safety culture. The aim of this action was to remind all employees of the rules, and to use them consistently.



The attempt to unify the basic safety procedures is continued, in order to establish a common safety culture within the Group. In this context common procedures for change management, safety corrective actions management, safety plans, safety audits, safe visits or con-

tractors assessments are planned or edited.

A commemorative present to all employees was established, as an incentive to make people pay attention to safety. All employees are awarded for one million hours with zero LWIS (lost workday injuries).

5.2 Human Rights

HELLENIC PETROLEUM defends human rights within its sphere of influence and operation. At the same time meritocracy, equal opportunities and lack of discrimination form basic parameters of the work environment.

The Group observes and adopts the relevant labour legislation which includes the prohibition of child labor, forced labor set by ILO, and the provisions related to human rights and working conditions in compliance with collective agreements and rules of employment.

HELLENIC PETROLEUM respects the rights of union and freedom, guarantees the organization of a labor union and its representative body and the rights of the employees to join

the labor union on their own decision. Employees face no problems in exercising their right to freedom of association and participation in professional unions. Currently there are seven employees unions and 96% of the staff are union members and have the opportunity to participate in various forms of representation (the equivalent for companies based abroad is 83%). In total 93% of the employees are covered through collective bargaining agreements. The "most representative union" signs collective bargaining with duration of 1 or 2 years, which specifies the working terms for employees with a permanent term contract. Employees on a fixed term contract are less than 8% of the global Group's manpower.

5.3 Ethical management

We are resolutely committed to establishing an organizational culture that upholds autonomy and responsibility and cultivating talented employees who are ethical, creative and professional in an environment of trust and respect. To this end, strategies to improve ethics in management have been set up, which are in accordance with the growth strategy.

Ethical management is not only a core component of HELLENIC PETROLEUM sustainable growth and competitiveness; it is also a standard for value judgment for employees in economic and social activities.

The Group's Internal Labour Code focuses on establishing a strong platform and cultivating ethical awareness for employees.

All employees are informed and trained on the Internal Labour Code (it is available on the intranet). The Code makes particular reference to matters of ethics, corruption, behaviour towards employees, colleagues and third parties, etc.

This code and the developing Code of Ethics will enable us to formally initiate ethical management in 2012. In this way we will provide trust to all stakeholders through transparent management measures including transparent decision-making, transparent accounting practices, voluntary ethical management cultural initiatives, non-ethical practice reforms, and crisis management system establishments.

5.4 Customers & Quality Management

Our approach

In the context of its Quality policy and customer care, the Group is committed to supply products and services in accordance with, or better than, the agreed specifications. It is also committed to provide complete technical information concerning the product/service quality to every interested party.

Moreover, the Group provides costumers, colleagues and employees with the possibility to evaluate and contribute to further quality improvement concerning the supplied products and services.

It is imperative to cooperate with our business partners and to try to establish an integrated living & cultural space for them. In addition, we are pursuing the basic marketing objective to maximize customer-satisfaction services through customer-focused value-creation.

HELLENIC PETROLEUM also provides various

support programmes to business partners to improve working conditions and the business environment, while securing competitiveness. The Group carries out diverse support activities for service stations, which are the primary customers, such as holding regular informal meetings, operating regional communities or providing marketing consultancy, training and advanced tools needed to operate service stations.

HELLENIC PETROLEUM is launching a variety of marketing activities to enhance customer convenience and satisfaction. These activities include improvement of the sales network and forward development of the frontier workers for bolstering on-site activities. Simultaneously, to secure efficiency, COCO (company-owned, company-operated) service stations are being rationalized and managed with a focus on profitability & quality.

5.4.1 Industrial Complex Certification

In order to ensure that the goals resulting from the Quality, Environmental and Safety Policy are achieved, the Group has developed and implemented Quality Management Systems, which satisfy the requirements of the relevant international standards.

The Quality Management System, for both the Thessaloniki refinery and the EKO facilities, is certified in accordance with the requirements of the ISO 9001 standard, (first certification in 2000). Moreover, since 2009, these facilities are certified for their conformance to OHSAS 18001.

The Elefsina refinery is certified in accordance with ISO 9001 and OHSAS 18001, since 2006.

The Aspropyrgos refinery has developed an Environmental Management System in accordance with ISO 14001 and an Occupational Health & Safety System in accordance with

OHSAS 18001, aiming at certification.

Moreover, the chemical labs of the three refineries are accredited for their conformance to ISO 17025; thus certifying their technical competence, skills and reliability to carry out the large number of chemical analyses that are required in order to monitor and control the production processes.

With respect to the sales activities of the Group, the lubricants, chemicals and fuel activities at the Skaramaga, Elefsina and Aspropyrgos facilities, and the jet refueling stations at 18 airports, were audited and recertified in accordance with ISO 14001.

Moreover, at HELLENIC FUELS, in May 2010, a successful audit and recertification in accordance with ISO 14001 took place, covering the storage and distribution of fuels at all of its facilities.

5.4.2 Customer Service

Key customer concerns that have been raised through the customer surveys are issues related to quality and cost of fuel. The company has acted to adapt its approach regarding both these issues firstly by designing the implementation of the new fuel grade Economy 95 which ensures the same quality with lower consumption for the same mileage. Regarding quality the company is in the process of redesigning its approach to the quality management system.

Yearly consumer surveys are held in the core markets where the company operates following specific ESSOMAR approved methodologies and credible multinational partners. The

methodology does not change on a yearly basis and is consistent in order to enable the monitoring of trends.

The Mystery Motorist Programme is implemented on a quarterly basis aiming to anticipate issues that the customer may be facing.

Employees of the company conduct frequent (at least monthly) audits measuring the effectiveness of the implementation of the company's guidelines regarding safety, operations and customer service. At the same time there are specific channels whereby the customer can provide feedback on the company operations and specific mechanisms ensuring the relevant actions are undertaken.

The Customer Offer Programme consists of the following actions which are implemented four times per year through "mystery visits" to the fuel stations:

- Selection of the mystery customers.
- Evaluation of 30 points divided into 6 sections of equipment, level of service, safety, shop, appearance, WCs.
- Monitoring of the results per fuel station and per inspector.
- Briefing of the fuel station managers and corrective actions.
- Rewards and incentives for the best managers and staff.

Structured customer research process are scheduled in order to measure customer satisfaction, constantly evaluate brand health along with advertising performance and keep track of dealer satisfaction and loyalty. When necessary, supplementary studies are executed,

supported via a questionnaire customized to address the specific objectives of the initiative. (e.g. to measure the performance of specific marketing programmes, customer acceptance/preference of a scheme, etc). Also focus groups are established and detailed qualitative research takes place prior to introducing critical customer programmes and offers.

In 2010 structured surveys (Customer Satisfaction Index, Brand Health & Dealer Satisfaction Survey) were carried out aiming to answer vital questions ("Would you repurchase?" "Would you recommend the brand?" "Was it worth what you paid?", "Value for money"). Among the main objectives of the survey are the setting of targets and benchmarks for marketing, measurement of satisfaction & loyalty, detection of potential problems and development of appropriate action.

5.4.3 Quality of products

Inspections at the fuel station are scheduled to ensure that a good product is delivered to the customers without any falsification.

The process runs once a year throughout the whole HF (HELLENIC FUELS ex BP) site network in Greece, twice at the wider strategic regions of Athens, Salonica, Patras, Thessaly, and finally on an ad-hoc basis where there can be risk of fuel adulteration. FQC staff visits approximately 1,800 sites per annum. All samples are collected on a weekly basis and delivered to an external independent chemistry lab for analysis. If specific tests show contamination above certain levels then further and deeper analysis is planned.

All innovative improvements made on Group's products aim not only at customer satisfaction but also at guaranteed engine performance and a cleaner environment.

Approaches like "Mystery Shopping", training programmes to improve the sales practices, reasonable and competitive pricing policy or advertising and promotional activities safe-

guard the compliance of our representatives with corporate regulations and policy, confirm our customers loyalty and improve sales methods, as indicated in relevant surveys being carried out frequently.

Similar surveys are also planned abroad. A market survey was carried out in 2010 in Cyprus focused on the Company's Image (in terms of Quality, Services and Retail Prices) and the level of Customer Awareness regarding the Company Brand. Also information was gathered regarding customers' views on non fuel products & services offered by petrol stations. EKO Cyprus scored the highest points amongst the competitors in terms of Customer Satisfaction in Quality Service offered from the station staff and retail prices. Regarding brand awareness the EKO brand was the number one brand mentioned in a spontaneous response to name a petrol station brand.

Special attention is paid to the provision of reliable information for products and services with respect to health, safety, detailed MSDS, staff training & signposting in fuel stations (warnings for smoking, use of mobiles, etc), dedicated publications, etc.

Customers' complaints are addressed to the Customer Service. In case they are not answered, directly and orally, they are kept in a database and corrective action is initiated. If the Customer Service or Sales Department can handle the complaint, then a written or verbal communication with the customer completes the process; otherwise the complaint is further forwarded to the Marketing Department. Then the Marketing Manager or the product manager has the responsibility to communicate with the customer and resolve the problem.

5.4.4 Fuel transport

The Group's voyage and COA chartered-in vessels meet all applicable MARPOL regulations and conventions, EC rules and industry standards (ISGOT, ISM). The vessels are also covered by international P&I clubs for oil pollution. Their operation is performed with due respect to safety of our marine installations, personnel and the environment and always in full compliance to renown and widely used chartering contracts (Asbatank, Conoco).

EKO, in the frame of its business strategy, bought two newly built, modern tanker-ferries (RO-RO type), hence securing fuel supply to

the Greek islands. The ships have double hull and double bottom and are equipped with the most modern safety systems for the loading and the transportation of trucks.

These vessels are specifically designed for the Greek seas and they are certified by the Bureau Veritas for their ability to sail in extreme weather conditions, contributing to the steady and safe fuel supply of the islands. The closed parking for the trucks contributes to safety during mooring and anchoring maneuvers and reduces annoyance during mooring

5.4.5 Customers information

Accessible and adequate information on the sustainability impacts of products is available for customers and end users to facilitate informed purchasing choices. The types of products, subject to labeling information, are locally blended lubricants, imported lubricants and car care chemical products (eg. antifreeze, brake fluids). Lubricants include a wide range of use types (industrial, professional, consumer), and are generally low volatility products, non classified to a range of hazard classifications.

So far, a lot of separate uses have been identified, including:

The labels and the material data safety sheets of each product documents its safety assessment and communicate the conditions for use,

the performance specifications and the protection of human health and the environment. Each product is classified according to the European legislation (European directives 67/548, 1999/45 and is going to be adopted to the new CLP regulation 1212/2008). The basic information for the waste lubricants management is included on the labels of the packages.

The shelf life of most lubricants is not obligatory as part of the package labeling.

Usually, the national authorities take samples from the "consumer" type of product - i.e the engine oils and the car care fluids and analyze them according to the data submitted by the company (EKO) to the General State Laboratory.

In 2010, there were no incidents of non-com-

pliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.

All actions concerning advertisement and promotions are in compliance with the Codes of ethics of the Hellenic Association of Adver-

tisement Agencies and the Hellenic Advertisers Association. All marketing staff undergoes training programmes and seminars on a frequent basis and is always kept up-to-speed with the latest news on best practices and new regulations in their area of expertise.

5.5 Local Community & Social Contribution

Our approach

As a responsible corporate citizen, HELLENIC PETROLEUM is engaged in company-wide social activities in a systematic manner to provide substantial aid to its neighbors in need as a way of fulfilling its social responsibilities.

The Group's management principle emphasizes

sharing resources with neighbors in the local communities through the improvement of relevant policies and the development of new welfare programmes in order to make significant social contributions. In addition, the Group's companies based abroad are engaged in social activities as cultural and social partners in neighbouring communities.

Three spirits of hope were embedded in the 2010 CSR Programme of the Group: hope for unprivileged and socially vulnerable groups, care for the environment, young people & education and support for the organization of cultural, athletic and scientific events. Indicative actions and programmes are presented in sections 5.5.1 & 5.5.2.

In the Group, we believe that the communities around our facilities should enjoy added value through new job places, business opportunities, strengthening of the local market (by

products and service purchasing), taxation, contributions and activities improving the quality of life or programmes for the protection of the environment.

More than 450 employees' permanent residence is in the Thriacion region and more than 100 employees permanently reside in the W. Thessaloniki region. Our annual municipal taxes are €3 millions and our contribution to the local communities' economy - spending on locally based suppliers at significant locations of operation - exceed € 60 million, table 5.5.1.

Table 5.5.1: Spending on locally based suppliers for products & services

	In 2009		In 2010		Number of local suppliers
	purchases	invoices	purchases	invoices	
By Elefsina and Aspropyrgos industrial facilities	26,505.810 €	19,384.180 €	23,421.051 €	22,335.846 €	784
By Thessaloniki industrial facility	46,352.529 €	26,832.407 €	25,087.071 €	40,515.035 €	739

The Group, using scheduled surveys of public opinion, looks into the results from the application of CSR programmes, in order to address our resources and activities towards the sectors that are most essential for the society and its people.

In December 2010 such a public opinion survey took place in municipalities neighbouring the Groups industrial facilities (W. Attica & Thessaloniki) based on personal interviews with 700 individuals over 18 years. Indicatively, collected information is presented in tables 5.5.2, 5.5.4, 5.5.5 and chart 5.5.3.

Table 5.5.2: Response (2009-2010) to the question whether the CSR programmes in the region are identified with HELLENIC PETROLEUM

In total, 38% identified HELLENIC PETROLEUM with a CSR programme running in the region - compared with 19% in 2009.
At Elefsina, 52% of the population identified HELLENIC PETROLEUM with a CSR programme running in the region - compared with 36% in 2009.
At Mandra, 56% of the population identified HELLENIC PETROLEUM with a CSR programme running in the region - compared with 18% in 2009.
At Aspropyrgos, there is a positive change from 36% in 2010 - compared with 15% in 2009.
At Thessaloniki, 31% of the population named one CSR programme that was identified with HELLENIC PETROLEUM.

Chart 5.5.3: Response (in 2008, 2009 & 2010) to the question 'how significant is the presence of a large industry in the area of "Thriacion"

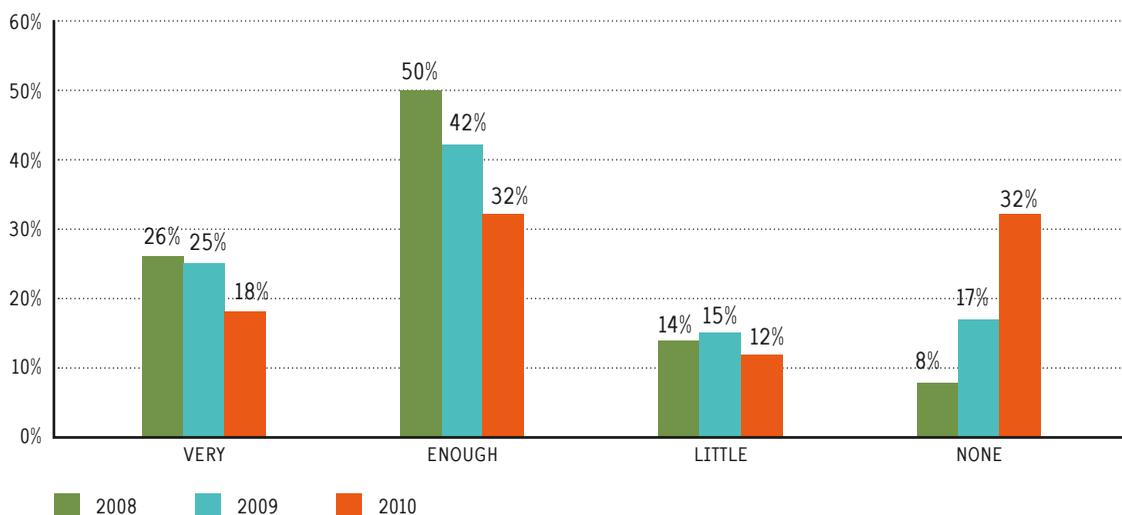


Table 5.5.4: Response (2009 & 2010) to the question 'which company best cooperated with the local society', (* regions not participating in the 2009 survey)

	GEOGRAPHICAL REGIONS									
	TOTAL	ELEFSINA		ASPROPYRGOS		MANDRA		MAGOULA*	N. PERAMOS*	
	2010	2010	2009	2010	2009	2010	2009	2010	2010	
	%	%	%	%	%	%	%	%	%	
HELPE.	43	50	42	35	33	47	35	36	44	
company 2	13	23	11	6	14	10	18	12	4	
company 3	12	19	24	2	2	12	14	14	18	
company 4	12	19	22	5	15	13	21	8	12	
None / I don't / know/answer	48	39	47	57	61	48	45	48	44	

Table 5.5.5: Response (2009 & 2010) to the question 'does HELPE care about/take interest in local communities', (* regions not participating in the 2009 survey)

	TOTAL	ELEFSINA		ASPROPYRGOS		MANDRA		MAGOULA*	N. PERAMOS*		THESSALONIKI*
	2010	2010	2009	2010	2009	2010	2009	2010	2010		
	%	%	%	%	%	%	%	%	%		
Very & very much	25	17	10	46	19	18	13	6	24	5	
Reasonably	21	18	14	25	18	22	16	22	20	11	
A little	16	17	30	8	15	21	26	14	28	21	
No	22	28	38	7	17	26	25	40	20	45	
I don't know/answer.	16	20	8	14	30	13	20	18	8	18	



CSR Programme "Let's Go Camping" in W. Thessaloniki

The HELLENIC PETROLEUM Group and its staff promote open dialogue on sustainability, through their participation in working groups, organisations, industrial, national and international committees. Furthermore, they actively participate in communication and dialogue initiatives with local societies.

The exercise of this policy is targeted because it is supported by corporate strategy, values & principles, commitments inside and outside the Group and international standards and initiatives.

Within this framework, and for investments concerning the optimization of the facilities, the infrastructure or projects concerning the improvement of the environmental profile, peoples' opinion is taken in consideration. Moreover, by means of dialogue and other communication means, we consistently invest in the meaning and the applications of Sustainable Development, integrating the CSR principles in the business strategy and plan, not only because of ethical obligation but because they are closely coupled with modern business practice.

This commitment is implemented through a large number of actions, which are addressed both to local communities where the business activities are conducted, but also to the broader society both in Greece and abroad.

In 2010, we planned and implemented an extended Corporate Social Responsibility programme - targeting to the creation of a mutually benefiting society - after setting the following targets:

- Determine activities and actions giving priority to local communities.
- Preparation and implementation of long term Corporate Social Responsibility Programmes.

- Encourage and empower human resources and improve workplace environment.
- Voluntary commitment to initiatives, best practices, principles and codes which support the link between corporate strategy and sustainability - after planned looking into the issues that concern our stakeholders.

The Group believes that investing in the societies where we live and operate supports business activities in the long run. This corporate participation has a key role in assuring and keeping the "social license" operating, in improving relationships, reducing risks, in recruiting and keeping employees. It also creates synergies among the company, the society, the state and the NGOs.

The total amount spent by the Group for Corporate Social Responsibility programmes in Greece in 2010, was €3.2 million, while for similar activities of subsidiaries abroad, the amount was € 200,000.

For the immediate future we focus on areas with a significant social call, we will improve our performance and increase our offering and actions in CSR issues. In this way we will contribute to sustainable development, improvement of relations with our human resources, extension of social solidarity and the development of relationships of trust with the local community and society in general.

The results from the recent survey (December 2010) confirmed the right prioritization of the 2010 CSR issues (hope for unprivileged and socially vulnerable groups, care for the environment, young people & education and support for the organization of cultural, athletic and scientific events).

5.5.1 Social activity in Greece

Responsible attitude, sponsorships, donations and support characterize the Group's culture and business strategy. The Group both supported and took on programmes based on "people & quality of life".

These programmes and activities were designed and addressed, mainly, towards municipalities and communities where the Group operates (5 municipalities at the Thriasion region and 4 municipalities at Thessalonica).

Among the significant Group's initiatives towards groups of beneficiaries, during 2010, were:

To socially vulnerable groups

- The programme «let's go camping 2010», with the participation of 253 children from the communities neighbouring our installations' municipalities & NGO.
- Free food provision to NGO, neighbouring municipalities and the Church (during Christmas and Easter periods).
- Donation of car-fuel & heating oil to NGO and 340 destitute families.
- The donation of a converted car for the transportation of people with special needs to the Eleftherio-Kordelio Municipality.
- Financial support to NGOs and Foundations (eg associations of disabled/handicapped, "Hamogelo tou Paidiou", "Elliniko Paidiko Chorio Filiro", LIFE LINE HELLAS, Medecins du Monde, etc).

To senior citizens

- Free check-ups for senior citizens from the local communities.
- Financial support, provision of meals and donation of equipment to the Elderly Leisure-Time Centers (KAPH) at Magoula & Ehedoros.

To young people & education

- Reward programme for 352 first year students, from municipalities neighbouring our installations.
- Donation of educational material and fi-

nancial support for the pupils' transportation (educational visits) of 27 schools.

- Support for the organization of celebrations to schools of the Thriasion region.
- Donation of heating oil to 55 schools in the Thriasion region and the Special School of A. Liosia, financial support to 7 schools for the organization of visits and events, scholarships to 5 university schools.
- Sponsorships for conferences and events of educational institutes.
- Donation of a spectrometer FTIR and counter RVP to the Lab of Fuels & Lubricants of the NTU.
- Financing of a research programme for the use of bioethanol, in cooperation the Lab of Fuels & Lubricants of the NTU.

To environment & quality of life

- Provision of supplies to the Hellenic Rescue Team (EMAK, Fire Brigade).
- Sponsorship for the reoperation of the pollution measuring stations of the Aspropyrgos municipality.
- Deforestation works on the national road, in cooperation with Elefsina municipality, on the Environment Day.
- Sponsorship for the construction of a cover for the municipal swimming pool at Chaidari.
- Sponsorship for the construction of a nursery at the Eleftherio-Kordelio municipality.
- Financial support to the activities of the Foundation for Mediterranean Studies.
- Contribution to Goulandris Natural History Museum for the updating of the information concerning the Greek wetlands.
- Sponsorship to the Polytechnic of Crete for the organization of the 2nd conference on "Hazardous Industrial Waste Management".
- Sponsorship to cover the transportation expenses of a team working on "Green Action - Clean Forests" in cooperation with the Ministry of Environment, Energy & Climate Change.

- Donation of heating oil to the Voluntary Corp of Greek Firemen & Replanters.
 - Financial support to the Thessaloniki Prefecture for the restoration of a building to house the DIAS police force.
 - Donation of a truck for refuse collection & three containers to the Elefsina municipality and a multiple purpose vehicle to the Mandra municipality.
- ### To athletics & culture
- Financial support to athletic clubs and athletes of neighbouring communities (at Thriacion and western Thessaloniki municipalities), for purchasing of athletic material, transportation expenses, etc.
 - Financial support to the Schools Championship 5x5 (elementary schools of the Elefsina municipality).
 - Sponsoring and supporting of numerous cultural events organised by neighbouring municipalities and other organizations.
- Sponsorships for the organization of performances, events or exhibitions such as:
 - Presentation of the annual cultural edition EPILOGOS.
 - To the Foundation of the Hellenic World for the promotion of the virtual reality programme "trip to ancient Preini".
 - To the N. Kosmos theatre.
 - To the Road Safety Institute P. Mylonas, to support actions in the frame of the European week on road safety.
 - To the Herakleidon Museum for the exhibition "the Edgar Degas collection".
 - To the Athens Concert Hall for the section "famous performers"
 - Festival Demetria 2010, free ticket to employees to attend theatrical performance.
 - To the annual cultural event organized by the association Gefyra A. Athanasiou.
 - Cultural events (Aeschylia, Thriacia, Zervonikolia) organized by neighbouring municipalities (Thriacion region).



CSR Programme - Reward Event for First Year Students

During 2010, the Group's industrial complexes hosted, toured and briefed a significant number of pupils, students and teachers from various educational institutions, (see charts 5.5.1.1 & 5.5.1.2).

Chart 5.5.1.1: Training visits at the Group's industrial complexes

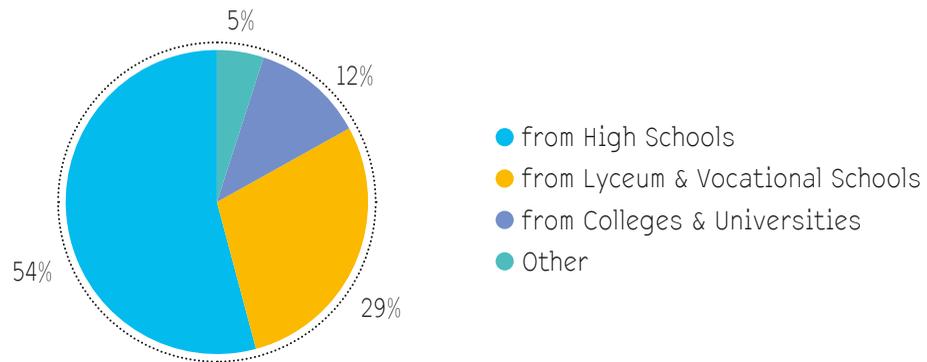
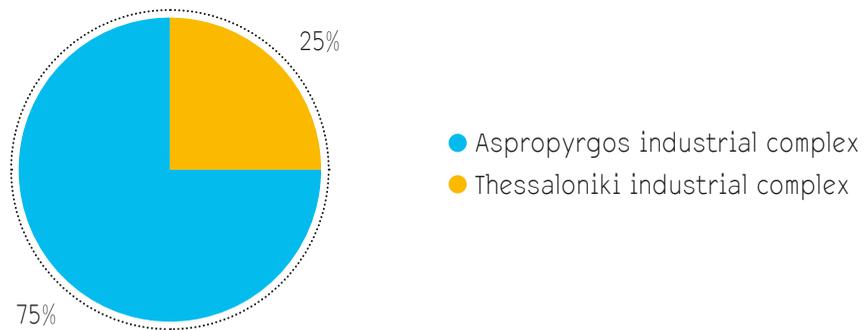


Chart 5.5.1.2: Visitors distribution at the Group's refineries



Training Visit at Aspropyrgos Refinery

5.5.2 Social Contribution Programme abroad

In foreign countries where HELLENIC PETROLEUM has business operations, the Group is performing its role as a cultural and social partner as well as a business partner. In addition to donations to areas in need, the Group is providing support for the construction of local social infrastructure in underdeveloped areas to support the development and growth of local communities.

The HELLENIC PETROLEUM Group, as a corporation with international activities has a significant impact on the economy of the countries in which it operates. The Group's subsidiaries in foreign countries implement CSR programmes thus enhancing the development of local communities and contributing to the establishment of friendly relations among countries.

The Group's commitment focuses on action related to the protection of the environment, the support of athletic and cultural events and the provision of general assistance to people in need.

In 2010, the Group invested the amount of € 200,000 to socially responsible activities abroad. From the numerous activities that represent our commitment to sustainable development, an indicative number are mentioned, per country:

In FYROM, (OKTA crude oil refinery AD-Skopje)

- Sponsorships to athletic associations (such as Motorcycle Federation AKK Primo Racing National Basketball Federation) and to scientific societies & bodies (such as the Society of Chemists & Technologists, the Faculty of Electrical Engineering & Information Technologies and the National Energy Federation) for the organisation of events.
- On the occasion of the Christmas and New Year, presents were given to the children of its employees and to specialized elementary schools for children with special needs.
- Donation to three elementary schools from

the Municipality of Ilinden to cover the expenses for excursions of 2,000 pupils.

- Contribution to the rebuilding of the "St. Ilija" church in the Municipality of Ilinden.
- Donation of heating oil to the Institute for prevention, treatment and rehabilitation of chronic, respiratory and allergic illnesses and to the pediatric hospital in Veles.
- The whole construction of the drainage system for the acceptance and the treatment of wastes, in the region of Ilinden was supported financially.

In Cyprus, (Hellenic Petroleum Cyprus Ltd)

- "Safe Driving" leaflets were distributed from the Company's 82 Stations with useful advice to drivers for safe driving and the bad consequences of using the mobile phone while driving. This specific action is part of the Group's commitment in helping to reduce road accidents. The whole initiative and the information given in the leaflet took place in collaboration with the Traffic Department of the Cyprus Police.
- 300 safety helmets were offered to the Chief of the Cyprus Police & the Traffic Department as part of the Group's commitment in helping reduce road accidents.
- The annual event «kids and road safety» took place in Road Safety Park. The children had the chance to play and learn about defensive driving by practicing real life scenarios in the miniature city. The proceeds from the event were donated to children who lost their parents in traffic accidents in 2010.
- Support to the march "walk with the blind" and help in fundraising for the School of the Blind; participation in bazaars and fundraising organized by the foundation "make a wish"; participation in the annual bazaar "chain of life" in order to raise money for the Cyprus Anticancer Association.

In Montenegro, (Yogopetrol AD Kotor)

- Sponsorships to athletic events such as the Athletic Marathon, Podgorica and the Handball Cadets Mediterranean Championship, Bar.
- Financial support to Chambers and State Agencies for the organization of scientific events.
- Donations to NGO and church foundations.

In Bulgaria, (EKO Bulgaria E.A.D.)

- An initiative for the "most tolerant driver" took place from 6 to 15 April 2010, with the support of the Bulgarian Traffic Police and the most reputable Bulgarian journalists. More than 180 people were registered and finally 2 women and 3 men demonstrated their tolerance on the road in real situations. The interest of the public was rather significant and the campaign generated 80 publications in national print, electronic and web media.
- Lessons on road safety were held on the unique EKO City Playgrounds (where a small city with road signs, traffic lights, road marking, pedestrian crossings, combined with the typical swings, jogging, climbing frames is reproduced). This school for road safety has been part of the long-term programme "Call When You Get There", since 2006. Since 2009 the programme is focused on the children and their parents. More than 200 children have participated in it.
- EKO Fuel Stations organized for the 3rd subsequent year the Christmas party for the children in the social house in Vidrare. The event included a programme performed by animation artists, catering and small Christmas gifts for each child.
- EKO organized a competition among the children of the social house in the village of Vidrare and the winner's composition

was used for EKO's Bulgaria Christmas cards. On the cards the above fact was mentioned including a message of EKO Bulgaria for happy holidays.

In Georgia, (EKO Georgia Ltd)

- Financial support to the Association for Oil-products Importers & Distributors' Rights Protection and to the Union of Oil-products Importers, Producers and Consumers.
- Financial assistance to the charity humanization foundation SOCO.
- Financial support to the Social Adaptation Center for Children & Adults.
- Donation to the private publishers "Lazarus raised" of Merab Sulakvelidze.

In Serbia, (EKO Serbia AD)

- Support (fuel for transport) to the charitable activities of the HRH Crown Princess Katherine Foundation.
- Donation to the SOS children village (homeless children).
- Donation of 5 computers to the Association of Children with special needs and of clothes to SUN organization for homeless children and children with special needs).
- Free fuel provision to the Serbia Olympic Committee.
- Sponsorship to UNICEF through the assistance for the printing of the book "Have fun, play safe" - 20,000 pcs were free distributed through EKO petrol stations in order to improve children safety, in the home and outside, and support for schools without violence.



Snapshots of the Group's CSR Activities

6. Appendices

6.1 Awards & Certifications

In 2010, the Group was rewarded or honoured for its performance and activities in sustainable development. These prizes and awards constitute recognition of the Group's policy

and strategy around the three pylons of sustainable development; financial, environmental & social performance.

BUSINESS AWARDS 2010 - MONEY CONFERENCE	2ND BUSINESS AWARD "HIGH INVESTMENTS"	DEC 2010
BUSINESS AWARDS 2010 - MONEY CONFERENCE	1ST BUSINESS AWARD "HIGH DEVELOPMENT RATE"	DEC 2010
UNIVERSITY OF THE AEGEAN	2ND AWARD ON HIGH PERFORMANCE CSR REPORT BASED ON GRI-G3	NOV 2010
HELEXPO SA/ 75TH THESSALONIKI INTERNATIONAL EXHIBITION	AWARD FOR THE "BEST OPEN-AIR SHOWROOM"	SEP 2010
PLATTS GLOBAL ENERGY COMPANY	TOP 250 INTEGRATED MARKETING Programme	NOV 2010
BUSINESS AWARDS 2010 ETHOS MEDIA S.A. - EUROCHARITY	1ST BUSINESS AWARD OF THE MOST POPULAR CSR COMPANY (voted)	JUN 2010
BUSINES AWARDS 2010 ETHOS MEDIA S.A. - EUROCHARITY	3RD BUSINESS AWARD FOR THE BEST LISTED CSR COMPANY	JUN 2010
ATHLETIC CLUB "ATHINAIKOS BYRONA"	FOR THE SUPPORT TO THEIR ACTIVITIES	FEB 2010
YOUTH CENTRE "MEGARIDOS"	FOR THE SUPPORT TO THEIR ACTIVITIES	FEB 2010
REPUBLIC OF CYPRUS	FOR THE GROUP'S CONTRIBUTION IN ROAD SAFETY Programmes	JAN 2010

Further to the above, the Group participated - as in the previous year - in a survey concerning the evaluation of the published sustainability reports of 2009. The Aegean University carried out the survey and HELLENIC PETROLEUM Group was ranked 2nd among 38 participants; whereas in the previous survey the Group was ranked 3rd in environmental performance and 2nd in social performance.

In 2010 the Group was distinguished by two certificates, from the non-profit Swiss foundation "MyClimate", for measurements concerning its carbon footprint. The two certificates confirm the Group's actions towards voluntary carbon offsetting measures and its approach towards climate change. The certi-

fied Group's activities were (a) employees' transportation with corporate cars at the HQs and (b) corporate air trips (see section 4.2, last paragraph).



6.2 Memberships

Since 2005 HELLENIC PETROLEUM & EKO ABEE are active members of the Hellenic Network for Corporate Social Responsibility, which is a member of CSR Europe.

HELLENIC PETROLEUM actively contributed to

the establishment of the Council for Sustainable Development. This Council operates within the Hellenic Federation of Enterprises (SEV) and the Group's CEO serves as vice president of the Council for Sustainable Development.

The Group, in the context of its strategy implementation and optimum operation for sustainability, is an active member of various associations, organizations and bodies. An indicative list is following:

Hellenic Federation of Enterprises
Athens Chamber of Commerce & Industry
Other Chambers (Arab-Greek Chamber, Camera di Commercio Italo-Ellenica, Deutche-Griechische Industrie und Handelskammer, Hellenic-American Chamber, etc)
IVEPE
Hellenic Management Association
Hellas Lab
Union of Listed Companies
Greek - Serbian Business Council
Panhellenic Exporters Association
Greek Union of Independent Electric Energy Producers HE-ΕΣΑΗ
Association of SAs & LTDs
Federation of Industries of Northern Greece
Hellenic Association of Chemical Industries
BALKAN & BLACK SEA PETROLEUM Association
CONFERENCE BOARD OF EUROPE
F.R.I.
ISA
MATERIAL TECHNOLOGY INSTITUTE
P.M.I. (PROJECT MANAGEMENT INSTITUTE)
PETROSEC & API CUSTOM
EUROPIA
CONCAWE

Participation in joint activities with similar companies & other bodies

In 2010, HELLENIC PETROLEUM Group:

- Actively participated with presentations in the 30th Cooperation Meeting with the participation of Greek Refineries, the Public Gas Corporation and the relevant authorities for health, safety and environment.
- The international scientific magazine Desalination and Water Treatment published the presentation "Biotreatment of oil refinery sludge". The paper was submitted by the Group and it was assessed and accepted for publication by an international independent jury of scientists.
- Presented and advocated its views concerning amendments in directives or new directives, concerning environment, health and safety, via the permanent Greek delegation at the European Commission, the Oil Companies' European Organization for the Environment, Health and Safety (CONCAWE) and the European Petroleum Industry Association (EUROPIA), of which HELLENIC PETROLEUM is a member of the BoD.

Furthermore, the HELLENIC PETROLEUM Group:

- Promotes both the company's and state's positions on important issues (such as the European regulation REACH, carbon dioxide trade, etc), through participation in EU's and EUROPIA's working groups.
- Participates in the UN's committee for climate change, in the relevant working groups for the best available techniques (BATs) and the review of the relevant documents BREFs - Refinery and Large Combustion Plants, in the inter-ministerial committee for carbon dioxide and in the relevant European Directive.

In accordance with its strategy and environmental policy every project and activity is evaluated in advance, aiming at timely dealing with any negative environmental impacts. In this context, the Group functions and invests in conformance to sustainable development for the benefit of society and the environment.

6.3 GRI & UNGC extend of reporting

The first reference to the GRI indicators concerning the performance on a triple bottom line report was made in the "Sustainable Report 2007". Then, the Group voluntarily used this set of indicators to imprint the financial, environmental and social dimensions of its activities, products and services.

In 2008, the HELLENIC PETROLEUM Group was committed to integrate the 10 principles of the United Nations' Global Compact into its corporate strategy and culture and to promote them within the sphere of its influence. This public commitment expresses the desire of the management, the employees and the Group in general to pursue responsible growth. It is our responsibility and job to grow and evolve but we have to do it in an innovative way, acceptable by society and assuring sustainable development (responsible growth).

Sustainable development is defined by our business principles and values and is visible in our policies and culture. Through these the Group and the employees are committed to everlasting care for the environment, a safe occupational area and socially responsible behaviour.

In this framework, the present report also constitutes a "Communication on Progress" report, as far as UNGC is concerned, presenting in which way the 10 principles were reshaped to implemented activities or programmes that the Group participates in or supports.

Our fixed commitment to the 10 principles of the UNGC is confirmed through the continuously broadening application of sustainable development indices, such as the GRI indicators. In the present report, for readers' facilitation, there is a cross reference table (table 6.3.1) between the sections of this report, the principles of the UNGC and the GRI indicators.

The GRI Content Index (table 6.3.2) associates the GRI's indicators with the relevant sections of this report; where necessary further comments give additional information.

Wherever there are references to quantities, sizes and numbers in this report, they correspond to measurements and records using scientifically documented procedures.

Table 6.3.1: Cross reference table of Global Contact Principles, GRI Indicators and the relevant pages of this Report

UNGC principles	Relevant GRI indicators	Relevant sections of this Report
HUMAN RIGHTS		
Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights.	EC5, LA4, LA6 - 9, LA13 - 14, HR1 - 9	5.2
Principle 2 - Businesses should make sure that they are not complicit in human rights abuses.	HR1 - 9, SO5	5.2 5.3
LABOR		
Principle 3 - Businesses should uphold freedom of association and the effective recognition of the right to collective bargaining.	LA4 - 5, HR1 - 3, HR5, SO5	5.2
Principle 4 - Businesses should uphold the elimination of all forms of forced and compulsory labor.	HR1 - 3, HR7, SO5	5.2 5.3
Principle 5 - Businesses should uphold the effective abolition of child labor.	HR1 - 3, HR6, SO5	5.2
Principle 6 - Businesses should uphold the elimination of discrimination in respect of employment and occupation.	EC7, LA2, LA13 - 14, HR1 - 4, SO5	5.1 5.2 5.3
ENVIRONMENT		
Principle 7 - Businesses should support a precautionary approach to environmental challenges.	EC2, EN18, EN26, EN30, SO5	2.3, 4, 4.2, 4.5, 4.12, 6.2
Principle 8 - Businesses should undertake initiatives to promote greater environmental responsibility.	EN1 - 30, SO5, PR3 - 4	4.12, 6.2, 5.4.3, 5.4.5
Principle 9 - Businesses should encourage the development and diffusion of environmentally friendly technologies.	EN2, EN 5 - 7, EN 10, EN 18, EN 26 - 27	4.2, 4.12
ANTI-CORRUPTION		
Principle 10 - Businesses should work against corruption in all its forms, including extortion and bribery.	SO2 - 6	2.3, 2.5.A5, 5.3

Note: Further information concerning the GRI indices in the 2nd column is provided in table 6.3.2, with references to the report's section and additional comments

Table 6.3.2: GRI Indicators Content Index, with additional references to the Annual Report 2010 (PR) and the Financial Report for fiscal year 2010 (FR)

GRI Ind.	Sections of the Sustainability report	Additional references, comments
STRATEGY		
1.1	1, 2	PR p. 135, FR message at p. 4
1.2	2, 2.3, 2.4, 3.3, at the introduction (MATERIALITY & STAKEHOLDERS INCLUSIVENESS)	PR p. 138 (D4) & p. 148 (F), FR p. 5-7, 14, 15, 29-39
GROUP'S PROFILE		
2.1	7	HELLENIC PETROLEUM Group
2.2	2.1, 3.2	PR p. 124-127
2.3	2.1	PR p. 142 (D7) & p. 156, FR p. 20
2.4	7	
2.5	2.1, 3.2	See also at introduction REPORTING BOUNDARIES, PR p. 124-127
2.6	3.4	HELLENIC PETROLEUM Group, HELLENIC PETROLEUM SA, PR p. 153
2.7	2.1, 3.2	PR p. 124 (A2)
2.8	2.1, 3.1	PR p. 129-135
2.9		at the introduction REPORTING BOUNDARIES, no significant changes
2.10	6.1	
REPORT PARAMETERS		
3.1	7	see also at introduction REPORT OVERVIEW
3.2	7	July 2010, see also at introduction REPORT OVERVIEW
3.3		annual, see also at introduction REPORT OVERVIEW
3.4	7	Soulaki Rania, rsoulaki@helpe.gr
3.5		at introduction REPORTING GUIDELINES, REPORT'S CONTENT, REPORTING BOUNDARIES, MATERIALITY
3.6		at introduction REPORTING BOUNDARIES
3.7		at introduction REPORTING BOUNDARIES
3.8		at introduction REPORT'S CONTENT & REPORTING BOUNDARIES
3.9		at introduction REPORT'S CONTENT. Data presented in this report are either measured (by means of continuous or sampling monitoring) or estimated using globally accepted estimation methodology. As far as measurements are concerned, international standards (ISO, ASTM) are followed whereas, in the case of estimations, methodologies developed in cooperation with international organisations (eg CONCAWE) are used.
3.10		no restatements, see also at introduction ASSURANCE
3.11		no significant change, see also at introduction REPORTING BOUNDARIES
3.12	2, 3, 4, 5, 6 (sections: Our approach)	
3.13	6.4	see also at introduction ASSURANCE

GRI Ind.	Sections of the Sustainability report	Additional references, comments
GOVERNANCE -COMMITMENTS		
4.1	2.3	PO p. 135-146 (D)
4.2	2.3	PO p. 142 (D7)
4.3	2.3	PO p. 142 (D7), there no independent members, for definitions see section 6.5
4.4	2.3, 5.1.1	Mechanisms for shareholders and employees to provide recommendations to highest governance body are: the General Assys, the shareholder's information office, the employees' representatives at the BoD, the minority shareholders' representatives at the BoD and the employees' unions.
4.5	2.3, 5.1.1	
4.6	2.3, 2.4 (A3 & A5), 5.3	
4.7	2.3	For the not elected and non-appointed members of the BoD there is no documented procedure today but their competences, qualifications and expertise are taken into consideration. The introduction of an evaluation scheme for the board members is also under consideration.
4.8	2.2, 2.3, 2.4 (corporate regulations & stds), 5.3	see also PO p. 135
4.9	2.2, 2.3, 2.4, 4, 5, 5.1.1, 5.4.1	see also PO p. 135-146 (D)
4.10	2.3, 2.4	The introduction of an evaluation system for the members of the BoD and its committees is under consideration.
4.11	2.3, 2.4, 5.4.2-5.4.5	The scheduled public opinion surveys (section 5.5), the employees' - partners' - customer satisfaction surveys (sections 5.1, 5.4.2, 5.4.3, 5.4.5), the risk assessment (section 2.5) and the quality, environmental, health and safety policies (section 5.4.1) confirm a proactive approach
4.12	2.2, 2.4 (corporate regulations & stds), 5.4.1, 6.1, 6.2	
4.13	6.2	
4.14	5	see also at introduction MATERIALITY & STAKEHOLDERS INCLUSIVENESS
4.15		see at introduction MATERIALITY & STAKEHOLDERS INCLUSIVENESS
4.16	2.3	see also at introduction MATERIALITY & STAKEHOLDERS INCLUSIVENESS. Moreover, the scheduled annual public opinion surveys (section 5.5), the regular employees' - partners' - customer satisfaction surveys (sections 5.1, 5.4.2, 5.4.3, 5.4.5), the regular communication with customers, partners & employees (their representatives are members of the BoD) confirm the engagement of the interested parties
4.17	5, 5.4.2, 5.4.3	
FINANCIAL INDICATORS		
EC	3 (Our approach)	PO p 120, and at www.helpe.gr/investors relations / financial statements group & parent company / financial reports / 2010 12m Group & Parent Company or at the site http://admin.elpe.gr/Uploads/pdf/ANNUAL_FINANCIAL_REPORT_2010.pdf for additional information.
EC1	3.1, 3.5, 4.10, 4.11, 5.1.2, 5.1.3.4, 5.1.3.5, 5.5	
EC2	4, 4.2, 4.5	the potential risks and the relevant financial impacts are integral part of the feasibility study for every project or investment.
EC3	5.1.1	a defined contribution plan is used instead of a defined benefit plan.

GRI Ind.	Sections of the Sustainability report	Additional references, comments
EC4		No direct financial support from the State.
EC5		With the assumption that "local minimum" are the national collective bargaining agreements, then, HELPE's employees are compensated over and above them.
EC6	5.5	
EC7	5.5	Employees with a rank higher than Assistant Director belong to "senior management". Their percentage from the neighbouring societies is approx 5%.
EC8	5.5	
EC9	2, 5.5	Special attention is given to the environmental impact during the design and approval phase of every new investment. Moreover, in the project "Refineries' Upgrade" there were provisions for preferred suppliers and new job positions from the local communities.

ENVIRONMENTAL INDICATORS

EN	2, 4 (Our approach)	
EN1	4.12	
EN2	4.12	
EN3	4.12	
EN4	4.12	
EN5	4.12	
EN6	4.12	
EN7	4.12	
EN8	4.12	
EN9	4.12	
EN10	4.12	
EN11	4.12	
EN12	4.12	
EN13	4.12	
EN14	4.12	
EN15	4.12	
EN16	4.12	
EN17	4.12	
EN18	4.12	
EN19	4.12	
EN20	4.12	
EN21	4.12	
EN22	4.12	
EN23	4.12	
EN24	4.12	
EN25	4.12	
EN26	4.12	
EN27	4.12	
EN28	4.12	none such fines or sanctions
EN29	4.12	
EN30	4.12	

LABOUR INDICATORS

LA	5.1 (Our approach)	
LA1	5.1	

GRI Ind.	Sections of the Sustainability report	Additional references, comments
LA2	5.1	
LA3	5.1	The following benefits (from the ones listed in section 5.1) are not provided to temporary employees: loans, supplementary insurance schemes, scholarships and allowances for employees children.
LA4	5.2	
LA5		reference in the company's internal work regulation (2004) that is available and known to all employees. Moreover, in accordance with the relevant national/European legislation.
LA6	5.1.3.1	The committees operating at facility level
LA7	5.1.3.6	
LA8	5.1, 5.1.2, 5.1.3.4	
LA9		Health & Safety issues, agreed with the employees' unions, are included in the company's internal work regulation that is known to all employees and available through intranet.
LA10	5.1.2	
LA11	5.1 (Our approach), 5.1.2	
LA12	5.1.1	
LA13	2.3, 5.1	Women in senior management positions: approx 10%. Executive versus non executive members of BoD: 3/10.
LA14	5.1	Based on the principle of sexes equality there are no discriminations or financial differentiations.

HUMAN RIGHTS INDICATORS

HR	5.1.1 (Our approach)	
HR1	5.2, 5.3	In the company's internal work regulation and the code of contact (under approval) there are specific references concerning human rights. All employees are trained to this regulation which is available at the intranet.
HR2	5.2, 5.3	Purchasing Dept has approved relevant questionnaires that will be sent to suppliers in 2011. None reported incident.
HR3	5.2, 5.3	100% of employees were trained in the company's internal work regulation, which is available on the intranet. Moreover, a copy of this regulation is given to all employees.
HR4	5.2, 5.3	The HR Department monitors such phenomena and acts accordingly in cooperation with the union of employees. No report in 2010.
HR5	5.2, 5.3	The HR Department monitors such phenomena and acts accordingly in cooperation with the union of employees. No report in 2010.
HR6	5.2, 5.3	The HR Department monitors such phenomena and acts accordingly in cooperation with the union of employees. No report in 2010.
HR7	5.2, 5.3	The HR Department monitors such phenomena and acts accordingly in cooperation with the union of employees. No report in 2010.
HR8	5.2, 5.3	Group's permanent security personnel is trained at its employment in human rights aspects (company's internal work regulation, 2004). For security personnel working on contract with third companies there will be a specific requirement in the relevant agreements, from 2011, for training in human rights aspects.
HR9	5.2, 5.3	No such incident.

SOCIAL INDICATORS

SO	2 (sustainable development), 5 (Our approach)
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GRI Ind.	Sections of the Sustainability report	Additional references, comments
S01	2, 2.4 (Preventing impacts on the local communities) & 5	Moreover, the business plan of every new investment (eg the Elefsina refinery upgrading) provides for the direct and indirect impacts at the local society. The annual public opinion surveys confirm the proper approach and the appropriate action planning.
S02	2.4 (A5)	No relevant report or complaint. There is a cooperation with Ernst & Young for the business units' risk evaluation including risks related to corruption.
S03	2.4	100% of the employees are trained, through the internal work regulation, articles 22 & 23. Moreover, all employees (100%) are aware of Group's commitment on UNGC principles, the corporate policy and values.
S04		No actions planned in 2010 because no relevant reports to any committee or the BoD or the Union representatives. There is provision for administrative and legal measures.
S05	6.2	The Group participates in professional and business associations. The Managing Director is member of the BoD of the Hellenic Federation of Enterprises (HFE) and vice president of the Sustainability Council of the HFE.
S06		Zero contribution.
S07		Zero on 12.31.2010.
S08		Zero. See also section 4.12 (indicator EN28) and S07 above. During the years 2009 and 2010 10 Acts of Imposition of Fines from 'D' Customs, totalling 35,839 Euro, for customs infringements, pending before the responsible administrative courts.

PRODUCT RESPONSIBILITY

PR	5.4 (Our approach)	
PR1	5.4	The Group produces products (sections 4.9, 5.4.1, 5.4.3) and supplies services (sections 5.4.2, 5.4.4, 5.4.5) which are assessed in accordance with a planned and documented procedure for quality, safety and health for all life cycle stages, from production to distribution and use. BATs are used, in the life cycle stages, for labeling and information of the engaged persons.
PR2		No incidents of non-compliance.
PR3	5.4.3, 5.4.5	
PR4		No incidents of non-compliance.
PR5	5.4.2, 5.4.3, 5.4.5	
PR6	5.4.3, 5.4.5	
PR7		No incidents of non-compliance. Full compliance with relevant regulations/codes.
PR8		No complaints.
PR9		No fines.

P The reader can find the "Annual Report 2010" posted on the web site: [http://www.helpe.gr \(/press center/company publications\)](http://www.helpe.gr (/press center/company publications))

A The reader can find the Annual Financial Report for fiscal year 2010, (as per Article 4, L. 3556/2007) posted on the websites: www.hellenic-petroleum.gr or [www.helpe.gr \(/investors relations / financial statements group & parent company / financial reports / 2010 12m Group & Parent Company\)](http://www.helpe.gr (/investors relations / financial statements group & parent company / financial reports / 2010 12m Group & Parent Company)) or at the site http://admin.elpe.gr/Uploads/pdf/ANNUAL_FINANCIAL_REPORT_2010.pdf.

6.4 Verification Statement

This year, as in 2008 & 2009, HELLENIC PETROLEUM Group invited a globally recognized third party, to evaluate and verify this Report. This independent assessment was carried out by TÜV AUSTRIA HELLAS in reference to GRI guidelines.

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

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

Report Application Levels

		2002 In Accordance	C	C+	B	B+	A	A+
Mandatory	Self Declared			Report Externally Assured				Report Externally Assured
	Third Party Checked			Report Externally Assured				Report Externally Assured
Optional	GRI Checked			Report Externally Assured				Report Externally Assured

TÜV AUSTRIA Hellas

Assurance Statement

for Hellenic Petroleum's Sustainability Report 2010

Information on the Assurance Statement

The Assurance Provider TÜV AUSTRIA Hellas ('the Provider') has been engaged to provide external assurance on the disclosures published in the Sustainability Report 2010 ('the Report') of Hellenic Petroleum S.A. ('the Company'). The Company is exclusively responsible for the data and information within the Report. The assurance process was conducted by the Provider in terms of sample-based audits of data and information as well as audits of data collection systems and procedures.

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

Economic and financial data were not audited. Instead, they were assessed with respect to the information contained in the 2010 annual report and financial statement which have been audited by other third parties.

Scope of Assurance

The Provider undertook the following tasks between May and July 2011:

1. Reviewed the Report against the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines G3 and confirmation of the application level (GRI Application Level Check).
2. Visited the Company's Head Offices in Athens and its refineries located in Aspropyrgos, Eleusina and Thessaloniki in order to evaluate the systems for generating, gathering and managing information included in the Report.

3. Performed checks of the reliability and accuracy of performance information disclosed in the entire Report and the processes for capturing and reporting such data.

Conclusions

During the assurance engagement, it was confirmed that the data and information are reliable. The accuracy of the disclosed statements and assertions was found to be within acceptable limits. The Company provided a comprehensive and proper presentation of performance on the basis of reasonably documented information as well as that there is an effective data gathering, management and reporting system in place for issues which pertain to sustainable development.

The Provider concurs that the criteria for GRI Application Level 'B+' have been met.

Opportunities for Improvement

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

- ☞ Harmonize the procedures and data collection systems of all subsidiaries included within the boundaries of the Report.
- ☞ More detailed calculation of energy preservation through steam and other thermal currents effective utilization.
- ☞ Assess the environmental impact of transporting crude oil and products by ships and other means of transportation.
- ☞ Provide an analysis of environmental protection expenditures and investments based on the categorization suggested by GRI.

- ☞ Promote communication and engagement with more stakeholder groups in order to optimize the definition of material issues.
- ☞ Improve the GRI Content Index by indicating the page(s) in the Report each GRI item and performance indicator is disclosed.

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

On behalf of TÜV AUSTRIA Hellas,

Athens the 25th of July 2011



Sifakis Nikolaos

Lead Auditor




Kallias Yiannis

General Manager

TÜV AUSTRIA Hellas

ATHENS: 429, Mesogeion Ave., Agia Paraskevi

Branch Offices in Greece: THESSALONIKI - CRETE

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

6.5 Abbreviations - Glossary

This list of abbreviations and terms, having a specific meaning related to this report, aims to facilitate the reader, who may be unfamiliar with such terminology.

AIF	All Injury Frequency, is calculated from the sum of fatalities, LWIs, Restricted Workdays Injuries and Medical Treatment Cases divided by the number of hours worked expressed in millions
BEA	these initials stand for the Aspropyrgos refinery.
BEE	these initials stand for the Elefsina refinery.
BEΘ	these initials stand for the Thessaloniki refinery.
CCPS	the Center for Chemical Process Safety
CONCAWE	Conservation of Clean Air and Water in Europe, the oil companies' European Organisation for the environment, health and safety
CoP	Communication on Progress, an annual report proving the company's commitment towards UNGC principles, see UNGC, www.unglobalcompact.org/CommunicatingProgress/)
CSR	Corporate Social Responsibility
ΕΛΠΕ	stands for HELLENIC PETROLEUM
ELOT	the Greek Standardization Organization
EMAS	the EU Eco-Management and Audit Scheme (EMAS) is a management tool for companies and other organisations to evaluate, report and improve their environmental performance
EUROPIA	The European Petroleum Industry Association
EU -ETS	European Union GHG Emission Trading Scheme
Executive/non-executive Board Member	The BoD defines as executive members the members who are responsible for everyday business management; whereas non-executive are the members who are responsible for the promotion of corporate issues. The number of non-executive BoD members should be, at least, one third of the total number of BoD members.
GHG	Green House Gases
GRI	Global Reporting Initiative. Sustainability Reporting Guidelines. While this Report endeavours to address many of the GRI's key performance indicators, it is a summary of progress against priorities we ourselves set. Visit www.globalreporting.org for more about the GRI.
GROUP	stands for the HELLENIC PETROLEUM Group and more specifically the companies listed in Section 1.5; unless it is otherwise stated.
HELLENIC PETROLEUM	refers to the HELLENIC PETROLEUM Group, unless otherwise stated

HELPE	stands for HELLENIC PETROLEUM
HF	stands for the Hellenic Fuel SA
HSE	Health - Safety - Environment
LDAR	Leak Detection And Repair system
LWIF	Lost Workday Injury Frequency, is calculated from the number of Lost Workdays Injuries (LWI) divided by the number of hours worked expressed in millions
LWIS	Lost Workday Injury Severity
MTC	Medical Treatment Cases
OHSAS	Occupational Health and Safety Accreditation System
PRTR	Pollutant Release and Transfer Register, http://prtr.ec.europa.eu/
PSIF	Process Safety Incident Frequency
REACH	the European regulation for "Registration, Evaluation and Authorization of Chemicals" (1907/2006)
RWI	Restricted Workday Injuries
Sustainable development	A development that meets the needs of the present without compromising the ability of future generations to meet their own needs
Triple Bottom	Line report not only on financial performance but also on the environmental and social performance of a company
Stakeholders	While the term "stakeholders" holds multiple meanings, the Group defines its stakeholders as its employees, shareholders, suppliers, service providers, and those communities, indigenous groups, investors, debt holders, governments, regulators and Non-Governmental Organizations (NGOs) affected by, or that can affect, HELLENIC PETROLEUM's operations
UNGC	HELLENIC PETROLEUM is a signatory to the United Nations-led Global Compact, a network of companies, governments, non-governmental and labour organizations who have agreed to work with the UN to support 10 principles in the areas of human rights, labour, the environment and anticorruption
VOC	Volatile Organic Compounds

7. Sustainability Report Feedback

The Public and Corporate Affairs Division coordinated and were responsible for the preparation of this annual report; all Group's subsidiaries and Departments contributed to the realization of the "Sustainability Report 2010", by providing the relevant information and data.

This report is addressed to our shareholders

and stakeholders, aiming at their information regarding our performance as far as sustainable development is concerned.

Any suggestion concerning further improvement of this report, as a tool for a two-way communication between the Group and its stakeholders, is more than welcome.

For stakeholder inquiries please contact:

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The HELLENIC PETROLEUM's headquarters are at the above-mentioned address. Readers may visit HELLENIC PETROLEUM online at the following sites for more information concerning the Group, its subsidiaries and the Group's publications:

www.hellenic-petroleum.gr

www.helpe.gr



Readers Survey Questionnaire

To produce a better Sustainable Report, we welcome your feedback on all aspects of our sustainability performance.

1. What are you looking for in this Sustainable Report (What are your interests)?
(Please mark with an X)

Corporate Governance

Social responsibility and relevant activities

Environment

Health & Safety

Our People

Stakeholders' information

2. Do you agree with the following statements? Mark the relevant column.

(1)completely disagree (2)disagree (3)irrelevant/I don't know (4)agree (5)completely agree

	(1)	(2)	(3)	(4)	(5)
Sufficient coverage of principles & issues in accordance with the company's strategy for sustainable development.					
Contents' clarity and completeness.					
The report's structure is functional & sufficient.					
The information provided is reliable and clear.					
The charts and tables are clear and sufficient.					
The provided photographs enhance the report and make it attractive to the reader.					
The printed version of the report meets the requirements of a Sustainability Report.					
The electronic version of the report is preferable.					
I will recommend this report to other readers.					

3. Please prioritize (with 1 as the top mark) the activities/initiatives that, in your opinion, are the mostly developed.

- Safety

- Occupational environment

- Environmental protection

- Care for the society and the climate

- Programmes to support local communities

4. Your comments and concerns for issues that you would like to be included in the next edition or where there is need for improvement.

5. Your opinion/picture of HELLENIC PETROLEUM has been influenced by this report.
(please mark only one)

- positively influenced no influence negatively influenced

6. Please check according to where you currently belong.

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

If you would like to receive a copy of the Sustainable Report in the future, please provide your address or email contact.

Name _____
Title/Position _____
Company _____
Address _____
E-mail _____

Thank you for your cooperation. Information provided will be used only for the improvement of the sustainability report and our CSR activities.

- Send to:
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 - fax: +30 210 6302573