

Annual report 2021

60
YEARS



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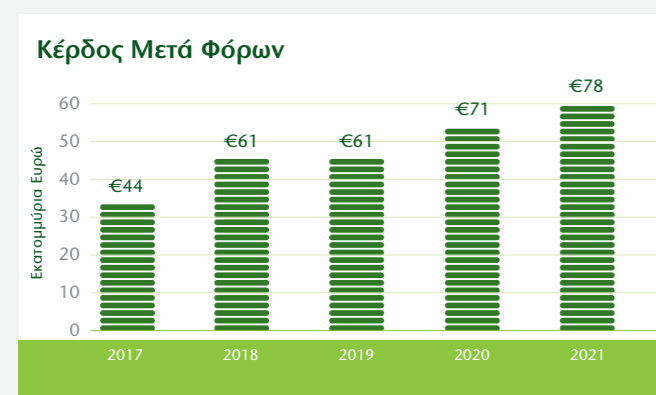
Message from the Chairman, Michael O. Ioannides

A strong Cyta, leading Cyprus into the digital era

It is a great pleasure to be addressing you for the first time since taking up my duties as Chairman of Cyta. I would like to take this opportunity to thank my predecessor, Ms. Rena Rouvitha, and the other members of the Board for everything that they have done for the Organisation.

Cyta today

Today, Cyta is a robust public sector organisation and a leader in the country's technological development. As an organisation, it is a leader as regards the three pillars on which it is assessed: Profitability – Society – the Environment.



Profitability: Operating revenue over the past three years has reversed the downward trend of the previous period and, as a result, in 2021 we recorded a net profit of €78 million, the highest for the last 13 years. The dividend paid to the state for 2021 amounted to €23 million, the highest in the last four years.

Society: Indicatively, 25.200 customers on low income and/or with special needs are benefiting from reduced charges and extra facilities. Equally important is the fact that coverage of the 5G network extends to every community and village in Cyprus, regardless of their size, while all the island's schools have a fiber optic connection.

The Environment: Cyta is one of the most highly developed organisations in Cyprus and has won numerous awards. Indicative is the fact that 99% of the Organisation's waste is recycled, while all our buildings have been certified as Green Offices.

Our DNA

The key to the Organisation's success lies in the quality, knowledge and specialisation of its human resources. They are the driving force behind Cyta's results, thanks to their ability to adapt to the conditions and terms of the competitive market, their customer-driven,

ΕΤΑΙΡΙΚΗ ΚΟΙΝΩΝΙΚΗ ΕΥΘΥΝΗ ΚΑΙ ΠΕΡΙΒΑΛΛΟΝ

- ΜΕΙΩΜΕΝΑ ΤΕΛΗ ΣΥΝΔΕΣΗΣ ΣΕ 21.000 συμπολίτες μας με χαμηλά εισοδήματα
- 4.200 συμπολίτες μας με ειδικές ικανότητες
- 97.5% ΑΝΑΚΥΚΛΩΣΗ ZERO WASTE TO LANDFILL
- ΣΥΝΔΕΣΗ ΟΠΤΙΚΩΝ ΙΝΩΝ ΣΕ ΟΛΑ ΤΑ ΣΧΟΛΕΙΑ
- ΧΡΥΣΟΣ ΠΡΟΣΤΑΤΗΣ ΠΕΡΙΒΑΛΛΟΝΤΟΣ ΔΙΑΚΡΙΣΗ 2021
- ΣΤΗΡΙΞΗ ΤΟΥ ΑΘΛΗΤΙΣΜΟΥ ΚΑΙ ΤΟΥ ΠΟΔΟΣΦΑΙΡΟΥ
- ΟΛΑ ΤΑ ΚΤΗΡΙΑ ΜΑΣ ΜΕ ΠΙΣΤΟΠΟΙΗΣΗ GREEN OFFICES

THE GLOBAL GOALS

results-focused approach and their determination to implement Cyta's business plan. These are powerful traits which, over time, have become part of the Organisation's DNA.

Our Public Role

Through its public role, Cyta's positive results and achievements have a substantial impact on society. What is of value and importance to society is for Cyprus to enter the digital era and Cyta's role is to create the necessary infrastructure to enable such progress.

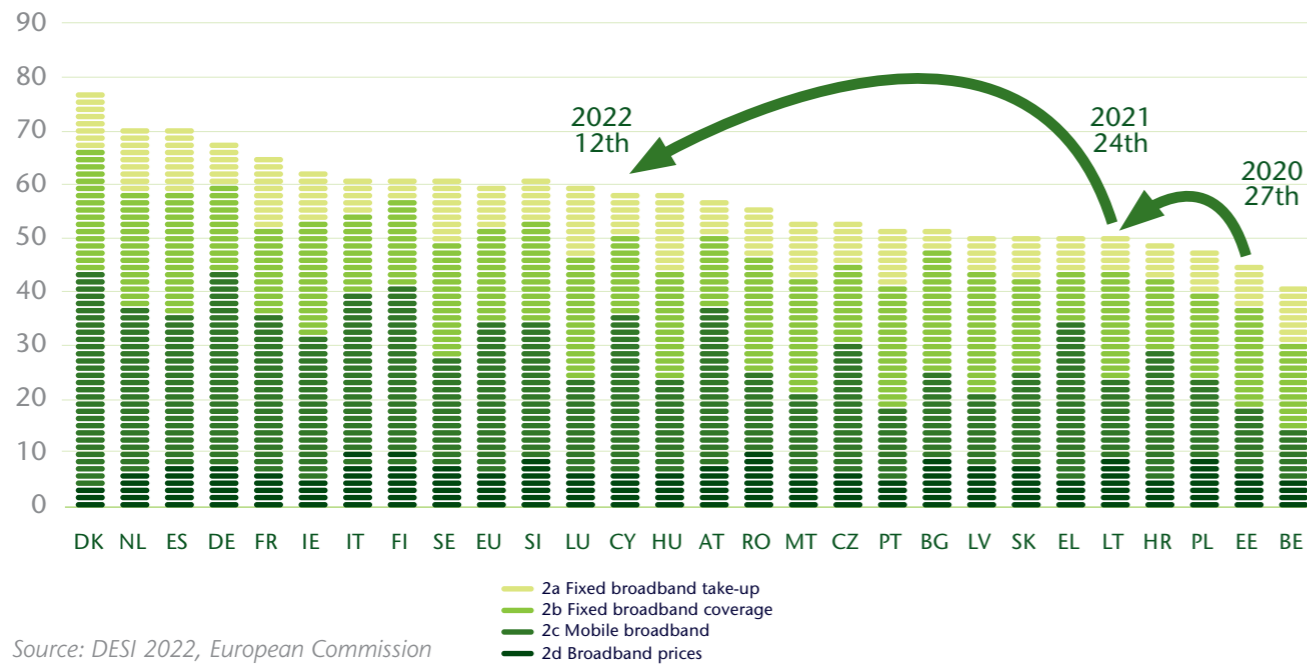
Allocation of Capital

To this end, the Cyta's capital expenditure on telecommunications infrastructure has risen

significantly in recent years and now stands at €87 million.

The 5G network, the Cyta Fiber network and the Arsinoe subsea cable system are all projects that have upgraded the Organisation's telecommunications capabilities and, by extension, improved the connectivity of every business and individual customer. Thanks to these targeted projects, we have succeeded in becoming one of the few countries in the world to offer 100% 5G population coverage and, at the same time, we operate the fastest mobile network in Europe. This has enabled us to provide mobile Internet access with unlimited data transfer to 180,000 of our customers at no additional charge which inevitably led to a reduction of 30% to the weighted average per Gigabyte cost this year.

Digital Economy and Society Index 2022, Connectivity



Digital Economy & Society Index (DESI)

These achievements are reflected in the 2022 edition of the EU's Digital Economy & Society Index (DESI) in the section on connectivity in 2021. Our country has notably improved its ranking by 12 places and Cyprus is now 12th on the Index, up from 24th place in 2020 and 27th place in previous years.

Challenges

In a constantly changing environment, every organisation must make the most of its achievements in order to manage future challenges. Generally speaking, uncertainty, digital transition and energy transition are three global trends affecting the Organisation and every other business around the world.

In the ICT sector, competition has become internationalised, since the level of customer experience is now determined by a number of technology giants.

In addition to the above, Cyta faces its most important challenge: being able to respond to the realities of competition within the stifling institutional restrictions of the public sector.

Corporate Strategy: New Pillars

In business, challenges can also be seen as opportunities. In 2021, we added two now crucial pillars to our corporate strategy: Digital Transformation and Sustainable Green Growth. These pillars include our priorities around data, cybersecurity, energy transition and public, institutional and corporate governance.

Digital Transition

The need for effective data management is increasing globally, due to the increasing convergence of digital technologies and the continuing growth of digital economy and society. Data transfer speed, capacity, storage and processing are key factors that will determine the future of every organisation.



In this framework, for 2021 and 2022, we have prioritised two major infrastructure projects in Cyprus: the East Med Corridor (EMC) and the high-specification Green Data Centre. These projects constitute our strategy to make Cyprus an international data and digital hub in the region.

Furthermore, Cyta develops its collaboration with the government for the development of vital and smart infrastructure in Cyprus.

Energy Transition

Our strategic priority as regards to sustainable green growth is to achieve energy autonomy for the Organisation through the use of renewable energy sources (RES). This will ensure that the country's technological infrastructure is not exposed to energy risks in the coming decade. At the same time, our investments will reduce our service provision costs, thereby strengthening the Organisation's profitability and our ability to pass on the resulting benefits to our customers.

Institutional Innovation

The institutional framework that governs Cyta was not designed to allow the Organisation to compete internationally, particularly in the demanding technology sector. In this context, we have begun internally the processing of a complete overhaul of our institutional framework, governance, operating model and employment institutions. The goal is to create the necessary basis on which Cyta can operate in a flexible and innovative manner, easily and fast.

With all of the above underpinning our choices and decisions, we are determined to do whatever is necessary to maintain Cyta's strength over the next 20 years. Our journey in this direction will be partly assisted by repositioning the Organisation as a technology company with the vision and goal of leading Cyta, our customers and Cyprus itself into the new digital era.

Michael O. Ioannides
Chairman



Message from the Chief Executive Officer, Mr Andreas Neocleous

Conquering the highest peaks

Over the past year, we have enjoyed major successes, been ranked first internationally and recorded record profits. We have also experienced sudden disruptions and faced new geopolitical and macroeconomic challenges, as inflation affected not only our costs, especially those that are energy-related –but also our customers’ disposable income. When change becomes the ‘new normal’, what distinguishes great companies is the fact that they are not afraid. We have demonstrated that we are a strong team and, together, we shall continue to create the Cyta of the next decade.

The Cyta of today

The Cyta of today speaks with the power of numbers. It is ranked first in every area of the market in which it is active and this vast superiority is not due to the weight of its name and the respect that stems from its history but to the measurable value of its quality characteristics. It wins over its customers and society through its daily actions, from its implementation of multi-million-euro infrastructures to the way it handles the smallest complaint.

The Cyta of today is constantly increasing its revenues and profitability. Since 2019, and despite the problems caused by the pandemic, its gross profit has risen and succeeded in completely reversing the negative trajectory of previous years. In 2021, the Organisation recorded its highest profitability in 13 years, with a net profit of €78 million, an increase of 10.6% on the 2020

figure. Every year, Cyta returns around half of its profit to the State in the form of a dividend. Over the last 20 years, this has amounted to a total of €851 million. At the same time, market share trends demonstrate our commercial success. Over the last three years, our market share for fixed Internet and interactive TV services has grown. The mobile telephony sector saw a new entrant which, naturally, aspires to gain a share of the market from the existing players. The Cyta of today has managed to retain its customers, despite market changes, and to maintain any losses at extremely low levels.

During the year under review, we faced significant upheavals, caused by the pandemic. Nonetheless, we were the first to provide 5G to 70% of the population and, some months later, we made Cyprus the first EU member state to have 100% population coverage. And we did not stop there. In 2021, we were ranked 1st in the EU and 8th in the world for mobile network speeds. We have now conquered peaks which, only a few years ago, seemed unattainable.

At the same time as we were making great strides with mobile telephony, we recognised the need to increase speeds on the fixed Internet and accelerate the pace of customer connections to the Fiber network. From 200 customers per month, we now connect new ones every day and we have already covered 175,000 homes and businesses. By the end of 2023, all urban areas will be connected to the Cyta Fiber network and our customers are being transferred to the most reliable, fastest network in Cyprus at no charge.

The effort to increase the value that we offer to our customers has been reinforced by reductions to our prices. Specifically, over the past three years we have lowered charges for our main popular products by an average of 60%. This represents tangible proof of the outward-looking approach that we have incorporated into our commercial policy and underlines the fact that, during the same period when we were reducing prices, we succeeded in growing our gross profit by 37% (from €63.7 million in 2018 to €87.3 million in 2021). This significant profitability will be entirely invested in new infrastructure projects and innovative services, which aim to make the best use of new technologies and prepare us to meet our customers’ future needs.

All this is due to our personnel, all of whom revealed their excellent team spirit, adaptability and flexibility towards every change they were asked to deal with, whether caused by exogenous or local factors. This enabled us to become more resilient and to emerge stronger from the pandemic, achieving excellent financial results, conquering the highest peaks in Europe, with our superiority growing stronger and indisputable in the eyes of our main judges – our own customers.

For everything that we have already achieved and for everything that we will achieve in the future, I express my thanks to each and every member of our personnel. For their trust and, especially, for the enormous amount of hard work that they have produced. Everyone’s individual contribution has been invaluable

The Cyta of tomorrow

In the new digital era, in which disruption is becoming the new normal, there is no room for complacency. Today’s achievements are no guarantee of success tomorrow and this is something of which we are very well aware. We have demonstrated that we know how to deal with every challenge that comes our way, with our customers, our infrastructures and our operations continuing to be the main pillars of our business strategy. Specifically:

Customers - We strive to develop and provide products and services that meet their digital needs today and tomorrow, while digitalising all our points of contact. At the same time, we aim to create ties with them through the positive feelings that are accumulated during their every contact with us and to reward their loyalty with the imminent introduction of a reward scheme that recognises their every transaction with Cyta.

In the same framework, we have already upgraded - at no cost - the plans of 180,000 customers to unlimited plans, offering them satisfaction, carefree dealings and total freedom.

Infrastructures - We continue to invest in and create networks that make telecommunications even faster, uninterrupted and reliable, offering our customers the content they desire.

Cyta’s islandwide Fiber and 5G networks are the foundations of the Organisation’s future as well as that of Cyprus itself. At the same time, following a decision taken in 2021, we are proceeding to implement another major project: a ‘green’ Data Centre based on international standards, which will attract new companies and investments from abroad and lead to further growth.

We also continue to link Cyprus with the rest of the world, building the most reliable cable systems. We have already committed ourselves to participate in a cable system linking Europe and Asia, with its main hubs in Greece, Cyprus and Saudi Arabia. At the same time, we are constantly upgrading our connections with neighbouring countries, maintaining Cyprus’ long-term role as one of the main Internet exchanges in the region.

Review of Operations - We are making a detailed examination of every aspect of the Organisation, in order to make it function better, faster and more efficiently. We are planning to transform our main operations that include contact with customers while, at the same time, we are constantly improving and developing our personnel performance management system.

Our future strategy would be incomplete without a substantial contribution to the green transition and the sustainable growth of the economy. Our next goal is Cyta’s total energy independence, through the generation and use of power from renewable energy sources.

Looking ahead

The Cyta of today is laying the foundations for the Cyta of tomorrow: a company characterised by self-confidence, optimism, dynamism and an outward-looking approach. Our aim is clear: Cyta will be a sustainable digital provider of particular importance to the nation. We are determined to continue our leading role as regards the country’s digital infrastructures and to play a crucial part in the creation of a new era in Cyprus.

Andreas Neocleous
Chief Executive Officer

Chairman and Members

CHAIRMAN



Michalis Ioannides
Chairman
Lawyer

By decision of the Council of Ministers, dated 30.7.2021, he was appointed as the President of the Board for the period 30.7.21 until 29.1.24, as a replacement for Mrs Rena Rouvitha Panou.

VICE-CHAIRMAN



Charis Millas
Vice-Chairman
Accountant-Professor

By decision of the Council of Ministers, dated 30.7.2021, he was appointed as the Vice-Chairman of the Board for the period 30.7.21 until 29.1.24, as a replacement for Mr Yiannis Constantinides.

MEMBERS

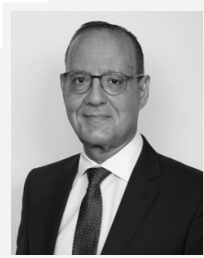


Athos Maimaris
Professor, Lecturer in Computer Science Member



Leontios Philotheou
Quality and Business Consultant

MEMBERS



Argyris Argyrou
Economist



Panayiotis Vasiliou
Businessman



Maria Antoniou Hamatsou
Lawyer



Nicos Laouris
Managing director in
Private Company- Economist



Kypros Louca
Lawyer

Legal Advisers

Andreas C. Hadjioannou & Co (until 30/9/21)
Tassos Papadopoulos & Associates LLC
(from 12/7/21)

Auditors

Baker Tilly Klitou and Partners Ltd
Auditor General of the Republic

Chairman and Members (31.1.2019 - 30.7.2021)

CHAIRMAN



Rena Rouvitha Panou
Chairman
Economist

VICE-CHAIRMAN



Kostas Koumis
Vice-Chairman
Communication Specialist/Director

[until 22.12.2020 (Council of Ministers meeting - 22.12.2020)]

MEMBERS



Eraklis Agathokleous
Lawyer



Maria Antoniou-Hamatsou
Lawyer

[from 22.12.2020 (Council of Ministers meeting - 22.12.2020)]



Argyris Argyrou
Economist

VICE-CHAIRMAN



Yiannis Constantinides
Vice-Chairman
Chartered Certified Accountant

[Vice-Chairman from 22.12.2020 (Council of Ministers meeting - 22.12.2020)]



Charalambos Avgousti
Lawyer



Valentinos Ioannou
Architect Engineer & Town Planner



Ioannis Kremmos
Businessman



Yiannis Constantinides
Chartered Certified Accountant

[until 22.12.2020 (Council of Ministers meeting - 22.12.2020)]



Lenia Matheou-Epiphaniou
Bank Employee

Management Team

Chief Executive Officer

Andreas Neocleous

MEngEE, PhD

Senior Manager - Chief Strategy and Wholesale Officer (Until 30/6/21)

Ioannis Koulias

BSc (Hons), MSc, MIEEE, MIET, CEng

CEO - Chief Strategy and Wholesale Officer (by assignment from 1/7/21)

Andreas Neocleous

MEngEE, PhD

Strategy and Regulatory Affairs

Alexandros Alexandrou

BEng, MEngEE

Facilities Management

Nicos Nicolaou

BScEE(Hons), MBA

International Wholesale Market

Costas Psillides

BScEE (Hons), MScEE, MBA

National Wholesale Market

Nícos Michaelides

Dipl. Eng NTUA, MSc T&IS

Corporate Communication

Nicos Charalambous

BScEE, MEngEE, MBA

Vertical Markets

Nicos Georgiades

BScEE, MScEE, MBA

Senior Manager - Chief Financial Officer (by assignment until 30/6/2021)

Ioannis Koulias

BSc (Hons), MSc, MIEEE, MIET, CEng

CEO - Chief Financial Officer (by assignment from 1/7/2021)

Andreas Neocleous

MEngEE, PhD

Financial Resource Management

Costas Manouchos

FCCA

Financial Services

Antigone Modestou

FCCA, MBA

CEO - Chief Commercial Officer (by assignment)

Andreas Neocleous

MEngEE, PhD

Consumer Market Sales

Christos Limnatis

Dipl. Eng NTUA, MBA

Consumer Marketing

Petros Charalambous

MBA, BScEE (Hons), MScEE

Consumer Market Support

Natia Pieridou

BA Soc&Educ Psy (Hons), MScIR&PMgt

Cyta Business

Maria Damalou-Hadjigeorgiou

Bsc (Hons), FCA

Chief Technology and Informatics Officer – Senior Management

Chrysis Phiniotis

BScEE (Hons), MScEE

Security, Network and Services Operation

Kikis Kyriacou

BScEE (Summa Cum Laude), MScEE, MBA

Backbone Networks

Georgios Morphitis

BScEE (Distinction), MScEE, MBA

Networks and Service Delivery Platforms

Savvas Patsalides

BScEE, MScEE

Line Access Network & Technical Support

Georgios Malikides

Dipl. Eng NTUA, CEng, MBA

Information Technology

George Arestis

Dipl. Eng NTUA

Aeronautical Services

Andreas Onisifirou

BScBA, MBA

Human Resources*

Efy Christou-Pouri

BScEcon (Hons), MScIR&PMgt, MBA

Internal Audit*

Lia Vakis

BSc (Hons) CORS, MSc OR

Legal and Administrative Support*

Petros Hadjiantoniou

BSc (Hons), MSc

*Under the Chief Executive Officer



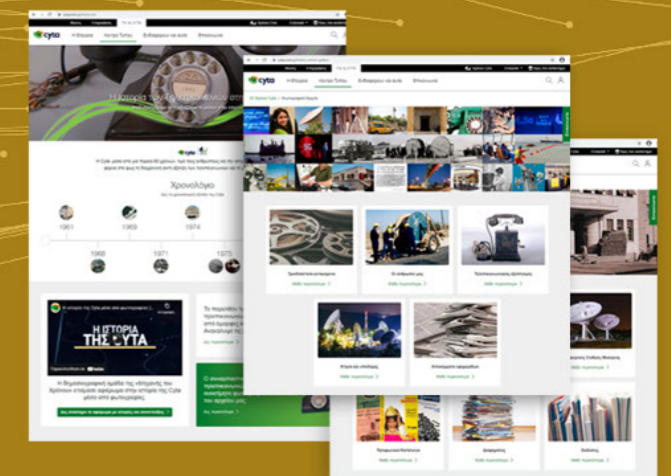
60 Years Cyta



60 ΧΡΟΝΙΑ YEARS

In 2021, Cyta completed 60 years of contributing to and supporting the Cyprus economy. This anniversary gave us an opportunity to look back at the most significant events in the Organisation's history, its impressive body of work and its direct association with the evolution of modern Cyprus and its people. Activities and events to mark the anniversary included the following:

- **An anniversary logo**, bearing the message "Tomorrow's communication, today".
- **The issuing of a commemorative postage stamp**, the design of which is based on an award-winning photograph by a retired member of the Organisation's staff, showing the landing of subsea cables in Larnaca in 1974.
- **A website dedicated to the History of Telecommunications in Cyprus**, a useful information and educational tool.
- **The publication of a dual-language Album**, detailing the 60-year history of Cyta. It is also available online as an e-book.
- **"Time Machine": A documentary about Cyta**. Through interviews with personnel and rigorous journalistic research, the documentary presents the landmark events in Cyta's history, together with those that impacted the history of Cyprus.
- **A Desk Calendar**, with photos from various eras of the Organisation's history. It was distributed through Cytashops.





Corporate Governance



Corporate governance

Board Of Directors

The Cyprus Telecommunications Authority (Cyta) is governed by a 9-member Board of Directors, the Members of which are appointed by the Council of Ministers for a 30-month term.

The Board is responsible for Cyta's smooth running and its long-term development and, as such, it approves the organisation's budget and strategy and monitors their strict implementation. More specifically, the Board is responsible for ensuring that Cyta maintains its overall functions which, as set out in the Telecommunications Services Law, are:

- to manage a good and adequate telecommunications service in the Republic of Cyprus for the Government, public organisations and the general public,
- to manage all the installations and equipment procured or to be procured by Cyta,
- to manage all Cyta's immovable assets and
- to promote, as far as is feasible, the development of telecommunications services in accordance with recognised international standards of practice and public demand.

Moreover, the Board is responsible for the implementation of all general directives issued by the State through the Minister of Finance (who is responsible for Cyta), while Members of the Board represent Cyta at conferences, in meetings and at other events.

The Chief Executive Officer (CEO) and a Secretary are appointed to the Authority, together with any other officials and employees required by the provisions of the Law. The CEO, as the Authority's most senior executive, is responsible for the implementation of its policy and for the management of its everyday activities and is bound by the directives issued to him by the Authority. Furthermore, the Board is entitled to transfer any of its powers or executive authority to any Member,

to the CEO or the Deputy CEO, or to Committees comprising Members of the Board and members of personnel.

To this end, the Board has set up a number of Permanent Committees, while for special issues it appoints Ad Hoc Committees. Permanent Committees, which the Board may, at its discretion, increase, reduce and/or modify, are the Audit Committee, the Personnel Committee, the Institutional Framework Committee, the Regulatory Compliance and Corporate Governance Committee, the Strategic Sustainable Development Committee, the Communication Committee and the Risk Management Committee. Additionally, Board members are on the Cyta Staff Pensions and Grants Scheme Management Committee and on the Cyta Permanent Monthly-Paid Staff Pensions & Grants Fund Management Committee.

Finally, the Members of the Board, together with the CEO, make up the Board of Directors of the Cyta subsidiary Digimed Communications Ltd.

Corporate Risk Management & Business Continuity

Our Organisation's corporate risk management system is based on the goals of the Corporate Strategic Plan and the aims of the various Departments and subsidiaries. The purpose of the system is to systematically identify, assess and manage all material risks to Cyta, so that it can achieve its goals and enhance risk awareness at a corporate level. Moreover, the risk management system assists with the early identification of opportunities, allowing us to take advantage of positive prospects that may arise from business activities or from changes to the overall local or international circumstances.

The individuals who are responsible for ensuring that the goals of our activities and projects are achieved and our resources are secure also hold

the responsibility for recognising, assessing and managing the corresponding risks. Although many risks are assessed at Departmental level, the depth of the evaluation is adapted to a corporate level, so that assessments are uniform and an objective prioritising of risk management resources can be put in place.

Being especially sensitive to ethical issues, we have taken steps to introduce an anti-corruption and anti-bribery system based on the ISO 37001 quality standard.

With a view to further strengthening our Organisation's resilience, we have reviewed the business continuity system, in accordance with the revised international standard ISO 22301, and our recovery strategies.

Internal Audit

The mission of the Internal Audit Department is to contribute to securing the Organisation's smooth operation by providing independent and objective confirmation, as well as advisory services to the Executive and Management, of the adequacy and effectiveness of its risk management activities, security safeguards and corporate governance, which are fundamental principles of business excellence.

The vision of the Internal Audit Department is to create value for the Organisation and help strengthen its performance through the quality of its work.

The key principles for the professional conducting of internal audits are compliance with the mandatory requirements of the International Institute of Internal Auditors and the adoption of International Standards and the Code of Ethics.

To ensure the Department's objectivity and independence, the Internal Audit Manager reports to the Audit Committee of the Board of Directors on operational issues and to the CEO on administrative matters, with the full support of the Organisation's Board and Management.

The Internal Audit Department is manned by personnel qualified in a broad range of specialist

areas and tremendous importance is placed on the regular training of internal auditors on issues pertaining to internal audits, technology and IT as well as more general topics concerning the Organisation's activities. A number of auditors in the Department have obtained professional qualifications such as Certified Internal Auditor (CIA) and Certified Control Risk Self Assessor (CRSA).

The Internal Audit Department, having strict responsibility for the confidentiality and protection of the Organisation's archives and data, has full, free and unrestricted access to any and all of the physical and digital documents belonging to Cyta and its subsidiaries, bearing in mind the relevant provisions of national law and of EU Regulation 2016/679 (GDPR) on the protection of personal data.

Audit Committee

The Audit Committee operates in accordance with the principles of Corporate Governance and is comprised exclusively of Members of Cyta's Board of Directors. As of 31 December 2021, the Committee consisted of Harris Millas (Chairman), Argyris Argyrou, Panayiotis Vasiliou and Leontios Philotheou.

According to its mandate, as contained in the Audit Committee's Constitution, which was revised in 2021, the Committee reviews, inter alia, the following issues:

- The Organisation's Financial Statements and the underlying accounting principles according to which they are prepared.
- The appointment and remuneration of External Auditors and the oversight of the effectiveness of the external audits, including an evaluation of their independence and objectivity.
- The adequacy and effectiveness of the Internal Control Systems within Cyta and its subsidiaries.
- The Annual Audit Programme and progress made on its implementation and reports prepared by the Internal Audit Department.
- The evaluation of the Internal Audit Department, as well as its proper and effective organisation, staffing and operation.



Corporate Sustainability and Responsibility



Corporate Sustainability and Responsibility



At Cyta, we believe in people and the power of communication, which is why we choose to act responsibly through CSR initiatives that improve the lives of everyone. With a focus on the main pillars of People and the Environment, we undertake projects that facilitate communication for all and aim at environmental protection.

Today's green transition is a natural continuation of our history.

In 2021, Cyta laid the foundations for the launch of its Sustainable Development strategy, which has become a key component of the Organisation's Vision and Mission. From 2022, Cyta will adopt an approach to its corporate results that balances profitability with the environment and society through contemporary ESG Reporting, while setting the target of a net zero carbon footprint for Cyta, in accordance with the international standards and timetable set by Europe.

Cyta aspires to lay the groundwork that will enable it to become a model public sector organisation in the coming years, one that acts on the principles of Sustainable Green Development for the benefit of every citizen of Cyprus.

On this issue, Cyta Chairman Michael Ioannides has stated: "Cyta is an organisation that is using its reserves, its people and its know-how to lead our

society into a new era. This is our goal: a digital, green and sustainable era with a robust Cyta creating infrastructure for all citizens; an era in which enterprise is all about people, our operations are all about the customer and our main concern is all about conserving resources for the coming generations."

Cyta's approach to Corporate Social Responsibility

The term Corporate Social Responsibility (CSR) refers to the actions taken by businesses with the aim of helping with environmental and social issues.

Businesses, which constitute an integral part of the society in which they operate, affect - and are affected by - events occurring in a particular time and place. Consequently, businesses have a duty to acknowledge their share of responsibility towards society and the environment. They must respect the principles and values that characterize our culture (i.e. respect for people - human dignity - and the provision of equal opportunities, respect for the environment and a desire to improve people's living standards and quality of life. For Cyta, CSR mainly concerns how responsibly it functions as an organisation in all its business activities and in its relationships with all those on whom it has an impact. Cyta acknowledges that it is an integral part of the society in which it operates and that, through its business activities, it can make a positive

contribution but it may also have a negative effect on it. It also recognises that CSR can be a source of innovation and contribute to the long-term sustainability and competitiveness of the Organisation, while benefiting all stakeholders - personnel, customers, partners and suppliers, society as a whole and the State, as its owner.

This approach to CSR was officially adopted, with the signing of the Sustainability Charter of the Association of European Telecommunications Network Operators (ETNO) in 2004, by which Cyta committed to providing products and services that offer significant environmental, social and economic benefits. It also made a commitment to integrate environmental, social and economic responsibility into its business activities, minimizing wherever possible any negative impacts arising from such activities. The Sustainability Charter was replaced by ETNO's Corporate Responsibility Charter in 2012.

Our objective is to implement the integrated management of CSR into the way the Organisation operates in all its activities, so that it is no longer a separate, isolated process.

Customers

The customer, as a primary stakeholder, is at the heart of the Organisation's business strategy and customer satisfaction is an important indicator of the effectiveness of this strategy.

Evaluating customer satisfaction

At Cyta, various practices are implemented for evaluating and maintaining customer satisfaction. Customer surveys are carried out to measure customer satisfaction at every point of contact, i.e. in Cytashops, with Partners, Technical Customer Support (TCS) Crews, the Customer Contact Centre and the Complaints Management service. These surveys are carried out via telephone interviews with customers with recent experience at each point of contact.

Statistics are gathered monthly and the results are collated every quarter.

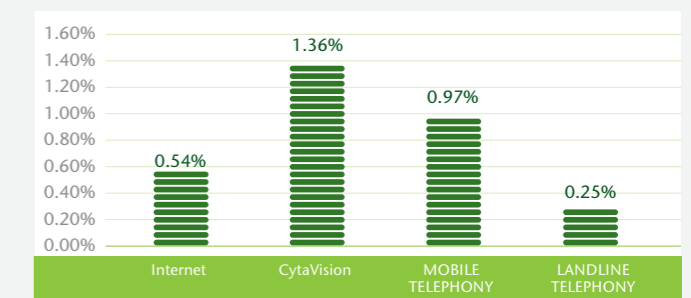
Additionally, surveys are carried out at Cytashops using the Mystery Shopper method to monitor customer service procedures. Regarding business customers, surveys are carried out to measure their level of satisfaction with the service provided. This survey is carried out once a year through personal visits to business customers.

Mechanisms giving customers the opportunity to comment

Cyta views any complaints submitted by customers as extremely useful information and their careful examination is considered an essential component of continuous improvement. The ultimate aim is to align the services provided with the constantly increasing demands of customers and their experience, which the Organisation manages with full awareness of its responsibility towards them.

Cyta's Customers can make comments or submit complaints, (a) online via the website, (b) in person by visiting any Cytashop, (c) by telephone with a call to the Customer Contact Centre or (d) by mail. Comments, thanks and complaints are entered into the electronic complaints system.

Complaints average per service



Using social networks for customer support

Social networking applications are being used to develop additional and more modern channels of communication with customers. Customers can be served through various social media platforms, such as Facebook, Twitter, etc. This means that customers who choose to contact Cyta through social networks are served without having to wait in line and, at the same time, the replies provided by Cyta are permanently available to the whole community of users.

Smartphone apps

Λαμβάνοντας υπόψη τις εξελίξεις στον τομέα της Fully aware of the rapid changes in technology and the constant development of new services and apps with which smartphone users can directly satisfy their needs, Cyta has created various apps that carry out specific tasks and make for an easier Internet experience.

CytaInfo+

CytaInfo+ is an app which provides constant and immediate assistance to users. With it, they can find the programme schedule and information on all the Cytavision channels and organise their favourite channels and movies. They can also locate the nearest Cytashop and Cytanet Wi-Fi Hotspot. At the same time, the app keeps them informed with tips from Cyta's Twitter account (@cytasupport), Frequently Asked Questions from Cyta's various contact points and lets them visit the Cyta Forum to resolve any queries with the help of the Organisation's experienced personnel. Users can also receive information about special offers and other Cyta news

selfCare

selfCare lets users manage their account and services easily and fast on their smartphone. The app is available to all RED subscribers and those using soeasy by Cytamobile-Vodafone.

Among the facilities it provides are monitoring of one's account, text message (SMS) usage, talk time and Mobile Internet, managing services such as activating Missed Call Notification, cybee goal alerts, information on RED plans, the latest smartphone special offers, easy location of the nearest Cytashop, simple soeasy top-up and redeeming of soeasy rewards, etc.

Cytavision Go

Cytavision subscribers can now enjoy the service everywhere, in the car, on a trip and even when abroad. Some 40 channels are available on their smartphone, tablet or laptop/desktop, including Cytavision Sports, depending on their viewing package.

Tel OntheGo

Tel OntheGo is an app that lets subscribers use their fixed telephone number everywhere. It is compatible with PCs, smartphones and tablets operating with Android, iOS and Windows.



Responsibility for products and services

Cyta, as a responsible organisation, takes full responsibility for its products and services, stays up to date on any issues that may arise and promotes their responsible use, while protecting its customers from possible threats. Some examples are its activities to promote safe Internet use, especially among the vulnerable child population, fighting bullying in schools, discouraging mobile phone use while driving and the recycling of telephone equipment.

Safe Internet

Since 2001, Cytanet has been giving presentations in primary, secondary and technical schools, as well as in private schools. Three separate programmes are offered on "The Internet: A Tool for All", "Cyberbullying" and "Social Media in our Lives: How to Protect Ourselves".

Through these presentations, pupils have a chance to get to know the main available online services and the advantages and weaknesses of the Internet, as well as to learn about new online applications in their daily lives. The main emphasis is placed on the threats and pitfalls that pupils may encounter while browsing the Internet and on practical ways of dealing with such dangers.

Since 2001, some 1,527 visits have been made to schools and more than 165,000 pupils and teachers have attended the presentations.

At the same time, wishing to educate as many parents as possible about the Internet and its safe use, in conjunction with the Pancyprian School for Parents, Parents Associations and head teachers and with the support of the Ministry of Education, Culture, Sport & Youth, Cyta offers an educational programme entitled "The Internet in our Children's lives - Safe and Responsible Use". The programme is aimed primarily at parents but also at bodies involved in children's education.

In the presentations, particular mention is made of the Safe Internet service, which protects children from illegal, undesirable and harmful online content, and the safeMobile parental monitoring solution. Both services are provided free by Cyta. The seminars are open to parents in all towns, through the Parents Association of their children's school.

Safe Internet for Home

Safe Internet for Home protects children from viewing undesirable online content on any device connected to the Internet via Internet Home. Such devices include laptops tablets, smartphones, games consoles, smart TVs and more, which are connected to the Internet.

Through this service, Cyta provides parents with an effective tool that allows them to offer their children the pleasure of learning, communication and entertainment in a safe and secure online environment.

«Cleanfeed»

With the aim of protecting customers from illegal Internet content, Cyta has implemented a special protection system, widely known as Cleanfeed. This system blocks access to websites with content that is illegal under Cypriot law. With the introduction of this special system, all Cytanet customers have "clean" Internet access.

«Safe Web»

SafeWeb is a service offered by Cyta with its Internet Home services, which reinforces its customers' security when browsing the Internet. SafeWeb covers the entire Internet connection and any connected device, preventing access to malicious websites, which:

- are designed to infect devices with malware and viruses
- aim to steal personal information, financial data and personal passwords.

Mobile and fixed phone recycling programme

Cyta's programme for the recycling of mobile and fixed telephones and their related accessories began in 2010 and was the first of its kind in Cyprus. The aim of the programme is primarily to protect the environment and public health from uncontrolled dumping as well as to raise public awareness of, and participation in, recycling.

The programme encourages customers and the general public to return mobile and fixed phones that they no longer need by placing them in recycling bins specially designed by Cyta in Cytashops, at the Cyta Support Centre or Cyta's Head Offices in Nicosia. Additionally, from time to

time, collection bins for telephones and accessories are installed at events organised by other bodies, schools and companies.

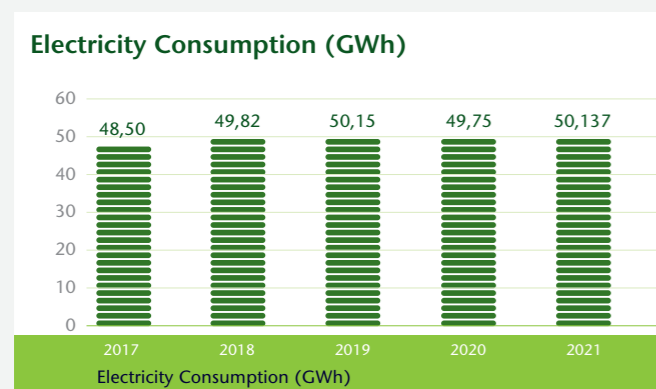
Environment

At Cyta, we strive to keep the environmental impact of our business activities down to the minimum. We are committed to offering products and services that contribute to sustainable development and minimize any negative effect on the environment.

The most significant environmental aspects of Cyta’s operations, products and services are the use of energy, in the form of electricity and fuel, the production of waste - mainly electric and electronic waste - and the consumption of other resources such as paper and water.

Electricity consumption

Cyta uses electricity to power its telecommunications equipment, as well as to control the temperature in those areas where it is installed (around 70%) and to power its offices. Even though the need to power telecommunications equipment is growing, due to the expansion of our activities, in 2021, through coordinated efforts, we succeeded in maintaining electricity consumption at its 2020 level.

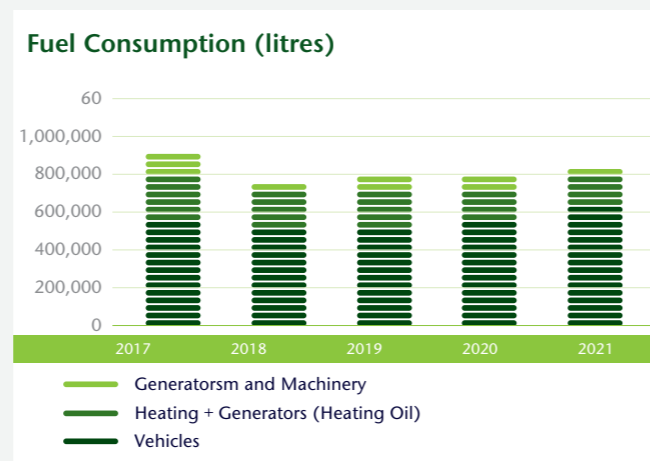


Fuel consumption

Fuel is used at Cyta by its fleet of vehicles, for the heating of offices, for generators and various other types of equipment. Since 2012, activities have been promoted for reducing fuel consumption through

the reorganisation and reduction of the vehicle fleet, the renewal of the fleet with more energy-efficient vehicles and the implementation of a telematics vehicle fleet management system. Specifically, in the context of restructuring the Cyta fleet, significant efforts were made to reduce the number of vehicles through the creation of a Common Use Vehicles Group in more buildings, apart from our Head Offices where this institution was already in operation. At the same time, a redistribution of vehicles took place so that the most energy-intensive and older ones could be withdrawn from service.

As regards generators and machinery, in 2021 the number of mobile telephony base stations with 24-hour support of generators was reduced and this led to a decrease in fuel consumption.



Paper consumption: Customer bills

With the aim of reducing the consumption of resources, the mailing of itemised bills for Fixed Telephony and Cytamobile-Vodafone Mobile Telephony was discontinued in November 2011.

This initiative was warmly embraced by customers and thus led to a substantial saving of the amount of paper required for the printing and mailing of itemised bills. From 2014 to 2018, a total of some 16 tons of paper was saved, while in 2019, in the context of its environmental policy, Cyta introduced the single bill for all its customers. Specifically, all residential customers who previously received a

separate bill for each service now receive a single bill combining all their services.

The aim of this action was to further reduce paper consumption, given that tonnes of paper were used in the printing and posting of bills every year.

For even greater savings of paper, Cyta encourages its customers to visit its website www.cyta.com and register with the electronic invoicing service, which provides additional benefits, such as immediate information and easy access to online copies of bills, receiving and/or printing them as well as their online storage for 24 months.

Paper consumption: Telephone Directories

Since ending the printing of the Telephone Directory in 2017, Cyta also stopped printing the Yellow Pages in 2018. It is now available online. This decision as led to the saving of some 23 tons of paper per year.

In-house campaign to reduce paper consumption

Among various other actions, Cyta has given top priority to the reduction of paper usage within the Organisation, encouraging its personnel to become more aware and to make the concept of the paperless office a part of their daily lives. Among the actions implemented are:

- The launch of an Online Document Filing and Meeting Scheduling System in October 2021
- Computers set to automatically print on both sides of paper
- The use of e-mail for the forwarding of documents (memoranda, circulars, etc.)
- Electronic filing
- The avoidance of printing documents sent by e-mail unless absolutely essential
- The withdrawal of old printers from service and their replacement with new technology/ smart machines

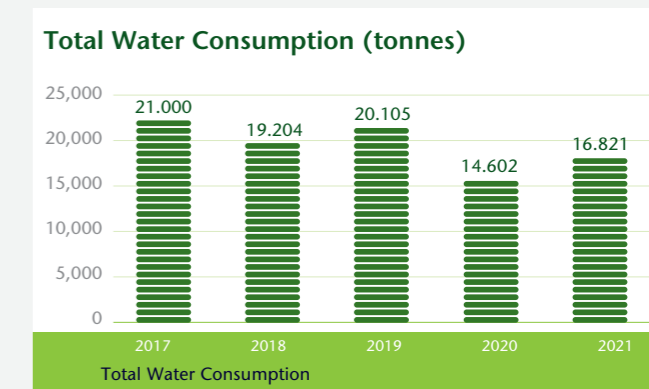
All the above actions, combined with remote working, which was applied across the Organisation

from the outbreak of the pandemic in 2020, have significantly reduced the use of paper. Specifically, the amount of A4 size paper fell by around 37% and of A3 size by 65%, compared to previous years.

Water consumption

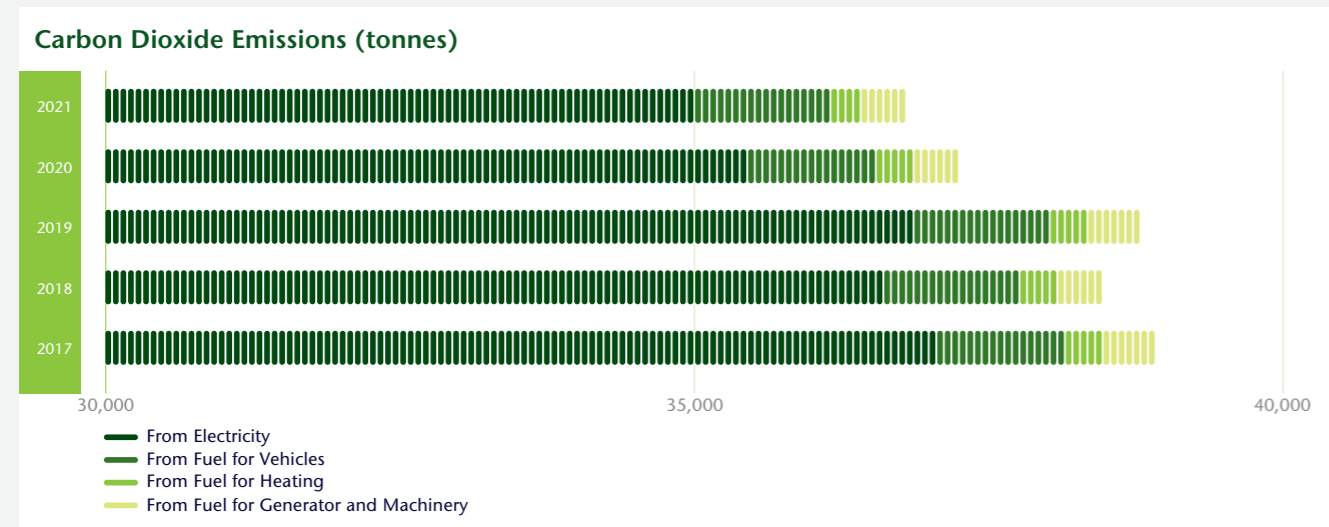
Cyta does not consume enormous amounts of water since its use is precisely the same as domestic use, i.e. in restrooms, canteens and gardens. However, water consumption is seen as an important aspect of the Organisation’s environmental impact since the country frequently suffers from drought. For this reason, Cyta has long promoted various measures that aim to save this precious resource. These include using water from boreholes (where they exist) for the watering of gardens, placing water-saving filters on taps, using dual-flush toilets and automatic flushing sensors.

The increase in water consumption in 2021 over the 2020 amount was due to leaks, which, thanks to the coordinated efforts of the responsible department, were identified and repaired, while a nationwide reduction in costs of over 25% was achieved.



Carbon Dioxide emissions

Carbon dioxide (CO2) emissions are caused either directly, by the burning of fossil fuels by Cyta’s fleet of vehicles, for heating its buildings, by generators and other equipment, or indirectly, through the use of fossil fuels that generate the electricity that it consumes.



Waste management and the verification of Cyta as an organisation achieving Zero Waste to Landfill

The reduction, re-use and recycling of waste is one of the commitments of Cyta’s environmental policy. In 2016, Cyta was the first organisation in Cyprus to register Zero Waste to Landfill. In 2021, for the 6th successive year, it again obtained Zero Waste to Landfill verification and remains the only organisation to with almost no waste being sent to landfill and 98.6% of waste being recycled/re-used (verified by TUV Austria).

Cyta’s waste includes electrical and electronic equipment, paper, plastic, cables, batteries, vehicles, organic waste, telephone poles, ink cartridges, tyres, wood, etc., all of which is recycled or re-used, thanks to the awareness and proper training of its personnel.

Diverting waste from landfills results in cost savings and lowers its environmental impact. It also provides a means of demonstrating our environmental achievements. A “zero waste to landfill” policy helps an organisation reach its sustainability targets, improves its current processes and financial performance, strengthens its corporate image and reduces its legal exposure to risks arising from its direct or indirect link to hazardous waste.

“Zero Waste to Landfill” verification is achieved when an organisation recycles more than 95% of its

waste. In fact, despite its size and the broad range of its activities, thanks to its long-term environmentally friendly policy, Cyta has succeeded in recycling 98.6% of the waste produced from its activities and, as a result, it sends only 1.40% of its waste to landfill sites.

Cyta’s unwavering goal is to further reduce the amount of its unrecycled waste.

Furthermore, across its sales network and in its administrative offices, Cyta operates a programme for the recycling and re-use of mobile and fixed phones and accessories, while used household batteries are collected from the public and our personnel, and taken for recycling by Afis Cyprus Ltd.

Cyta’s obligations regarding the reduction, re-use and recycling of waste stem from the Framework Directive on Waste (2008/98), where prevention, re-use and recycling top the waste management pyramid and landfill is seen as the last resort. Waste reduction is an indicator of the sustainability of the economy and society and is linked to the change in the consumer model and to cyclical economy.

Cyta’s Environmental Corners

Since 2016, there has been a model Environmental Corner at Cyta’s head offices in Nicosia, which contains recycling bins of all types and serves the

Organisation’s personnel. They can be used for recycling waste such as glass, paper, PMD, cooking oil, clothing, electrical and electronic devices, plastic bottle caps, batteries, light bulbs and medicines. The Environmental Corner was created in the context Cyta’s of Corporate Social Responsibility principles and its policy of protecting the environment. On the basis of these principles, Cyta makes a conscious effort to avoid creating a negative environmental impact by providing environmentally friendly services that contribute to sustainable development and by minimizing the negative effects of its operations on the environment.

In 2021, following the success of the model Environmental Corner at the head offices in Nicosia, Cyta proceeded to create five new Environmental Corners at its main offices in all districts, enabling most of its personnel to easily recycle their own waste.

Green Offices

In 2021, for the fifth consecutive year, Cyta obtained Green Offices quality certification for all its Cytashops and all its manned buildings in Cyprus.

Green Offices is a pioneering badge of environmental quality for buildings and offices. Certification requires the implementation and maintenance of strict criteria on electricity and water consumption, waste management, the use of environmentally friendly personal hygiene products and detergents, the quality of food and drink, the transformation of free spaces into green areas, and environmental education.

The programme is managed by th Cyprus Marine Environment Protection Association (CYMEPA) under the auspices of the Commissioner for the Environment.

Supporting the “Earth Hour” campaign

In the context of Cyta’s longstanding policy of protecting the environment and systematically acting to save energy, we again participated in the iconic global “Earth Hour” initiative. Cyta added its voice



to that of millions of people, bodies, businesses and monuments around the world, calling upon its personnel and the public to switch off their lights from 8:30pm to 9:30pm on Saturday, 27 March 2021, as a message about the need to protect the planet.

Cyta participates in the “Let’s Do It! Cyprus 2021” cleanup campaign

The Together Cyprus network of volunteers, in conjunction with the Office of the Commissioner for Volunteerism & NGOs and the Office of the Commissioner for the Environment, organised the annual islandwide “Let’s Do It! Cyprus 2021” cleanup campaign during the last week of October.

The aim of the campaign is to raise public awareness of issues concerning the protection, maintenance and sustainable management of the terrestrial and marine environments.

Due to the particular circumstances imposed by the coronavirus pandemic, Cyta’s participation in 2021 was restricted to the uploading of messages of support for the activity on social media.

Protecting Biodiversity

Cyta considers it important that measures be taken to protect biodiversity, since this is included in the UN Sustainable Development Goals, specifically in sub-paragraph 15.5, which refers to the need to: *“Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.”*

With this in mind, and aware of the fact that a large number of global scientific studies have shown that biodiversity supports sustainable growth and that coordinated policies are required to deal with global challenges, Cyta decided that one of its most important efforts would be aimed at improving the protection of biodiversity in Cyprus. It was in this context that, in 2018, Cyta became the first Strategic Partner of the Cyprus Forest Association (CFA).

1. Protection of bats

Since bats rely on echo-location to find food and for other essential functions, and they emit sound waves similar to those of mobile phone masts, the installation and use of such masts appears to affect their activities. Specifically, the placement and operation of the masts, while not affecting the bats’ health, forces them to distance themselves from areas in which masts are located.

For this reason, Cyta collaborated with the CFA on the following:

- a. Installation of an online camera in a cave that is a shelter for one of the rarest cave-dwelling bat species in Cyprus and Europe.
- b. Restoration of an abandoned mine tunnel in the Troodos National Forest Park, which will serve as shelter for bats some 30 years after it collapsed.
- c. Funding of the building of 35 bat boxes, to be placed in various selected locations.

2. Tree planting

Additionally, to further upgrade and protect biodiversity on the island, a strategic cooperation agreement was signed with the Greenng Cyprus initiative (CFA, Commissioner for Volunteerism,

Commissioner for the Environment, Department of Forests) for the annual planting of a number trees in various villages, forest areas, etc., representing 10% of new Cytavision subscriptions. In other words, for every 10 new subscriptions, Cyta plants a tree, thus contributing to reduction of its carbon footprint.

Additionally, in 2021, Cyta funded the creation of a bee sanctuary in conjunction with the CFA.

3. Protection of swifts

In conjunction with BirdLife Cyprus, Cyta proceeded to take measures for the protection of the common swift (the numbers of which have fallen by 70% in Cyprus), with the placement of special nest boxes containing 30 nests in Cyta buildings to attract these birds and increase their numbers.

ACHIEVEMENTS

“Gold Environmental Protector Award 2021”

Cyta gained further recognition for its environmental management activities when it won – for the fourth consecutive year – the Gold Environmental Protector Award at the 2021 Cyprus Environmental Awards for organisations and businesses.

The Gold Environment Protector Award is the competition’s most important environmental award in Cyprus and is given to businesses or organisations which manage environmental issues as an integral part of their operating policy, by establishing practices and actions that protect the natural environment, reduce consumption of natural resources and support local environmental bodies.

Cyta’s involvement in environmental issues takes place in the context of its Corporate Social Responsibility-led activities.

The competition is organised by the Cyprus Centre for Environmental Research and Education (CYCERE) of the Metropolis of Limassol in conjunction with the Office of the Commissioner for the Environment, the Cyprus University of Technology, the Employers & Industrialists Federation, the Association of Cyprus Tourist Enterprises, BPW Limassol and Together Cyprus.



First Prize in the Large Enterprises category in the Good Practices for Corporate Social Responsibility (CSR) and Sustainability Awards

Cyta had submitted an entry entitled “Cyta - The 1st Strategic Partner of the Cyprus Forest Association for upgrading the protection of biodiversity in Cyprus”.

The competition was organised by CSR Cyprus, in association with the Cooperative Societies Service.

Society

Cyta recognizes that it is an integral part of the society in which it operates and with which there is a mutual influence and involvement. As a public benefit organisation, it was established to serve society and, for more than five decades, it has made a huge contribution to the development of Cypriot society and the economy.

In addition to its direct impact on society, through the provision of electronic communications products to its customers, employment to its personnel, the procurement of products and services from its suppliers and through the payment of a dividend and taxes to the State, Cyta supports broader society in a multiplicity of ways and at every opportunity. Below are some of the most important

ways in which we supported society in 2021 and, in particular, the actions we took to deal with the negative impact of the COVID-19 pandemic.

Actions taken during the COVID-19 pandemic

During both the first and second wave of the pandemic, Cyta activated all its CSR mechanisms. It made use of the capabilities of a broad range of its services and, through their beneficial impact, succeeded in making a positive contribution to the efforts aimed at combating the pandemic, by supporting, among others, innovative actions to deal with the impact of COVID-19.

The main concern and challenge for the Organisation was business continuity, which it achieved by giving access to its personnel that enabled remote working, thus ensuring the uninterrupted provision of services to customers.

Occupational Health Centre

Regarding the Health & Welfare of our own personnel, the Occupational Health Centre continued to provide primary healthcare services and consultations for every interested employee in 2021. Furthermore, through the Centre, preventive medicine programmes were implemented, aimed at targeted groups or all personnel.

Cyta and Road Safety

For the 18th consecutive year, Cyta continued to hold special road safety seminars for all new conscripts in the National Guard. In 2021, given the particular circumstances arising from the pandemic, the conscripts received the relevant training once they had been allocated to their specific units.

At the same time, after the lifting of restrictions imposed to prevent the spread of COVID-19, road safety seminars continued at army camps across the island, where all the required measures were strictly observed.

These seminars have been organised by Cyta since 2004, in close cooperation with the Ministry of Defence and the General Staff of the National Guard and are conducted by APA Roadsafety Consultants Ltd. They are part of Cyta’s overall activities aimed at cultivating road safety awareness among young people through special training, confirming its sensitivity to the important issue of road safety and its commitment to the European Road Safety Charter (ERSC). They also support the efforts of the competent bodies in Cyprus aimed at preventing fatal traffic accidents, especially those involving young people.

Moreover, as regards its responsibility as an employer and a significant road user, Cyta remained true to its aim of minimising accidents involving its own service vehicles and continued to invest in the

training of its own employees and in the safety of its service vehicles.

Regarding its fleet in particular, it should be noted that Cyta ensures that all the vehicles it purchases are not only fully compliant with EU specifications but feature every available passive and active safety system. All vehicles undergo preventive maintenance, thereby ensuring the highest levels of protection not only for our staff but for every road user.

Additionally, Cyta participates in and supports various programmes organised by responsible bodies and social partners with the aim of reducing the number of traffic accidents in Cyprus.

Solidarity actions - Marilena and Joey

At Christmas 2021, a number of boxes were placed inside all Cytashops, containing smartphone accessories that were no longer being sold but were still usable, and these were offered for a symbolic price of €3 and later for €1. The entire amount of every purchase was used to continue training Joey as an Assistance Dog for Marilena, a young woman who has suffered from epileptic seizures from a young age.

Given that Cyta deals with communication, this action was linked to its social contribution in the context of the principles of Sustainable Development and focused on the issue of accessibility, as experienced by Marilena and Joey.



Ανακυκλώνουμε 97% των αποβλήτων μας, γιατί νοιαζόμαστε!

1^{ος} οργανισμός στην Κύπρο με Επαλήθευση **ZERO WASTE TO LANDFILL**

Ο Joey εκπαιδεύεται να γίνει Σκύλος-Βοηθός

Όλα τα έσοδα από την πώληση των αξεσουάρ, θα δοθούν για να συνεχιστεί την εκπαίδευση του ο Joey, να γίνει Σκύλος-Βοηθός για τη νεαρή Μαρλένα. ...γιατί η επικοινωνία είναι διαφορά!

Όσα αξεσουάρ απέμειναν τώρα μόνο €1

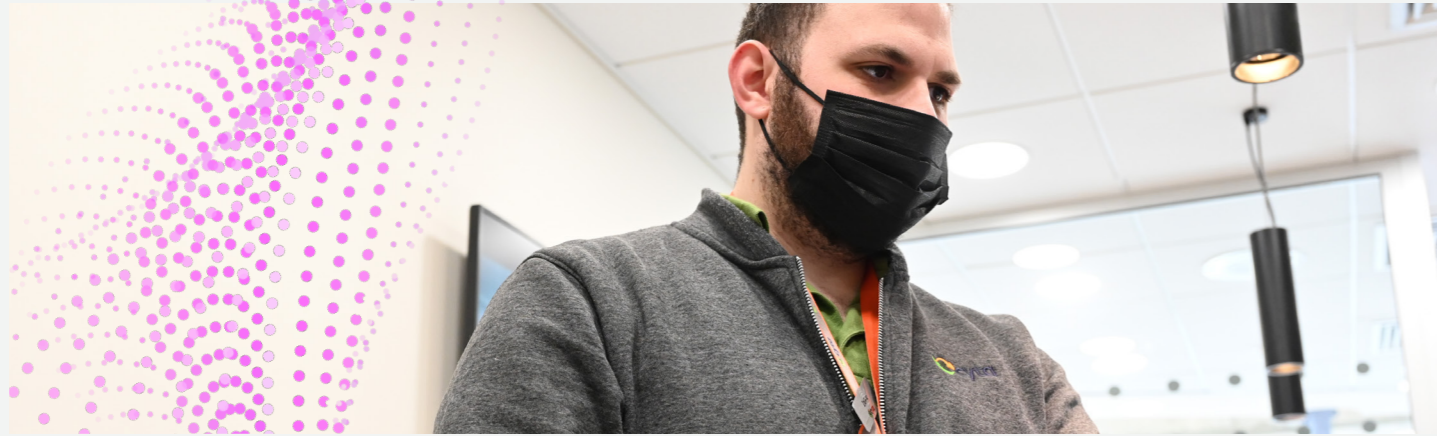
cyta



Management



Management



Inspections were also carried out on technical crews to check that all safety regulations and processes were being implemented, as well as the measures being taken to halt the spread of COVID-19. The crews of contractors appointed by Cyta to undertake certain work were also inspected to monitor the

Training focused on issues concerning technology, IT systems, social networks, network and service security and customer service. At the same time, training sessions were held to reinforce our personnel's knowledge of issues including "First



Personnel Health, Safety & Welfare

2021, like the previous year, was quite extraordinary regarding personnel health, safety and welfare. Managing the COVID-19 pandemic took up a considerable amount of the Department's work, with the main goal being to ensure the health, safety and welfare of Cyta's personnel under pandemic conditions. This was achieved through the strict monitoring and implementation of Ministry of Health decrees, regulations and directives, the provision of immediate and coherent information to personnel, the management of new cases and contact tracing, regular testing to ensure the safety of all employees, and the totally successful adoption of remote working. As soon as the pandemic began, our Organisation managed to switch every member of staff (whose duties did not require their physical presence in the workplace) to remote working from home with a full toolkit and access to the Organisation's intranet.

Moreover, during the first four months of the year, we continued to implement a rapid test schedule for frontline staff.

At the same time, programmes were implemented to support members of staff testing positive for COVID-19, including the funding of sessions with a psychologist and the conducting of a series of workshops on mental resilience during the pandemic, in which some 400 employees participated.

At the same time, we organised remote cultural events for members of staff as well as voluntary blood drives, during which all Ministry of Health guidelines were strictly implemented. Moreover, prizes and scholarships were awarded to outstanding students of employees' families and we sponsored the annual subscription to the Cyprus Theatre Organisation for all interested employees and pensioners.

The Occupational Health Centre continued its successful operation in 2021, conducting medical examinations in relation to the suitability of new employees for carrying out specific duties before recruitment and providing primary healthcare services to members of staff.

In 2021, we continued to implement work/life balance programmes, such as staff social and financial support schemes. The trial implementation of the new concept of remote working continued, offering monitored remote working as an option to those employees considered eligible by the Management.

Regarding personnel safety, inspections were conducted on all the Organisation's staffed and non-staffed buildings and premises, during which risks were assessed and reports were submitted to the relevant departments. In this context, top priority was given to the monitoring of measures taken to combat COVID-19, especially on all premises where positive cases had been identified.

implementation of their key obligations regarding the safety of their staff, the correct use of Personal Protective Equipment (PPE) and the required marking of the site in accordance with the relevant Regulation.

In 2021, Safety Committees were formed for each building, as required by the relevant legislation, on the basis on procedures approved by the leadership of the Organisation in conjunction with the staff unions. Specifically, 21 safety committees were set up, each one headed by a Chair appointed by the CEO. The tendering process is now under way for the provision of the training mandated by law of the Safety Committee members so that the Committees can begin functioning in the context of their responsibilities.

Training and Development

In the context of our policy of encouraging life-long learning and the systematic development of our employees, in 2021 we continued to provide many and varied opportunities for training, development and learning, funding employees' participation in training schemes and certification programmes in Cyprus and abroad for the development of their knowledge, skills and personal competencies.

The percentage of personnel participating in training programmes in 2021 was 63%, with the corporate index of training hours per employee reaching 4.76, while HR Development as a percentage of payroll was 1.46%.

Aid in the Workplace", "Teamwork" and "Developing Leadership Skills and Personnel Management".

Finally, emphasis was placed on the recruitment of both permanent and hourly-paid employees and, in collaboration with all the Departments of the Organisation, an induction programme was prepared to inform them about important issues and Cyta's services. A specialized training programme was subsequently coordinated by the Department in which each individual employee had been placed. The objective was to provide new recruits with all the required information and knowledge before they began their new job, in order to secure their smooth entry into the Organisation.

In addition to traditional forms of education/development/learning, we continue to design and promote other forms such as in-house training, online training/learning and specialist certification in technical and non-technical issues. Due to the pandemic and the unprecedented circumstances it had brought about, special emphasis was given to online training/learning, which covered a good number of training requirements.

The measures taken in view of the COVID-19 pandemic provided an opportunity to promote and make greater use of online training. The Organisation's people adapted rapidly to the new reality.

Management

At the same time, we promote better quality in how in-house training is provided by members of the Organisation working in various units, through official certification by the Human Resource Development Authority of Cyprus, in accordance with European standards.

We focus on achieving the Organisation's goals through a multi-faceted approach, based on the systematic and conscious recognition, retention, dissemination, optimum use and development of the knowledge that exists within Cyta.

Industrial Relations

Maintaining good industrial relations through regular meetings with the trade unions was a crucial factor in Cyta's success during the year under review, to which all involved parties contributed with mutually agreed solutions that were applied to various internal problems that arose.

Recruitment

In 2021, permanent staff vacancies were filled by 11 C-class technicians, three C-class technicians (IT) five Engineers, three IT officers and six IT officers (Systems, Network and Data Security).

At the same time, vacancies were advertised for hourly-paid Sales Assistants, Call Centre Assistants and Technical Assistants. A total of 1,548 applications were received from 1,262 applicants. Candidates were first asked to sit an online written exam, after which the 200 gaining the highest marks for each position were invited to take part in the next stage of the process, which included an interview, a role-playing exercise and a technical exam (for those applying for the position of Technical Assistant). The evaluation process was completed in December 2021 and a list was drawn up of the successful candidates for each vacancy. Recruitment took place throughout the year on the basis of the existing list of successful applicants for the positions of Sales Assistants, Call Centre Assistants and Technical Assistants as needs arose. Following the creation of the new lists, in instances where the existing lists had been exhausted and could no longer fulfil the need for hourly-paid personnel, the new lists of successful candidates were used.

Voluntary Redundancy Scheme

In the framework of its efforts to reduce its operating

expenses, including payroll, and, more broadly, to reorganise and modernise the Organisation, Cyta started implementing a Voluntary Redundancy Scheme (VRS) at the end of 2019 and it was completed in 2021. The VRS is an essential tool that will enable the Organisation to achieve its strategic aims, including improving its financial results, which are affected to a great extent by operating expenses and labour costs. The Organisation's strategic goals also include improving customer service and changing its corporate culture, both of which are linked to the need to renew its personnel (regarding both age and familiarity with technology).

Hourly-paid Staff

A change to the General Staff Regulations was promoted, by which hourly-paid staff may be transferred through a change of status, thus offering new opportunities to employees while giving the Organisation greater flexibility in staff usage as and where needs arise.

Performance Management

2021 marked the end of the first year of operation of Cyta's new performance management system.

The main feature of the new system was the assumption of responsibility at all levels for the identification and evaluation of specific measurable and ambitious targets and the assessment of the personal competencies required to achieve them. In 2021, the new system was implemented throughout the Organisation (permanent and monthly-paid personnel) and it made a crucial contribution to the achievement and recording of positive results: a financial upturn and high profitability, despite the pandemic.

The leadership played an active role at all stages of the project, devoting considerable time and effort to ensure that it involved every employee. They succeeded in convincing the staff that a substantial performance evaluation, far removed from the past practice of automatically giving top grades to everyone but based on measurable goals and people who make the proper use of constantly evolving technology and processes, is essential for an Organisation that wishes to be a market leader.

In 2021, performance management was discussed widely in regular cohesion meetings of the Management Team. In this way, through transparency, trust was built and it was possible



to successfully align the implementation and objectivity of the evaluations as well as the overall way in which staff performance is recorded through transparent and fair procedures.

Communication Policy

Cyta has built one of the strongest and most recognizable brands in Cyprus.

In a dynamic and fiercely competitive environment, it has always maintained its value at a high level as the biggest technology organisation in the country, with all the necessary infrastructure, services, know-how and expertise, and through its provision of holistic solutions.

Cyta has always been – and still is – present during the most important events in the country's history, as well as in the big and small moments of our personal lives, ensuring our communication, education, information, entrepreneurship and entertainment.

2021 was certainly a major milestone for Cyta: new networks, new services, significant achievements for the Organisation and for Cyprus. Greater demands. Greater expectations, creating new possibilities.

Cyta is looking ahead to the future of communications and opening up new pathways to growth. With a vision of the digital and green transition, we are also adapting as necessary the pillars of our communications strategy, with the main goal of safeguarding our relationship of trust with our customers and all the citizens of Cyprus.

At the same time, with communications crisis management an integral part of our communications policy, we implement modern, effective processes for dealing with potential crises at a communication level with the contribution of the Organisation's Management and Board.

Despite the challenges we faced throughout 2021

due to the pandemic, we implemented our plans for projects that constantly improve our internal and external communications.

With the aim of implementing integrated brand management, we undertook improvement works, infrastructure projects and communication activities to achieve the Organisation's goals.

Tomorrow's challenges and opportunities are determined by today's decisions, taken in highly complex and increasingly competitive circumstances. For this reason, we shall continue to strengthen our brand, thereby ensuring the continuation of our Organisation's successful journey and investing in maintaining our longstanding relationship of trust with society.

Social Media

The Organisation's Social Media accounts on all the most popular platforms are a benchmark. Cyta maintains a dynamic presence, which is improving constantly, and includes the following accounts:

- Facebook: cytaofficial, cytamobile and soeay
- Twitter: @cytasupport and @cytacyprus
- Instagram: @cytacyprus, @cytamobile_vodafone
- LinkedIn: cyta, cytaglobal
- YouTube: cytacyprus, cytamobile, cytasupport and cytavisionsports

Keeping up with the trends of the times, Cyta uses its dynamic presence on social media to provide customers with a continuous flow of information about new services, products and the latest special offers, through digital campaigns, events and competitions, and to be a channel of interactive communication with its customers. In 2021, for the first time, social media was used for the presentation of the new 5G network by the CEO of Cyta via live streaming on Facebook and YouTube.

For the better management of its online presence, through Social Listening and the use of specialist



platforms, it monitors any online references to Cyta and its sub-brands as well as to its competitors. In this way, it is able to identify potential issues that may arise and deal with them at once, as well as to gain a better understanding of what people feel about Cyta and its services.

In addition to the above, Cyta worked for another year in partnership with the non-profit organisation Junior Achievement (JA) Cyprus, thereby supporting student entrepreneurship and the promotion of an innovation culture among the young people of Cyprus. In this context, training was instituted for students taking part in the JA Cyprus 'Student Company of the Year' competition on issues pertaining to social media and how student entrepreneurs can use social media to promote their company's products and services.

The above activities contribute to the creation of the optimum online presence for Cyta, through the provision of information and news, interactive communication, improved service to customers and the public and the best possible, easily accessible customer assistance. Overall, these help the Organisation maintain and boost its positive image.

Quality and Business Excellence

The entire Organisation is certified to ISO9001, while Cyta's Data Centres have obtained ISO27001 (Data Centres - Information Security Management) certification. We consider it a major success to have extended the ISO18295 (Customer Contact Centre Management) of the 132 Customer Contact Centre to cover all the Organisation's customer service centres.

Cyta's Aeronautical Services Department remains at the cutting edge, having been certified by the National Supervisory Authority of the Department of Civil Aviation as a Communications, Navigation and Surveillance service provider, in accordance with the provisions of Regulation EU 2017/373.

In the framework of continuous improvement, on Cyta's initiative a highly successful conference, attended by companies and organisations, took place in November, dealing with the exchange of best practices around issues of quality system management.

Strategy

In 2021, Cyta proceeded to determine a new strategic direction, in the light of the Organisation's new priorities, arising from the rapid developments in its particular areas of activity, market trends and emerging new technologies, on the basis of which the three-year Corporate Business Plan 2022-2024 will be implemented.

In accordance with its vision and mission, Cyta employs a modern and flexible business planning model, aiming at the preparation and effective implementation of the Corporate Business Plan and the maintenance of the Organisation's performance at all levels.

Innovation

Cyta collaborated – and continues to collaborate – with Research Centres, Academic Institutions and Innovation Centres such as IDEA, IdeK, CYENS and KIOS and participated in national and European programmes focusing on innovation, research, development and entrepreneurship, with the aim of making the most of new, innovative technologies to solve specific problems and improve the Organisation's operations.

In this context, two projects were completed and brought into operation, which concern the provision of Chatbot services at the Customer Contact Centre through the use of Artificial Intelligence (AI) and planning/manning management for Cyta's software app development.

IT

The implementation of the Organisation's strategy relies on its IT systems. Through studies and technology upgrading projects, we propose, implement and maintain solutions to ensure essential business flexibility and lower the Organisation's costs.

We continued to expand and equip our two new modern, high-availability Data Centres, which host the major part of the Organisation's computer infrastructure as well as customers' services. In 2021, we maintained the quality certification of the two new Data Centres with Data Security ISO27001, which sets out the requirements that an Organisation must comply with if it is to fully and effectively manage its information, regarding

confidentiality, integrity and availability. Compliance with this standard is demanded by corporate customers in both the public and private sectors. In 2021, the Organisation continued to manage the Health Insurance System, which is one of the most important elements of the National Health Scheme (NHS), and in addition implemented and hosted on its infrastructure two extremely significant government projects: the EU Digital COVID Certificate (EUDCC) online platform and the Traffic Camera Enforcement System.

With the aim of evolving its IT infrastructures, we created software-defined infrastructures that will flexibly support the new needs of the Organisation and its customers through modern IT apps and contribute to the creation of a private cloud and its expansion with public cloud infrastructures. In this context, we make use of flexible and innovative solutions on public cloud platforms and apps.

We continue to upgrade Cyta's Business Support Systems and Organisational Support Systems (BSS/OSS), in support of the provision of new, innovative products and services and the introduction of new technologies and facilities. We are proceeding to replace the Organisation's existing BSS/OSS systems, with the ultimate aim of having flexibility and speed when offering customers new, modern electronic communication services. Through the provision of the modern and flexible tools available to Customer Service staff, and the automation of processes, costs are reduced significantly, further increasing productivity and improving the Customer Experience.

At the same time, suitable infrastructures/platforms are being developed for the effective participation of the Organisation in the new digital service provision ecosystem, while supporting efforts aimed at growth and innovation in the country. In 2021, an evaluation of the Azure Cloud app began on the Cyta Website.

We reinforce the capabilities of IT in the implementation and provision of digital services in various areas, support to new business models based on collaborations and the greatest possible use of all the information available to the Organisation in real time.

We are constantly upgrading our online presence via Cyta's interactive portal as well as through Mobile Apps. We offer self-service options on



various online channels and are improving our ability to communicate online with customers. Our goal is to provide a unified customer service across all channels (the Omnichannel approach), with an emphasis on offering the best possible customer experience. In the framework of this effort, we began building a modern digital architecture using Amazon Web Services, which is due for completion in November 2022.

We have developed an infrastructure enabling personalised campaigns for customers at all points of contact. This offers a superior customer experience and supports our business partners in all their decisions with measurements and statistics.

We support and are extending our Enterprise Resource Planning (ERP), which covers most of the Organisation's financial management activities. At the same time, we continue to develop applications that support other internal activities. We are upgrading the Organisation's Intranet portal, using Cloud technologies, laying the foundations for the creation of a digital workplace, and offering new ways of communication and cooperation among

Cyta's people. We are realising the Organisation's vision of a paperless environment in which end-to-end decision-making processes are fully automated. We are upgrading the automation of Cytashop processes, thereby enhancing their functionality with the aim of improving customer service. We facilitate the secure exchange of information among heterogeneous systems, through our reliable and efficient infrastructure. In order to implement all this, we deploy modern tools and platforms, both on-premise and Cloud-based, implementing best practices in processes and DevOps. We continue to broaden our business intelligence applications in order to provide the appropriate information and knowledge at various organisational levels, with the aim of providing optimum support for, and monitoring of, the Organisation's activities. To this end, we use modern, multi-dimensional business intelligence and data warehouse tools, which draw upon information about all the Organisation's activities and transform it into useable knowledge.

In 2021, the Data Warehouse was transferred to a new hardware and software infrastructure. This

enabled the doubling of the power and capacity of the Data Warehouse and, by extension, faster speeds on the relevant apps. The new infrastructure is based on new-generation servers and storage systems. For the purposes of business continuity, it has been reinforced with a Disaster Recovery Site. For the first time, the innovative Kubernetes Container technology is being used on an open platform. Container technology allows the easy transfer of computer loads to and from the Cloud, facilitating hybrid Cloud/on-premise strategies, and its usage is expected to be extended within the Organisation in the future.

Due to the continuation of the pandemic, with the majority of staff working remotely, support needs continued to be greater and complex. We continued to support internal customers on a daily basis, whether they were working remotely or at the office, constantly updating operating systems and end-user software to their latest versions, with the aim of enabling them to carry out their duties in the best possible way, always with the key concern of providing uninterrupted service. We supported the Deputy Ministry of Research, Innovation & Digital Policy through the development and provision of the 8998 service for Cyta customers.

Through the use of modern services and productive tools, we began to offer our internal customers ways of conducting their operations more efficiently and in less time, leading to increased productivity. Moreover, the use of various collaborative tools, teleconferencing and teamwork will help conserve resources, reduce the Organisation's operating costs and, at the same time, prepare it for continuing its business activities under crisis conditions. The process of printing single and itemised customer bills as well as letters within a fixed time period is conducted in such a way as to ensure that they reach customers on time.

We continue to look at ways of continuously improving/modernising our IT systems, which will simplify various tasks through the use of integrated and uniform systems that will make Cyta even more efficient and flexible in its dealings with customers by responding to their needs in the best possible way.

Financial Management

In 2021, the economic/financial environment in which the Organisation operates, both in

Cyprus and abroad, continued to be a difficult one, so its robustness is, to a great degree, based on rationalised financial management and a firm focus on achieving its goals. Financial Management contributes to the development of the Organisation's strategy, supports the Management in its strategic, tactical and operational decisions, and ensures that the Organisation's actions are based on reliable financial criteria.

Through rational financial planning, the essential resources are secured with which to implement Cyta's corporate strategy. At the same time, significant financial management initiatives are undertaken to achieve the Organisation's strategic objectives.

The financial information provided by Financial Management complies fully with global standards and best practices. We take all necessary measures to provide the best service to our internal and external customers.

Regulatory Issues and Special Projects

In 2021, Cyta participated in numerous public consultations/hearings concerning the regulation of electronic communications and the analysis of specific markets and the creation of a National Broadband Plan. At the same time, the Organisation fulfilled its obligations to the National Supervisory Authorities and those of other European organisations and proceeded to complete important projects, such as the preparation and publication of the Offer for Wholesale Services and a model Framework Agreement for joint installation work on ducts, shafts and poles.

Support Infrastructure & Services Management

An essential part of the smooth running of Cyta is due to the best possible, most efficient and best integrated management of Organisation's support infrastructure, including, among other things, land, buildings, electromechanical installations, vehicles and machinery, stores and waste management as well as electronic systems security and guarding systems.

Physical Security Management

In 2021, we continued to extend the Islandwide Security System (ISS) with the installation of new electronic access monitoring points and terminal



equipment for the Electronic Timekeeping System (ETS), the Trespassing Detection System (TDS) and CCTV. Preventive maintenance and repairs were carried out on the ISS.

We continued to upgrade and strengthen security measures, with particular emphasis on replacing old analogue cameras with new digital ones in all Cytashops across the island and in other important buildings.

We participated in all the groups involved in the implementation of projects regarding the renovation of the Latsia, Engomi, Limassol Central, Omonia, Ayia Fyla, Linopetra, Larnaca Central, Ayii Anargyri, Famagusta, Paphos Central and Polis Chrysochous Cytashops, as well as the launch of the Cytashop in the Metropolis Mall in Larnaca and the closure of the Platres Cytashop, the Ayios Dhometios telephone exchange and the Telephone Service Centre in the ETKO building in Limassol.

We proceeded with the study and installation/upgrading of the CCTV systems in the main Famagusta, Limassol and Paphos offices, the Latakamia, Acropolis and Electra buildings, the Ayia Fyla telephone exchange, the Cytashop inside My Mall in Limassol and the Dhali and Ypsonas stores.

The programming and activation of the Trespassing Detection System in unmanned buildings across the

island was completed, while we continued to install, programme and activate it at emergency exits in 15 of our 42 manned buildings in Cyprus.

We proceeded to draw up specifications and to publish, evaluate and award tenders for work in the context of the Development Plan and also to strengthen security at Mobile Phone Base Stations (MPBS) by installing CCTV.

We drew up and signed new agreements for the provision of guarding services for Cyta buildings across the island, following the termination of the Police Force's responsibility for guarding essential buildings.

For reasons of Business Continuity, we set up and operated a backup Security Monitoring & Management Centre in the Acropolis Building, which is also used for protection against the pandemic.

We participated in the team tasked with maintaining ISO27001 certification for the Platy and Amathus Data Centres.

In manned buildings across the island, we carried out all the scheduled annual readiness exercises set out in Cyta's Civil Defence Emergency Plan, with very satisfactory results.

Buildings Infrastructure Management

In 2021, a report was submitted analyzing all the parameters affecting the implementation of the plan to monitor, study and seismically reinforce Cyta's buildings.

Contracts were signed for civil engineering services in the Nicosia/Larnaca/Famagusta and Limassol/Paphos areas to partially cover needs arising from a lack of personnel.

On the basis of agreements with civil engineering firms, visual inspections were conducted on a number of Cyta's buildings across the island to assess their seismic adequacy. On the basis of findings of these inspections, actions are planned to correct any weaknesses, together with additional checks.

We constructed new bases and shaft and cabling systems for the installation of satellite antennas for customers at the Makarios Teleport, as well as the infrastructure for extending the antenna sites.

We carried out building and insulation work in the framework of replacing Mobile Phone Base Stations on private buildings across Cyprus for the switch to 5G and the construction of infrastructure and bases for the new aerials.

The project to digitalize the plans in the archive was completed and we continue to digitalize the building permit files.

Ten Cytashops all over Cyprus were redesigned and refurbished so as to operate with a focus on the Customer Experience.

Our coordinated, methodical handling of the crisis caused by the pandemic continued with the utmost responsibility towards our colleagues. Business continuity was ensured by the efforts of Buildings Infrastructure Management to guarantee the personal safety and security of every Cyta employee through preventive disinfections to halt the spread of the coronavirus in all the Organisation's manned buildings in Cyprus, as well as in conducting immediate disinfections in specific buildings when required. We acted immediately to provide surgical/medical face masks, single use transparent plastic gloves, latex gloves and hand sanitizer for use in all Cyta's departments.

All corroded signage on our buildings was noted and a tender was published for replacing all signage bearing the Cyta logo on all buildings.

Electromechanical Services Management & Vehicle Fleet Management

In 2021, we linked the Aglandjia Building to the Electromechanical Equipment Monitoring System (EEMS) and completed a large number of modifications to the system, due to changes to monitored equipment. It is important to note that the EEMS is itself now monitored by the Network Operations Centre (NOC) via special messaging transmitted by monitoring software to a specific account of the Centre and via its emergency monitor screen. We are upgrading the monitoring software and parameterising the implementation of portable means to facilitate its monitoring by the staff of our Department.

As regards to the islandwide Fire Protection System (FPS), we made a number of changes and completed studies and specifications to extend it to the international airports at Larnaca and Paphos. We published a tender for the procurement of firefighting equipment for both airports and awarded a new tender for the system's electrical installations.

We completed the process of replacing obsolete lead-acid batteries with new technology lithium batteries.

In the context of our long-term goal of energy conservation and using renewable energy sources (RES), the implementation began of a project to install photovoltaic systems in Cyta's office buildings for the autoproduction of electricity, while at the same time, we continued to operate hybrid photovoltaic systems at a number of Mobile Phone Base Stations.

With the goal of further improving the reliability of our services and saving energy, we proceeded to replace a large amount of obsolete and energy-consuming electromechanical equipment and supply systems and we implemented projects for the supply and maintenance of rectifiers and Uninterruptible Power Supply (UPS) systems in various telephone exchanges and Cyta buildings across the island.

We installed or replaced central heating/cooling systems in various buildings around the island, ensuring reliable and efficient climate control

while achieving significant reductions to electricity consumption. We also installed a large number of energy-efficient split units for new requirements or to replace existing units. With this particular project, Cyta won a Green Public Procurement Award from the Ministry of Agriculture, Rural Development & Environment.

We implemented new projects regarding electromechanical installations and supply systems for key customers as well as important Cyta projects, including the 5G network of the Wireless Access Network, Data Centres, Teleports, Subsea Cable Landing Stations, Aeronautical Services, the IP Network, etc. At the same time, we upgraded electrical installations to increase service availability.

In the context of the Organisation's long-term efforts aimed at energy conservation and reduced operating expenses, we continued to replace existing energy-intensive lighting systems in offices with new LED lighting.

With the objective of maintaining the high quality of electromechanical equipment operations, work is reinforced through the procurement of 24/7 services covering fault repairs, which guarantee the uninterrupted operation of the equipment and, by extension, the services offered to customers.

For the operation and maintenance of vehicles and machinery, we continued our efforts aimed at reducing operating expenses and conserving resources through the reallocation of vehicles depending on their use (based mainly on how many kilometres they had clocked up) and the immobilisation of unusable, old, energy-intensive vehicles once they were no longer required.

In 2021, we maintained high levels of preventive and corrective vehicle maintenance in all districts. Tenders were published, renewed and/or awarded for the supply of tyres and starter batteries and for preventive and corrective vehicle and machinery maintenance (electrical and mechanical).

Due to the increased needs of the Wireless Access Network and Technical Support (WAN&TS) regarding the implementation of the Fiber To The Home (FTTH) project, a tender was issued for the rental of a number of panel vans for one year, with an option to extend the rental period for a second year, depending on needs.

In the context of reducing operating costs, conserving resources and covering any additional needs of the Organisation, orders were made for new vehicles. These were absolutely necessary and involved replacing vehicles that would have been replaced later due to problems or were necessary due to the increased requirements of the fiber optic installation crews. It should be noted that instructions were issued for the purchase of electric and/or plug-in and/or hybrid vehicles.

Stores Management

Materials management through Cyta's Stores is considered extremely important since its successful execution can make a crucial contribution, both to the Organisation's smooth operation and its successful and timely completion of its ongoing major projects.

In January 2021, Annual Stocktaking – which is the best indicator of business competence – took place with excellent results.

In 2021, efforts aimed at the fastest possible development of the Fiber To The Home (FTTH) project reached their peak, significantly increasing the Stores Management workload with the delivery, storage and distribution of multiple volumes of materials. Through the use of the latest methods, equipment and software, we succeeded in carrying out all processes with only a slight increase in the required resources.

Support by Stores Management staff for the 5G project continued, for the supply and monitoring of materials and their correct handling by the Organisation's systems.

In 2021, agreements in support of our work were successfully extended, including islandwide intercity transportation, loading/unloading and providing contractors with network extension materials. Furthermore, our contract with licensed recycling companies for the divestment and management of obsolete equipment continued, in accordance with the relevant legislation and the best practices adopted by the Organisation.



Management Products and Customer Service



Products and Customer Service



A New Era in Communication with the Cyta Fiber Network

In 2021, recognizing the demands of the new digital era, Cyta continued to expand the rollout and installation of the only islandwide fiber optic network, with the goal of offering the country, its households and businesses the opportunity to make use of the technology of the future.

The new Fiber Network being developed by Cyta offers data transfer speeds of up to 1 Gbps and even faster speeds where necessary. Customers have fast and uninterrupted access to innovative next generation services while, at the same time, progress in the country's digital transformation is further facilitated.

Residential customers can enjoy an improved streaming, gaming and video chatting experience, as well the fast transfer of large amounts of data, including cloud storage of videos and files. They also have high-quality voice and picture services.

For businesses, productivity is being substantially improved, while the time needed for completing tasks and transmitting large volumes of data is

significantly reduced. The Cyta Fiber Network also provides fast access to the most up-to-date business applications, including the Cloud, the Internet of Things and high-level remote access services such as teleconferencing, telemedicine, etc.

Cyta aims to gradually make the network available to 315,000 premises in urban and semi-urban areas throughout Cyprus by 2023.

PORTFOLIO OF SERVICES

Fixed Telephony

Through a series of projects and actions for the further enhancement of its services, Cyta continues to be the most reliable, quality provider of Fixed Telephony in Cyprus to both residential and business customers.

In the framework of the constant renewal of its technology infrastructure, the Organisation continued to transfer its customers at a rapid rate from the analogue fixed network to the broadband telephony network. The broadband telephony network enables Cyta to provide customers with upgraded, reliable solutions, with which they can

communicate from anywhere on any device at any time.

Additionally, in 2021 the Fixed Telephony portfolio was enriched through the addition of the Queuing service.

At the same time, thanks to the fast growth of the Cyta Fiber Network, customers can enjoy the experience of even better-quality conversations via Fixed Telephony.

Furthermore, new and existing customers expanding their businesses were able to benefit from the special offers of the Business Start plan, enabling them to grow securely and safely.

To support businesses during the pandemic, we offered free installation of Fixed Telephony. Also, the temporary disconnection period for business customers was extended from six months to a year.

Cytamobile-Vodafone

In the mobile telephony sector, Cyta continued to operate in a fiercely competitive environment, which is affected by broader global technological developments. Spearheaded by its reliability, Cyta remains by a long way the consistent first choice for Mobile Telephony in Cyprus. It has the most technologically developed network in the country, which supports 5G speeds.

In February 2021, Cyta was the first to bring the 5G network into operation across Cyprus, with population coverage of 98% by the end of 2021, and this is expected to reach 100% in early 2022.



In addition to fast data transfer, the revolutionary capabilities of 5G can change people's lives in areas such as:

Public Safety/Security: Authorities can conduct real-time monitoring and inspections and prevent life-threatening incidents.

Health: Real-time monitoring of data will enable the remote observation of patients and remote surgery, while greatly facilitating immediate response to cases of emergency.

Entrepreneurship and Industrial Production:

Artificial Intelligence and the Internet of Things will radically improve the customer experience, the allocation of resources and productivity, and help to save energy.

Smart Cities and Autonomous Driving: The use of digital technologies will mean improved services to citizens, a better use of resources, less environmental impact, fewer road accidents and less loss of life.

Education, Tourism, Entertainment: These will change drastically thanks to Augmented Reality, by which artificial three-dimensional objects can be overlaid in real time in the actual environment, enabling users to interact with the scene before them.

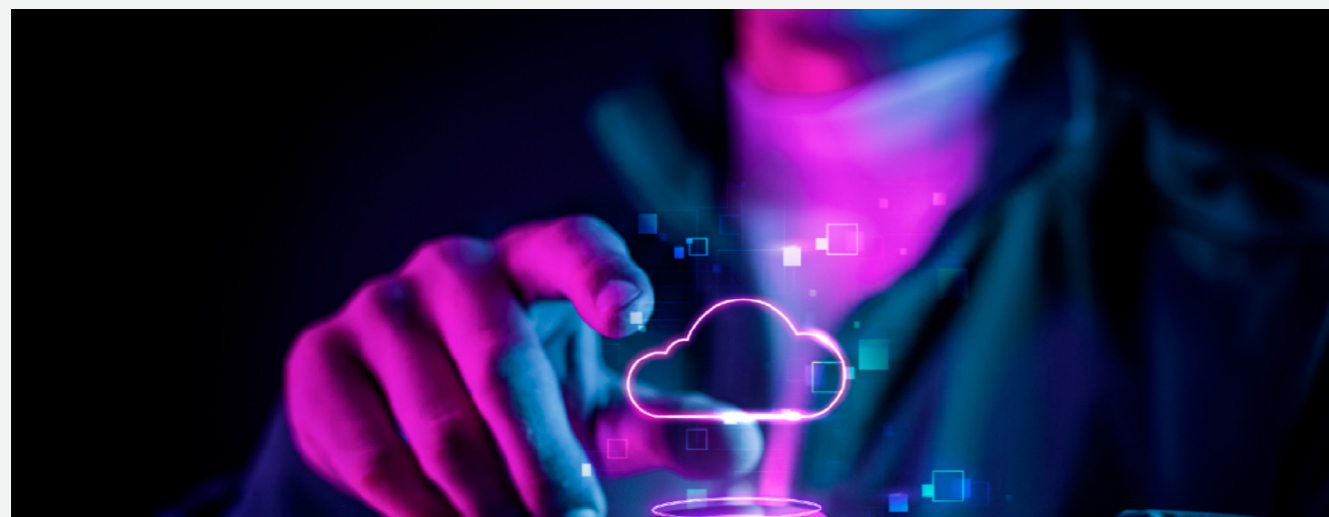
Progress is a constant for Cyta, which is why it continues to invest more and more in solutions that make its networks an important platform for innovation and growth and, above all, transform and broaden communication among people. Cyta acts to respond to the trends that keep it in step with the needs of its customers, who demand that flexibility, ease and speed be incorporated uninterruptedly into their physical and digital world.

With geographical coverage of the 3G network exceeding 99.5% and population coverage of 4G reaching 96% of the population, Cyta's customers can enjoy the benefits of the fastest and most technologically advanced mobile telephony network in Cyprus. Thanks to the huge increase in speeds, productivity rises and all one's personal smart devices are directly linked within a unified ecosystem.

The 5G network developed by Cyta will change its customers' daily lives, since it will enable them to enjoy ultrafast navigation, immediate music and video downloads, fast data uploads, high-quality online viewing, etc.

Monthly Plans

Cyta was the first to introduce the FREEDOM and BLACK Mobile Telephony plans to the Cyprus market. They offer users unlimited talk time, text messaging (SMS) and Mobile Internet (customers



choose the data transfer speed rather than the data volume).

In the monthly plan portfolio, RED plans offer upgraded options to cover the various communication needs of residential and business customers alike. They combine up to unlimited talk time and text messaging (SMS), offering a choice of more Mobile Internet, ranging from 500MB to 100GB, at even more accessible prices.

The BLACK plan is aimed at residential and business customers with especially high communications requirements. In addition to unlimited talk time, text messaging and Mobile Internet, it also offers 100 minutes of international calls to EU countries and a new smartphone every 12 months.

Another innovative move by Cyta is the provision of YOUTH plans. These are aimed at the significant customer segment of those aged under 25.

For mobile telephony there are three plan options, each aimed at a different age group: soeasy Youth, Youth prepaid card and RED Youth. All three offer a large amount of talk time, text messaging and Mobile Internet. In addition, customers may add a large volume of Mobile Internet at a very low price once the amount provided with their plan has been used.

Cytamobile-Vodafone also offers the RED Family plan, which caters for the communication needs of the whole family. RED Family offers all family members carefree and economical communication, with unlimited talk time and text messaging (SMS) and large volumes of Mobile Internet to share among themselves.

All monthly plans allow customers to pay for any of the new smartphones available from Cyta by monthly instalments.

New Technology: VoLTE (Voice over LTE)

Cytamobile-Vodafone has activated the innovative VoLTE (Voice over LTE) on its 4G network. VoLTE is the future of calls via Mobile Networks as it optimises our customers' experience.

The benefits of VoLTE are significant, since this technology enables the faster connection of mobile calls via the 4G network, reduces energy consumption, thus increasing the battery life of a mobile device, and offers higher-quality sound. Additionally, during a voice call, it allows the simultaneous use of other apps for data transfer, with the fast speeds of Cytamobile-Vodafone's 4G network.

By activating VoLTE technology on their mobile phones, customers can enjoy:

- Faster mobile calls. VoLTE calls are connected faster than traditional voice calls.
- Much higher quality sound during calls, thanks to the use of EVS (Enhanced Voice Services) technology. Today, we provide high definition (HD) technology.
- Simultaneous use of voice and data during a call. VoLTE technology allows high speed data transfer on the Cytamobile-Vodafone network during a voice call, permitting multiple uses of a mobile device.



soeasy pay as you go plans

For customers who prefer to have total control over their account, without the commitment of monthly plans and bills, Cyta offers the prepaid soeasy pay as you go service, which enables them to:

- Purchase a Connection Kit for just €2, which offers €1 of free talk time.
- Choose top-up amounts of €1, €3, €5, €10, €20 & €35.
- Activate the soeasy Plus plan, which offers bundled talk time, SMS and Mobile Internet with every top-up of €10, €20 or €35, so as to make full use of the capabilities of the 4G & 4.5G network.
- Choose from the new Mobile Internet packages with more MB for all their communications needs.
- Have up to 500MB free for an hour of browsing once a month, if they are out of Mobile Internet, via the Panic Button service.
- Participate in the soeasy Rewards scheme and win extra gifts with every top-up of €5 and more, either at once or by amassing points to obtain even bigger gifts within a specified time.
- Manage their account easily and fast via the soeasy selfCare app.

Furthermore, the soeasy Youth plan offers soeasy customers more Mobile Internet and the chance to obtain a new smartphone and pay for it by instalments.

Cyta also upgraded the following apps that offer even more value to the already attractive package of services:

- selfCare
- personalCloud
- liveSports

At the same time, for Cytamobile-Vodafone customers, Cyta continued to invest in services related to:

- Social responsibility, by offering the Charity Direct free to all mobile telephony customers, both pay monthly and soeasy pay as you go.
- International Roaming, by constantly adding new destinations and networks, which now number 170 countries and over 490 networks around the world.
- Machine to Machine (M2M), providing a wide range of products, specially tailored to the needs of its business customers.
- Intra-company calling packages, designed specifically for businesses, which have been upgraded and offer the possibility of providing up to unlimited minutes of free airtime for calls between mobile and fixed phones of the business.

Cytamobile-Vodafone, in conjunction with Progressive Insurance, offers customers the chance to insure their new mobile phone through one of three attractive policies – Basic, Plus and Supreme – payable either by monthly instalments or on an annual basis. All customer needs are covered by all three policies.

In 2021, Cytamobile-Vodafone proceeded to offer a number of social benefits, aimed at helping consumers and companies deal with the difficulties caused by the pandemic. These benefits from Cytamobile-Vodafone may be summarised as follows:

- Vodafone Mobile Broadband offered 50GB free and soeasy connection packs with free talk time to a large number of secondary school students.
- Double the volume of Mobile Internet for all monthly and soeasy plan subscribers and on soeasy Mobile Internet for three months (Dec 2021-Jan 2022) to frontline medical staff.
- No additional charge to paramedical staff (SHSO) and the provision of the soeasy service with 100GB free for January 2021.



Internet Services

Acknowledging its responsibility as the biggest Internet Service Provider in Cyprus, Cyta continued to thrive in 2021, through significant projects, which focused on improving network quality and reliability and, by extension, that of the services provided.

Specifically, in December 2021 it upgraded the speeds of its Internet services and offered, through the Cyta Fiber network, new options of higher speeds and reduced prices.

At the same time, it continued to upgrade its network's international and local connections. The total capacity of its connections to the World Wide Web exceeded 400Gbps, with an emphasis on connections in strategic areas and direct exchange of traffic with the most important global networks. At the same time, Cyta maintained its collaborations with the biggest Internet content providers and the best-known social media networks for local content storage.

In 2021, Cyta continued with the mass transfer of customers to the Cyta Fiber network in the areas where it had been installed. Special offers continued to be made for customers who applied to be connected to the Cyta Fiber network before it was available in their area. Also, with the upgrade to the broadband copper network, though vectoring and bonding technology, network coverage increased and provided customers with fast, quality Internet access. In 2021, primary and secondary school Internet connections were upgraded, enabling them to respond fully to the increased need for online learning due to the pandemic.

Cyta's social contribution continued during 2021 with the safer internet trainings. From 2001 until

the end of the school year 2020-2021, 1,527 visits were made to schools in Cyprus and the lectures were attended by more than 165,000 students and teachers.

Also, during the same period, lectures were organised on "The Internet in our Children's Lives - Safe and Responsible Use". The lectures were organised in cooperation with either the Cyprus School for Parents or the Parents' Associations of Schools. Through the lectures, special reference is made to the Safe Internet service, which is offered free of charge to protect children from illegal, unwanted and harmful content on the Internet.

In addition, Cyta customers benefited from special discounts on Internet Home services, as well as offers such as the Business Start Plan. It responded immediately to the increased needs of its customers for tele-education, teleworking and entertainment purposes, which arose due to the pandemic, and offered everyone free upgraded transmission speed and free installation of Internet Home & Business services.

Cytavision Subscriber Television

Η Cytavision αποτελεί την πιο ολοκληρωμένη πρόταση συνδρομητικής τηλεόρασης στην κυπριακή αγορά, με ποικίλο αθλητικό και θεματικό περιεχόμενο. Με τον μεγαλύτερο αριθμό ζωντανών και αποκλειστικών αθλητικών μεταδόσεων από την Κύπρο και το εξωτερικό, με περισσότερα από 100 δημοφιλή κανάλια από όλες τις θεματικές ενότητες, με πλούσιο κατά παραγγελία περιεχόμενο (Video On Demand) και με μια μεγάλη γκάμα διαδραστικών διευκολύνσεων προσφέρει ποιοτική ψυχαγωγία και ενημέρωση για ένα ευρύ φάσμα ενδιαφερόντων και προτιμήσεων.

Διαθέσιμες εμπορικές προτάσεις

Cytavision is the most complete subscriber television platform in the Cyprus market, offering a variety of sports and themed content. With a substantial number of live and exclusive sports broadcasts from Cyprus and abroad, more than 100 popular channels in all viewing categories, rich Video On Demand content and a broad range of interactive services, it offers quality entertainment and information to viewers with a broad range of interests and tastes.

• Commercial proposals available

With the goal of satisfying its subscribers, Cytavision continues to offer its Value Pack and Variety Pack, which are designed to satisfy the different needs of its customers, which are combined with two additional sports packages – "Cypriot Football" and "International Football and Other Sports". It also continues to offer the "Cypriot Football" package via set top box and online.

• Main viewing packages

- 1) **Variety Pack:** It features a large variety of entertainment with more than 80 popular channels in all viewing categories, with a focus on movies. Subscribers can enjoy the Novacinema channels with content from major film studios and Novasports channels, which screen popular international sports events and competitions. The package also includes the very popular entertainment channels Fox, Fox Life, TCM, Village Cinema and Movies Best. Additionally, subscribers also have a choice of free movies from the libraries of Nova on Demand, Disney on Demand and Village Cinema.
- 2) **Value Pack:** It includes more than 60 popular channels in all viewing categories, offering quality entertainment at an extremely affordable price. The package has been enhanced by the addition of Novalife, which is offered at no extra charge.
- 3) **Cypriot Football:** It includes all Cypriot football matches and local channels, viewed via a set top box (STB). It also features all the games of the Cyta Championship, the Coca-Cola Cup, all the preliminary matches played by Cypriot teams during the summer, the Women's Football

Championship and the Futsal Championship. This package is also provided online, irrespective of the Internet Service Provider, for viewing on portable devices, with payment via credit card.

• Additional channels for Value Pack and Variety Pack subscribers

- 1) **Cypriot Football:** it includes all the games of the Cyta Championship, the Coca-Cola Cup, all the preliminary matches played by Cypriot teams during the summer, the Women's Football Championship and the Futsal Championship.
- 2) **International Football and other Sports:** It includes matches of the UEFA Champions League, UEFA Europa League, UEFA Europa Conference League, English Premier League, Italian and other important football leagues. It also features important sports events such as Formula1, MotoGP, Wimbledon, Tennis ATP250/500/1000, NBA, Liga Endesa, UFC Fighting and more.
- 3) **Adult Package:** It includes well-known adult channels, which can be viewed at specific times with the use of a parental password.

Additional services

- Access to content on mobile devices and while on the go via the Cytavision Go app.
- Video on Demand with a choice of popular new and older movies and selected TV series.
- Interactive capabilities, including creating profiles, catchup TV, start over, pause and restart, simultaneous viewing, etc.
- Electronic Programme Guide (EPG).
- Viewing from a second TV with the installation of a 2nd set top box.
- Access to a package of adult channels for an additional monthly charge
- Video recording of 5 or 10 hours

Packages for businesses

Public Pack: Cytavision continued to offer businesses active in the food and beverage, entertainment and sports betting sectors, an upgraded viewing experience for their customers through its Public Pack. The package includes all Cypriot football matches and all available international competitions. It features, among

Products and Customer Service

others, all seven exclusive Cytavision Sports HD channels for live football and other sporting events, seven Novasports channels, as well as NBA TV, Eurosport1 and Eurosport2.

The Cytavision Public Pack offers flexibility and an upgraded viewing experience since it enables the simultaneous screening of content to multiple TV sets. Specifically, it enables simultaneous viewing of four, five or eight TVs via the Cyta Fiber network.

Hotel Pack: It includes the fullest entertainment package for hotels, with more than 30 popular channels from all the main categories.

Thematic Content

In 2021, Cytavision maintained its thematic content at the high standard and variety for which it is known. Major agreements were renewed with major studios including Discovery Group (with nine themed channels, including Eurosport), Walt Disney Company (which, in addition to children's channels, includes the popular Fox/Foxlife and



National Geographic channels), Warner Media (including well-known channels like CNN and TCM), United Media (with the popular Novacinema and Novasports channels) and BBC Group (BBC World and BBC Earth). It also continues its collaboration with the OTE Group, transmitting the Cosmote History channel, which is the only Greek documentary channel, focused on Greek history and mythology, the Arts, culture, science, places in Greece and outstanding personalities.

Additionally, important contracts were renewed, with particular emphasis on the Video on Demand service, which was enriched with content from Nova

on Demand, Village Cinema and Disney, as well as quality Cypriot productions.

Sports Content

In the course of the year, Cytavision's sports content not only maintained its high quality and variety but was significantly upgraded. The seven Cytavision Sports channels broadcast a major part of their content in high resolution (HD). These channels are provided via the additional Cypriot Football package and the Additional International Football and other Sports Competitions package. They show the most complete sports content in the market, which is also the first choice of Cytavision viewers.

Cytavision broadcasts six sports programmes, five of which are about football. Four of these are its own productions. In particular, viewers have the opportunity to keep up to date with what is happening in the world of football through the programmes: Ball Time, Goal n' Roll, UEFA Champions League, UEFA Europa League/UEFA Conference League. The service also features Premier League Magic, produced by a local partner, and a show about the sport of tennis, Top Spin, produced by Cosmote TV.

Attractive Special Offers

In 2021, Cytavision offered free installation during the summer months and the Christmas period and the seasonal NovaChristmasHD channel was offered free of charge to all customers. Value Pack customers were also offered the Novacinema and Novasports channels and Nova on Demand at no cost.

It also undertook a number of activities to reward Cytavision customers, including prize draws for travel packages to watch Cypriot teams' away games in Europe and vouchers of significant value to be used in Cytashops.

Cloud Services

At a time of significant financial and business challenges, Cyta has solutions to help every business manage its finances, optimise its working practices and increase its profitability. During the pandemic, the speed at which digital technology was accepted was astonishing, with Cloud services playing a crucial role in businesses' operations and continuity. The new order of things requires, among others, flexibility and presupposes that the functional elements of a business are constantly accessible,



from wherever their employees may be based, and that there is a backup system enabling their infrastructures to adjust quickly, according to their needs.

Cyta has developed a local Cloud, to which any business can transfer its functional elements, applications and data, and thus have online access to software applications, an IT infrastructure and databases with no initial outlay by monthly subscription. In this way, the inflexible initial investment in the necessary equipment and technology has been transformed into a small monthly type of operating cost.

The Cloud services portfolio is growing dynamically, through the addition of total solutions that respond to multiple business needs in all sectors of the economy. Our offering is constantly being strengthened and it differentiates itself through the excellent technical support and the security and reliability of the infrastructures and our ISO 27001-certified Data Centres in Cyprus.

National Private Leased Circuits

National Private Leased Circuits are one of the options available to business customers for networking services, offering a wide range of speeds up to 10Gbps. Cyta's business customers can create a private network interlinking the various areas of their company, securing constant communication among them and, at the same time, the highest quality for video, voice and data transfer.

Colocation Service

The Colocation Service enables customers to house their equipment on Cyta's premises.

In cases where customers wish to install equipment in areas where they do not own buildings, Cyta can

host it on its premises, providing at the same time a broad range of telecommunications services.

Server Hosting in Cyta's Data Centres

Cyta's two Data Centres, in Nicosia and Limassol respectively, offer businesses the opportunity to operate their own servers in the Centres' specially designed areas and to take advantage of the benefits that their modern infrastructures provide. Cyta's Data Centres are Tier III and guarantee the Organisation's customers' business continuity.

Moreover, they are certified to ISO 27001, which represents confirmation of the measures taken to secure and protect the Centres' infrastructure

Ethernet Networking Services

Ethernet networking services are one of the main services enabling the fast transfer of voice, data and pictures at speeds of up to 10Gbps within a company. They provide flexible, reliable and secure connections, full monitoring of the performance and availability of the company network, and financially viable disaster recovery and backup solutions to ensure business continuity.

Ethernet networking services are provided via a unified connection platform, enabling companies to combine a broad range of telephony, Internet and networking services to cover their business needs. As a common infrastructure, they use Cyta's Ethernet/IP network, which is based on international standards, provides islandwide coverage and is characterised by its reliability, security and the ease with which it can be extended and centrally managed. Monitoring by Cyta of all network equipment and the physical infrastructure guarantees the most efficient operation of end-to-end protection mechanisms and, by extension, the reliability of the services we provide.



SD-WAN Managed Solutions

SD-WAN Managed Solutions complement networking services, mainly Ethernet and VPN Business, through supply, installation, operation, management and support services for all the telecommunications equipment located on a company's premises. The modern Cyta Managed SD-WAN solution provides a smart, reliable, secure and optimised network with the capability of interconnecting the various departments of a company as well as secure access to the Internet/ public cloud and all the important applications for its operations.

They constitute affordable solutions in terms of initial capital outlay, since customers are not burdened with the initial costs of purchasing equipment and they pay less to upgrade and replace it.

Vertical Markets

The Vertical Markets Department has been active since 2020 in complex projects requiring high-specification, integrated digital ITC solutions. This new business activity focuses mainly on selected vertical markets and projects in both the broader public and private sectors, from the initial concept and planning of a project, extending to the implementation, support and even the overall management of specialised ICT solutions.

This activity was, from the outset, based to a great extent on Cyta's excellent collaboration with ICT equipment manufacturers, as well as local IT companies and related service providers which, in conjunction with Cyta's reliable services and know-how, can fully cover all the specialised needs and demands in selected market segments, through proper planning and the implementation of the best

solution in each case. For this reason, a key pillar of this new business activity is the development of healthy strategic alliances with recognized firms active in the ICT sector. By joining forces with trusted partners and complementing the specialised services that each one offers, mutually beneficial synergies are created, which can provide total solutions to complex ICT projects.

Another key pillar, on which most of the activities of Cyta's Vertical Markets Department are based, consists of the two Data Centres in Nicosia and Limassol, which have obtained ISO 27001 quality certification for data security, with data management processes being carried out in accordance with the provisions of the EU GDPR and offering all the relevant benefits: data security, daily backup, data encryption, etc.

Uninterrupted Cloud and colocation services, which are provided in the secure environment of the two Data Centres, combined with specialised management and cybersecurity services, are a significant component of the integrated ICT solutions offered by the Vertical Markets Department.

Of particular interest in the vertical markets sector in 2021 were the ecosystems of e-Health and smart cities, which make use of the smart solutions provided by digital technology with the main aim of facilitating people's daily lives and improving their quality of life. Cyta, with its modern infrastructures, know-how and experience, continues to invest in new technologies and, in combination with the specialised solutions of selected partners, has established itself as a trusted partner of healthcare service providers and of local municipal authorities for the provision of reliable, innovative services to end-users, thereby achieving multiple benefits at lower cost.

Among the projects brought into operation or already implemented in 2021 were the IT infrastructure of the National Health Scheme, of Paphos Municipality and other private sector businesses, the development and management of the CyprusFlightPass platform, the hosting and management of the COVID-19 Digital Safe Pass platform, the Paphos Municipality's Geographical Information System (GIS), the Smart City system for the Nicosia Municipality, etc.

Through Cyta's upgraded activity in the broader ITC sector, the Organisation's leading role in the country's digital transformation is reinforced. It is recognised as a reliable partner, providing significant value through modern digital solutions that improve users' experience and quality of life.

Customer Contact Centre

The Customer Contact Centre, (CCC), formerly known as the Cyta Call Centre on 132 (+35722880100 from abroad), serves consumer customers 24/7, 365 days a year. Contact Centre operators deal with over a million contacts, either by phone or online via chats and e-mails, offering every type of support for the electronic communication solutions offered by Cyta.

The main strategic aim of the CCC, which has been certified to ISO 18295-1 and operates with the very latest call centre technology, is to provide high-quality assistance and, wherever possible, to resolve any customer issue from the very first contact.

This is demonstrated by the recent award of the CCI in the "Cyprus Customer Excellence Awards 2021", for the good practices it applies and the service it offers. Specifically, it received the following awards:

- Best Contact Centre - GOLD award as the best customer service call centre.
- Best Use of Customer Data & Insights - GOLD award for collecting, integrating and leveraging customer data and feedback to implement solutions and recommendations that strengthen service, engagement and experience.

Customers can now receive assistance via a range of communication channels and take advantage of their many options for accessing the Customer Contact Centre. The objective is to provide the most effective service via the manner that they select (phone, chat, e-mail, social media (Facebook www.facebook.com/cytaofficial & Twitter @Cytasupport)).



Furthermore, the use of self-service apps and our YouTube channel (www.cyta.com.cy/how-to-videos) help our customers and others to obtain information about their services fast and without having to await their turn.

At the same time, the Directory Enquiries service on 11892, despite operating in an environment of particularly intense direct and indirect competition, continues to serve the public, assisting thousands of customers daily.

Consumer Market Complaints Management

Consumer Market Complaints Management is the Cyta Department that handles complaints made by Consumer Market customers.

All complaints are dealt with on the basis of pre-determined procedures in a manner that ensures total respect towards the customer. In the context of investigating a complaint, a careful analysis is made in order to reach the most accurate conclusions with the ultimate aim of dealing properly with the customer's issue. At the same time, each case is seen as an opportunity to improving our own internal processes, so as to prevent and reduce complaints.

The Department is manned by experienced, trained staff, who always operate within the framework of the set procedures. They show zeal and dedication to their work, with the ultimate aim of providing satisfaction and the best possible service to the customer. At the same time, they focus on the uniform implementation of Cyta's policy around the provision and functioning of its products and services.

Products and Customer Service

Through various actions taken in 2021, with the aim of improving the efficiency of a good number of internal processes, complaints management response time was reduced significantly.

Residential Customer Service

Through our sales network, which covers the whole of Cyprus, Cyta serves and connects with its customers, aspiring to make every visit to a Cytashop (whether physical or online) a pleasant and unique experience. We place particular emphasis on the design and layout of all Cytashops, so as to enable easy and enjoyable navigation for our customers through the stores, and the provision of excellent service in comfortable surroundings. The fact that we have completed within a year and a half the layout and renovation of all our branches, in order to meet the above requirements, confirms the great importance we have always attached to the area of excellent service.

Cytashop customers can satisfy all their telecommunications needs, by being informed, examining and trying out the products and services we offer. The list is constantly being enhanced and renewed, including the latest products (smartphones, tablets, wearables and accessories) and services (fixed and mobile telephony, Internet and TV).

In 2021, we opened a new, modern Cytashop in a privileged location inside the new Metropolis Mall in Larnaca.

In addition to the service provided in our physical Cytashops, additional efforts are made to encourage our customers to shop online from the e-store on our website (www.cyta.com.cy). By using it from the comfort of their home or even on the go, our customers can buy products and services, manage their existing services and/or pay their bills.

Cyta Mobile Shop

In order to facilitate the daily lives of those residing in mountainous or rural areas of the island, we created the Cyta Mobile Shop, the only one of its kind in Cyprus. Our customers are served by its experienced staff just as they would be if they were to visit any Cytashop, since this one contains the full range of our products and services.

Additionally, the Cyta Mobile Shop provides an easy and pleasant customer experience, since it has a sizeable/comfortable service area, a platform lift to assist customers with special needs and the elderly, airconditioning inside and a shaded waiting area.

In April 2021, it began visiting 16 villages across Cyprus (Trimiklini, Platres, Panayia, Amargeti, Lefkara, Skarinou, Kofinou, Pissouri, Avdimou, Pachna, Omondhos, Pyrgos Tyllirias, Kyperounda, Pelendri, Agros and Palaichori) but in reality it also served the neighbouring communities, so in total it was used by the residents of more than 70 villages. It should also be noted that the Cyta Mobile Shop can be used to serve the public in emergencies, as happened following the destructive wildfires in villages in the Limassol and Larnaca districts in July 2021.

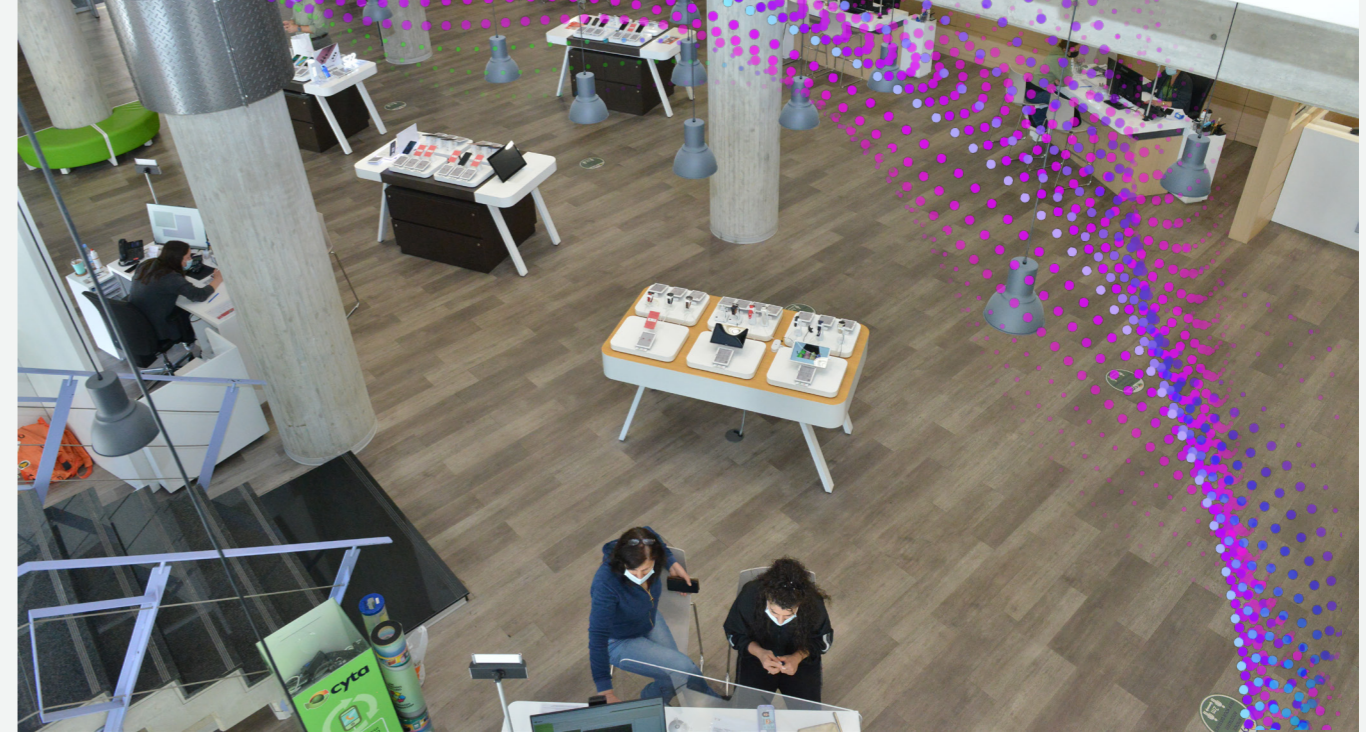
Reseller Network

The strengthening of the Reseller Network through dynamic collaborations continued in 2021, with the addition of the Kotsovolos chain with two technology stores in Limassol and Nicosia respectively. In total, the present network of resellers consists of 13 partner firms with 50 stores across Cyprus, manned by highly trained staff who offer the best possible service with regard to the entire range of Cyta's products and services. Furthermore, soeasy pay as you go mobile telephony products are distributed to an extensive network of points of sale all over Cyprus.

Business Customer Service

In today's especially complex and demanding international and local market environment, we remain focused on making the most of the latest technological advances and the convergence of telecommunications and IT. We act as a one-stop-shop for our business customers, supporting them with reliable networks and high-quality service, and enabling their businesses to grow securely and flexibly.

The services we provide satisfy the demands of every modern business and compare most favourably with those available from telecommunications companies on a global scale.



The development, reinforcement and maintenance of long-term, mutually beneficial relationships with our customers, combined with the ability to enjoy a wonderful experience, are the key ingredients of our approach. To this end, we are strengthening our people with the high level of know-how and the advanced technology tools that our customers deserve as we serve them via a number of different channels. Our specialist network of Sales and Service Consultants provides advice and an upgraded personal service to large companies and SMEs. Furthermore, customers interested in Cyta's business offerings can be assisted by our specially trained personnel by contacting the Business Call Centre on 150 or by e-mail to cyta150@cyta.com.cy. In addition to the above channels, customers can purchase and manage services online, via the websites:

Cyta Business: www.cyta.com.cy/business

My Cyta: www.cyta.com.cy/my-cyta

Cloud Marketplace: www.cyta.com.cy/cloud-marketplace

Moreover, particular importance is given to the immediate technical assistance provided to our business customers through Cyta's Business Technical Support Centre which operates 24/7 and with technical support crews in all towns. For the installation of services ordered via one of Cyta's various assistance channels, experienced and well-trained personnel visit customers at their premises with the required equipment and provide every assistance to familiarize them with the functions of the said services.

Directory Services

Directory Services, via the upgraded www.cytayellowpages.com.cy are an easy-to-use and reliable search tool, providing access to the Yellow Pages, Government Telephone Numbers and the Telephone Directory, all of which are updated daily. The website remains at the top of the results provided by leading search engines (e.g. Google), thus promoting Cyta's customers to potential new customers searching for particular products and/or services or specific companies.

National Wholesale Market

In 2021, the National Wholesale Market continued to provide licensed national telecommunications service providers with high-quality national wholesale telecommunications products and services, in accordance with the regulatory framework and their particular needs.

The National Wholesale Market Portfolio includes Interconnection, Mobile, Broadband, Telephony and Leasing products and services, as described in detail below:

Interconnection and Mobile Communication Services

- Interconnection Services enable wholesale customers to connect their networks to Cyta's fixed and mobile networks.

- Wholesale Leased Lines and Wholesale Ethernet Products are leased to wholesale customers, enabling them to interconnect nodes on their networks or their customers' networks with their own networks.
- National Roaming and RAN Sharing allow wholesale customers to offer their customers the use of Cyta's Wireless Mobile Network in areas not covered by their own wireless mobile network.
- Access to Cyta's Mobile Network enables wholesale customers to provide mobile telephony services to their subscribers as Mobile Virtual Network Operators (MVNOs) via Cyta's mobile network.

Broadband and Telephony Products

- Wholesale Broadband Access products enable wholesale customers to offer broadband services to their customers via Cyta's broadband networks (copper and fiber).
- Local loop Unbundling products let wholesale customers lease Cyta's copper access network to provide broadband and voice services to their subscribers.
- Number Portability allows customers to keep their telephone number when they change provider.
- Access to the Cyprus Telephone Directory Database is given to wholesale customers providing Directory Enquiries services.

Infrastructure Leasing Services

- Colocation services allow wholesale customers to lease space on Cyta's premises for the installation of their equipment.
- Duct Colocation services allow wholesale customers to lease space in Cyta's ducting and other infrastructure for the installation of their cables.
- Mast and Pylon Colocation services allow wholesale customers to lease space on pylons and other Cyta infrastructure for the installation of their mast and base station equipment.

In 2021, the National Wholesale Market signed significant long-term contracts with major national licensed providers of telecommunications services for the provision of Mobile Network, National Roaming and Wholesale Broadband Access services, thus increasing the use of Cyta's Mobile

Communications and Broadband Networks (copper and fiber) respectively.

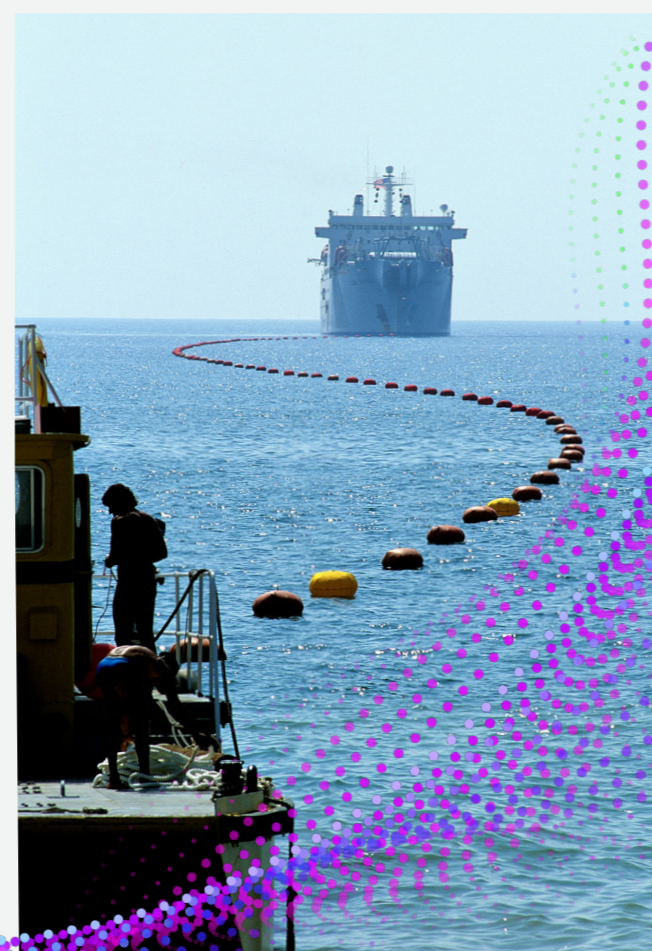
The goal of the National Wholesale Market is to increase its contribution to Cyta's revenues and to achieve constantly higher levels of satisfaction on the part of its wholesale customers and to improve the level of cooperation with them. For this reason, it continues to enhance the portfolio of wholesale products and services and to raise their standards of service.

International Wholesale Market

In 2021, Cyta continued to provide high-quality international products and services.

Our international wholesale products and services are offered under the Cytaglobal sub-brand to internal and external customers such as national and international carriers, business customers and other partners. We have signed bilateral agreements for the provision of wholesale international telephony products for physical and virtual international private leased circuits, international Internet access, the leasing and concession of international network infrastructure and other services, offering uninterrupted customer support.

The portfolios of international wholesale products and services are analysed below:



International Wholesale Market Portfolios

International Cable Products

We provide cable interconnections to wholesale customers including indefeasible right of use and lease of cable capacity to local and international carriers, interconnection of international capacity via national networks as well as extended international capacity from cable landing stations to the equipment colocation premises of local providers. We also provide international media recovery services and advisory services pertaining to subsea cable systems management.

International Satellite Products

Our satellite services to international markets include the resale of space segment capacity, the provision of satellite links and facilities from Cyprus. These include satellite links for the provision of Internet and data services, VSAT services on land and at sea, satellite monitoring and maintenance services, colocation of satellite equipment and radio/TV programme relay products. We also provide satellite services, in conjunction with international cable connections and products.

International Leased Connections and Global Internet

Via our MPLS backbone network and international nodes in Athens, Sofia, Frankfurt and London, we offer business and wholesale customers International Virtual Private Networks (MPLS-VPN) and International Ethernet-over-MPLS (EoMPLS). Via a reliable cable infrastructure with full network and equipment protection, virtual connections are offered as point-to-point and point-to-multiple-point, while voice, data and picture transfer are enabled.

Additionally, we offer business and wholesale customers physical International Private Leased Connections with transparency of capacity, which are ideal for applications requiring reliable and fast data transfer. Physical International Private Leased Connections are provided as half-circuits or full circuits, usually via undersea cables at speeds ranging from 2Mb/s to 100Gb/s based on SDH, WDM, EoSDH and EoWDM technology. The extensive international cable network and the multiple landing stations of Cyta and its partners guarantee interconnectivity and total protection. Our customers receive personal service through a business consultant and 24-hour technical support.

Furthermore, through connections to nodes on Cyta's networks in Cyprus or those of our partners abroad, we offer international wholesale customers and Internet Service Providers high-quality protected access to the global Internet through the use of a variety of technologies and routing protocols and with backup capacity availability in the form of bandwidth-on-demand.

International Wholesale Telephony

We offer termination of incoming international telephony to all fixed and mobile telephony networks around the world on a wholesale basis to internal customers, to satisfy Cyta's retail customers and for resale to licensed providers in Cyprus and abroad. For the provision of international outgoing telephony, we maintain direct connections with over 45 telecommunications organisations worldwide, guaranteeing top-quality alternative connections.

Through the use of specialist software, we offer excellent quality telephony at competitive prices. At the same time, international correspondents are provided with termination of incoming traffic on all fixed and mobile networks in Cyprus, international wholesale transit traffic services as well as international and universal freephone call products for business customers all over the world.

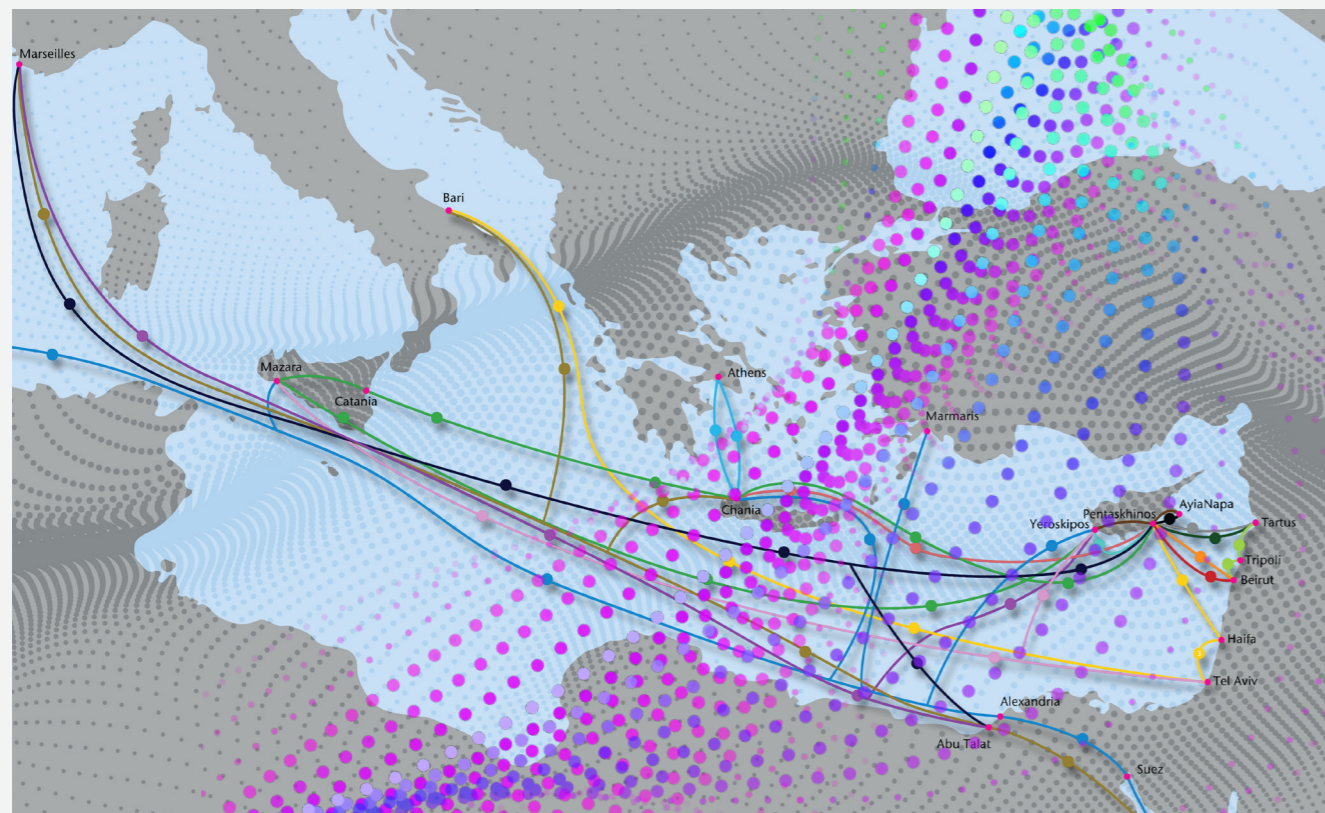
We also provide International Wholesale 2G, 3G, 4G and 5G Roaming to more than 490 mobile telephony networks, enabling visitors to Cyprus to use their mobile devices on the Cytamobile-Vodafone network for phone calls, text messages and Mobile Data when roaming.

Aeronautical Services

Services to the Department of Civil Aviation

Cyta provides technical support (supply and maintenance of equipment) to the Department of Civil Aviation, which is responsible for the smooth, safe, effective and efficient management of air traffic within the Nicosia Flight Information Region (FIR).

The support provided serves the needs of the Department of Civil Aviation which are based on international standards and the recommendations of the International Civil Aviation Organisation (ICAO), and in compliance with the programmes of the European Civil Aviation Organisation EUROCONTROL.



Cyta is the first and only Organisation in Cyprus to be certified by the National Supervisory Authority as a Communication, Navigation, Surveillance (CNS) Provider, in accordance with the provisions of EU Regulation 2017/373.

The broad range of support services includes corrective and preventive maintenance to such a standard as to guarantee reliable and high-quality communications between air traffic controllers and aircraft, the monitoring of aircraft movements via radar facilities, the retransmission and exchange of aeronautical information and meteorological announcements. The equipment being maintained includes navigational aids such as VOR (VHF Omni-Directional Range), ILS (Instrument Landing System), DME (Distance Measuring Equipment) and DF (Direction Finder) at the Larnaca and Paphos airports.

In the framework of harmonisation with the programmes of the European Civil Aviation Organisation EUROCONTROL and the Single European Sky, work began on the installation of a new backup the Air Traffic Management system in a building at Kokkinotrimithia to which the Nicosia Area Control Centre will be transferred. At the same

time, we began implementing projects for the introduction of Datalink Services, the supply of new Instrument Landing Systems (ILS) at the Larnaca and Paphos airports, and the introduction of a new Aeronautical IP network. Finally, the tendering process began for the procurement of equipment for the new communications and radar systems.

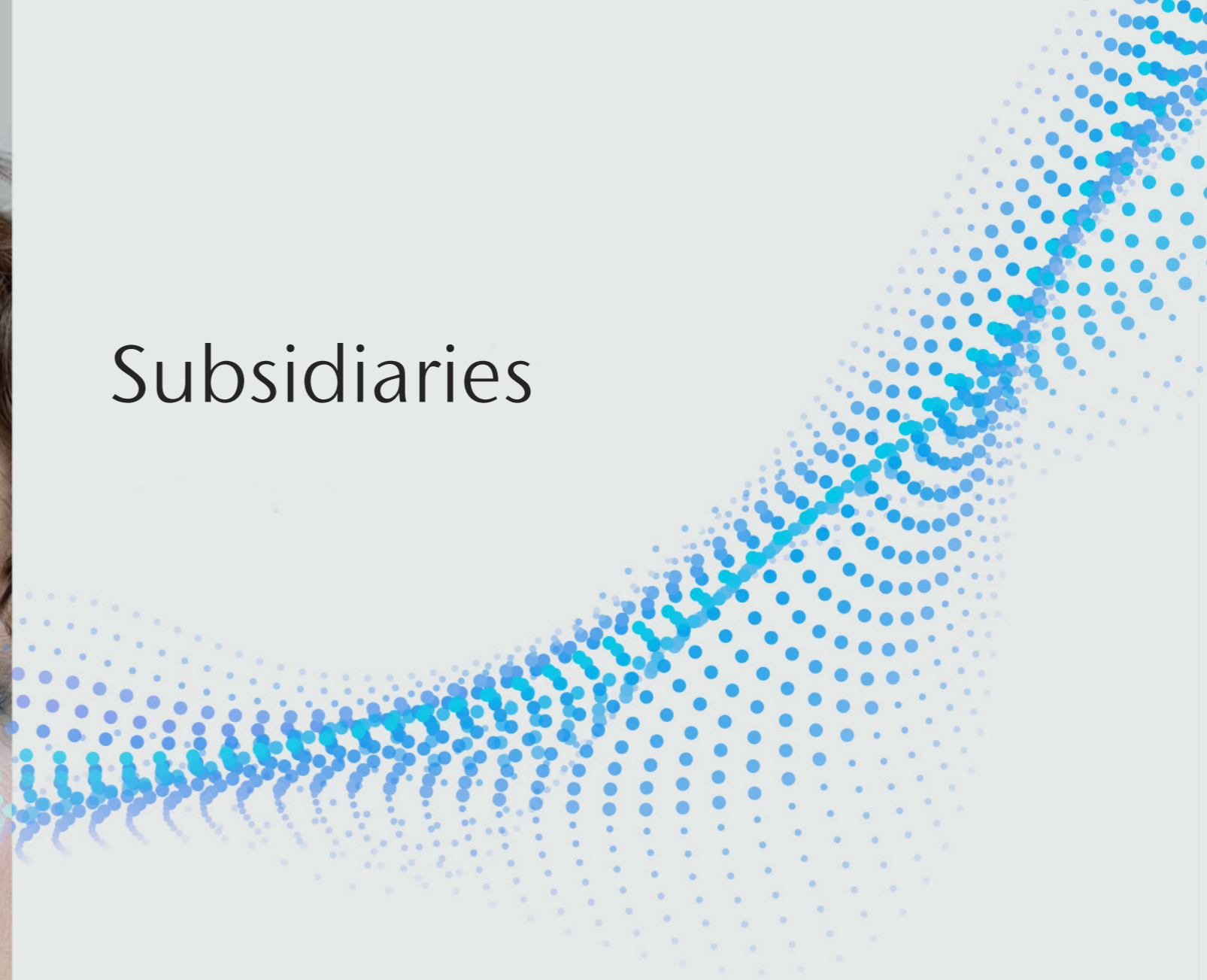
Services to the Meteorological Service

We continued to provide telecommunications facilities and technical support to the Department of Meteorology, mainly for the preparation and distribution of Weather Forecasts and Flight Plans.

Services to the Joint Rescue Coordination Centre (JRCC)

We continued to provide data and voice services and technical support to the Joint Rescue Coordination Centre (JRCC).

Subsidiaries



Subsidiaries



Digimed Communications Ltd

Digimed Communications Ltd is a wholly owned subsidiary of the Cyprus Telecommunications Authority (Cyta), which was set up with the aim of realising the Organisation's strategy for the vertical and horizontal expansion of its activities in Cyprus and abroad.

The pressure of increased competition in local and international markets make Digimed's contribution to the Organisation's response to the challenges of today's telecommunications business environment a necessity.

The alignment of the subsidiaries with the Organisation's strategic and business objectives remains Digimed's top priority. To this end, Digimed and its subsidiaries support Cyta's strategic direction, which is firmly focused on technological development and being a leader in telecommunications infrastructure, and providing integrated, reliable and innovative services to its customers.



Cyta UK Ltd

Cyta UK Ltd was established in the United Kingdom on February 15, 2000. The company has its own high-tech telecommunications node, based on the MPLS protocol, using media gateway and new generation SDH equipment, and housed on the premises of Equinix in London. The node is linked to similar telecommunications nodes in Nicosia and Athens owned by Cyta and its related company, Cytglobal Hellas AE, respectively. The company is active, in conjunction with Cyta and its related

company, Cytglobal Hellas AE, in the provision of international virtual leased connections to providers and corporate customers in the UK and elsewhere while it also offers, on a resale/leasing basis, occasional colocation services, local loops and other local connections within the UK via its associates and other subcontractors. Also, in collaboration with Cyta, the company is in a position to offer interconnection, voice, signalling and Internet on a wholesale basis.



Cytacom Solutions Ltd

Cytacom Solutions Ltd was founded on 2 May 2001 and provides integrated, high-quality and innovative communications and IT solutions/services, tailored to its customers' needs, including specialist solutions and services to its parent company, Cyta, and its customers.

The company's main strategic aim is to be one of the most reliable options for projects requiring the design and provision of specialised and integrated information and communication (ICT) solutions to organisations and businesses in the Cypriot market with the following products/services:

- Provision of integrated IT solutions, networking, IT and telephony equipment, and electronic equipment and IT software installation, support and maintenance services.
- Management of specialised technological infrastructure projects and the provision of specialised services to Cyta and its customers.
- Conducting of studies and provision of consultancy services.
- Design and development of Internet portals, online platforms and applications including Application Programming Interface (API).
- Provision of communications security software.

- Provision of bulk messaging services (BulkSMS, webSMS.com.cy).

In addition to the above, the company maintains an online platform providing the top-up service for Cyta's soeasy pay as you go service (www.cyta.com.cy/soeasy-top-up/en).

The company looks forward to continuing on its positive course in the coming years and has set itself the following objectives:

- To strengthen its position in the Cypriot market as one of the most reliable organisations providing integrated ICT solutions.
- To exploit market opportunities arising from the need for the digital transformation of companies and public sector organisations, in close collaboration with Cyta.
- To maintain its turnover and profitability through the rationalised management of its resources and main activities and to provide reliable services to its customers through value-based pricing.
- To reinforce its corporate image and to strengthen both its corporate culture and the dedication of its personnel.

In order to achieve these objectives, the company places emphasis on personnel training and development as regards new technologies and skills, as well as on making the most of the know-how and services of selected partners. At the same time, it aims to broaden its capabilities to support and complement Cyta's new products and services.



Iris Gateway Satellite Services Ltd

Iris Gateway Satellite Services Ltd, which was established on April 16, 1999, provides satellite turnaround of radio and television programmes to the international market from Cyprus. Iris relays programmes from a large number of foreign satellite TV channels and, at the same time, offers television uplink and downlink services on a large scale. Iris also provides hybrid services that combine satellite links and international cable connectivity secured

by Cyta's extensive network. It offers integrated solutions to customers interested in distributing their programmes to various points around the world, via access to global television networks. Moreover, the company provides occasional services involving major sports, cultural and other events taking place in a variety of destinations.

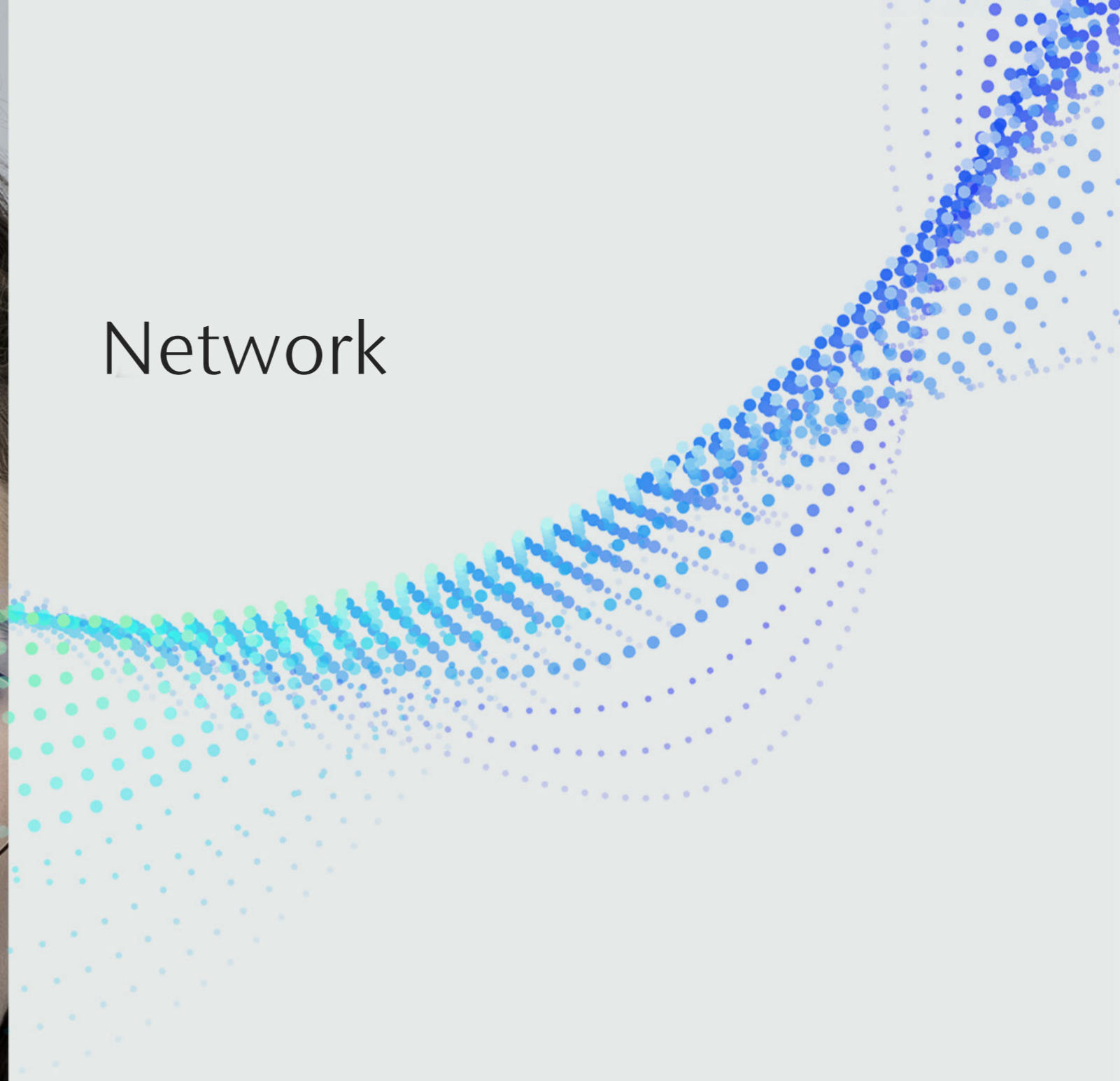
Subsidiaries Financial Resource Management

The purpose of the Subsidiaries Financial Resource Management Unit is to provide support services to the Boards of the subsidiaries on a broad range of financial issues, including the completion and submission of interim and final financial statements, the fulfilment of tax obligations, the management of cash and cash equivalents and the carrying out of regular monthly obligations, such as the issuing of invoices and bill payments.





Network



Network

Service Provision Platforms

In 2021, we proceeded to upgrade the Cytanet and Cytavision infrastructures in order to improve the response to – and availability of – the services provided by both.

Following the technological upgrade to the Cytavision service, we implemented new specifications and capabilities aimed at constantly improving the customer experience.

Almost all Cytavision channels are now high definition (HD) and use the H.265 video compression standard, which means substantially better picture quality and, consequently, makes Cytavision even more attractive to customers.

The SafeWeb service continued to offer Cytanet customers security on their Internet connection by preventing access to malicious websites designed to infect devices with malware and viruses with the aim of obtaining personal information, financial data or passwords.

National Transmission Network

The National Transmission Network serves the needs of Cyta's networks and those of its external customers at speeds up to 100Gbps, with the greatest possible degree of reliability.

In 2021 the DWDM/OTN (Dense Wavelength Division Multiplexing/Optical Transport Network), which is the backbone of Cyta's networks, was further expanded, providing ultrafast connections and, at the same time, serving major corporate customers.

Expansion of the SDH (Synchronous Digital Hierarchy) network continued for the provision of circuits of various speeds and, in particular, EoSDH (Ethernet over SDH) connections.

The DWDM/OTN and SDH networks operate via optical fibres in an arrangement that allows the uninterrupted provision of service, even when a fault occurs in an individual fibre.

Furthermore, the first phase of the new Synchronization Network came into operation, for the provision of synchronization signals to Cyta's other networks and support to the future needs of the 5G Mobile Network.

International Transmission Network

In 2021, significant satellite and cable systems were upgraded and expanded, reinforcing the role of Cyta and Cyprus more generally as a telecommunications hub in the broader Eastern Mediterranean region.

A. Satellite Systems/Services

The three Teleports (Makarios, Hermes and Pera) are important international satellite gateways that offer geographical backup. They provide broadband links to international Internet providers, with the parallel use of Cyta's subsea cable infrastructure. Satellite Tracking Telemetry & Command (TT&C) services are also provided, together with over the top (streaming) of television content.

Services are supported on a 24/7 basis and certified to international standards.

In 2021, services continued to be provided to companies specialising in the provision of fast Internet and TV turnaround services to and from anywhere in the world via satellites and fiber optic cables, making use of our Teleports' interconnection with providers' global networks. Furthermore, installation work took place at the alternative teleports to expand our geographical backup services.

Cyta was significantly involved in projects under the auspices of the EU, such as EGNOS RIMS, which will provide great precision to the GPS & Galileo systems, and the Excelsior project, which will programme the installation of a satellite aerial for Earth surveillance and space-based monitoring of the environment. We also participated in specially formulated research programmes for candidate member states of the European Space Agency (ESA).



B. Cable Systems/Services

Cyprus is connected with the outside world through seven subsea cable systems (SCS) that come ashore at two cable landing stations (Pentashoinos and Yeroskopou). These systems provide high availability telephony, Internet and leased connections to our customers in Cyprus. At the same time, transit connections are offered from the countries of the Middle East to Europe and the rest of the world. In 2021, work continued uninterrupted on the ARSINOE/PEACE SCS, which is due to come into operation in early 2022. The system will offer an alternative high-capacity channel to Europe (France) and Africa (Egypt).

The ALEXANDROS system linking Cyprus with France and Egypt was also upgraded, thereby increasing capacity to Marseilles.

The interconnection of the ALEXANDROS and ARSINOE/PEACE subsea cable systems was completed on the Cyprus side, using two independent fiber optic links, thus enabling high levels of business continuity. The upgrade to the CADMOS SCS was completed, with obsolete terminal equipment being replaced with new, thus increasing the system's total capacity. At the same time, the capacity of the UGARIT SCS, linking Cyprus and Syria, is currently being upgraded.

IP Core Networks

In 2021, work continued on upgrading the IP/MPLS backbone network through the installation of new generation equipment and the introduction of 100Gbps connections to support the constantly growing needs of our residential and business customers for broadband services, and those of other Cyta networks and services, such as FTTH, Connected TV and 5G.

Upgrades continued on local and international connections to the Cytanet IP network and BRAS (Broadband Remote Access Servers) to support the increase in Internet traffic, led by the latest wired and wireless broadband technologies (FTTH,

Vectoring, 4/4.5/5G) and by the constantly growing demand for services such as OTT (Over the Top) and IoT (Internet of Things). The ultimate goal is to enable Cyta's customers to enjoy services of the best quality. Proper planning and the timely upgrade of the Cytanet network resulted in its ability to fully respond to the greatly increased customer needs, brought about yet again by the COVID-19 pandemic, for distance learning and remote working.

Also, in 2021, we began replacing and upgrading all the equipment on the Corporate IP Network, aiming at the same time to increase its capacity and satisfy the latest requirements of the corporate environment and our Data Centres.

Networks and Services Operations

In the framework of improving Cyta's Network and Service operations, in 2021 work continued with the main aims of maintaining the high availability of the Organisation's networks and uninterrupted service to customers. Work also continued with the objective of reducing operating costs through the more efficient management of faults through the use of a new specialized software tool.

Our efforts focused on the study and redefinition of preventive maintenance tools and mechanisms for the detection and repair of faults in Cyta's network equipment, and on the provision of quality secondary services support to external and internal customers. Particular emphasis was placed on providing fast and efficient technical support to our business customers. We also focused on developing the Department's people, their training in new technologies and the use of specialised systems and tools for active and preventive faults detection.

Cybersecurity Management

Cybersecurity and Data Security Management constitutes a strategic pillar of action and growth for Cyta and is implemented in accordance with international practices and standards with the aim of offering full protection to Cyta's infrastructures as



well as the development and provision of reliable, high-value network security services to the broader business community in Cyprus. 2021 was a year of challenges due to the continuing pandemic. Cyta responded once again by taking all the necessary measures to enable almost every member of staff to work remotely and securely. Additionally, through the introduction of new systems, the security of the Organisation's infrastructures was reinforced, with special emphasis placed on the secure use of cloud computing.

During the year, within extremely tight deadlines, crucial IT projects were implemented, having been assigned to the Organisation by the Republic of Cyprus for managing the pandemic, together with the digital transformation of crucial infrastructures and functions.

At a corporate level and with the objective of safeguarding all core activities, a Data Security Management System (DSMS) was implemented, based on ISO27001:2013 and ISO27002:2013 standards, with the involvement of all the Organisation's people. In the framework of the DSMS, information security policies are applied at a corporate level and specific measures and processes are implemented, such as regular security checks and penetration testing, security assessment of new services, physical security (guarding), reasonable access to apps, access control and monitoring, etc. As it does every year, in order to raise awareness of

issues around data security and cybersecurity, Cyta again provided relevant training to all members of personnel.

Telecommunications Fraud Management

The constant evolution of telecommunications technology and the introduction of new services have led to the simultaneous growth of telecommunications fraud. In this regard, Cyta takes measures to prevent and stamp out this phenomenon, which is assuming increasingly worrying dimensions all over the world. For the detection and investigation of instances of fraud, since 2000 Cyta has employed a specialist Telecommunications Fraud Management team. Over and above the protection of our own services, we have expanded its activities aimed at preventing and stopping fraud to cover customers so as to protect them from malicious acts. The members of the team are specially trained on issues pertaining to security and fraud and, in order to be constantly updated, we cooperate with various international organisations specialised in issues relating to telecommunications fraud. For all-round protection and the timely detection of incidents of fraud, we have procured the most advanced specialised telecommunications fraud detection and management systems, and to deal effectively with the problem, personnel respond to incidents on a 24-hour basis. In addition, we take all measures to ensure that customers and the general public are

constantly being informed, educated and made aware of telecommunications fraud issues.

Fixed Communications Networks

2021 saw the introduction of VoLTE technology, which is the latest development in mobile voice communications, enabling voice calls via the 4G network. VoLTE uses the IMS Network and offers many advantages over the traditional voice communications service (2G and 3G Networks), including higher quality sound and faster connection of calls.

Also, in 2021 we introduced the NFVi infrastructure, which is the basis for the evolution of the Fixed and Mobile Networks through the implementation of Telco Cloud technology, which guarantees increased reliability and flexibility and improves Network availability. A significant part of the functionality of the IMS Fixed Communications Network has been transferred to the new technology, in the context of planned upgrades.

Mobile Communications Core Network

2021 was the year in which Mobile Communications Core Network projects related to the introduction of 5G were brought into commercial operation and contributed to the major success of Cyta's Mobile Network being recognized as the fastest in Europe. At the same time, we partially upgraded the Evolved Packet Network in a virtual environment. This upgrade enables simultaneous support of both 4G and 5G technology (Dual Mode Core). We also modernised the core IP Mobile Network with networking equipment with advanced capabilities as regards capacity and security, while preparing our systems for the introduction of the Fixed Wireless Access service, planned for 2022.

Additionally, International STP was introduced and our Mobile Switching Centres (MSC) were upgraded.

We introduced an SS7 firewall to protect SS7 signalling, completed upgrades to various other systems (Ericsson Multi-Mediation, Mobile Device Manager, Equipment Identity Register and Ericsson Dynamic Activation) with the aim of maintaining their quality and reinforcing them with new operating capabilities, while the processes were implemented for the activation of VoLTE and OneNumber on our Mobile services.

Finally, in the framework of monitoring the quality of Mobile and Fixed Telephony services for preventive maintenance, immediate support and, overall, improvements to the quality of these services, a tender was issued to procure an integrated end-to-end service quality monitoring system.

Wireless Mobile Communications Access Network

In February 2021, we proceeded with the commercial launch of 5G technology in Cyprus, to cover 70% of the population in the government-controlled area of Cyprus. By the end of the year, 5G coverage had extended to 96.3% of the population, offering almost all our customers ultrafast access speeds (up to 1Gbps), increased capacity for the simultaneous connection of thousands of devices and very fast response times.

In parallel with the launch of 5G, we continued to develop 4G technology, utilising all the available frequency bands and increasing the average access speed across Cyprus, while maintaining our network's high levels of quality and reliability.

As a result of the above developments, in October Cyta was awarded by the independent organisation Ookla for having the fastest mobile network in Europe in 2021.

We prepared the required technical infrastructure for the provision of Fixed Wireless Access (FWA) to Cyta customers in areas where installation of the Cyta Fiber Network is not scheduled for the near future.

We continued to extend/upgrade the network for the provision of 4G RAN Sharing services to Cablenet, which is due to be completed in early 2022.

In conjunction with the Nicosia Water Board, we began the provision of NB-IoT services with the installation of 400 smart water meters in central Nicosia.

In the framework of the EU's WiFi4EU programme, through the Managed WiFi service we provided connections of more than 30Mbps to two more Municipalities and six Communities in government-held areas.

Wired Access Network and Technical Support (WAN&TS)

2021 was another especially difficult and demanding year for the WAN&TS, due to the continuing pandemic. All the Department's personnel remained active, adhering to all the necessary safety and hygiene rules. Despite the difficulties, the development and support of the reliable cutting-edge technology-based access network was once again a key pillar of Cyta's activity, while it continued without disruption to serve its customers with the installation and support of its products and services. For a drastic increase in access speeds, the implementation of the strategic Cyta Fiber project was intensified. By the end of 2021, some 165,000 premises were able to connect to the fiber network and the number of connected customers was 64,778.

While developing and extending the Cyta Fiber Network, we simultaneously upgraded support to the broadband copper network, which continues to serve the majority of our customers, through advanced quality control systems with the aim of providing preventive fault management and an improved customer experience. In addition to the above, 2021 was a year of significant improvements to our customer service as regards response time for the repairing of faults, timetables for new installations and quality criteria, all of which improved the overall experience of our customers.

International Cable and Satellite Network

The present network of international subsea fibre optic cable systems and subsystems landing at Cyta's cable stations consists of the following ten: (a) SEA-ME-WE 3, (b) MED NAUTILUS-LEV, (c) CADMOS, (d) UGARIT, (e) MINERVA, (f) ALEXANDROS, (g) ATHENA, (h) KIMONAS, (i) ARIEL and (j) POSEIDON.

In 2021, following the issuance of the relevant licence by the Ministry of Transport, Communications & Works, Cyta began intensive construction work on the ARSINOE subsea cable system. This SCS will link Cyprus with France and Egypt, using fiber optic technology to provide high-speed telecommunications services. Its operation will make a significant contribution towards

fulfilling Cyprus' increased need for international connectivity, mainly for Internet and Cloud services. It is also expected to serve the regional needs of neighbouring countries, thereby helping to reinforce Cyprus' role as a telecommunications hub.

Cyta's international systems include three Teleports with more than 45 main antennas, providing access to the satellite systems of Eutelsat, Arabsat, Avanti, Telenor, AsiaSat and APT. Satellite communications contribute substantially to the reinforcement of Cyta's regional telecommunications hub, securing access to new generation broadband satellite systems.

With VSAT services, they also enable, permanent and occasional relay services for radio and television broadcasts, telemetry, satellite tracking & command services and satellite Internet on a broad scale. Cyta's international cable and satellite services provide uninterrupted 24-hour support and, like its other business activities, they have obtained international quality certification.

Through its participation in the abovementioned cable and satellite systems as well as in other regional and global cable systems used as extensions of the systems landing in Cyprus, Cyta has established its leading role in the broader region, making Cyprus an important telecommunications hub in the Mediterranean, providing business opportunities in new markets and excellent service to the retail and wholesale telecommunications markets.





Financial Report Offices



Financial Report

Summary of Results

2021 was marked by the continuation of the COVID-19 pandemic, which had a negative impact on the Cyprus economy, since a large portion of the country's GDP is based on tourism and related services. By extension, sources of revenue such as roaming charges (of foreign visitors to Cyprus and Cypriots abroad) were negatively affected compared to their normal levels, as were revenues from tourism businesses or businesses with reduced operations. To deal with the situation, the Organisation intensified its focus on alternative revenue streams through the commercial introduction of new technologies, which demonstrated the Organisation's dynamic presence in the fiercely competitive environment in which it operates.

Despite the adverse conditions, 2021 continued the trend of 2020 and, from a financial standpoint, was a tremendously successful year. Operating revenue amounted to €375.4 million, the highest figure in the last seven years.

Gross profit amounted to €87.1 million, an increase of 7.5% over the 2020 figure. EBITDA also rose by 6.2% to €132.6 million, while the EBITDA margin remained high at 35.3%, compared to 35.7% in 2020. Net profit for the year amounted to €77.8 million, compared to €70.8 million in 2020, an increase of 9.8% and the highest profit of the last 13 years. These results once again compare very favourably with the results of other successful telecommunications organisations globally.

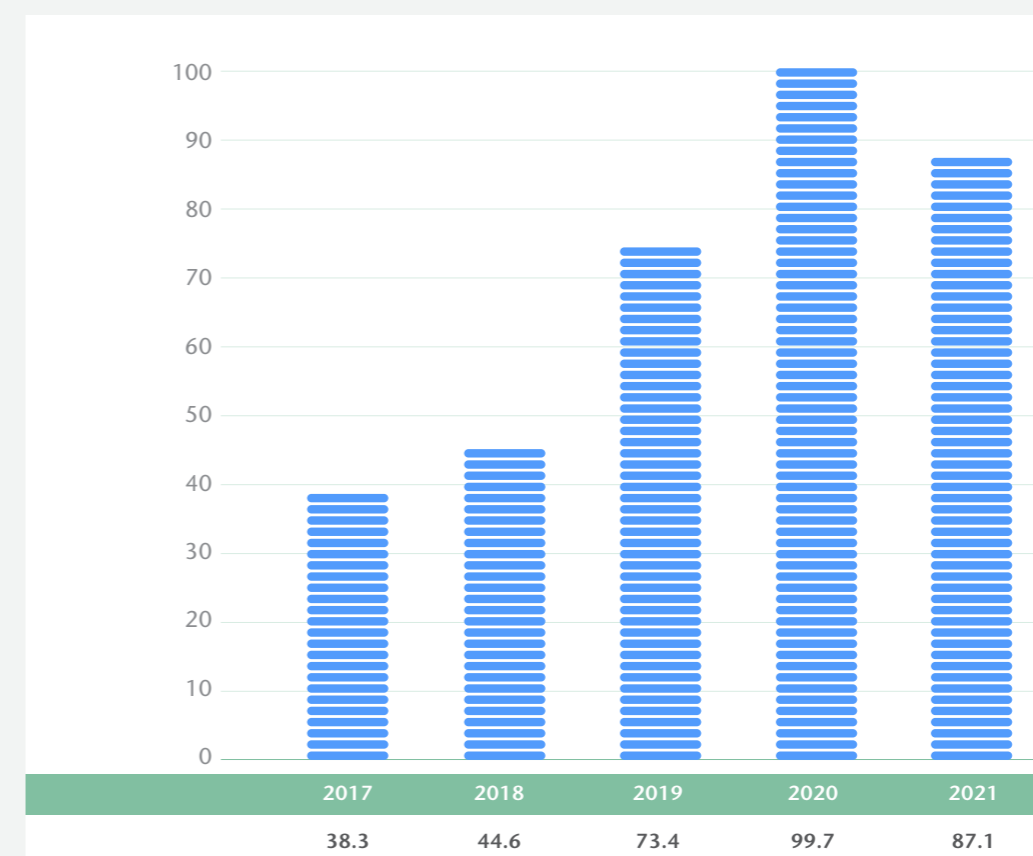
As a result of its consistently robust financial position, in 2021 Cyta was able to fund capital expenditure of €87.1 million from its own equity, to pay a dividend of €18,61 million to the State on its 2020 profit, and €23,2 million on its 2021 profit, to have no loan obligations (apart from those related to the Pension Fund) and to have cash reserves of €383.4 million.

Five-year Financial Summary (€m)					
	2017	2018	2019	2020	2021
Operating Revenue	351	344	352	349	375
<i>% change</i>	-3,0%	-2,2%	+2,6%	-0,9%	+7,4%
Gross Profit	75	64	72	81	87
<i>% change</i>	-11,9%	-14,6%	+13,0%	+12,5%	+7,5%
EBITDA	118,3	109,7	117,2	124,8	132,6
<i>EBITDA margin %</i>	33,7%	31,9%	33,2%	35,7%	35,3%

Capital Expenditure

In 2021, the Organisation continued to make significant investments with the aim of implementing its strategic projects in the framework of its business plan. Capital expenditure in 2021 was €87.1 million (2020: €99.7 million, including the 5G licence which cost €12.4 million). The most important projects include the complete upgrade and radical modernisation of the Mobile Network (5G), the significant expansion of the islandwide Cyta Fiber Network, the introduction of new technologies for the provision of innovative services and the further expansion of the international subsea cable systems, including the noteworthy ARSINOE system, which strengthen the role of Cyprus and our Organisation as a telecommunications hub in the broader Eastern Mediterranean region. This huge investment programme continues to be wholly funded by Cyta's own equity.

Capital Expenditure (€m)



Cash and Cash Equivalents

Total cash deposits in banks, Government Bonds, Cyprus Eurobonds, French Government Bonds and bank shares amounted to €383.4 million (2020: €394.4 million).

Cash flow during the year strengthened the Organisation’s already significant cash reserves, enabling the full funding of Cyta’s development programme from its own equity.

Cash Flow (€m)

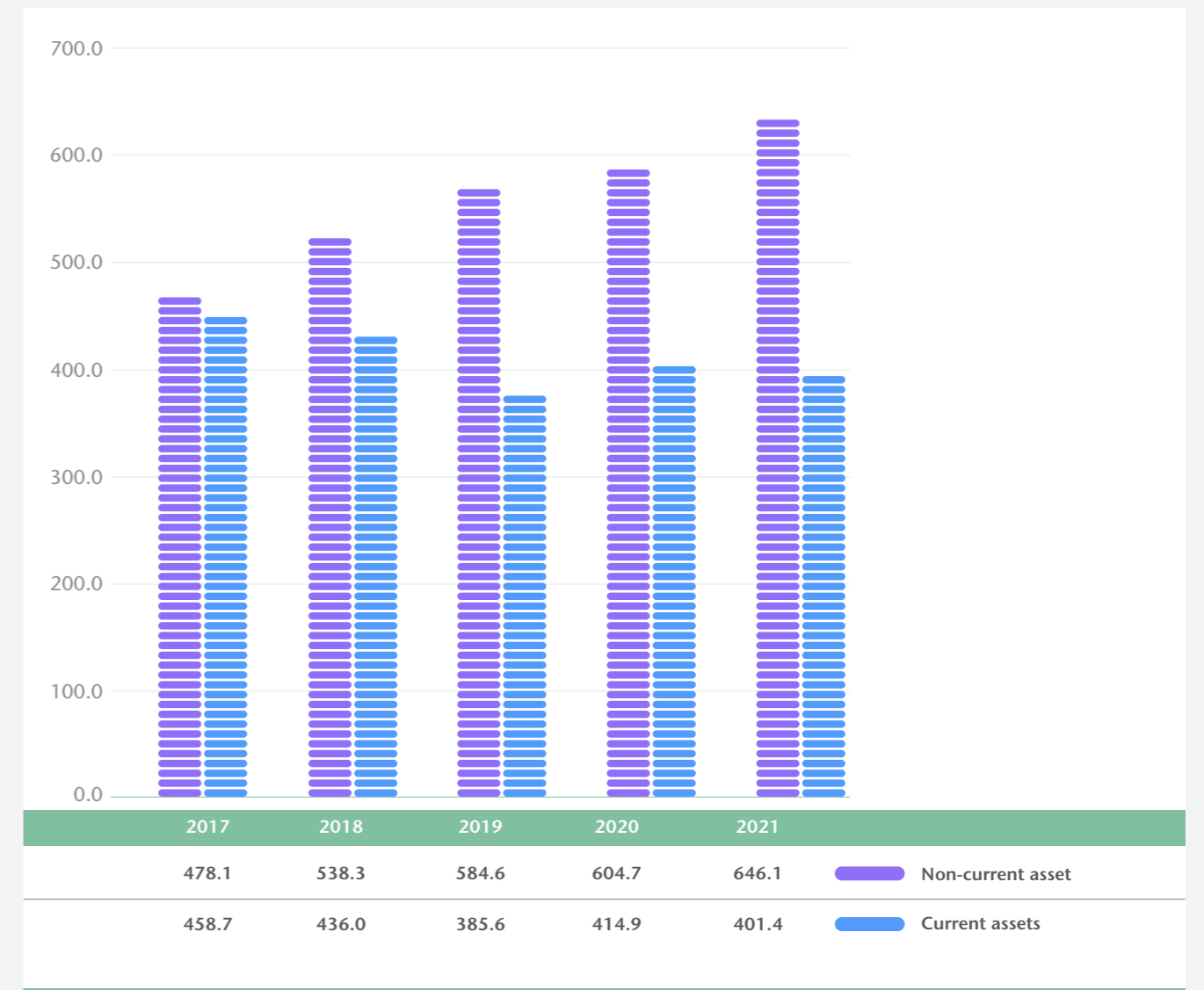


Assets

Total non-current assets amounted to €646.1 million (2020: €604.7 million). The increase is mainly due to the increased capital expenditure required for the implementation of the Organisation’s strategic projects.

Total current assets amounted to €401.4 million (2020: €414.9 million), of which €294.6 million is in cash and cash equivalents

Total Assets (€m)





Reserves and Dividends

The reserves that constitute the Organisation’s equity as at 31 December 2021 amounted to €588 million (2020: €377.6 million). The increase is mainly due to an increase in the actuarial balance of Cyta’s Pension Fund of €156 million, because of the revision of the current value of obligations to the Fund, compared with the fair value of its assets as at 31 December 2021. It should be noted that the main factor in the recognition of the actuarial balance was the significant increase to the discount rate used in the actuarial study as a result of the rise in bond yields. The reserves were strengthened by the year’s profit of €77.8 million but reduced by the payment of a dividend and defense contribution in a deemed dividend of €23.5 million on its 2020 profit. On its 2021 profit the Council of Ministers approved on 22 of August 2022 dividend up to €23,2 million which has been paid.

The accumulated dividend paid by the Organisation to the State over the years now amounts to €874.9 million.

Five-Year Financial Summary (€m)					
	2017	2018	2019	2020	2021
Total Assets	937	974	970	1.020	1.048
Total Liabilities	392	332	524	642	460
Increase/(Decrease) in Reserves due to actuarial position of the Pension Fund	-12	43	-210	-121	156
Reserves	545	643	446	378	588
Cash Flow from Operating Activities	100	102	75	106*	105
Net Cash Flow from/for investment activities	-71	-59	-58	-38*	15
Dividend paid to the State	-26	-29	-14	-15	-19
Current Liquidity Ratio (times)	6,2	5,7	4,5	4,2	4,2

*Following a reformulation in relation to the classification of Government Bonds (see Note 4 in the financial statements).

Offices and Cytashops

Head Offices

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Fax: 22494940

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Call Centre: 132

Lefkosia

11, M Paridi & Chilonos Corner, P.O.Box 24755, CY-1303 Lefkosia

Tel.: 22702020

Cytashops

- Strovolos - 14, Strovolou Avenue, Myrtiana Court
- Lykavitos - 5, Naxou Street
- Egkomi - 1, 28th October Avenue, "Engomi Business Centre"
- Latsia - 18, Arch. Makarios III Avenue
- The Mall of Cyprus - 3, Verginas Street, "Shacolas Emporium Park"
- Nicosia Mall - 2, Madrid Street
- Kakopetria - 28, Costa Christodoulou Street

Lemesos

89, Athinon Street, P.O.Box 50147, CY-3601 Lemesos

Tel.: 25705050

Cytashops

- Main - 89, Athinon Street
- Omonoia - 7, Vasileos Pavlou Street
- Linopetra - 28, Kolonakiou Avenue
- Agias Fylaxeos - 232, Agias Fylaxeos Street
- My Mall Limassol - 285, Franklin Roosevelt
- Platres - 8D, Olympou Street

Larnaka

7, Z, Pierides Street, P.O.Box 40102, CY-6301 Larnaka

Tel.: 24704040

Cytashops

- Main - 7, Z. Pierides Street
- Agioi Anargyroi - 4, Alex. Panagouli Avenue
- Metropolis Mall - 5, European Union (since September 2021)

Pafos

11, Griva Digheni Avenue, P.O.Box 60043, CY-8100 Pafos

Tel.: 26706060

Cytashops

- Main - 11, Grivas Dighenis Avenue
- Kings Avenue Mall - 2, Apostle Paul & Tomb of the Kings Corner
- Polis Chrysochous - 16, Archbishop Makarios III Avenue

Ammochostos

Edison Street*

Tel.: 23862500

Temporarily

124, Eleftherias Avenue, Deryneia, P.O.Box 33355, CY-5313 Paralimni

Tel.: 23703030

Cytashop

Main - 124 Eleftherias Avenue, Deryneia

Tel.: 23703030

Χωριά Παγκύπρια

Κινητό Κατάστημα - Cyta Mobile Shop (έναρξη λειτουργίας τον Απρίλιο 2022)

Κερύνεια*

5A, 28th October Avenue

Tel.: 27452438

Morfou*

18, 25th March Street

Tel.: 22742055

Lefka*

Tel.: 22817459

* Not in operation due to the Turkish military occupation of the area.

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