

ANNUAL REPORT &  
SUSTAINABLE DEVELOPMENT  
REPORT 2023

# we are one

One with you  
For an equal digital world  
that fulfils your expectations



*The Annual Report & Sustainable Development Report 2023 once again emphasizes our commitment to transparency and accountability as we move forward together on the journey towards a sustainable future. We responsibly create a communication ecosystem that is fair and inclusive, leaving no one behind. It is our aim each year for the annual report to reflect ever-greater improvements on our part.*

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[GRI 2-22]

**CHAIRMAN'S MESSAGE**

# Letter From The Management

The year 2023 was another milestone year in which Cyta solidified its position as a leader in the technology sector in Cyprus. In an environment of continuous technological changes and increasing demands, we responded with dynamic investments, enhancing our competitiveness and ensuring the provision of advanced and reliable solutions to our customers.

→ **Geopolitical Prospects: From Challenges to Opportunities for Growth**

The crisis in the Middle East highlighted the crucial role of Cyta and Cyprus in the region. The tensions created challenges but also opportunities for us. The need for secure and reliable communication has become more urgent than ever, making Cyta a key factor in stability and connectivity. Through our modern cable and satellite systems, we respond to challenges with flexibility and determination. Cyprus, due to its geographical location and Cyta's technological infrastructure, acts as a communication bridge between Europe, the Middle East, and Africa, enhancing its role as a central hub in the region.

→ **Economic Resilience: Investing in Tomorrow's Technology**

Despite geopolitical challenges, Cyta in 2023 achieved significant financial surpluses that bolster its stability. The total surplus for the year amounted to €60.5 million, demonstrating our continued stable financial trajectory and, consequently, Cyta's significant contribution to the Cypriot economy.

This allows us to make strategic investments in the future, focusing our attention on cutting-edge technologies such as artificial intelligence, the Internet of Things (IoT), and cloud solutions. These investments enable us to adapt to the rapid changes in the global market and provide services that ensure our customers have access to state-of-the-art communication.

At the same time, we are rapidly advancing the expansion of the fiber optic network, aiming for full coverage of Cyprus by 2025. Once the project is completed, Cyprus will be the first country in the EU with 100% coverage in both 5G and fiber optics, exceeding the EU's targets for 2030. This initiative is not only about upgrading services but also about strengthening Cyprus' position as a digital hub in Europe. The development of critical infrastructure that supports new applications and business models contributes to the country's digital economy, attracting investments and innovative businesses. Thus, Cyprus is established as a competitive economy with strong digital connections, ready to embrace a new era of technological development.



### International Connectivity: Bridging Continents

International connectivity is of critical importance to Cyta, which in 2023 undertook significant projects to enhance its role as a regional hub. We strengthened our collaboration with strategic partners in the region, initiating the implementation of the CADMOS 2 cable system, which connects Cyprus with Lebanon. At the same time, we completed the upgrade of the existing connection with Greece.

Despite the highly competitive environment, we expanded our satellite broadcasting services, meeting the demands of new and existing customers. Additionally, we offered a wide range of satellite and leased connections at our facilities for international clients, ensuring Cyprus' immediate and uninterrupted connectivity with the rest of the world.



### Social Responsibility: Technology by the Side of People

Cyta is the only organization in Cyprus that extends its telecommunications networks across the entire territory, ensuring equal access to advanced services for every citizen, regardless of location. With strategic investments in fiber optic and 5G networks, we provide residents even in the most remote areas with the necessary tools for meaningful participation in the modern digital age.

At the same time, we strive to enhance social cohesion with initiatives that support vulnerable groups. This year, we connected all District Courts with the facilities hosting the "Children's House," equipping them with teleconferencing services. This ensures that no child needs to be present in court or in the same room as their abuser. Additionally, in collaboration with the Ministry of Education, we conduct free informative lectures for students on safe internet use and protection from online dangers.



### Commitment to Sustainable Development: Technology as an Ally of the Planet

With innovation as our guiding principle, we promote green practices and actively participate in renewable energy projects, enhancing the long-term sustainability of society and the environment. Technology proves to be a valuable ally in this effort. We have initiated and continue the installation of photovoltaic systems at mobile phone base stations, significantly reducing energy consumption from fossil fuels. Simultaneously, the expansion of the fiber optic network, which consumes 80% less energy compared to traditional networks, strengthens our strategy to reduce the carbon footprint, both ours and that of our customers.



### Responsible Operation: Institutional Innovation and Good Governance Ensure Transparency and Integrity

In the journey of sustainable development and innovation, the well-being of our employees remains a priority. This year, our employees pension fund continued to show positive progress, despite the implementation of the Voluntary Retirement Scheme throughout 2023. The results reinforce our commitment to transparency and good governance, ensuring the sustainability of this vital resource for our employees.

At the same time, Cyta is evolving institutionally. The year 2023 was a catalyst for its modernization, with strategic initiatives focused on enhancing efficiency, transparency, and flexibility, significantly contributing to the upgrade of the services it provides to citizens and the Cypriot economy. This year, a 15-month consultation on the new institutional framework for the Organization's operation was completed.

As part of this, the status of hourly-paid employees is being upgraded, and the process for the advancement of executives is being modernized. This agreement serves as a model of modernization and progress for the Public Sector.

At the same time, business principles and governance principles have been codified in the Governance Regulation, a Compliance Officer has been appointed, and significant progress has been made in the adoption of Policies. This ensures responsible choices in every activity of the Organization, in line with our ethics, and our principles of responsibility, integrity, and transparency.



### With a Vision for the Future

As we enter 2025, we remain committed to continuing this journey. With absolute respect for the principles of transparency and good governance, a clear strategy, and the dedication of our people as our companion, we maintain our leadership in the digital development of Cyprus, contributing to the progress and prosperity of our society.

We extend our heartfelt thanks to the Cyta employees for their dedication and contribution, as well as to our customers and partners for the trust they place in us.

We are ready to continue this journey of success together, adding value to every corner of Cyprus.

Sincerely,

Maria Tsiakka  
Chairperson of the Board, Cyta



[GRI 2-22]

LETTER FROM THE MANAGEMENT

# Message from the Chief Executive Officer

When a student in the mountainous areas of Cyprus connects seamlessly to their classroom via 5G, when Cypriot businesses leverage our fiber optic network to expand into international markets, when the abundance of underwater cables transforms Cyprus into a digital hub of the Mediterranean - these are the moments that affirm our mission at Cyta. The year 2023 was not just another year of progress - it was the year that the digital revolution became an everyday reality for every Cypriot citizen.

→ **Investing in Cyprus's Digital Future**

In an era of economic uncertainty, we chose to boldly invest in the future. Our consistently high financial performance brought in revenues of €405,5 million and EBITDA of €137,3 million in 2023, giving us the power to proceed with one of the largest technological investments in Cyprus.

We allocated €83,1 million euros—continuing the largest investment program in our history—to turn the vision of a digital Cyprus into reality. Every euro of this investment serves a dual purpose: the immediate upgrade of digital services and the establishment of infrastructure that will fuel growth for decades.

→ **From Theory to Practice: The Digital Revolution in Numbers**

Today, Cyprus is among the few countries worldwide with universal 5G coverage. This means that from Nicosia to the most remote village, every Cypriot remains connected to everything important. Additionally, the Fiber network has reached 80% of households, with 173.000 active connections—a 50% increase that translates into real digital freedom for thousands of families and businesses. By the end of 2025, it will cover every community in Cyprus that is controlled by the Republic of Cyprus.

Transitioning to the digital age requires not only technological superiority but also affordable services for every citizen. Our commitment to providing high-quality, affordable services translates into tangible results: the average data usage per customer reached 89.3GB, seven times higher than in 2018, while the cost per GB decreased from €11,3 to just €1,2. Simultaneously, in fixed services, the cost per Mbps decreased from €1,28 in 2018 to €0,09 today, making high speeds extremely affordable for all citizens.

The average fixed internet speed has increased sixfold from 30 Mbps in 2018 to 180 Mbps today, while the installation time for new services has decreased from 8 to just 5 days. These are not just numbers. They represent the difference between a purely local business and one ready to compete in the global market. They enable our tourism industry to offer seamless digital services to millions of visitors. They provide the opportunity for interactive education in every school and for innovative digital services that transform our daily lives.



## Emerging Innovations and Services

In 2023, beyond investing in digital infrastructure, we continued to lead with new services that redefine the market.

In the consumer market, we focused on improving and enriching our products. Cytavision introduced innovations such as Multiview, with the capability for multiple views, and StatsView, which provides real-time statistical data, enhancing the viewing experience. At the same time, we introduced 2Gbps speeds for retail customers, aiming to meet the growing connectivity needs of households. We also developed in-building solutions for high-rise and densely populated buildings, addressing the needs of modern urban areas.

For businesses, we offered managed SD-WAN solutions and comprehensive Cloud PBX solutions, providing top-tier connectivity and communication. Additionally, we expanded internet capabilities with 2Gbps speeds, designed for companies with high demands.



## Cyprus as a Digital Bridge of Three Continents

The geographical location of Cyprus has always offered a strategic advantage. Today, with our extensive network of international submarine cable systems, we are strategically investing in the international connectivity of Cyprus. The under-development CADMOS-2 system, which will connect Cyprus with Lebanon, along with existing cable systems, primarily ARSINOE and ALEXANDROS, which offer direct connections to France and Egypt, significantly strengthen our country's position as a telecommunications hub in the Eastern Mediterranean. These investments transform Cyprus's geographical advantage into digital superiority, establishing its role as a bridge of connectivity between Europe, the Middle East, and Asia.



## Green Technology for a Sustainable Future

The digital revolution cannot come at the expense of the environment. We reduced energy intensity by 25%, while our photovoltaic systems generated 250 MWh of clean energy to meet the energy needs of our facilities. In 2024, we aim to increase clean energy production to 1.526 MWh, taking another step towards energy autonomy.

Additionally, we invested in energy-saving projects such as the replacement of central air conditioning systems in large buildings, achieving annual savings of approximately 2.350 MWh, which is about 4,5% of the Organization's total consumption. At the same time, the 98,46% rate in waste recycling and reuse demonstrates that technological progress and environmental responsibility can go hand in hand.



## Excellence in Customer Service

Our commitment to excellent customer service is clearly reflected in the numbers. The increase in the Net Promoter Score (NPS) from 31% in 2018 to 48% in 2023 confirms that we are on the right track. The fault repair time has been reduced to one (1) day for residential customers and 0,6 days for businesses, while the average response time at our call centre has dropped to 47 seconds.



## Technology with a Social Face

In 2023, we invested over €3 million in social initiatives, supporting thousands of our fellow citizens. With special tariffs for vulnerable groups and targeted community support actions, we demonstrated that technological progress can and should be inclusive. No fellow citizen should be left behind in the digital age—this principle guides every decision we make.



## 2024: The Next Chapter in Cyprus's Digital History

The achievements of 2023 are just the beginning. 2024 brings even more. The Fiber network will extend to rural communities, the capabilities of 5G will be further leveraged, and our green transition will accelerate. With actions like these, we will lay the foundations for the next generation of digital services.

For us at Cyta, every new Fiber connection, every network upgrade, every clean energy initiative is a step towards our vision: a Cyprus that is changing for the better, where technology unites, empowers, and inspires a better tomorrow.

Best regards,

Andreas Neocleous  
Chief Executive Officer

# Cyta at a glance<sup>1</sup>

## → WE WORK AND EVOLVE INCLUSIVELY

Cyta employs 2.155 people, 42% of whom are women. We respect all individuals, regardless of race, ethnicity, disability, age, sexual orientation, gender identity, belief, culture, or religion, and we work inclusively. We support diversity and active social inclusion. In collaboration with an external Consulting Firm, we have developed and implemented a DEI (Diversity, Equity, and Inclusion) Strategy. We establish policies guided by human rights, equality, and the empowerment of every individual, and we develop networks that bring the most advanced technology, along with equal opportunities, to every citizen, whoever they are, wherever they are.

We recognize the need for our personnel flexibility for work-life balance, which is why we have included 54% of our employees in the teleworking scheme, with 91.556 person-days of teleworking in 2023. The recognition of these efforts is our accreditation by the international standard for human resource management certification, "Investors in People."

In early 2024, Cyta completed a 15-month consultation for a new institutional framework for the Organization's operation to function with modern methods and employment terms. This agreement serves as a model of modernization and progress for the broader public sector.

## → WE STAND RESPONSIBLY TOWARDS THE PLANET

We are taking significant measures to reduce the impact of our activities on the planet, with major energy autonomy projects. We have already installed photovoltaic systems in four of our buildings, including our Central Offices building in Nicosia. We continue the installation of photovoltaic systems at mobile phone base stations, and by the end of 2024, around 30% of the base stations are expected to be powered by photovoltaics. Our goal is to fully meet the Organization's energy needs with renewable energy sources and achieve Net Zero greenhouse gas emissions before 2030. In this context, we are we are evaluating the available options for the optimal energy mix, which will serve as the basis for determining the necessary capital investments in Renewable Energy infrastructure, .

We have renewed the "Green Offices" certification for the 8th consecutive year. We are the only organization in Cyprus to have achieved this for a total of 50 staffed buildings and customer service stores. We reuse or recycle 98,46% of our waste, renewing the Zero Waste to Landfill certification for the 8th consecutive year, and we are modernizing our vehicle fleet by gradually replacing them with electric vehicles. Currently, the process of procuring 40 electric Van-type cars for the needs of our corporate fleet is underway.

<sup>1</sup>. All the data presented is referenced and analysed in this Report.



## INVESTING IN CYPRUS

Cyta, as the leading telecommunications provider in Cyprus, has played a crucial role in the development and progress of the telecommunications sector in the country, strategically investing in infrastructure, technologies, and services since the establishment of the Republic of Cyprus. As a strategic investor, Cyta contributes to shaping Cyprus's digital infrastructure, enhancing economic growth, technological advancement, and the country's international connectivity. Since 2002, we have contributed €1,228 billion to the Republic of Cyprus, of which €898,1 million was in dividends and €329,9 million in taxes. Cyta enabled Cyprus become the first country in Europe with 100% population coverage for 5G.

Today, we are implementing a major investment program exceeding €100 million for the development of a fiber optic network, which is expected to be completed by the end of 2025. By the end of 2023, we had achieved 100% Fiber coverage in urban and suburban areas, reaching 340.000 households and businesses, and it will be the only network to extend to rural areas, offering 100% population coverage in our country.

At the same time, the fiber network consumes 80% less energy compared to traditional copper (DSL) networks, significantly reducing Cyta's carbon footprint.

Additionally, we are investing in submarine cable systems that connect our island with the world and offer new technological capabilities to every citizen and thousands of businesses.



## WE PLACE TECHNOLOGY IN THE SERVICE OF PEOPLE

Our networks, the expertise of our employees, our services, all those in which we invest over time, gain value when they address social challenges. In collaboration with the Council 'Foni', we leverage technology to connect the "Children's House" with courtrooms across Cyprus and facilitate the most sensitive and vulnerable group in our society, the children.

2.155 employees

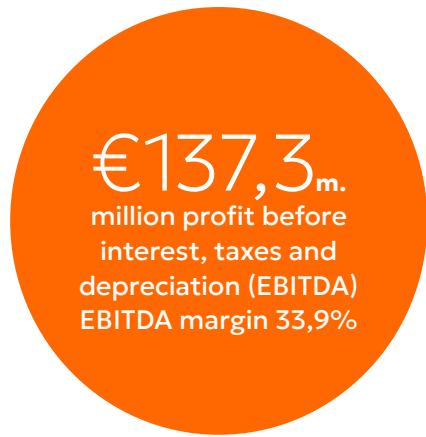


42% women

54% of employees engaged in teleworking



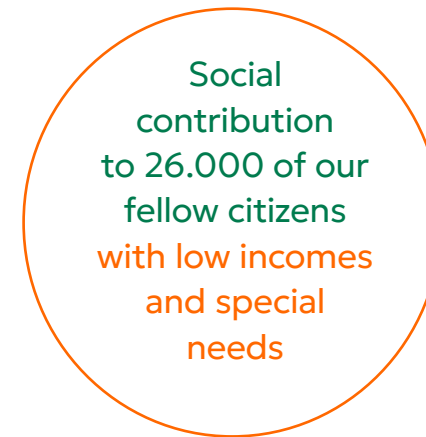
91.556 person-days of teleworking



100% Fiber Coverage percentage in urban & suburban areas

for 340.000 households & businesses

Increase in the average training hours of employees by 8,3% in one year



100% 5G population coverage

Net Promoter Score

↓

Consumer Market 47%

↓

Business Market 55%

Recycling or reusing 98,46% of waste

Customer Contact Center Average waiting time

→ 47"

Average Repair Time for Residential Customers

→ 24 HOURS

Nationwide service to over

→ 100 communities through Cyta's Mobile Shop

# About the Sustainable Development Report

## [GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5]

The Cyprus Telecommunications Authority (CYTA) – a Public Law Organization (hereinafter referred to as the "Organization" or "Cyta") based in Cyprus, publishes its 2nd annual Sustainable Development Report, which is available on the Organization's website.

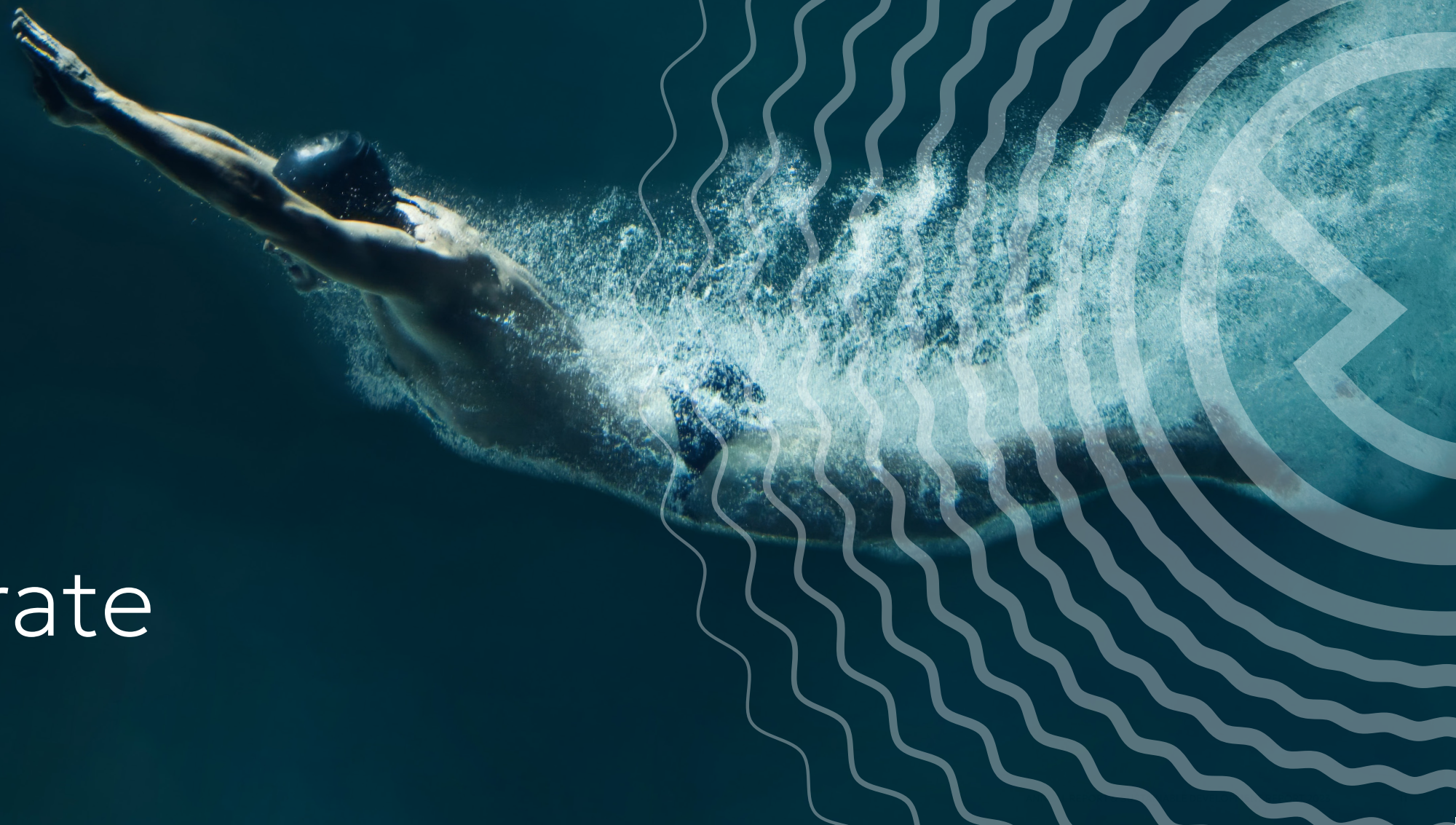
The Report presents the strategy, practices, and results of the Organization in Sustainable Development for the reporting period of 2023 (1.1.2023 – 31.12.2023), in alignment with the annual auditors' reports and financial statements (<https://www.cyta.com.cy/annual-reports/en>). The detailed results of the subsidiary companies (Digimed Communications Ltd, CytaCom Solutions Ltd, IRIS Gateway Satellite Services Ltd, Cyta UK Ltd, Cytaglobal Hellas AE) are excluded, although a summary of the three most significant subsidiaries is provided.

Cyta consistently strives to operate as a responsible Organization and an exemplary corporate citizen. For years, it has integrated sustainable development pillars into its policies. In 2023, it continues the process of aligning all its related actions with a well-considered strategy that is integrated across the entire spectrum of the Organization's operations. Its commitment to excellence and continuous improvement remains unwavering.

This report is based on the materiality analysis conducted in 2023. It is founded on the guiding principles of sustainable development and simultaneously charts Cyta's path for the future. It informs stakeholders about the Organization's efforts to improve in the areas of Environment, Society, and Economy, and underscores its ongoing commitment to excellent business practices.

The Report has been prepared with reference to the GRI (Global Reporting Initiative) Standards 2021, considering the industry-specific criteria of the Telecommunications Sustainability Accounting Standard (2023-12 edition) issued by the SASB (Sustainability Accounting Standards Board). Beyond the material topics, additional data and information about the Organization are presented to inform readers, participants, and other stakeholders with full transparency.

Cyta has not proceeded with external assurance of the Report's content but acknowledges its importance and is considering obtaining external assurance for a future Report. Additionally, since this is the Organization's 2nd Sustainable Development Report, it includes comparative restatements of information. For any reference regarding the Organization's initiatives on Sustainable Development, as well as for any further information about this Report and its content, you can contact Mr. Alekos Alexandrou - Director of Strategy and Communication at Cyta (email: [alekos.alexandrou@cyta.com.cy](mailto:alekos.alexandrou@cyta.com.cy)).



# Corporate profile

# Corporate Profile

## [GRI 2-1]

As the largest provider of integrated electronic communication services in Cyprus, we leverage the technological superiority of our networks to offer a wide range of services and facilities that meet the ever-growing needs of our residential and business customers in both fixed and mobile communication, including voice, data, and content applications.

Playing a leading role in the digital transformation of the country, we are developing a fiber optic network across Cyprus and enhancing the technological advancement of mobile communication networks. At the same time, we strategically maintain and expand international submarine and satellite connection networks, establishing Cyprus as a reliable telecommunications hub in the Eastern Mediterranean.

Our headquarters are located at Telecommunications Str., Strovolos, P.O.Box 24929, CY-1396, Nicosia, Cyprus.

CORPORATE PROFILE

# Corporate culture

Our culture reflects the shared values that are widely accepted and contribute to increasing employees satisfaction and performance. The development and establishment of our Organization as one of the leading telecommunications organizations in the country is primarily attributed to the ability of our employees to responsibly design and implement projects, with respect for the environment, society, and the economy.

**OUR PURPOSE**



We connect people and Cyprus with a digital and sustainable future.

**OUR VISION**



To make Cyprus a benchmark in the digital society and economy.

**OUR MISSION**



We provide society and businesses with the most reliable and modern technology, creating opportunities for a better life and growth for everyone.

**OUR CORPORATE VALUES**



- We Care
- We Collaborate
- We Innovate

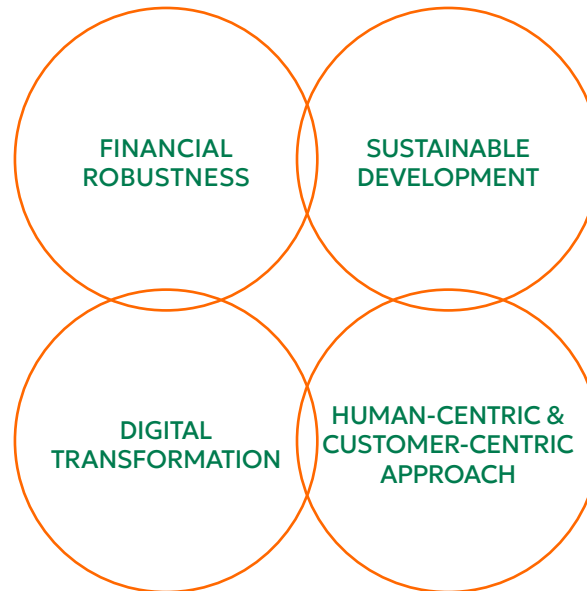
**OUR OPERATIONAL VALUES**



- Enthusiastic Customers
- Team Spirit
- Agile Action

We are pioneers of technological advancement in Cyprus. Operating with a clear commercial orientation and utilising rational management of revenues and expenses, we implement timeless strategic projects. Our efforts focus on extensive developmental expenditures through targeted and well-studied actions. The strategic axes and pillars for the three-year period of 2022-2024 have been defined and updated in the Corporate Business Plan of the Organization, which is based on its business strategy map.

**Strategic axes**



**Strategic Pillars**

The following strategic pillars form the foundation of our operational strategy and determine Cyta's strategic direction. As such, they are a key parameter in the final selection of our strategic projects, ensuring the simultaneous fulfilment of the Organization's vision and mission.

|  |   |
|--|---|
| 01. <b>Customer Centricity</b>                 | Customers are at the centre of the Organization's operations. We recognize and respond promptly to their needs, continuously improving the experience they have with Cyta at every interaction. |
| 02. <b>Digital Transformation</b>              | We recognize and adopt new technologies and automations, striving for more effective and efficient operations, as well as supporting our digital services.                                      |
| 03. <b>Market Leadership</b>                   | We focus on maintaining and further developing our leading position in the markets where we operate through targeted actions for the distribution and promotion of our services.                |
| 04. <b>Investments in New Revenue Streams</b>  | We fully leverage the Organization's capabilities and long-standing expertise by investing in new markets to expand its market influence.   |
| 05. <b>Technological Superiority</b>           | We invest timely and continuously in our technological infrastructure, responding to the modern trends of the telecommunications market.  |
| 06. <b>Human Resource Development</b>          | We invest in our human resources and the strengthening of our corporate culture, aiming to increase performance and optimize the employee experience.   |
| 07. <b>Cost and Profitability Optimization</b> | We utilize modern methods, tools, and systems that enable the optimal management of our costs and profitability.  |
| 08. <b>Sustainable Development</b>             | We invest in projects that aim for the green and socially responsible development of the Organization.  |

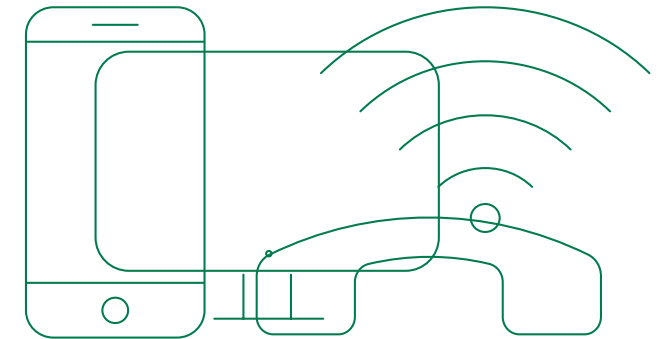
CORPORATE PROFILE

# Products & Services

[GRI 2-6]

As the leading provider of integrated electronic communications in Cyprus, we understand our customers' needs for flexible products and services. That is why we strive to maintain their high level of quality with innovative solutions, integration of the latest technological advancements, and continuous upgrades. At the same time, we focus our efforts on sustainability and aim to reduce the environmental impact of our Organization.

With the economic and environmental challenges of our time in mind, Cyta develops and offers solutions that allow consumers and businesses to adapt flexibly to modern conditions, while simultaneously optimizing efficiency and increasing profitability. In this context, we collaborate with a multitude of suppliers and contracting companies, either through long-term cooperation contracts or through specific projects that are completed within a defined timeframe.



**Cyta Products and Services:**



**Landline Telephony, Internet & Networking**

One of our core activities is the provision of Landline Telephony and Internet services in the Cypriot market for residential and business users. In 2023, fixed telephony customers reached 151.265 and internet service customers reached 206.704.

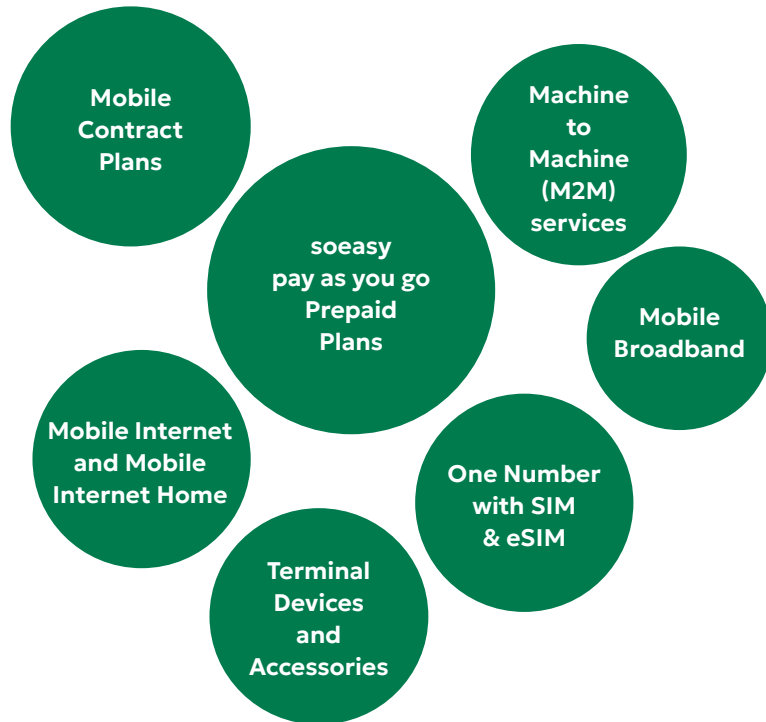
Key products and services:

- Telephony for residential & business customers (Business Telephony and Business Telephony for PBX)
- Internet Home, Internet Business and Internet Youth
- Ethernet Networking Services and Managed SD-WAN Solutions for Businesses
- Business Start Plan for new businesses or businesses that are expanding
- Safe internet for Home
- Safe web



**Mobile Communication**

The provision of advanced mobile communication products and services meets the continuously growing needs of the residential and business market. In 2023, mobile telephony contract customers reached 520.273 and prepaid mobile telephony customers reached 210.218, with a significant percentage opting for plans with unlimited data and call minutes.



**TV (Cytavision)**

Cytavision offers a comprehensive subscription television proposition for the Cypriot market, providing a variety of choices in sports and thematic content, along with interactive features, aiming to deliver quality entertainment for residential and business customers. It provides interactive features aimed at quality entertainment for residential and business customers. It is delivered through a managed network and Set Top Box equipment, as well as via the internet and an app on smart TVs (Cytavision TV App).

Products and services:

- Variety Value pack and Cyprus Football Package
- Additional Cyprus Football and International Sports Content Packages
- Cytavision Sport 4K Channel
- CytavisionGo for viewing on mobile phones, tablets, and PCs
- Video on Demand
- Multiview and StatsView Services
- Public and Hotel Pack for businesses



**Cloud & ICT Services**

The portfolio of Cloud and ICT services meets multiple business needs, and in recent years we have taken a leading role in these areas. We offer innovative solutions for complex projects in the broader public sector, such as Smart City Solutions, making Cyta a significant partner for both the public and the private sector. Our involvement includes all stages of design, implementation, and comprehensive project management.

We are distinguished for our reliable high-speed networks, excellent technical support, enhanced security of all related infrastructures, and Cloud IaaS (Infrastructure-as-a-Service) provisioning services. The two monitoring centres, NOC (Network Operations Centre) and SOC (Security Operations Centre), enable our specialized employees to monitor our customers' services on a 24/7 basis. Equally important is the high-standard certification of our Data Centres with ISO 27001.

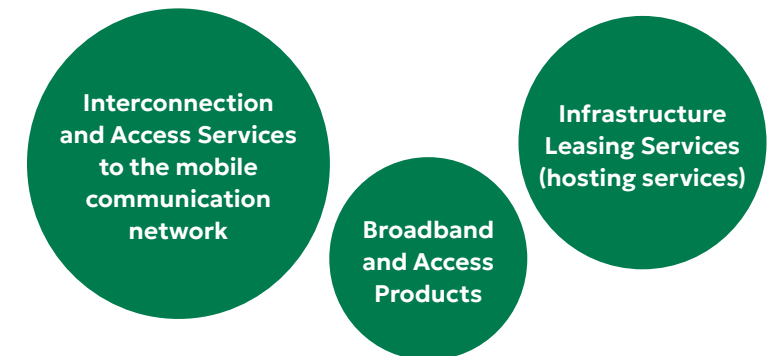


**National Wholesale Market Services**

The National Wholesale Market serves licensed providers in Cyprus with wholesale products and services.

We offer our wholesale customers the ability to connect their networks with Cyta's fixed and mobile communication networks. Additionally, wholesale customers can provide broadband services to their customers through Cyta's networks, as well as to lease Cyta's spaces and infrastructure for hosting technical equipment and developing their own networks

Key services:





**International Wholesale Market Services**

The International Wholesale Market leverages Cyta's extensive international telecommunications network to provide services to international customers or customers within Cyprus with international communication needs.

We offer the assignment of Indefeasible Right of Use (IRU) through the international network as well as the leasing of cable capacity to local and international providers. As part of the solution, if required, we also offer international capacity interconnection through national networks.

Regarding international wholesale telephony, we provide termination of international calls to all fixed and mobile networks worldwide to serve Cyta's customers, as well as the ability to resell to licensed providers in Cyprus and abroad.

**Key products and services:**

- International cable products and International Internet, including the sale or leasing of cable capacity to local and international providers
- International satellite products
- International leased circuits
- International wholesale telephony



**Aeronautical Services**

We provide technical support for the supply and maintenance of equipment to the Department of Civil Aviation, responsible for the smooth, safe, efficient, and effective management of air traffic in the Flight Information Region (FIR) in Nicosia.

The support we provide is aligned with international standards and the recommendations of the International Civil Aviation Organization (ICAO), as well as the programs of the European Organization for the Safety of Air Navigation (EUROCONTROL).



**Customer Service**

Full service and optimal contact with the customer are at the core of our customer-centric strategy. Our network includes 18 Cyta shops covering all of Cyprus, as well as an extensive network of resellers serving our customers throughout the country.

In 2023, the Customer Contact Centre handled approximately 900.000 phone calls through the service number 132, around 71.000 chats, 61.000 emails, and 4.000 comments and reports via social networks (Facebook, Twitter).

For the service of business customers, we have a specialized network of Sales and Service Consultants, which offers consulting services and personalized service. Additionally, our well-trained Telephone Service Team provides support through the service number 150 for both issues related to the offered services and technical matters.



**Cyta Mobile Shop**

For the convenience of residents in the mountainous and rural areas of Cyprus, the Organisation operates the unique Cyta Mobile Shop, a mobile store that travels to nearly 30 communities to provide Cyta's products and services and serve customers, just like a physical store. Equally important is its service to over 100 neighbouring communities. When necessary, it undertakes the service of the public in emergency situations, such as large fires and/or to facilitate the Organization's promotional activities.

In 2023, the Cyta Mobile Shop



served customers in more than 100 communities



**Georgios Malikides**  
 Chief Technology and Informatics Officer  
 Dipl.Eng NTUA, MBA

**Senior Information Technologies Management**

For another year, we continued to invest in the most advanced technologies. We upgraded our infrastructure to offer even better services and further improved the security of the networks and the data we manage. At the same time, we carried out upgrades to our satellite and submarine cable systems, strengthening the international connections of our country.

We continue the qualitative modernization of the 5G network and focus on expediting the completion of the Cyta Fiber optical fiber network. By the end of 2023, we reached 100% coverage of all urban and suburban areas, with our network available to 340.000 premises, having already connected over 175.000 customers. Our next goal is the rapid coverage of rural areas, so that by the end of 2025, Cyprus will be one of the first countries in the European Union with 100% population coverage of the Fiber network.

Cyta’s Fiber network is the only one being developed to serve the whole of Cyprus, reaching even the most remote village, offering every citizen equal opportunities that meet not only the communication needs of today but also of the future. It is an essential prerequisite for the digital transformation of the country, offering increased reliability, an availability rate reaching 100%, and almost zero faults.



**Information technology**

The Department of Information Technologies is responsible for the smooth functionality and effectiveness of the Organization. It acts as a catalyst for innovation, promoting the adoption of emerging technologies in a way that enhances Cyta’s competitiveness in the market. In 2023, we remained vigilant, investing in upgrades to our internal systems and technological infrastructure, such as Business Support Systems (BSS) and Operation Support Systems (OSS), to keep pace with technological advancements and ensure that our customers, both businesses and individuals, receive reliable and secure high-quality services.



**Network & Information security**

Nowadays, the rapid increase in the need for constant connectivity has resulted in a rise in cyberattacks that can lead to data breaches, service interruptions, financial losses, and the loss of user privacy and security. This intensifies the critical importance of cybersecurity for every user. Cyta addresses this with due attention and seriousness, adopting advanced encryption technologies, implementing strict access policies, and training its employees to handle risks. Additionally, it participates in cybersecurity initiatives and continuously upgrades its infrastructure to enhance the protection of customer data and its networks. The Organization’s emphasis on information security positions Cyprus as a modern, technologically advanced, and reliable destination for businesses, further contributing to the country’s development and prosperity.

CORPORATE PROFILE

# Results of Senior Management and Subsidiaries



**Nicos M. Stylianou**  
 Chief Operations Officer  
*BSc Math&OR, MSc ManSc&OR*

**Senior Operational Management**

We recognize that our ability to meet the demands of our customers critically depends on the strength and quality of our people. The same holds true for our continued success in an increasingly challenging business environment and, consequently, for our sustainability. By creating a supportive and healthy work environment that enhances employee satisfaction and retention, we increase our productivity and innovation. At the same time, we promote good practices and corporate social responsibility, enhancing the positive reputation of our brand. By investing in the well-being of our employees, we ensure long-term operational stability and adaptability, which are essential for ongoing success and sustainability.

That is why one of the 8 pillars of our strategic direction is the development of our human resources. We invest in the continuous development of new capabilities and skills of our people, building and encouraging a culture where employees care, collaborate, and innovate. Consciously, through educational programs, we enhance teamwork, customer-centricity, and flexibility, aiming to increase performance while simultaneously enhancing their experience.

A reward for the above efforts is our accreditation by the international certification standard in human resource management, "Investors in People." This achievement is another reason for pride and recognition of our efforts to create a favourable working environment and develop our human resources.

International certification standard in human resource management



Equally important was the successful completion of the consultation process for "Institutional Innovation," which allows us to balance maintaining our public character with the necessary flexibility in our operations in a highly competitive environment. Within this framework, we also built the new promotion system that will replace the previous one. It is based on a modern philosophy, with new criteria that evaluate abilities, skills, performance, knowledge, and experience through a transparent implementation process. Its purpose is to highlight and fairly promote the most suitable candidates, aiming for a higher degree of employee commitment and morale and increased productivity.

We care about the impact of our business activities on people, society, and the environment. That is why we created a separate Directorate of Sustainable Development. In 2023, we operated four photovoltaic systems in our buildings as part of our goal to fully cover our energy needs from renewable energy source by 2027. We created 36 corporate governance policies and planned many projects and actions for 2024.

In 2023, we laid the foundations for our identity in the next decade, allowing us to look to the future with optimism. With people at the centre of every decision and action, we are gradually shaping a sustainable development model that enhances our corporate responsibility, focusing both on the progress and well-being of our employees and the communities we interact with.



**Georgios Metzakis**  
Chief Commercial Officer  
*BSc Business Administration  
(General Management & Marketing)*

### Senior Commercial Management

As the digital world becomes increasingly interconnected and data-dependent, Cyta is making all the necessary moves to continue leading the way in shaping the future of communication and innovation. We recognize that our customers determine our sustainability, which is why we have made our continuous evolution a top priority. This ensures that we can respond to and adapt to their constantly changing needs, including the experience we offer them in every interaction with us.

Customer service is an element that differentiates us from the competition, and it has always been a top priority for us. We are proud of the quality and immediacy of the service we provide to our customers and strive to continuously enhance it with innovative digital communication solutions. In this context, in 2023, Cyta secured the Grand Award at the Cyprus Customer Excellence Awards as the most customer-centric business of the year. It also received gold awards for the "Best Customer Contact Centre", "Remote Visual Support", "Best Use of Technology", "Best Customer Evaluation for Highest Quality Service", "Best employees Training and Development", and "Best Online Service." The My Cyta App was awarded silver in the "Best Service App" category, while the Cyta Rewards program also received a silver award in the Best Customer Loyalty & Engagement Initiative category.

# Cyta's Fiber network is available to 100% of the urban and suburban population across Cyprus

At the same time, in 2023, we made Cyta's Fiber network available to 100% of the urban and suburban population across Cyprus, covering over 340.000 premises. The new, state-of-the-art network offers ultra-high speeds of up to 2Gbps while consuming 80% less energy compared to traditional copper (DSL) networks, significantly reducing Cyta's carbon footprint on the environment.

By the end of 2025, the network will be available to every citizen of the country, including the rural population, so that everyone will have equal access and equal opportunities to a better, sustainable future.

The availability of the fiber network also accelerates the implementation of Smart Cities projects for the municipalities of Nicosia and Paphos. By leveraging our expertise in executing complex technology projects, we further contribute to the State's efforts for digital transformation and sustainability.



**Residential Customers**

Our timeless goal remains the immediate, easy, and secure service of each of our customers, wherever they may be. That is why we adopt new service technologies, both in the Customer Contact Centre and in other channels, such as electronic messages (chat) through social networks. At the same time, we continuously upgrade the Cyta App and Cyta’s online shop with new features.

Simultaneously, we are also upgrading the Cytavision experience. Specifically, in 2023, we offered Multiview and Sports Analytics services, as well as additional sports channels. Additionally, we rewarded our customers' preference and trust by enhancing the gifts and offers of the Cyta Rewards program.

Finally, we introduced 2Gbps speeds for our residential customers, while the eSIM service, which was available to mobile subscription customers, was also made available to soeay customers this year.



**Business Customers**

Small and medium-sized enterprises (SMEs) are the backbone of the Cypriot economy. That is why we have developed a range of products that simplify and fulfil all their digital needs. This allows businesses to focus seamlessly on their core activities without distractions. At the same time, we organized a nationwide series of educational conferences (Cyta Business Roadshows) aimed at informing businesses on the safe and efficient use of digital tools, helping them become more profitable and competitive.

We also provided advanced telecommunications and networking solutions by adopting new technologies. We activated the NBloT network for connecting IoT devices and sensors, enabling businesses to leverage the collected data for more efficient resource management.

Additionally, we upgraded our customer service by extending operating hours and offering technical support over the phone. We also provided advanced telecommunications and networking solutions by adopting new technologies. We activated the NBloT network for connecting IoT devices and sensors, enabling businesses to leverage the collected data for more efficient resource management. Additionally, we upgraded our customer telephone service by extending the hours and offering technical support over the phone.

With these initiatives, we strengthened our support for the business community, which is reflected in the increase in the number of businesses choosing Cyta Business as their reliable strategic partner.



**Wholesale Customers**

Cyta continued to extensively develop the submarine optical fiber cable network, providing our country with direct connectivity to the outside world. In 2023, the implementation of the CADMOS 2 cable system, which connects Cyprus with Lebanon, began, while the upgrade of the existing connection with Greece was also completed. At the same time, we completed several new satellite service projects for international customers at our facilities.

At the same time, we continue to maintain commercial relationships at multiple levels with our local wholesale customers. In 2023, our relationships were further strengthened through network and infrastructure leases for both fixed and mobile services.

## Subsidiaries



Subsidiary  
Iris Gateway Satellite Services Ltd

The company Iris Gateway Satellite Services Ltd was founded on April 16, 1999, as a joint venture with a foreign company. In 2002, Cyta acquired the partner's share, and since then, through the company Digimed, Iris has been a 100% subsidiary of Cyta.

Iris specializes mainly in providing satellite broadcasting services for radio and television programs from Cyprus to the international market. It broadcasts a multitude of foreign television channels and offers satellite reception and distribution services for television content on a large scale to the international market, primarily covering the needs of customers in the Middle East. It also provides hybrid services that combine satellite television connections and international cable links.

At the same time, it offers comprehensive solutions to customers who are interested in distributing their programs to various international locations and serves customer requests for the provision of occasional television services, mainly concerning the broadcasting and distribution of major sporting events in different regions of the world.

In 2023, within a highly competitive environment, it achieved the expansion of its operations by providing new satellite broadcasting services, meeting the needs of existing and new customers. It also continued to provide support services for Cyta's satellite services.



Subsidiary  
Cytacom Solutions

CytaCom Solutions Ltd was founded on May 2, 2001, and provides comprehensive, high-quality, and innovative communication and IT solutions/services tailored to the needs of its customers, including specialized solutions and services to the parent company Cyta and its customers. The primary strategic goal of CytaCom Solutions is to be one of the most reliable choices for projects that require the design and provision of specialized and integrated communication and IT (ICT) solutions, to public organizations and businesses in the Cypriot market, offering the following products/services:

- Provision of comprehensive IT solutions, networking and telephony equipment, and services for the installation, support, and maintenance of electronic equipment and software.
- Management of integrated technology infrastructure projects and provision of specialized services to the parent company Cyta and its customers.
- Design and development of web portals, electronic platforms, and applications, including application programming interfaces (APIs).
- Provision of bulk messaging services (BulkSMS, webSMS.com.cy).



Subsidiary  
Cyta Global

The company Cytaglobal Hellas was founded in Athens on November 5, 2003, as a 100% subsidiary of Digimed Communications Ltd, initially under the name "CYTA Hellas." On January 2, 2007, by decision of an Extraordinary General Meeting of Shareholders, it was renamed Cytaglobal Hellas S.A. and granted the right to use the name "CYTA Hellas" to another subsidiary of Digimed operating in Greece.

It is a member of the Cyta Group of companies and operates, in collaboration with its parent company Cyta, in providing international leased line connections, voice interconnection services, signalling, and internet services. It also occasionally provides, on a resale and sublease basis, equipment co-location services, local loops, and other local connections within the Greek territory through its partners and other subcontractors.

Since 2020, the company has been providing IT services to Cyta for the needs of special projects, within the framework of the telecommunications services provided to Cyta.

# Supply chain and business relationships



## SUPPLY CHAIN AND BUSINESS RELATIONSHIPS

# Supply chain

The following table presents our supply chain and describes the business relationships between the upstream and downstream activities related to our products and services.

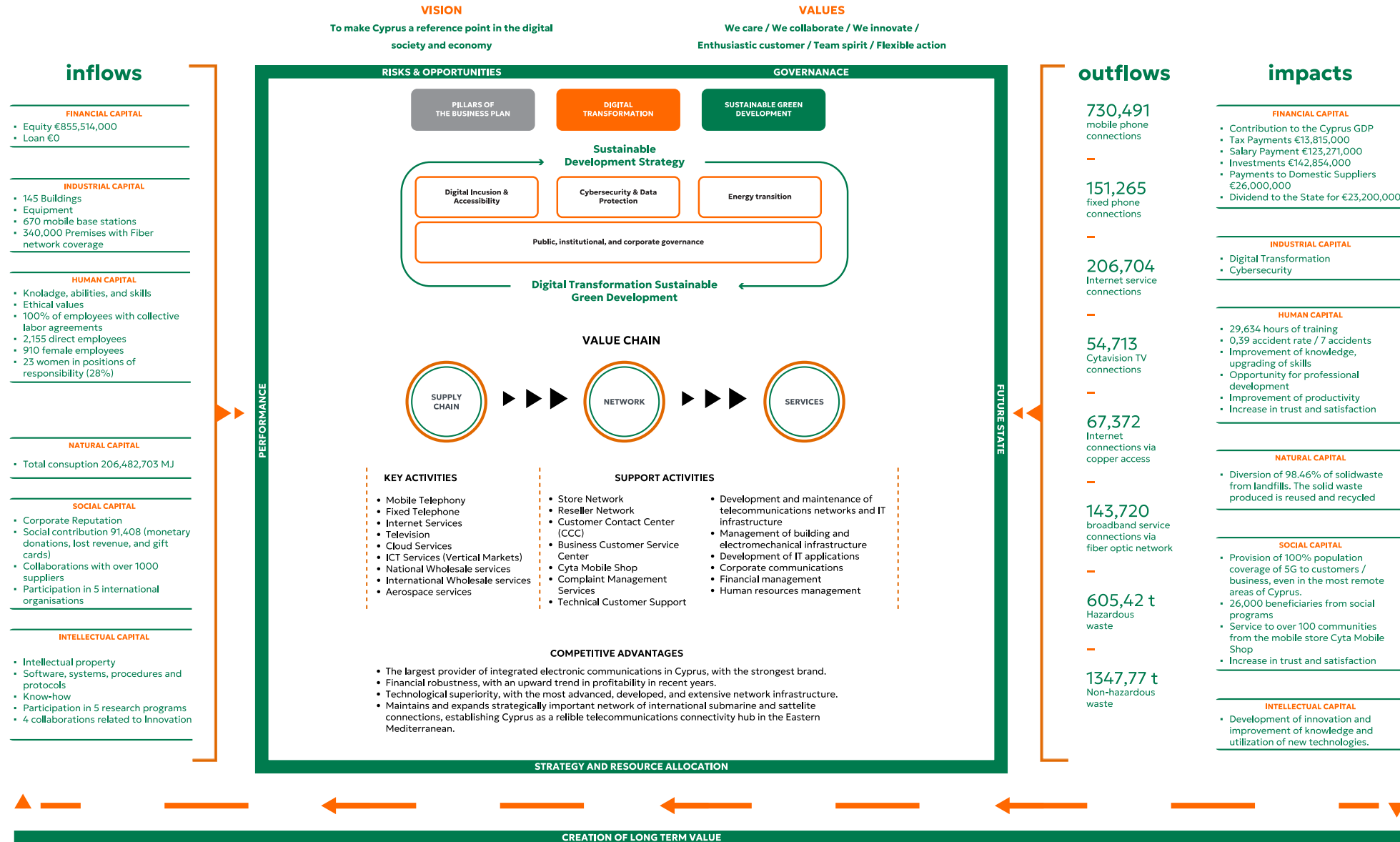


**EXISTING AND POTENTIAL IMPACTS**

| Upstream  | Activities  | Downstream   | Upstream  | Activities  | Downstream   |
|---|---|--|---|---|--|
| <ul style="list-style-type: none"> <li>• Telecommunications and network equipment and software suppliers</li> <li>• IT equipment and software suppliers</li> <li>• Terminal equipment and accessories suppliers</li> <li>• Advertising agencies</li> <li>• TV content providers</li> <li>• Partners and suppliers for the development and maintenance of building infrastructure</li> <li>• Providers of specialized services (e.g., mobile device insurance)</li> <li>• Suppliers of consumable materials</li> </ul> | <p><b>TELEPHONY, INTERNET, MOBILE TELEPHONY, CYTAVISION</b></p> | <ul style="list-style-type: none"> <li>• Residential market customers</li> <li>• Business customers (companies/legal entities, individuals with business activities based or/and having facilities in Cyprus)</li> <li>• Store network</li> <li>• Reseller network</li> <li>• Advertising agencies</li> <li>• Business customer consultants</li> <li>• Businesses for service resale</li> <li>• Government services</li> <li>• Recycling and/or reuse</li> </ul> | <ul style="list-style-type: none"> <li>• Telecommunications and network equipment suppliers</li> <li>• IT equipment and software suppliers</li> <li>• Service consultants</li> </ul>  | <p><b>ICT SERVICES</b></p>                            | <ul style="list-style-type: none"> <li>• Government services</li> <li>• Local authorities</li> <li>• Recycling and/or reuse</li> </ul>   |
|   |   |  | <ul style="list-style-type: none"> <li>• Cyta's telecommunications networks and infrastructure</li> </ul>   | <p><b>NATIONAL WHOLESALE SERVICES</b></p>             | <ul style="list-style-type: none"> <li>• Telecommunications organizations and other licensed providers</li> <li>• Wholesale market customers</li> </ul>  |
|   |   |  | <ul style="list-style-type: none"> <li>• Satellite service provision partners (for providing commercial connections on a wide basis and supporting satellite control services)</li> <li>• Partners providing access to new broadband satellites</li> <li>• Submarine cable system provision partners</li> </ul> | <p><b>INTERNATIONAL WHOLESALE MARKET SERVICES</b></p> | <ul style="list-style-type: none"> <li>• Wholesale market customers</li> <li>• National and international mobile network providers</li> <li>• Business customers</li> </ul>                    |
| <ul style="list-style-type: none"> <li>• Telecommunications and network equipment suppliers</li> <li>• IT equipment and software suppliers</li> <li>• Advertising agencies</li> </ul>   | <p><b>CLOUD SERVICES</b></p>                                    | <ul style="list-style-type: none"> <li>• Reseller network</li> <li>• Advertising agencies</li> <li>• Business customer consultants</li> <li>• Businesses for service resale</li> <li>• Government services</li> <li>• Recycling and/or reuse</li> </ul>  | <ul style="list-style-type: none"> <li>• Suppliers/manufacturing companies of aeronautical systems</li> </ul>   | <p><b>AERONAUTICAL SERVICES</b></p>                   | <ul style="list-style-type: none"> <li>• Civil Aviation Department (through which services are offered to the Meteorological Service and the Search and Rescue Coordination Centre)</li> </ul> |

## 5.2 Cyta - Business model<sup>2</sup>

The business of CYTA aims to create value for all stakeholders through digital transition and green sustainable development

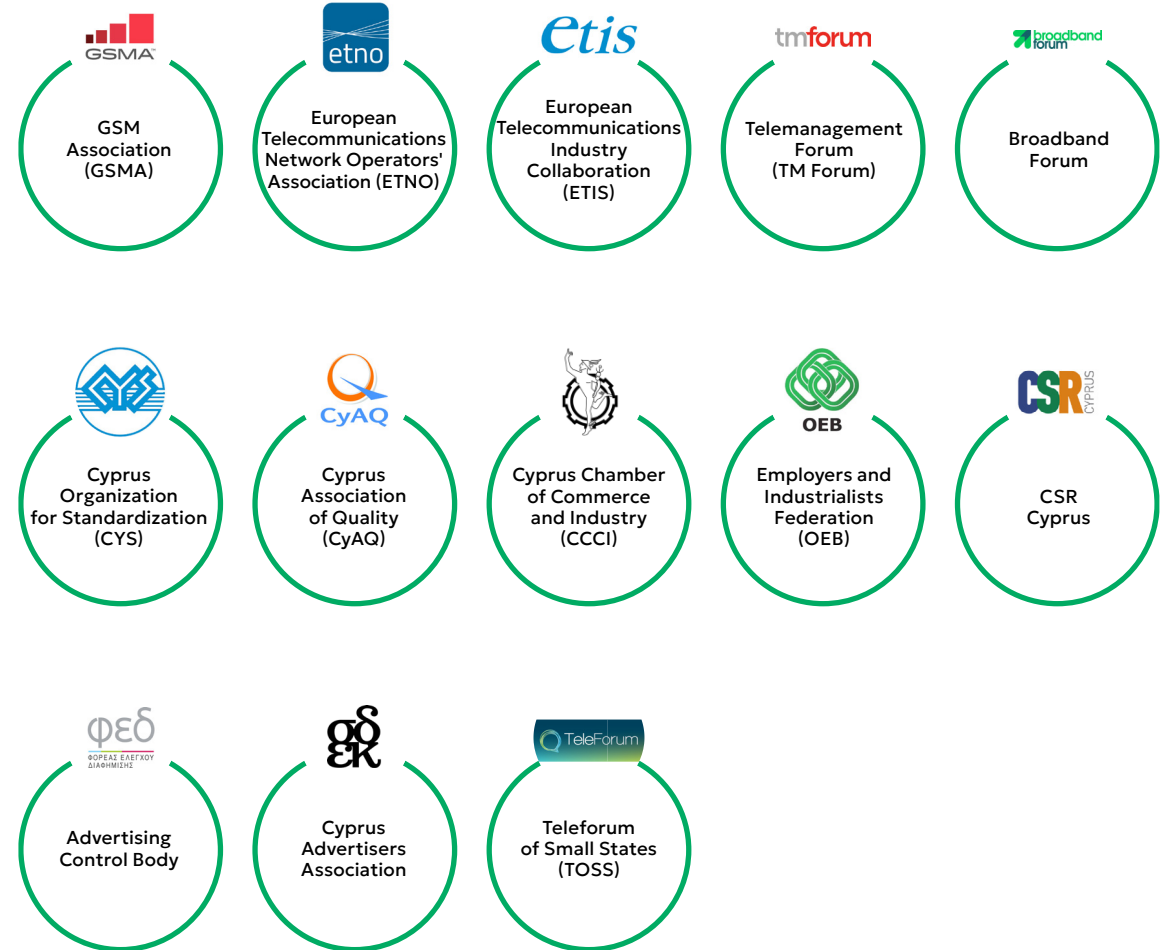


<sup>2</sup> The information is detailed in the Sustainable Development Report for each area of activity.

SUPPLY CHAIN AND BUSINESS RELATIONSHIPS

# Participation in organizations

[GRI 2-28]



SUPPLY CHAIN AND BUSINESS RELATIONSHIPS

# Awards and Certifications 2023



**CERTIFICATION**  
"Green Offices"



**DISTINCTION**  
"Gold Environmental Protector 2023"



**AWARDS**  
"Cyprus Retail and Sale Awards 2023"



**AWARDS**  
Business of the Year at the "Corporate Sustainability & Responsibility Best Practises Awards 2023"



**CERTIFICATION**  
"Zero Waste to Landfill"



**AWARDS**  
"Cyprus Customer Excellence Awards 2023"



**AWARDS**  
"Cyprus Responsible Business Awards 2023"

ISO9001: 2015  
Quality Assurance System

ISO 27001:2013  
Data Centers (Nicosia-Aglantzia and Limassol - Amathus) Information Security Management

ISO 18295: 1:2017  
Customer Contact Centre Services

Air Navigation Service Provider  
(Communication, Navigation, Surveillance – CNS) certification from the "National Supervisory Authority"

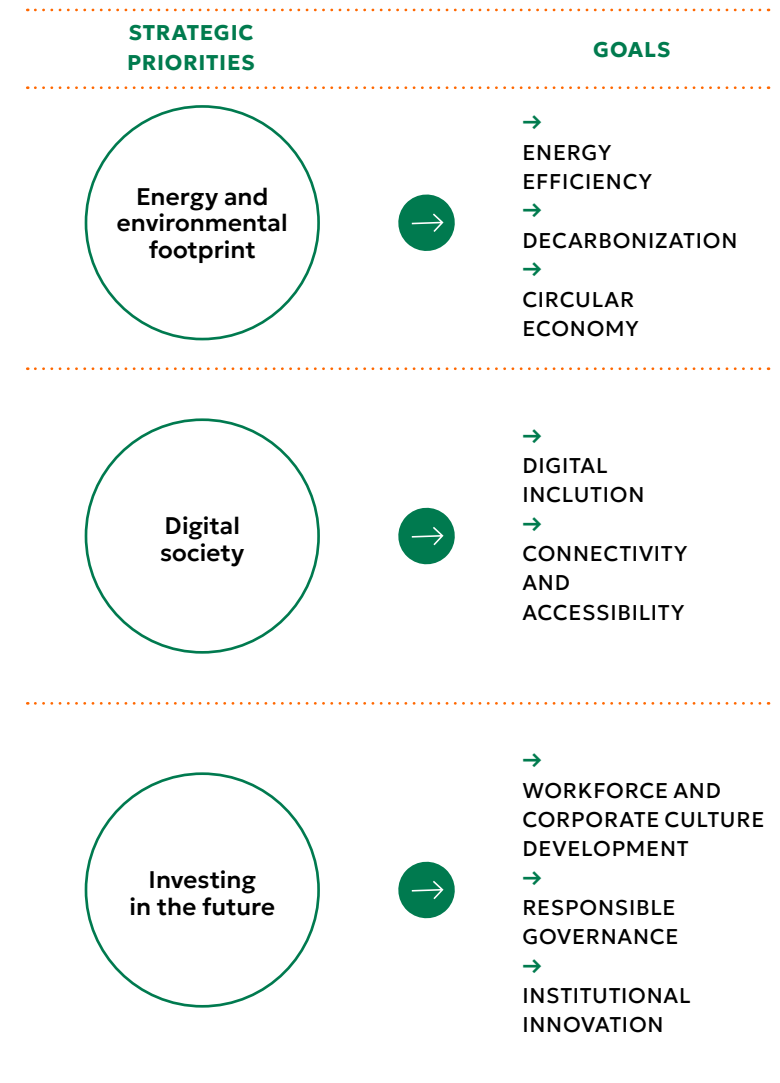
# Sustainable Development



SUSTAINABLE DEVELOPMENT

# Strategy

Through the Sustainable Development Strategy, we have defined the main priorities concerning the energy and environmental footprint of the Organization, the Digital Society, and future investments. The Sustainable Development Policy was approved in 2023 and published on Cyta's official website.



**PRIORITIES AND GOALS OF THE SUSTAINABLE DEVELOPMENT STRATEGY**

**Strategic Priorities**

| <b>Energy and environmental footprint</b>                                    | <b>Digital society</b>  | <b>Investing in the future</b>   |
|--|---|--|
| Green transition through the integration of selected environmental projects. | Actions that Cyta is called to implement as one of the key players in the business ecosystem of Cyprus, aiming to strengthen its leading role in the digital transformation of the country. | Corporate governance actions related to Cyta's actual core activities, as well as those it must undertake to enable its smooth transition to a digital and sustainable future. |

**Goals**

|   |   |   |
|---|---|---|
| <p><b>→ ENERGY EFFICIENCY</b><br/>Optimization of the use of renewable energy sources, aiming for maximum independence from non-renewable energy sources, as well as increasing our energy efficiency.</p> <p>Securing the annual electricity needs of the Organization from renewable sources (RES) by 2027.</p> <p>Improving Energy Efficiency by at least 1,9% annually.</p> <p><b>→ DECARBONIZATION</b><br/>Reduction and offsetting of carbon dioxide emissions.</p> <p>Targeting a net zero carbon balance for Scope 1&amp;2 emissions (Net Zero Carbon) in the coming years.</p> <p><b>→ CIRCULAR ECONOMY</b><br/>Research , design, and define actions &amp; timelines, aiming for the immediate adoption &amp; implementation of a circular economy program.</p> | <p><b>→ DIGITAL INCLUSION</b><br/>Provision of services that lead to the completion of digital transformation, through appropriate mechanisms for privacy protection and cybersecurity provision.</p> <p><b>→ CONNECTIVITY AND ACCESSIBILITY</b><br/>Development of networks for maximum geographical coverage and providing access to the maximum percentage of the population.</p> <p>Provision of technological facilities to increase connectivity for all social strata.</p> <p><b>100% population coverage of 5G (2023)</b></p> <p><b>Full coverage of all urban and suburban areas of Cyprus with Cyta Fiber optic network (2023).</b></p> <p><b>Nationwide population coverage (including rural and underserved areas) of the Fiber Network: 80% (31/12/2023), 90% by the end of 2024, 100% by the end of 2025.</b></p> | <p><b>→ WORKFORCE AND CORPORATE CULTURE DEVELOPMENT</b><br/>Training, equal opportunities, inclusion, and diversity aiming to transform the Organization's culture to establish targeted environmental and social ambitions and to position Cyta as the organization of choice for new talent.</p> <p><b>→ RESPONSIBLE GOVERNANCE</b><br/>Establishment of governance policies and mechanisms that promote sustainable practices for managing environmental and other risks.</p> <p><b>→ INSTITUTIONAL INNOVATION</b><br/>Transformation of the institutional framework governing Cyta aiming for simplicity, speed, flexibility, and innovation.</p> |
|---|---|---|

SUSTAINABLE DEVELOPMENT

# Sustainable Development Management

The Board of Directors of Cyta acts to promote the long-term interests of the Organization and is committed, based on the Governance Regulation, to serve the state and the public purpose of Cyta, taking into consideration all stakeholders' interests.

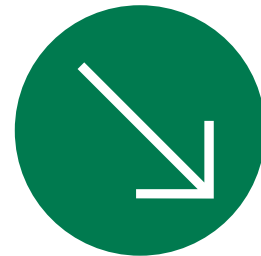
Additionally, the Board is responsible for safeguarding and enhancing the long-term sustainable value of Cyta, in alignment with the Organization's purpose and strategy. It is also responsible for the balanced presentation of Cyta's position and long-term prospects, as well as its financial statements, to facilitate the assessment of its financial performance, strategy, and prospects by stakeholders. This responsibility extends to factors related to Sustainable Development that affect Cyta's performance and long-term value creation.

The Board is also responsible for reviewing and approving both the material issues and the information presented in Cyta's annual Sustainable Development Report. The report highlights the complexities faced by a modern organization, combining economic, human, and natural resources, in accordance with the Organization's current and future strategic direction.

Cyta also recognizes the need to manage risks and seize opportunities arising from Sustainable Development issues. For example, the risk of increasing electricity costs due to the rising cost of purchasing emission allowances for conventional production. At the same time, opportunities are recognized from the use of renewable energy sources and the optimization of energy efficiency, which are priorities for Cyta. Furthermore, by attracting and retaining new, talented, empowered, and diverse personnel, we recognize the opportunities to increase our innovation and effectiveness.

In 2021, the Sustainable Development Committee was established by members of the Board, operating based on a specific charter to ensure, oversee, and communicate the integration of Sustainable Development issues into the Organization's operations. The Committee is responsible for setting Sustainable Development goals and coordinating their execution.

The Organization maintains a Sustainable Development Department in its organizational structure, with the following responsibilities



SUSTAINABLE DEVELOPMENT

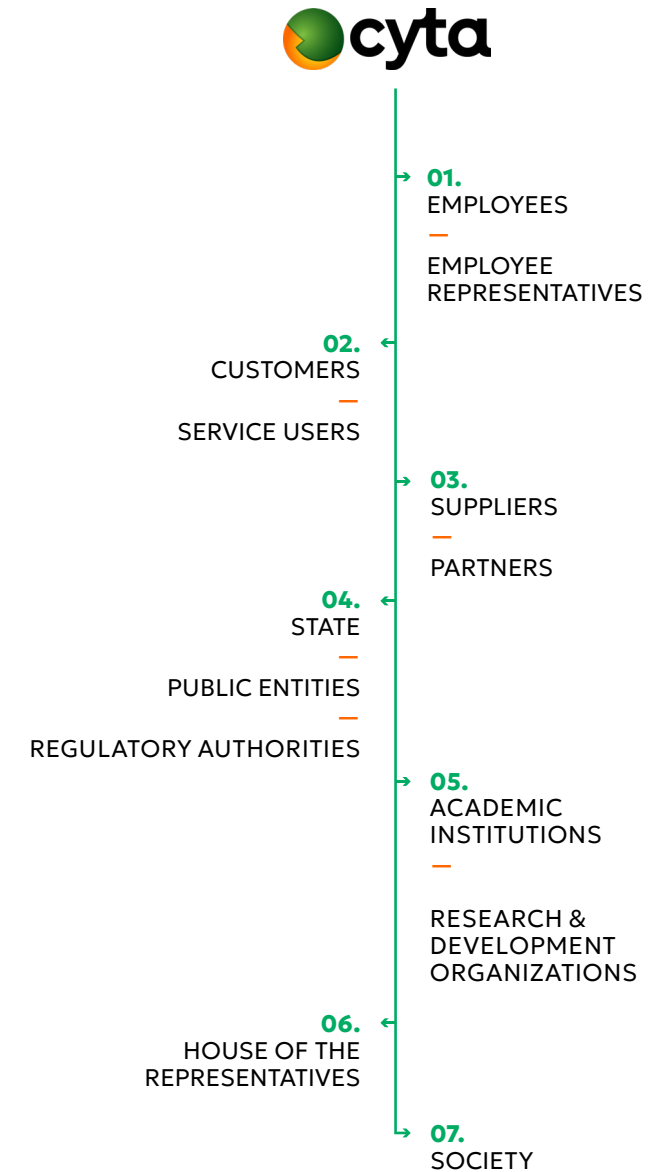
# Consultation with stakeholders

[GRI 2-29]

The participation and contribution of stakeholders in the Organization's activities and initiatives are highlighted as critical and necessary for achieving efficient and responsible operation, as well as for mitigating risks and adapting to new market conditions. We conducted an analysis and mapping of stakeholders, defining them as individuals or groups whose interests are affected or may be affected by our activities.

Through the selected communication channels for each distinct group of stakeholders, we provide information about our activities, including new products and services, as well as issues of public concern, such as internet safety. Relevant decisions are made based on the feedback we receive from stakeholders and through various communication channels (such as email, website, complaint points in stores). In this way, we identify and assess the needs and expectations of stakeholders through effective two-way communication.

STAKEHOLDER GROUPS



The following table describes our identified stakeholders, the available communication channels, and the frequency of communication:

| Key Stakeholder Groups   | Communication Channels   | Frequency of Communication | Key Stakeholder Groups   | Communication Channels   | Frequency of Communication |
|--|--|----------------------------|--|--|----------------------------|
| <b>EMPLOYEES/<br/>EMPLOYEE<br/>REPRESENTATIVES</b>                                     | <ul style="list-style-type: none"> <li>• Face-to-face meetings and teleconferences with Management</li> <li>• Intranet</li> <li>• Training/informational programs</li> <li>• Performance management system (feedback with supervisor)</li> <li>• Employee satisfaction survey</li> <li>• "Shots of Inspiration" program</li> <li>• Regular meetings with employee representatives (Unions)</li> <li>• Scheduled Internal Communication actions</li> </ul>  | <b>CONTINUOUS</b>          | <b>STATE/ PUBLIC<br/>AUTHORITIES/<br/>REGULATORY BODIES</b>                            | <ul style="list-style-type: none"> <li>• Face-to-face meetings and teleconferences</li> <li>• Conducting seminars</li> <li>• Participation in conferences</li> <li>• Telephone and electronic communication</li> </ul>   | <b>CONTINUOUS</b>          |
| <b>CUSTOMERS<br/>(RESIDENTIAL,<br/>BUSINESS, AND<br/>WHOLESALE)<br/>/SERVICE USERS</b> | <ul style="list-style-type: none"> <li>• Customer Contact Centre</li> <li>• Technical support centre for business customers</li> <li>• Business customer consultants</li> <li>• Sales network</li> <li>• Partner network</li> <li>• Website, Media, and Social Media</li> <li>• Regular customer satisfaction surveys</li> <li>• Informational Campaigns</li> <li>• Regular presentations of Cyta products and services to businesses (e.g., Cyta Business Roadshow)</li> <li>• Face-to-face meetings and teleconferences</li> <li>• Telephone and electronic communication</li> </ul> | <b>CONTINUOUS</b>          | <b>SOCIETY</b>   | <ul style="list-style-type: none"> <li>• Mass Media</li> <li>• Social Media</li> <li>• Customer Contact Centre</li> <li>• Website</li> <li>• Educational community programs</li> <li>• Services for safe internet use (Safe Internet and Safe Web)</li> <li>• Campaigns for the use of 5G</li> <li>• Environmental activities in collaboration with the Cyprus Forestry Association</li> </ul> | <b>REGULARY</b>            |
| <b>SUPPLIERS/<br/>PARTNERS</b>   | <ul style="list-style-type: none"> <li>• Face-to-face meetings and teleconferences</li> <li>• Conducting workshops</li> <li>• Supply, maintenance, and service provision contracts</li> <li>• Telephone and electronic communication</li> </ul>  | <b>REGULARY</b>            | <b>HOUSE OF<br/>REPRESENTATIVES</b>  | <ul style="list-style-type: none"> <li>• Face-to-face meetings</li> <li>• Telephone and electronic communication</li> </ul>  | <b>REGULARY</b>            |
|  |  |                            | <b>ACADEMIC<br/>INSTITUTIONS,<br/>RESEARCH<br/>&amp; DEVELOPMENT<br/>ORGANIZATIONS</b> | <ul style="list-style-type: none"> <li>• Face-to-face meetings and teleconferences</li> <li>• Research program working groups</li> </ul>   | <b>REGULARY</b>            |

SUSTAINABLE DEVELOPMENT

# Materiality analysis

[GRI 2-14, GRI 3-1, GRI 3-2]

We focus on Sustainable Development by examining the economic, environmental, and social impacts arising from our business activities.

The materiality analysis was carried out in accordance with the GRI Standards (2021), to rank the issues that have or may have the most significant impacts in the economic, social, and environmental sectors.



## PHASE 1

### UNDERSTANDING THE OPERATING CONTEXT

**Overview of the business model (internal environment) and external environment:** Understanding the business model and business relationships, as well as the external environment, through a review of documents and available relevant material.

**Understanding the stakeholders through a review of documents and available relevant material, considering the following:** "key stakeholders" are defined as individuals or groups whose interests are affected or may be affected by the Organization's activities.



## PHASE 2

### IDENTIFICATION OF IMPACTS

**Identification and recognition of actual and potential impacts on the economy, environment, and society,** as they arise from the operation and business relationships of the Organization and have been highlighted as significant by the GRI and SASB standards for Sustainable Development and peer companies in the industry.

<sup>3</sup>. In this Report, Cyta uses the results of the materiality analysis conducted for the purposes of the 2022 Sustainable Development Report, maintaining and analysing the same material topics.



## PHASE 3

### IMPACT ASSESMENT

**Conducting a materiality analysis survey** through an internal questionnaire with the participation of senior management executives of the Organization, executives from each Directorate, and employee representatives, regarding the environmental and socio-economic impacts arising from the Organization's operations.

#### Evaluation criteria for positive (actual and potential) impacts:

- Scale,
- Scope,
- Likelihood.

#### Evaluation criteria for negative (actual and potential) impacts:

- Scale,
- Scope,
- Irremediable character / Severity,
- Likelihood.

**Collection and analysis of responses:** As part of the process, responses were collected and analysed to determine the results of the impact assessment.



## PHASE 4

### PRIORITIZATION OF IMPACTS

#### Matching impacts to Sustainable Development topics:

Following the determination of the impact assessment results, the impacts were matched/grouped into Sustainable Development topics.

#### Materiality threshold:

Subsequently, a threshold was set based on which a Sustainable Development topic is characterized as material, as illustrated in the table below.

#### Validation of the list of material topics:

The list of material topics was validated by the Sustainable Development Committee, which consists of members of Cyta's Board. The process was carried out in a meeting between the Sustainable Development Report project team and Cyta's Sustainable Development Committee.

### RECOGNIZED POSITIVE IMPACTS (ACTUAL AND POTENTIAL)

| Impacts   | Actual | Potential |
|---|--------|-----------|
| 01. Connectivity                                | A      | P         |
| 02. Waste                                       | A      | P         |
| 03. Climate Stability                           | A      | P         |
| 04. Data Protection                             | A      |           |
| 05. Education                                   | A      |           |
| 06. Social welfare                              | A      |           |
| 07. Employment                                  | A      |           |
| 08. Wages                                       | A      |           |
| 09. Infrastructure                              |        | P         |
| 10. Innovation for better products and services |        | P         |








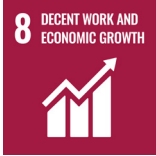












### RECOGNIZED NEGATIVE IMPACTS (ACTUAL AND POTENTIAL)<sup>4</sup>

| Impacts                                | Actual | Potential |
|--|--------|-----------|
| 01. Climate Stability                  | A      | P         |
| 02. Use of raw materials and resources | A      | P         |
| 03. Air pollution                      | A      | P         |
| 04. Waste                              | A      |           |
| 05. Health & Safety                    | A      | P         |

<sup>4</sup>  
A: Actual impacts, P: Potential impacts

#### Material Topics [GRI 3-3]

Based on the results of the critical issues assessment for the year 2023, conducted by our stakeholders, we ranked critical impact areas and used this ranking as the basis for the content of the Sustainable Development Report.

| Material Topics   | Sustainable Development Goals (SDGs)  |
|---|---|
| <p><b>01.</b><br/>CLIMATE STABILITY &amp; AIR POLLUTION</p>   |        |
| <p><b>02.</b><br/>WASTE MANAGEMENT AND MATERIAL USE</p>   |                   |
| <p><b>03.</b><br/>INFRASTRUCTURE, CONNECTIVITY &amp; INNOVATION</p>   |     |
| <p><b>04.</b><br/>DATA PROTECTION</p>   |    |
| <p><b>05.</b><br/>PEOPLE AND SOCIETY</p> <ul style="list-style-type: none"> <li>• Employment and Social Welfare</li> <li>• Wages</li> <li>• Education</li> <li>• Health &amp; Safety</li> </ul> |       |

The recognized impacts have been grouped as "Material Topics" for the effective and comprehensive depiction of our management approach and performance. Our response to the topics identified as material is described and analyzed in the following chapters.

We Operate  
Responsibly



WE OPERATE RESPONSIBLY

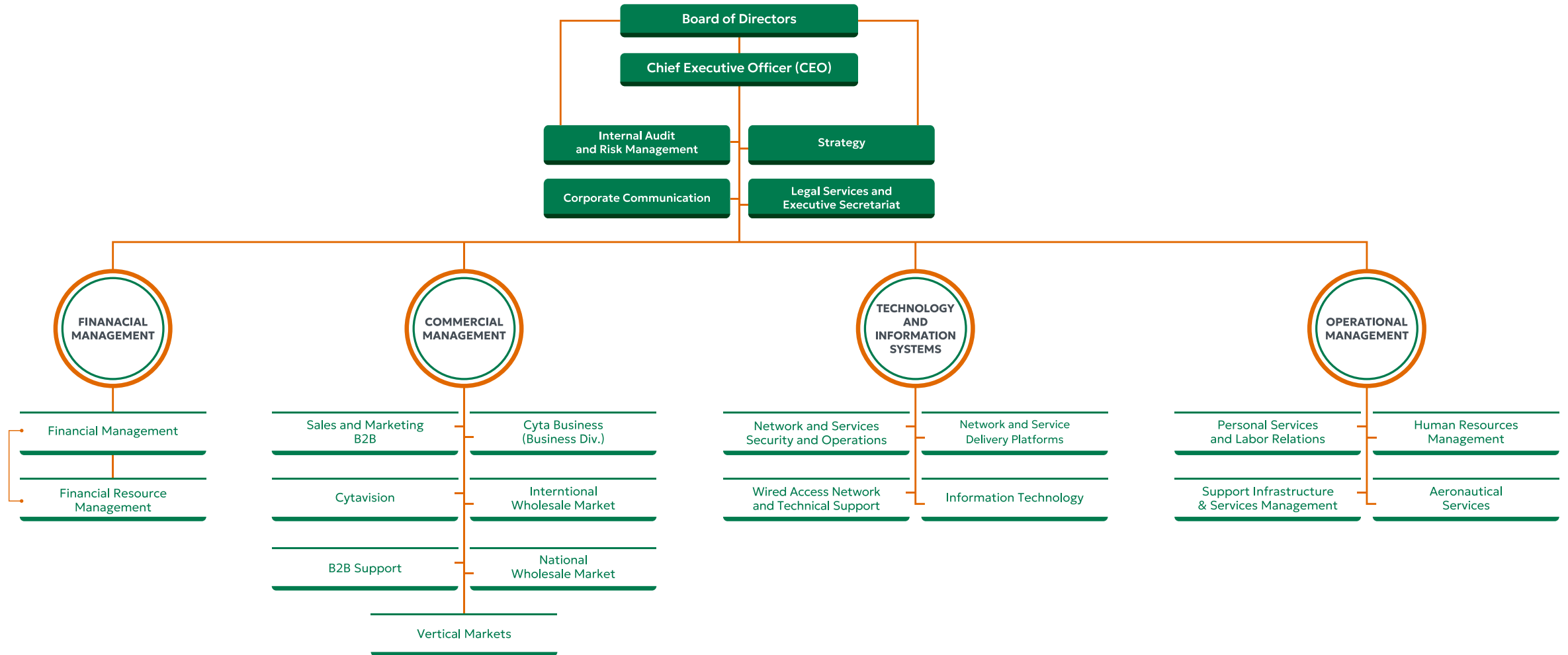
# Corporate governance

At Cyta, we strive to continuously improve in all areas of our operations, remaining true to our values and dedicated to excellent customer service. Corporate Governance is the foundation upon which the responsible operation, management, and supervision of our Organization are based. For this reason, we have established internal structures, policies, and procedures that ensure transparency and accountability in our operations, aligning Management with the benefit of all stakeholders.

**Corporate Governance Structure and Composition [GRI 2-9]**

The Cyta Board is the body responsible for making decisions on all matters related to the representation, management, administration, and alignment of Cyta's activities with its vision and mission.

THE ORGANIZATION'S STRUCTURE 2023:



WE OPERATE RESPONSIBLY

# The role and the composition of the board of directors

## The Role of the Board of Directors

The Board promotes the long-term interests of Cyta, acting on an informed basis, with good faith, care, and dedication for the benefit of the state and Cyta's public purpose, considering the Stakeholders and is responsible for maintaining and enhancing sustainable value in the long term, in alignment with Cyta's purpose and strategy<sup>5</sup>.

## Composition and Independence of Board Members [GRI 2-9, GRI 2-11]

### Board Members (Non-Executive and Independent):



Michalis O. Ioannides  
**CHAIRMAN**



Charis Millas  
**VICE CHAIRMAN**



Maria Antoniou  
**MEMBER**



Argyris Argyrou  
**MEMBER**



Panayiotis Vasiliou  
**MEMBER**



Nikos Laouris  
**MEMBER**



Kypros Louka  
**MEMBER**



Athos Maimaris  
**MEMBER**



Leontios Filotheou  
**MEMBER**

<sup>5</sup> The role of the Board is defined in the Governance Regulation, which is posted on the corporate website (<https://www.cyta.com.cy/sustainability-operate-responsibly>).

Cyta is a legal entity of public law and was established based on the Telecommunications Service Law, Cap. 302. According to this law and the Certain Legal Entities of Public Law (Appointment of Boards) Law (Law 149/1988), the Cyta Board consists of nine members, including the Chairman and the Vice Chairman (in 2023, it comprised 8 men and 1 woman), who are appointed by the Council of Ministers.

The Members hold their position for a period of 30 months. The total period cannot exceed five years. The Council of Ministers retains the ability to dismiss a member without the need to provide justification.

Given that the Members are appointed by the Council of Ministers, it follows that they represent the state and society, i.e., the Stakeholders. The Personnel is represented by the trade unions that participate in informal meetings with the Personnel Committee and the Joint Personnel-Management Committees.

The independence of the Board Members is primarily protected by the provisions of the Incompatibility with the Exercise of Duties of Certain Officials of the Republic in Certain Professional and Other Related Activities Law [Law 7(I)/2008], the provisions of Law 149/1988 and Cap. 302, and the provisions of the Conflict-of-Interest Recognition and Management Policy, which was approved by the Board in 2024.

### Appointment and Selection of the Board of Directors [GRI 2-10]

The process for selecting and appointing the Board Members is defined by the Certain Legal Entities of Public Law (Appointment of Boards) Law (Law 149/1988).

According to the Law, the Council of Ministers, upon the recommendation of the Minister, proceeds with the appointment of the Members, considering the honesty, reputation, and integrity of the individuals to be appointed. Subsequently, depending on the nature and mission of each specific legal entity of public law and the respective Board, the following are evaluated:

— Academic and/or professional qualifications

— Experience

— Social action and contribution

Before proceeding with the appointment of a Member, the Council of Ministers informs the House of Representatives accordingly by submitting a list of the names of the selected individuals along with their respective qualifications.

In July 2023, the Council of Ministers established an Advisory Council with the purpose of assisting and preparing its work in the appointment of members of the Boards of Directors of Legal Entities of Public Law.

In October 2023, the Advisory Council invited interested parties to electronically submit a declaration of interest for filling the 9 (nine) positions of Members of the Cyta Board of Directors. Subsequently, it evaluated the declarations of interest and prepared a list of proposed candidates, which included three times the number of candidates compared to the vacant positions. The list of proposed candidates was submitted to the Ministry of Finance. The term of the new Board Members began on 30/1/2024 following their appointment by a decision of the Council of Ministers.

**Conflict of Interest**  
[GRI 2-15]

According to the Telecommunications Service Law, Cap. 302, if any member of the Cyta Board is interested in any company or business with which Cyta maintains or intends to enter any contract, they are required to disclose to the Organization the fact and nature of their interest and must not participate in any meeting or decision of Cyta related to that contract. The fact is recorded in the Minutes of the specific Cyta Board meeting.

The Board Member Induction Policy, which was approved by the Board in 2023, stipulates that Members must act impartially, free from any interests/conflicts, ensure that they are and appear to be impartial, and be vigilant for potential conflicts of interest with their duties and the interests of the Organization. Emphasis is placed on the Incompatibility with the Exercise of Duties of Certain Officials of the Republic in Certain Professions and Other Related Activities Law (7(I)/2008) and the Conflict-of-Interest Recognition and Management Policy, specifically regarding actions, activities, or capacities that fall under Article 3 of the Law and any potential conflicts of interest that may arise.

The Conflict-of-Interest Recognition and Management Policy was approved by the Board in 2024 and provides the guarantees of impartial judgment, providing for a mechanism by which:

- The employees and Board members understand and implement the relevant policies and procedures, and

- In the event of a conflict of interest, the interest is declared, and the declarant abstains from any action or expression of opinion, proposal, or suggestion, or decision-making, declaring it to their supervisor or, in the case of a member of a collective body, to the Chairperson of the body and the other members, with the relevant minutes being kept.

**Board Committees**  
[GRI 2-9]

---

Audit Committee

---

Risk Management Committee

---

Personnel Committee

---

Institutional Framework, Regulatory Compliance, and Corporate Governance Committee

---

Investment Strategy Committee

---

Cash Reserves Committee

---

Sustainable Development Strategy Committee

---

The Committees operate based on their own charters, which are approved by the Board, aligned with the relevant legislation and the Governance Regulation, and define their role, powers, responsibilities, and duties.

More details about the staffing and responsibilities of the Committees for the year 2023 are present in the Appendices.

**Development of Skills and Knowledge of the Board**

The Governance Regulation and the Board Member Induction Policy provide that Board Members receive appropriate briefing, training, and education tailored to their role, the first time they are appointed to the Board, as well as subsequently if deemed necessary.

**Board Performance Evaluation**  
[GRI 2-18(b)]

According to the Governance Regulation, the performance and effectiveness evaluation of the Board is conducted annually by the Board itself, which every three (3) years assigns an independent external consultant to carry out an independent evaluation of the Board and its Committees.

<sup>6</sup> In January 2024, there was a change in the Board members by decision of the Council of Ministers due to the expiration of the term of the previous Board. Consequently, the first evaluation of the new Board as a body, including the Chairman and Vice Chairman, is expected to be conducted for the reporting period of 2024.

## WE OPERATE RESPONSIBLY

# Governance Regulation

### Governance Regulation

The Governance Regulation aims to enhance corporate governance while codifying, updating, and improving what is already implemented. The Regulation includes significant Policies that promote and strengthen acceptance, transparency, accountability, and best practices across a wide range of issues, in accordance with the Public Governance Code and international standards. The Governance Regulation serves as an internal self-regulation document, and the Board intends to explore further legal reinforcement.

The Register of Policies included in the Governance Regulation is presented in the Appendices.

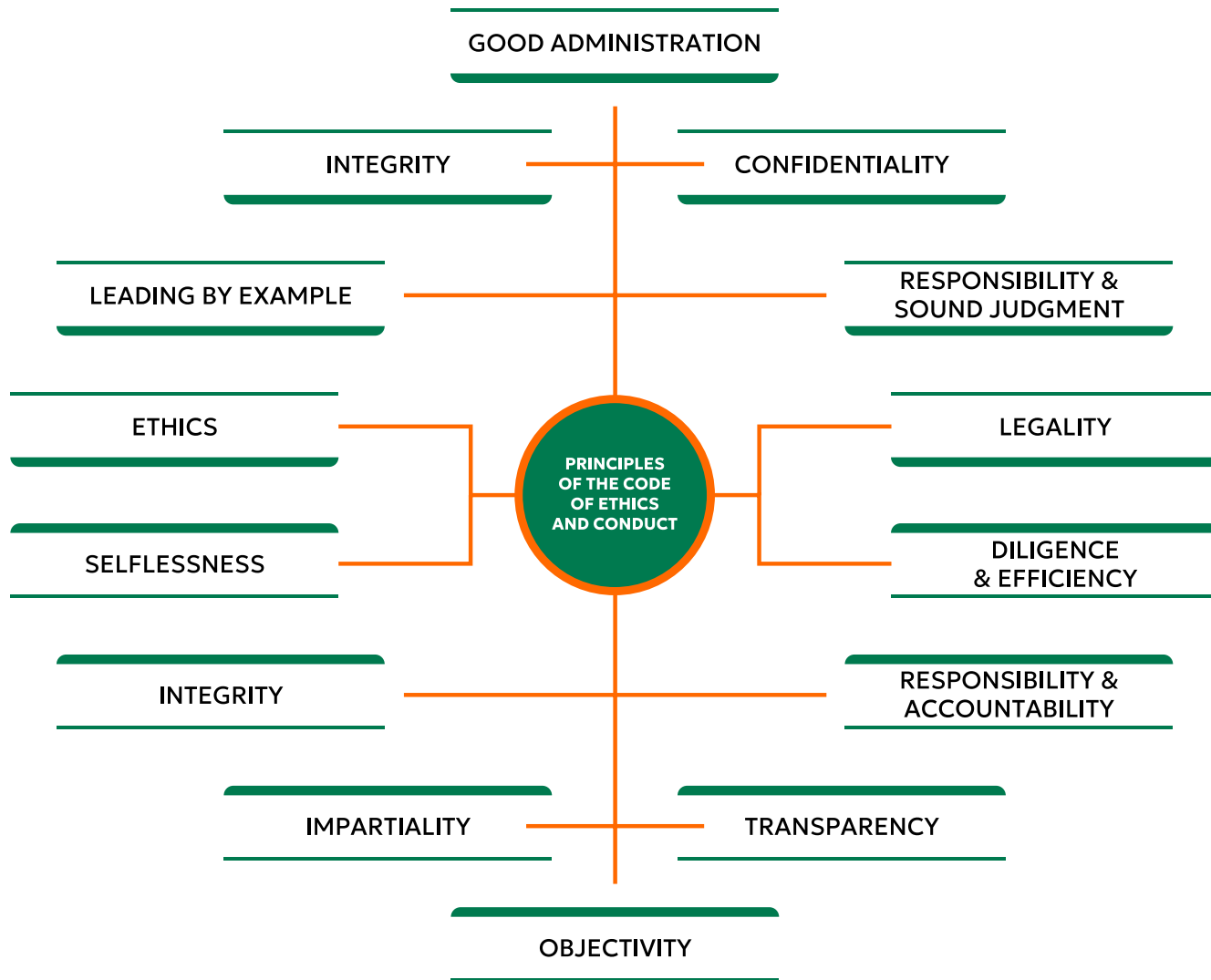
The Policies that are addressed to external Stakeholders are posted on the corporate website (<https://www.cyta.com.cy/sustainability-operate-responsibly>).

The Governance Regulation also includes the fundamental operational principles of ethics as defined in the Code of Ethics and Conduct, compliance with which is mandatory for the Board members, Management, and employees.

### Code of Ethics and Conduct

The Code of Ethics and Conduct was approved by the Board in 2023. It outlines the common fundamental principles of ethics and the high standards of business conduct for the Board and employees of Cyta, which are defined, promoted, and ensured as part of Cyta's culture by its Board.

The purpose of the Code is to strengthen the strong commitment to implementing professional behaviour and the highest standards of ethics. Its principles serve as a decision-making guide for all executives who make decisions within the Organization.



**Human Rights Policy**

The Human Rights Policy was approved by the Board in 2023. Its establishment expresses Cyta's zero tolerance for human rights violations. To achieve the establishment and safeguarding of human rights within Cyta's sphere of influence, the Policy guarantees Cyta's operation based on international human rights standards, without any adverse discrimination or violation of rights.

The promotion of equality, respect for human dignity, and the protection of customers' personal data, as well as the fight against discrimination and mistreatment, are primary concerns of the Organization.

The implementation of the Human Rights Policy demonstrates Cyta's commitment to creating a healthy and safe working environment, while also providing transparency in its collaboration with third parties, enhancing a fair, transparent, and humane approach in its activities.

**LGBTQ+ Policy**

The LGBTQ+ Policy was approved by the Board in 2023. Its purpose is to provide a clear, comprehensive framework for the protection, promotion, and respect of the rights of LGBTQ+ employees and customers by creating an inclusive workplace where everyone is treated with dignity and equality, regardless of sexual orientation, gender identity, gender expression, or sex characteristics.

The Policy aims to ensure a welcoming environment for all LGBTQ+ individuals both within the workplace and during their interactions with customers and to achieve the following:



**Policy for the Prevention and Handling of Harassment and Sexual Harassment**

The Policy for the Prevention and Handling of Harassment and Sexual Harassment was approved by the Board in 2023. The establishment of the Policy expresses Cyta's commitment to a healthy work environment free from harassment for all its employees and aims to prevent any form of harassment related to an individual's gender, including sexual harassment, of its employees and customers, and to quickly and effectively address any incident that may occur.

The Policy provides for the appointment of a Workplace Equality Committee, the procedure for reporting harassment incidents, and ensuring awareness and training on the Policy.

**Privacy Protection Policy**

The Privacy Protection Policy was approved by the Board in 2022. It describes the information and personal data that the Organization periodically collects, uses, processes, and utilizes for its customers and/or users of its services, and how this data is used in the execution of Cyta's operations.

The Policy outlines the rights of customers and/or users based on the European Regulation 2016/679 ("GDPR") and provides details for data access or the submission of complaints.

**Anti-Fraud, Bribery, and Corruption Policy**

The Anti-Fraud, Bribery, and Corruption Policy was approved by the Board in 2023.

Fraud, bribery, and corruption are serious disciplinary and criminal offenses, and Cyta recognizes that any violation of the Policy may expose it and its involved parties to penalties or fines, with a negative impact on its reputation.

The Policy aims to promote ethical behaviour and ensure compliance with laws and regulations related to fraud, bribery, and corruption.

Additionally, the Policy establishes control systems against fraud, bribery, and corruption in all Cyta's activities to ensure compliance with the legal framework and support the commitment to conducting business activities with the highest levels of proper and honest standards.

**Employee Health and Safety Policy**

The Employee Health and Safety Policy was approved by the Board in 2023. Its purpose is to implement the Legislation and effectively protect the safety and health of Cyta's employees, visitors, partners, and customers, as well as the business itself.

The Policy defines the goals and commitments of the Organization with the aim of continuously promoting occupational safety and health for all activities conducted by the Organization.

## Personnel Development Policy

The Personnel Development Policy was approved by the Board in 2023. It sets out the guidelines for the development of human resources at Cyta to ensure that employees:



## Whistleblowing Policy

The Whistleblowing Policy was approved by the Board in 2023. It ensures that employees and business partners (customers, associates, and suppliers) have the ability, through a relevant reporting mechanism, to report any behaviour, event, or incident that may violate Cyta's Policies or procedures or the legislative-regulatory framework governing its operation.

At the same time, the Policy provides protection to any individual who makes a report, as reports are treated confidentially, with care, and without fear of negative reactions (retaliation) of any kind.

## Business Ethics

Cyta communicates and informs its employees about its Policies through various internal communication channels: email, intranet, and organized informational seminars either in person or online. The communication of these Policies to other Stakeholders is carried out through Press Releases and Cyta's official website.

The integration of the commitments of the Policies and adherence to ethical principles is mandatory for the Board members, Management, and employees of the Organization and serves as a decision-making guide for all executives who make decisions at Cyta.

Additionally, appropriate training and monitoring programs are scheduled for 2024, which will enable Cyta's employees to successfully follow and implement the Organization's Policies, principles, values, and ethics.

WE OPERATE RESPONSIBLY

# Internal Audit and Risk Management

The Board, according to the Governance Regulation, retains the ultimate responsibility for the risk management system and ensures and oversees the implementation and maintenance of an independent, effective internal control system.

The Audit Committee evaluates the adequacy and effectiveness of the internal control system, and the Risk Management Committee ensures the implementation of an integrated and effective risk management system<sup>7</sup>.

# Crisis Management and Business Continuity

The Board leads Cyta's Crisis Management and Business Continuity. According to the Governance Regulation, it must anticipate, as much as possible, changes in Cyta's strategic and operational environment to ensure that it can respond promptly and effectively to any crisis.

The implementation of a Business Continuity Management system is a prerequisite for improving Cyta's resilience and ensuring that in the event of a serious disruptive incident, Cyta's services will recover to an acceptable level that will not severely impact the Organization's revenue, customers and reputation.

In 2023, the Crisis Management Policy was approved by the Board, and in 2024, the Organization's Business Continuity Policy was approved.

# Compliance

The Board monitors compliance with the Corporate Governance Framework and Principles through the Institutional Framework, Regulatory Compliance, and Corporate Governance Committee, in whose meetings the Compliance Officer also participates.

<sup>7</sup> Details of the Annual Audit Report and the Annual Risk Management Report are presented in the Appendices.

WE OPERATE RESPONSIBLY

Compliance

**Remuneration of Chief Executive Officer (CEO) and Senior Directors (SD) [GRI 2-19(ai, aii), GRI 2-20(ai)]**

The Ministry of Finance approved the renewal of the Chief Executive Officer's (CEO)<sup>8</sup> contract for a five-year term with the same Terms of Employment<sup>9</sup>, following a proposal from the Council for renewal to the Cabinet, in accordance with article 3(3) of the Legal Entities of Public Law (Appointment of General Directors) Law (N.115/90). The Terms of Employment for the CEO provide for the payment of an annual fixed salary, plus the applicable cost of living allowance, plus a 13th salary. Additionally, representation expenses are paid, and a company car is provided.<sup>10</sup>

The Terms of Employment for Senior Directors (SD) provide for the payment of an annual fixed salary, plus the applicable cost of living allowance, plus a 13th salary, plus a bonus of up to 30% of the annual basic salary and cost of living allowance<sup>11</sup>. Additionally, representation expenses and travel allowances are paid<sup>12</sup>. In the case of relocation from a foreign country, a one-time amount of €5.000 is provided for relocation expenses and a monthly accommodation and maintenance allowance of €1.000 is provided during the period of employment.

**Ratio of Chief Executive Officer's Remuneration [GRI 2-21]**

The ratio of the total annual salary<sup>13</sup> of the highest-paid executive of Cyta (CEO) to the average annual salary of employees is 2,43 for the year 2023.

In the table below, the ratio for the last four years (2023-2021) is mentioned:

| Ratio of the annual salary of the highest-paid executive to the average annual salary of employees |      |      | Ratio of the percentage increase (%) in the annual salary of the highest-paid executive to the average annual salary of employees |      |      |
|--|------|------|---|------|------|
| 2023   | 2022 | 2021 | 2023  | 2022 | 2021 |
| 2,43   | 2,60 | 2,57 | -6,59%  | 1,2% | 1,6% |

The Corporate Governance Report 2023 was prepared by the Compliance Officer and approved by the Institutional Framework, Regulatory Compliance, and Corporate Governance Committee.

**Remuneration of Board Members [GRI 2-19(a), GRI 2-20(ai)]**

The Board Members receive a fixed amount of compensation for each Board and/or Committee meeting they attend as members<sup>14</sup>, The amount of which is determined by the Cabinet and communicated through a circular from the Ministry of Finance. Additionally, representation expenses are paid to the Chairman of the Board, and travel allowances are provided to members residing outside Nicosia<sup>15</sup>.

8. With a letter dated 13.11.2023.

9. As approved by the Council of Ministers at a meeting on 17.1.2018.

10. From the amounts paid, Income Tax, Social Insurance contributions, GHS (General Healthcare System) contributions, and any other deductions/contributions as per legislation are withheld.

11. It is granted based on the evaluation of the results of the annually set targets. In 2023, no bonus was granted.

12. From the amounts paid, Income Tax, Social Insurance contributions, GHS (General Healthcare System) contributions, and any other deductions/contributions as per legislation are withheld (travel allowances are not taxed).

13. The ratio of the CEO's salary to the average annual salary of employees includes basic salaries, the increase in the cost-of-living allowance (COLA), the 13th salary, and employer contributions (social insurance/redundancy fund, cohesion fund, medical care, GHS (General Healthcare System) contributions, and provident fund or pension plan). It does not include any allowances (e.g., bonuses) and employee overtime. All employee groups were considered for the calculation without any exceptions.

14. A member who participates in two or more meetings on the same day is compensated for only one meeting.

15. From the amounts paid, Income Tax and GHS (General Healthcare System) contributions are withheld (travel allowances are not taxed).



We care for  
the environment

# Cyta Environmental Policy



At Cyta, our commitment to environmental responsibility is at the core of our operations, reflecting our dedication to creating a sustainable future.

We actively seek opportunities to reduce our environmental impact, recognizing that our long-term success depends on our ability to respond to increasing challenges and ongoing crises, protecting ecosystems, and promoting a sustainable way of life for all.

Our environmental policy is consistently implemented through a clear Action Framework, focusing on reducing the negative impacts of our operations through environmentally friendly services, as well as reducing resource consumption. We prioritize the reuse of products and equipment and actively support recycling efforts, ensuring that we provide ongoing environmental education to our employees.

Our efforts are monitored through measurable indicators and regular evaluations by our management team, ensuring that our actions align with our goals and effectively contribute to the sustainable development of our Organization and the Society that hosts us.

Cyta creates or may create the following impacts:

### ACTUAL AND POTENTIAL IMPACTS

| TOPIC             | POSITIVE IMPACTS   | NEGATIVE IMPACTS  |
|-------------------|--|---|
| Climate Stability | Through the provision of specific services (IoT solutions to business customers such as smart tracking, smart metering, business activities such as Green Offices certification, operation of PV systems at base stations, activities in the value chain related to climate change mitigation and adaptation). | Through business activities that create direct and indirect greenhouse gas emissions (direct and indirect CO2 emissions due to fuel use and electricity consumption). |
| Air Pollution     | Not Identified   | Through business activities and value chain activities that create atmospheric pollutants (emissions of NOx, SOx, PM, VOCs).  |

## WE CARE FOR THE ENVIRONMENT

# Climate stability and Air Pollution

### Cyta's Approach [GRI 3-3]

The management of climate change is implemented both at the organizational level and at the value chain level through the provision of Cloud and Internet of Things (IoT) solutions to business customers. Cyta contributes positively to climate stability by investing in the optimization of its products through innovative technologies.

Specifically, we are planning the development of a NarrowBand-Internet of Things (NB-IoT) network, so that businesses and Public Organizations can leverage new capabilities at a low cost across a wide range of IoT applications, enabling remote data collection and transfer.

Cloud and IoT solutions offer:

- Provision of infrastructure, networks, sensor systems, as well as the development of a Geographic Information System (GIS), for the creation of "smart cities" in collaboration with Local Government.
- "Smart" applications such as Smart Energy/Water Meters, Smart Lighting, Smart Parking, Environmental Parameter Measurement (Air Quality Monitoring), etc.
- Smart management and monitoring of the corporate vehicle fleet "Track Smart," which, through the rational management of vehicles and the reduction of fuel usage, increases customer efficiency and reduces wear and tear.

The Organization installed photovoltaic systems in its five most energy-intensive buildings for electricity production with a capacity of 775kW and plans installations in another 30 buildings with a capacity of 1,20 MW.

At the same time, we continue the installation of hybrid photovoltaic systems at mobile telephony base stations, and by the end of 2024, it is expected that 30% of the stations will be operating with photovoltaics.

Photovoltaic systems installed at mobile telephony base stations fall into three categories:

01. Pure Solar (off-grid)

The power supply is exclusively from the Photovoltaic Systems

02. Hybrid Solar (off-grid)

The power supply is provided by Photovoltaic Systems or by using a generator where required, depending on the sunlight

03. Solar Access (on-grid)

The stations are connected to the distribution grid, and the power supply is provided by Photovoltaic Systems or the distribution grid, depending on the time of day and the sunlight.

In all cases, batteries are used for energy storage.

We invested in energy-saving projects such as the replacement of central air conditioning systems in large buildings. For example, in three buildings in Nicosia, an annual energy saving of approximately 2.350 MWh is achieved.

Additionally, in recent years, we have replaced more than 600 outdated air conditioning units (split units) in equipment areas and offices with advanced high-energy-efficiency units. It is estimated that the total energy savings due to this project, from 2015 to 2023, have exceeded 3.000 MWh.

In 2023, we secured the "Green Offices" environmental quality certificate for the 8th consecutive year for all our stores and staffed buildings nationwide. The awarding of this certificate requires the implementation and adherence to strict criteria related to energy and water consumption, waste management, the use of environmentally friendly personal hygiene products and detergents, the quality of food and beverages, the conversion of open spaces into green areas, and environmental education. The program is managed by the Cyprus Marine Environment Protection Association (CYMEPA) and is under the auspices of the Commissioner for the Environment of the Republic of Cyprus.





Moreover, in collaboration with the Cyprus Forestry Association, Cyta supported the creation of a park for the protection and enhancement of bee species in the Athalassa Park area. The protection of bees is of utmost and strategic importance for the survival of the human species. The park covers an area of approximately two decares (2.000 square meters) and is located on state forest land. Beekeeping species (trees, shrubs, flowers) have been planted to create a plantation that provides food for the bees throughout the year. There is an automatic irrigation system for the plantation, and a small pond connected to the irrigation system has already been constructed, providing water to various animals and birds in the area.

Finally, in collaboration with the Bird Life Association Cyprus, we have taken actions to protect the swift, whose population in Cyprus has decreased by 70%. For this purpose, 30 nests equipped with special attraction equipment (sound production) and monitoring (via GPS) have been installed on the Organization's buildings.

## Cyta Performance / Climate Stability Energy Consumption within the Organization<sup>16</sup>

| Cyta  | Measurement Unit | 2023                        | 2022                        | 2021                        |
|---|------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Fuel Consumption within the Organization from Non-Renewable Sources</b>  |                  |                             |                             |                             |
| Heating Oil   | MJ               | 3.727.656                   | 4.313.664                   | 4.510.584                   |
| Diesel  | MJ               | 12.555.433                  | 12.272.139                  | 13.683.052                  |
| Petrol  | MJ               | 4.029.450                   | 4.708.170                   | 5.020.383                   |
| <b>Energy Purchased and Consumed</b>  |                  |                             |                             |                             |
| Electricity purchased and consumed, not produced from renewable sources   | MJ               | 186.268.396<br>(51.741 MWh) | 177.012.007<br>(49.170 MWh) | 180.494.726<br>(50.137 MWh) |
| <b>Total Energy Consumption within the Organization</b>   |                  |                             |                             |                             |
| Fuel consumption within the Organization from non-renewable sources and electricity purchased and consumed, not produced from renewable sources | MJ               | 205.580.935                 | 198.305.980                 | 203.708.745                 |
| Energy consumption produced from renewable sources  | MJ               | 901.768<br>(250,49 MWh)     | -                           | -                           |

<sup>16</sup>.

The litters of fuel were converted into energy quantities using the conversion factors officially provided by the State (Regulatory Administrative Act 315/2019).

## Cyta Performance / Air Pollution

### Direct Greenhouse Gas Emissions (Scope 1)<sup>17</sup>

| Cyta   | Measurement Unit | 2023  | 2022   | 2021   |
|--|------------------|---|--|--|
| Gross Direct GHG Emissions   | t CO2e           | 1,491   | 1,576  | 1,755  |
| Fugitive Emissions (R410A gas)   | t CO2e           | 144   | -  | -  |
| Gases included in the calculation:<br>CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , or all |                  | CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O and HFCs | CO <sub>2</sub> , CH <sub>4</sub> and N <sub>2</sub> O | CO <sub>2</sub> , CH <sub>4</sub> and N <sub>2</sub> O |

### Indirect GHG Emissions (Scope 2)<sup>18</sup>

| Cyta   | Measurement Unit | 2023   | 2022   | 2021   |
|--|------------------|--------|--------|--------|
| Gross Indirect Energy-based/<br>Location-based GHG Emissions | t CO2e           | 32,430 | 33,268 | 34,454 |

17. The year 2021 is the base year for data collection for the 3-year reporting period of this Sustainability Report.

• The greenhouse gas (GHG) emissions factor based on market is available only in CO<sub>2</sub>.

• The following Global Warming Potential (GWP) factors were used: 1 for CO<sub>2</sub>, 28 for CH<sub>4</sub>, 265 for N<sub>2</sub>O, and 1,923.5 for R410A. For more details, see: IPCC, 2014: Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change.

18. Based on the published data from the Electricity Authority of Cyprus (EAC) regarding the contribution of energy sources to the total fuel mix for 2023.

The greenhouse gas (CO<sub>2</sub>) emissions of the EAC supplier for 2023 are 626.78 gCO<sub>2</sub>/kWh of sold unit.

The year 2021 is the base year for data collection, based on the above data referenced for the 3-year period in this Sustainability Report.

19. It concerns the total network data traffic (mobile & fixed network).

• The type of energy included in the total energy intensity ratio within the Organization is referred to in Petabytes.

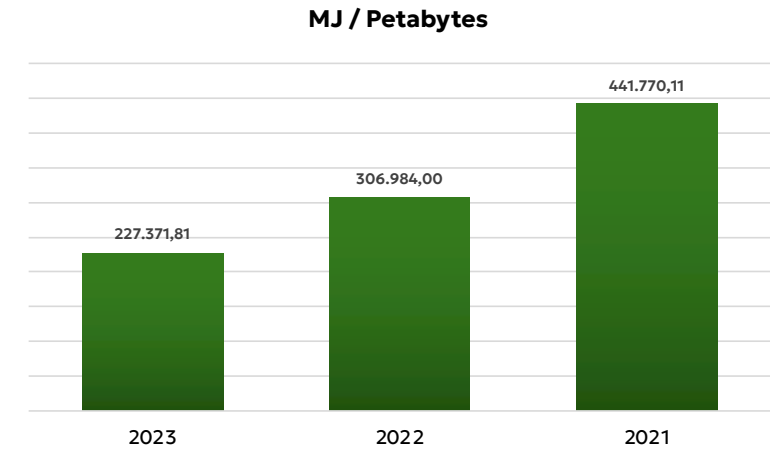
• The intensity ratio uses energy consumption within the Organization. The reduction in energy intensity for 2023 is due to the increase (by 41%) in total data traffic (mobile and fixed network) compared to the year 2022.

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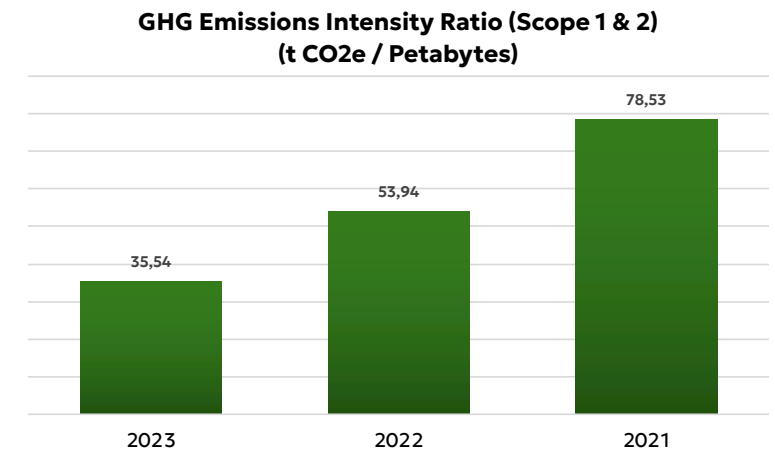
20. The intensity index was calculated based on the ratio of total CO<sub>2</sub> emissions (Scope 1 & 2) per Petabyte.

Data network traffic in Petabytes (mobile & fixed network) in 2023 increased by 41% compared to 2022.

### Energy intensity<sup>19</sup>



### Total GHG Emissions Intensity Ratio (Scope 1 & Scope 2)<sup>20</sup>



The Organization creates or may create the following impacts:

**ACTUAL AND POTENTIAL IMPACTS**

| TOPIC        | POSITIVE IMPACTS   | NEGATIVE IMPACTS   |
|--------------|--|--|
| Waste        | Through business activities and value chain activities for waste management (certification "Zero Waste to Landfill" concerning the management of waste such as batteries, electrical and electronic equipment, paper, optical fibres, lubricating oils, printer inks). | Through business activities and value chain activities that affect the ability to manage and reduce waste (produced non-manageable materials (<2%) that end up in the landfill).                     |
| Material Use | Not Identified   | Through business activities and value chain activities with reduced use of renewable, reusable, or recycled materials (use of non-recycled paper within offices, inefficient use of recycling bins). |

**MATERIAL TOPIC**

**WE CARE FOR THE ENVIRONMENT**

# Waste management and material use

**Cyta's Approach [GRI 3-3, GRI 306-1, GRI 306-2]**

We comply with the Waste Framework Directive (2008/98), emphasizing the prevention and reduction of resource consumption, the minimization and recovery of energy, as well as the reuse and recycling as primary priorities in waste management. As a last resort, disposal in landfills is used.

**The waste generated from our activities mainly comes from:**

- The development, maintenance, and operation of the telecommunications network.
- The operation of buildings (offices and stores - upstream & downstream).
- The management of corporate vehicles (upstream).

Additionally, there is indirect waste generation from customer terminal equipment (mobile and fixed telephony devices - downstream).

Our waste, among other things, includes the following materials:

electrical and electronic equipment

vehicles

paper

organic waste

plastic

poles

cables

ink cartridges

battaries

tires

wood etc.

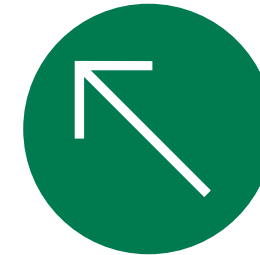
Thanks to our environmental policy and the training of our employees, these materials are recycled or reused, without ending up in landfill sites.

We have a well-structured waste monitoring system that records quantities and flows, as well as systems (recyclers) for their management. In this context, we maintain cooperation agreements with certified and authorized companies to ensure the proper management of the generated waste. Additionally, through the monitoring and measurement of the materials that end up in the landfill, we plan the further management of waste that affects our value chain.

**«Zero Waste to Landfill» Certification**

The activities related to waste management are confirmed through the "Zero Waste to Landfill" certification, which we have renewed (2023) for the 8th consecutive year. This certification confirms that we manage waste with almost zero disposal in landfills. It requires recycling more than 95% of the waste, and in 2023 we managed to recycle and/or reuse 98.46% of our waste.





The basic principles of the certification require



The evaluation for the "Zero Waste to Landfill" certification is conducted through a relevant audit report, which is prepared and verified by an external certification company.

re  
cycling



re  
use



pro  
vision

**Mobile Phone Recycling**

One significant program we run is the initiative for the reuse and recycling of mobile phones and other terminal equipment, which includes the provision of special bins in all our stores and staffed buildings. During 2023, we collected mobile phones with a total weight of 280 kilograms. The program covers mobile phone devices, accessories such as chargers and headphones, related equipment and components, as well as terminal equipment such as fixed and cordless phones.

The initiative aims to raise awareness among customers and the broader society about material recycling. By preventing the uncontrolled disposal of such materials into the environment, we significantly contribute to the protection of the environment and public health.

Cyta's collaborations with third-party organizations, companies, or contractors for material recycling are based on specific criteria and specifications, which are defined in the cooperation contracts and confirmed by certifications or authorizations from the relevant authorities.

More information is available on Cyta's website (<https://www.cyta.com.cy/recycling>).

**Reuse of customer terminal equipment (modems/routers)**

At Cyta, we collect customer terminal equipment returned from both stores and the Technical Support warehouses in each district, aiming for maximum reuse. In 2023, the returns of terminal equipment amounted to 25.627, of which 17.492 modems/routers were redeployed for use in the Fiber network, achieving a reuse rate of 68%.

**Provision of Used Computers**

In 2023, we provided 55 computers at a minimal cost to organizations and associations.

## Cyta's Performance Generated Waste<sup>21</sup>

| Hazardous Waste   | Measurement Unit | 2023          | 2022          | 2021          |
|---|------------------|---------------|---------------|---------------|
| Lubricants and Engine Oil   | tn               | 2,80          | 2,58          | 2,9           |
| Vehicle Components (e.g., radiators, filters)   | tn               | 0,42          | 0,76          | 0,9           |
| Electrical, Electronic & Telecommunication Equipment, Lamps (e.g., outdated air conditioners, decoders, various types of outdated antennas) | tn               | 70,88         | 59,76         | 262           |
| Empty Chemical Pesticide Containers   | tn               | 0,01          | 0,06          | 0             |
| Waste generated from personal protective equipment (pest control)   | tn               | 0,14          | 0,05          | 0             |
| Empty printer and photocopier ink cartridges  | tn               | 1,25          | 0,016         | 1,95          |
| Household pharmaceutical waste <sup>22</sup>  | tn               | 0,05          | 0,09          | 0             |
| Copper cables   | tn               | 0             | 0             | 44,62         |
| Cooking oil   | tn               | 0,38          | 0,2           | 0             |
| Polystyrene   | tn               | 0             | 0             | 0             |
| Ferrous metals  | tn               | 109,26        | 82,06         | 210,04        |
| Decommissioned vehicles   | tn               | 249           | 82,06         | 210,04        |
| Tires   | tn               | 4,05          | 3,71          | 4,67          |
| Small Batteries (e.g., AA, AAA)   | tn               | 2,39          | 1             | 1,03          |
| Vehicle batteries   | tn               | 4,07          | 3,88          | 3,01          |
| Other batteries and accumulators  | tn               | 160,72        | 29,75         | 78,13         |
| <b>TOTAL</b>  | <b>tn</b>        | <b>605,42</b> | <b>197,42</b> | <b>647,22</b> |

## Cyta's Performance [GRI 306-3, GRI 306-4, GRI 306-5]

21. For the collection and monitoring of the above data related to waste, the organization's employees is responsible for the regular measurement of generated waste and the relevant reporting to the Sustainable Development Department. This data is systematically recorded and internally documented in an annual report, which is verified by an independent certification company.

22. Household pharmaceutical waste includes materials such as expired medications, pills, etc., which Cyta employees bring to their workplace for recycling. Cyta has environmental corners in five of its buildings across all districts, where, among other things, special recycling bins for household pharmaceutical waste are available.

## Cyta's Performance Παραγόμενα απόβλητα<sup>21</sup>

| Non-Hazardous waste   | Measurement Unit | 2023           | 2022            | 2021            |
|---|------------------|----------------|-----------------|-----------------|
| Organic Waste (tn) (e.g., kitchen paper towels)   | tn               | 5,75           | 4,06            | 0               |
| PMD   | tn               | 13,44          | 17,71           | 1,6             |
| Other plastics (tn) (e.g., chairs, tables, pipes)/ PMD  | tn               | 2,14           | 0               | 10              |
| Paper/ PMD  | tn               | 36,46          | 48,64           | 32,39           |
| Wood (tn) (e.g., pallets)   | tn               | 4,05           | 0               | 48,22           |
| Wooden Poles  | tn               | 772,80         | 704,9           | 471,1           |
| Office equipment / Organic waste / Waste from personal protective equipment (e.g., disposable gloves and masks) | tn               | 8,22           | 15,16           | 56              |
| Construction waste and debris   | tn               | 310,88         | 234,97          | 320,45          |
| Other Waste (e.g., from old poles, organic waste from kitchens & canteens, non-recyclable ceramic cups)         | tn               | 30             | 25,14           | 30              |
| Packaging cardboard   | tn               | 27,31          | 18,45           | 4,2             |
| Glass   | tn               | 25             | 22,5            | 18,3            |
| Non-ferrous metals (e.g., outdated aluminium phone booths)  | tn               | 64,46          | 129,86          | 379,38          |
| Biodegradable materials and garden waste  | tn               | 15             | 51,17           | 53,83           |
| Cables and optical fibres   | tn               | 32,26          | 59,4            | 49,38           |
| <b>TOTAL</b>  | <b>tn</b>        | <b>1347,77</b> | <b>1.331,96</b> | <b>1.474,85</b> |
| <b>TOTAL GENERATED WASTE</b>  |                  | <b>1953,19</b> | <b>1.529,38</b> | <b>2.122,07</b> |

## Cyta's Performance [GRI 306-3, GRI 306-4, GRI 306-5]

### Waste Disposed for Recovery:

|                            | 2023      |                 |                 | 2022     |                 |                 | 2021     |                 |                 |
|----------------------------|-----------|-----------------|-----------------|----------|-----------------|-----------------|----------|-----------------|-----------------|
|                            | onsite    | offsite         | total           | onsite   | offsite         | total           | onsite   | offsite         | total           |
| <b>HAZARDOUS WASTE</b>     |           |                 |                 |          |                 |                 |          |                 |                 |
| Preparation for Reuse (tn) | 0         | 0               | 0               | 0        | 0               | 0               | 0        | 0               | 0               |
| Recycling (tn)             | 0         | 605,42          | 605,42          | 0        | 197,42          | 197,42          | 0        | 647,22          | 647,22          |
| Composting (tn)            | 0         | 0               | 0               | 0        | 0               | 0               | 0        | 0               | 0               |
| <b>Total</b>               | <b>00</b> | <b>605,42</b>   | <b>605,42</b>   | <b>0</b> | <b>197,42</b>   | <b>197,42</b>   | <b>0</b> | <b>647,22</b>   | <b>647,22</b>   |
| <b>NON-HAZARDOUS WASTE</b> |           |                 |                 |          |                 |                 |          |                 |                 |
| Preparation for Reuse (tn) | 0         | 1.327,02        | 1.327,02        | 0        | 1.251,99        | 1.251,59        | 0        | 1.391,02        | 1.391,02        |
| Recycling (tn)             | 0         | 0               | 0               | 0        | 0               | 0               | 0        | 0               | 0               |
| Composting (tn)            | 0         | 20,75           | 20,75           | 0        | 55,23           | 55,23           | 0        | 53,83           | 53,83           |
| <b>TOTAL</b>               | <b>0</b>  | <b>1.347,77</b> | <b>1.347,77</b> | <b>0</b> | <b>1.306,82</b> | <b>1.306,86</b> | <b>0</b> | <b>1.444,85</b> | <b>1.444,85</b> |

**Waste Not Disposed for Recovery:**

|                             | 2023                 |           |           | 2022   |              |              | 2021   |           |           |
|-----------------------------|----------------------|-----------|-----------|--------|--------------|--------------|--------|-----------|-----------|
|                             | onsite               | offsite   | total     | onsite | offsite      | total        | onsite | offsite   | total     |
| <b>HAZARDOUS WASTE</b>      |                      |           |           |        |              |              |        |           |           |
| Sanitary Landfill (tn)      | Not Applicable (N/A) |           |           |        |              |              |        |           |           |
| Incineration (tn)           |                      |           |           |        |              |              |        |           |           |
| Other Recovery Methods (tn) |                      |           |           |        |              |              |        |           |           |
| <b>TOTAL</b>                |                      |           |           |        |              |              |        |           |           |
| <b>NON-HAZARDOUS WASTE</b>  |                      |           |           |        |              |              |        |           |           |
| Sanitary Landfill (tn)      | Δ/E                  | 30        | 30        | Δ/E    | 25,14        | 25,14        | Δ/E    | 30        | 30        |
| Incineration (tn)           | Δ/E                  | Δ/E       | Δ/E       | Δ/E    | Δ/E          | Δ/E          | Δ/E    | Δ/E       | Δ/E       |
| Other Recovery Methods (tn) | Δ/E                  | Δ/E       | Δ/E       | Δ/E    | Δ/E          | Δ/E          | Δ/E    | Δ/E       | Δ/E       |
| <b>TOTAL</b>                | -                    | <b>30</b> | <b>30</b> | -      | <b>25,14</b> | <b>25,14</b> | -      | <b>30</b> | <b>30</b> |

## Cyta Indicator #1:

## Percentage of Recycling and/or Reuse of Generated Waste

98,46% 2023

98,36% 2022

98,59% 2021

## Cyta Indicator #2:

## Percentage of Paper Quantity Recycled Within the Organization

|   | 2023  | 2022  | 2021  |
|---|-------|-------|-------|
| Paper Usage Within the Organization (tn)                                | 36,46 | 48,64 | 32,39 |
| Paper Usage for Sending Bills and Informative Letters to Customers (tn) | 37,68 | 41,77 | 45,79 |
| <b>Percentage of Paper Recycling Within the Organization (%)</b>        | 100   | 100   | 100   |

In 2023, we adopted sustainable practices for paper usage with the aim of reducing consumption. This was achieved through initiatives that promote the widespread adoption of electronic billing by our customers.



We care  
about people  
and society

# Our people



[GRI 2-7, GRI 2-8, GRI 2-30]

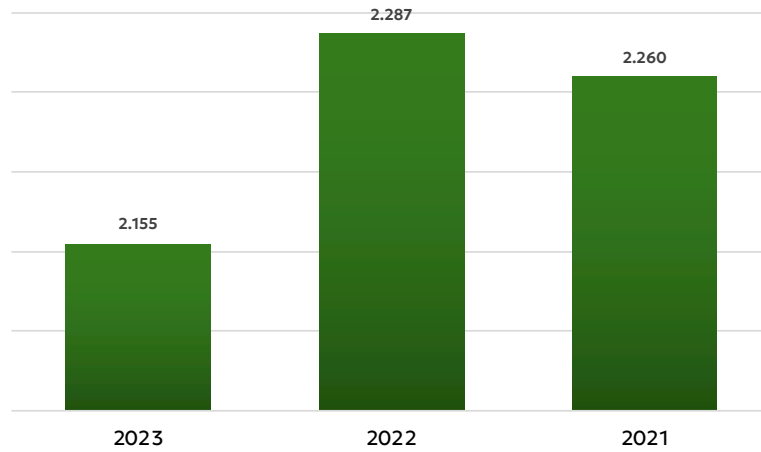
With the intensification of our employee renewal process, we completed the voluntary exit plan in 2023..

At the same time, we are actively implementing a policy of horizontal transfers and employee interchangeability, aiming to broaden skills, increase productivity, and enhance career advancement prospects.

Additionally, we are adopting an employee transformation plan, aiming to create job flexibility, upgrade low-wage workers, link performance with compensation, rationalize salary scales, and gradually reduce personnel costs. The plan seeks on one hand, to modernize labour practices in a manner befitting a business-oriented organization and, and on the other hand, to establish Cyta as an employer of choice.

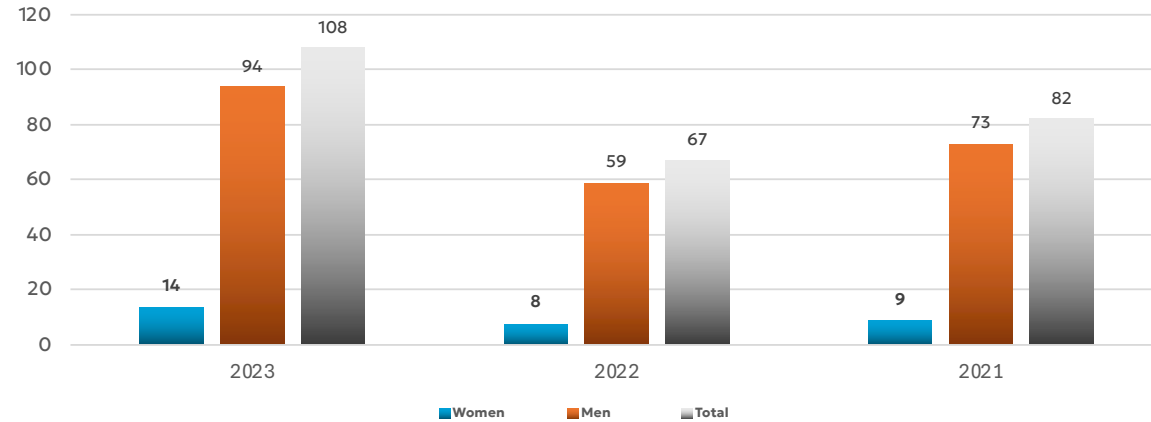
Finally, we record the total number of our employees by gender and by category of monthly and hourly wage personnel on an annual basis. In addition to the monthly and hourly wage personnel, we also maintain associates who provide specific services.

**Total number of full-time employees (2021-2023)<sup>23</sup>**



|   | 2023       |            |              | 2022  |       |              | 2021  |       |              |
|---|------------|------------|--------------|-------|-------|--------------|-------|-------|--------------|
|   | Women      | Men        | TOTAL        | Women | Men   | TOTAL        | Women | Men   | TOTAL        |
| Total number of employees (#)             | 910        | 1,245      | <b>2,155</b> | 929   | 1,358 | <b>2,287</b> | 929   | 1,331 | <b>2,260</b> |
| Total number of monthly employees (#)     | <b>524</b> | <b>915</b> | <b>1,439</b> | 543   | 1,028 | <b>1,571</b> | 544   | 1,037 | <b>1,581</b> |
| Total number of hourly wage employees (#) | <b>386</b> | <b>330</b> | <b>716</b>   | 386   | 330   | <b>716</b>   | 385   | 294   | <b>679</b>   |

**Total number of non-direct Cyta employees<sup>24</sup>**



| Collective Agreements   | Measurement Unit | 2023 | 2022 | 2021 |
|---|------------------|------|------|------|
| Percentage of employees covered by collective labour agreements <sup>25</sup> | %                | 100  | 100  | 100  |

23. The geographical area is Cyprus. For the calculation of the number of employees, the "headcount" methodology is applied on 31/12 of each respective year. The two categories of employees are recorded and defined as monthly and hourly wage employees as follows:  
 • Monthly employees: The recruitment of permanent monthly employees is conducted based on the Law on the Evaluation of Candidates for Appointment in the Public Service, Law 6(I)/1998, and the General Regulations of the Cyprus Telecommunications Authority Personnel and any applicable relevant legislation.  
 Hourly wage employees: The hourly wage employees falls under the General Regulations of the Cyprus Telecommunications Authority Personnel only for what is defined in Regulation 25A. Based on Regulation 25A, the recruitment of hourly wage employees is decided and executed by Cyta or by authorized bodies depending on its service needs. The categories of employees do not include fixed-term and part-time ones.  
 The reduction of 132 employees compared to 2022 is due to the utilization of the "Voluntary Departure Plan".

24. The data collection mentioned in the table was done using the headcount methodology on 31/12/2023. For the year 2023, the 108 individuals who are not direct employees of Cyta include: external consultants to produce Cytavision's sports content, bad debt collection consultants, an occupational doctor, a nurse, and a gardener. Additionally, the employees of the subsidiary company CytaCom, which is exclusively engaged in activities related to Cyta, such as technical support for the Fiber project and the wired network, has been added. The same description applies to the years 2022 (67 individuals) and 2021 (82 individuals). It is noted that the personnel of the subsidiary company CytaCom was not reflected in Cyta's Annual Report/Sustainable Development Report for the year 2022. Employees who are not part of Cyta's monthly and hourly wage personnel are covered by fixed-term contracts.

25. All employees are covered by collective agreements, except for the Chief Executive Officer, the Senior Director of Operational Management, and the Senior Director of Commercial Management, who have personal contracts.

Cyta creates or may create the following impacts:

### ACTUAL AND POTENTIAL IMPACTS

| TOPICS          | POSITIVE IMPACTS  | NEGATIVE IMPACTS            |
|-----------------|---|-----------------------------|
| Employment      | Through the creation of 2.155 direct jobs.  | None identified             |
| Social Welfare  | Through business activities that improve employees' access to social protection and insurance (supplementary medical care, occupational pension).   | None identified             |
| Salaries        | Through the provision of competitive salaries and ensuring a decent standard of living for employees.   | None identified             |
| Education       | Through business activities and value chain activities related to access to quality education and the development of employees and lifelong learning (implementation of institutionalized practices for equal education and employees development). | None identified             |
| Health & Safety | None identified   | Through workplace accidents |

### MATERIAL TOPIC

# People and Society

**Cyta APPROACH [GRI 3-3]**

→ **Employment and Social Welfare**

We are one of the main employers in Cyprus with numerous job positions in various sectors. Cyta employs over 2.100 employees, ensuring competitive salaries and a decent standard of living. We take care to create and ensure a work environment that offers fair and equal opportunities for all. This is demonstrated by the equal pay we offer for the same positions and the benefits that serve the needs of the Organization and our members.

→ **Education**

In 2023, we promoted and continued our educational programs and certifications aimed at developing the knowledge, skills, and individual capabilities of our employees, as well as their professional advancement. The educational activities were conducted both in-person and online, to facilitate our employees's access to lifelong learning and systematic development.

→ **Health & Safety (H&S)**  
 [GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7]

We place particular emphasis on ensuring health and safety in the workplace for all our employees and partners who work or move within our facilities. We comply with the legislation of the Republic of Cyprus, which includes the following categories of legislation concerning health and safety at work:



→

We implement the necessary procedures and take all the necessary preventive measures to maintain a safe and healthy work environment for everyone.

→ **Health and Safety Policy**

The Health and Safety Policy for our Personnel was approved in 2023 with the aim of implementing legislation and effectively protecting the safety and health of Cyta's employees, visitors, partners, and customers, as well as the business itself. It defines our goals and commitments with the purpose of continuously promoting occupational safety and health for all activities conducted by the Organization.

→ **Health and Safety Regulations**

We have developed Health & Safety Regulations in the workplace with a clear statement of our commitment to fulfilling our obligations in accordance with Cypriot Legislation regarding Health & Safety at work. In this direction, we set high management and compliance standards, implementing appropriate mechanisms and procedures to ensure safety during our operations. Additionally, we provide our employees with appropriate information, instructions, training, and supervision, enhancing the culture of Health & Safety at work.

→ **Health & Safety System**

The Health & Safety System we implement is based on relevant legislative and regulatory provisions, as well as codes of practice related to the telecommunications sector. Beyond legislative documents, we have drafted and maintained the following internal documents for the purposes of managing and informing employees about Health & Safety issues:



Through these documents, we ensure the implementation of effective measures to protect the Health & Safety of everyone during our operations.

→ **Health & Safety Risk Identification**

To identify and assess work-related risks, we have appointed a Safety Officer who collaborates with two Assistant Safety Officers. They conduct regular and ad-hoc inspections of building facilities and work areas in cooperation with various services. Additionally, they undertake the recording and dissemination of conclusions and relevant improvement proposals that arise from inspections.

Risk assessments for building facilities and work crews, as well as the recording of observations, are based on two main documents: the Health & Safety Management System and the Organization's Employee Health & Safety Guide.

Furthermore, we contribute to risk mitigation by providing the following to our employees:

- Conducting training sessions for all employees, such as First Aid trainings, trainings on the effective use of defibrillators, and other topics related to occupational Health & Safety.
- Operating a Medical Care Fund, supplementary to the General Health System (GHS), to cover/subsidize medical expenses for employees, retirees, and their families.
- Implementing programs to reduce occupational risks, such as medical evaluations for climbers, medical examinations for night shift workers, audiological tests for employees, etc.
- Conducting measurements of harmful factors, such as regular microbiological water analyses in all our buildings nationwide, electromagnetic radiation measurements where needed, and lighting measurements with a photometer and noise measurements with a sound level meter.
- Providing safe equipment, materials, and personal protective equipment to employees working outside offices.
- Ensuring the safe operation of facilities, machinery, vehicles, and equipment through frequent preventive maintenance.
- Fully investigating any accidents or near-misses, taking appropriate actions to reduce the likelihood of recurrence.
- Providing instructions and informational material to all employees regarding various tasks being carried out and supervising, where necessary, to ensure employees work effectively while enhancing the culture of Health & Safety at work.



### Health Assurance

To ensure the health of employees in the workplace, we operate an Occupational Health Clinic in collaboration with external partners, providing healthcare services such as the presence of an Occupational Doctor for first aid and other health needs. Through the Clinic, we offer information, prevention, and health promotion programs for employees and partners working at our facilities. Additionally, medical evaluations are conducted for employees returning to work after an accident.

The Clinic also offers primary healthcare services for all employees, including the availability of an Occupational Doctor for any incidents requiring First Aid. Additionally, managing employees sick leave and providing health advisory services are important activities.

Through the Health & Safety Committees, we ensure that employees receive appropriate and satisfactory training on occupational health and safety issues. The process for informing the Safety Officer about any incidents can be conducted either anonymously or with identification, using the available communication channels. Furthermore, we have developed a dedicated application linked to the intranet, which allows employees to record or report Health & Safety issues at any time.



### Health & Safety Committees at Work (HSCW)

The active participation and collaboration of employees in the formulation, implementation, and evaluation of the Health & Safety management system at work, as well as ensuring their access to it, are some of the critical parts in our policy. In 2023, with the active participation of employees, 21 Health & Safety Committees at Work (HSCWs) were created and operated nationwide. The Committees conduct regular and ad-hoc inspections to ensure safety and protection in the event of serious workplace accidents or incidents.

The HSCWs contribute to improving the Health & Safety level of all our employees. They have an advisory role to Senior Management and maintain the following responsibilities:

- Collaborate with the Occupational Doctor and nurse, the Health & Safety Officer, and the Social Worker.
- Collaborate with the inspector from the Department of Labor Inspection of the Ministry of Labor & Social Insurance on issues related to the Health & Safety conditions of employees.
- Study risk assessment reports, as well as other reports from the Occupational Doctor, the Health & Safety Officer, the Social Worker, and/or the Organization's nurse, when the reports are not confidential and do not violate the personal data of our employees.
- Address Health & Safety and employee welfare issues, resulting in suggestions and measures to improve working conditions and prevent workplace accidents and occupational diseases.
- Resolve and respond to complaints from employees related to Health & Safety issues in the workplace.
- Promote and ensure the cooperation of all employees in implementing safety measures and safe work methods.
- Ensure the development of a culture for a safe and healthy workplace.
- Participate in drafting safety regulations and monitoring the health of employees.
- Ensure that employees receive appropriate information, training, and guidance.

The HSCWs meet regularly and at least once a quarter. Each local HSCW can hold an emergency meeting if a significant event occurs, by decision of its president.



### Promotion of Health & Safety

The knowledge of individuals responsible for Health & Safety is essential to our ongoing operations and the protection of our employees. In 2023, the Safety Officer and his two Assistants participated in training programs with a total duration of 47 hours. Additionally, the presidents and members of the Committees attended training programs with a total duration of 35 and 6 hours respectively.

The rest of the personnel attended specialized training programs related to their duties, such as risk assessment programs, first aid with defibrillator use, harmful factor measurements, and safe use of electricity.

To promote the physical and mental health of our employees, we organize a series of seminars and lectures, such as on managing psychosocial risks and workplace stress. Additionally, we support the community through volunteering, such as organizing voluntary blood donations held twice a year, with the participation of approximately 80 employees.

In 2023, through the Occupational Health Clinic, we provided primary healthcare services and health advisory services to our employees, as well as health programs for all employees.



### Prevention of Workplace Accidents

With a particular focus on preventing and reducing significant negative impacts on health and safety, as well as preventing the recurrence of similar incidents, a procedure has been established to inform employees about workplace accidents and hazardous incidents, along with the associated preventive measures. Simultaneously, the Organisation's Health and Safety Guide is distributed to suppliers, contractors, and partners at the commencement of our collaboration, ensuring precise implementation and monitoring at their workplaces to guarantee compliance.

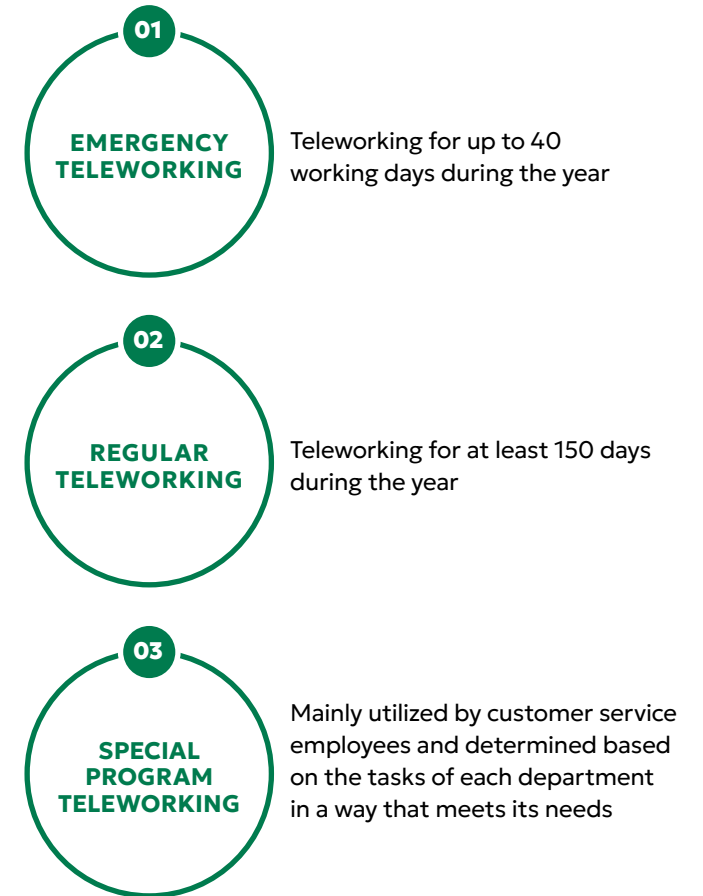
**Cyta APPROACH**  
**Employment and Social Welfare**  
**[GRI 401-1, 401-2]**

We distinguish ourselves as an employer by acknowledging that the quality of life of our employees is fundamental, both from a moral responsibility standpoint and as a strategic business priority. This approach yields numerous benefits, including enhanced productivity, talent attraction, and the cultivation of a positive corporate culture, all of which significantly contribute to the ongoing success and sustainability of our Organisation. Beyond legal requirements, we consider the genuine needs of our employees by offering the following additional benefits and services:

- Life insurance (covering disability & incapacity to work)
- Supplementary Medical Care Fund (supplementary to GHS)
- Provident Fund (for employees hired after 2011) and pension plan (for existing employees hired before 2011)
- Mobile allowance
- Employees Welfare Fund (entitlement to use holiday homes and subsidized vacations)
- Sponsorship of educational programs for professional certification (including examination fees)
- Flexible working hours and teleworking
- Annual leave solidarity bank

Teleworking was institutionalised in 2006; however, the initiative was expanded and strengthened in 2020 in response to the pandemic.

Currently,  
 1,162 employees  
 are engaged  
 in teleworking  
 across three  
 different  
 programmes



## New Hires/Employee Departures<sup>26</sup>

### 2023 New Employee Hires

|                              | <30 years old |       |       | 30-50 years old |      |       | >50 years old |      |       |
|------------------------------|---------------|-------|-------|-----------------|------|-------|---------------|------|-------|
|                              | Women         | Men   | Total | Women           | Men  | Total | Women         | Men  | Total |
| Number of new employee hires | 13            | 8     | 21    | 11              | 15   | 26    | -             | 2    | 2     |
| New employee Hire Rate (%)   | 48,15         | 24,24 | 35,00 | 2,07            | 2,39 | 2,24  | -             | 0,34 | 0,21  |

### 2023 Employee Turnover

|                               | <30 years old |       |       | 30-50 years old |      |       | >50 years old |       |       |
|-------------------------------|---------------|-------|-------|-----------------|------|-------|---------------|-------|-------|
|                               | Women         | Men   | Total | Women           | Men  | Total | Women         | Men   | Total |
| Number of employees turnover  | 4             | 4     | 8     | 15              | 17   | 32    | 28            | 120   | 148   |
| Rate of employee turnover (%) | 14,81         | 12,12 | 13,33 | 2,82            | 2,71 | 2,76  | 7,98          | 20,55 | 15,83 |

### 2022 New Employee Hires

|                              | <30 years old |      |       | 30-50 years old |     |       | >50 years old |     |       |
|------------------------------|---------------|------|-------|-----------------|-----|-------|---------------|-----|-------|
|                              | Women         | Men  | Total | Women           | Men | Total | Women         | Men | Total |
| Number of New employee Hires | 10            | 19   | 29    | 15              | 27  | 42    | 3             | 1   | 4     |
| New employee Hire Rate (%)   | 47,6          | 39,6 | 42,0  | 2,5             | 4,0 | 3,3   | 1,0           | 0,2 | 0,4   |

### 2022 Employee Turnover

|                               | <30 years old |     |       | 30-50 years old |     |       | >50 years old |     |       |
|-------------------------------|---------------|-----|-------|-----------------|-----|-------|---------------|-----|-------|
|                               | Women         | Men | Total | Women           | Men | Total | Women         | Men | Total |
| Number of employee turnover   | 1             | 3   | 4     | 27              | 10  | 37    | 3             | 8   | 11    |
| Rate of employee turnover (%) | 4,8           | 6,3 | 5,8   | 4,5             | 1,5 | 2,9   | 1,0           | 1,3 | 1,2   |

## New Hires/Employee Departures<sup>26</sup> (cont.)

### 2021 New Employee Hires

|                              | <30 years old |      |             | 30-50 years old |     |            | >50 years old |     |          |
|------------------------------|---------------|------|-------------|-----------------|-----|------------|---------------|-----|----------|
|                              | Women         | Men  | Total       | Women           | Men | Total      | Women         | Men | Total    |
| Number of New employee Hires | 3             | 10   | <b>13</b>   | 6               | 43  | <b>49</b>  | 0             | 0   | <b>0</b> |
| New employee Hire Rate (%)   | 25,0          | 29,4 | <b>28,3</b> | 1,0             | 6,5 | <b>3,9</b> | 0             | 0   | <b>0</b> |

### 2021 Employee Turnover

|                               | <30 years old |      |             | 30-50 years old |     |            | >50 years old |     |            |
|-------------------------------|---------------|------|-------------|-----------------|-----|------------|---------------|-----|------------|
|                               | Women         | Men  | Total       | Women           | Men | Total      | Women         | Men | Total      |
| Number of employee turnover   | 6             | 4    | <b>10</b>   | 13              | 14  | <b>27</b>  | 20            | 27  | <b>47</b>  |
| Rate of employee turnover (%) | 50            | 11,8 | <b>21,7</b> | 2,1             | 2,1 | <b>2,1</b> | 6,5           | 4,2 | <b>5,0</b> |

<sup>26.</sup>  
The country of operation for the Organization is Cyprus

## Parental Leave<sup>27</sup>

|   | 2023  |     |            | 2022  |     |            | 2021  |     |            |
|---|-------|-----|------------|-------|-----|------------|-------|-----|------------|
|   | Women | Men | Total      | Women | Men | Total      | Women | Men | Total      |
| Total number of employees entitled to parental leave <sup>28</sup>  | 160   | 171 | <b>331</b> | 2     | 11  | <b>13</b>  | 0     | 8   | <b>8</b>   |
| Total number of employees who took parental leave   | 9     | 22  | <b>31</b>  | 2     | 11  | <b>13</b>  | 0     | 8   | <b>8</b>   |
| Total number of employees who returned from parental leave  | 9     | 22  | <b>31</b>  | 2     | 11  | <b>13</b>  | 0     | 8   | <b>8</b>   |
| Total number of employees who returned from parental leave and continued to work for the Organization after 12 months | N/A   | N/A | <b>N/A</b> | 2     | 11  | <b>13</b>  | 0     | 8   | <b>8</b>   |
| Total number of employees expected to return to work after parental leave   | 9     | 22  | <b>31</b>  | 2     | 11  | <b>13</b>  | 0     | 8   | <b>8</b>   |
| Total number of employees who worked 12 months after returning from parental leave                                    | 9     | 22  | <b>31</b>  | 2     | 11  | <b>13</b>  | 0     | 8   | <b>8</b>   |
| Return to Work Rate (%)   | 100   | 100 | <b>100</b> | 100   | 100 | <b>100</b> | 0     | 100 | <b>100</b> |
| Employee Retention Rate (%)   | N/A   | N/A | <b>N/A</b> | 100   | 100 | <b>100</b> | 0     | 42  | <b>40</b>  |

27.  
The years 2021 & 2022 do not include hourly wage employees.  
For the year 2023, the data for calculating the employee retention rate is not available, as 12 months have not yet passed since the employees returned from their parental leave.  
References as "N/A" in the Employee Retention Rate indicate that all employees have returned from parental leave, but for some, 12 months of work have not yet elapsed.  
The employee retention rate refers to the total number of employees who remained with the Organization 12 months after the period of parental leave, they took

28.  
All employees are entitled to take parental leave.

## Salaries [GRI 202-1(a)]

### Ratio of new hire compensation by gender compared to the national minimum wage for employees<sup>29</sup>

|                  |  | Cyta's Minimum Wage |       |      |       |      |       |
|------------------|--|---------------------|-------|------|-------|------|-------|
|                  |  | 2023                |       | 2022 |       | 2021 |       |
| Years of Service | Employees Categories                                 | Men                 | Women | Men  | Women | Men  | Women |
| 0-3              | Engineers, Accountants<br>(Monthly Senior employees) | 2,36                | 2,36  | 2,2  | 2,2   | 2,2  | 2,2   |
| 0-3              | Technicians, Clerks<br>(Monthly Mid-level employees) | 1,39                | 1,39  | 1,3  | 1,3   | 1,3  | 1,3   |
| 0-3              | Hourly Wage employees                                | 1,20                | 1,20  | 1,1  | 1,1   | 1,1  | 1,1   |

### Total hours and average hours of training per year and per gender<sup>30</sup>

|  | 2023         | 2022         | 2021         |
|--|--------------|--------------|--------------|
| Total training hours for women (monthly & hourly employees)  | 9.535        | 10.074,24    | 7.030,38     |
| Total training hours for men (monthly & hourly employees)    | 20.099       | 18.978,50    | 17.129,26    |
| Total number of women employees (monthly & hourly employees) | 910          | 929          | 929          |
| Total number of men employees (monthly & hourly employees)   | 1.245        | 1.358        | 1.331        |
| Average training hours for women                             | 10,48        | 10,84        | 7,57         |
| Average training hours for men                               | 16,14        | 13,98        | 12,86        |
| <b>Average training hours</b>                                | <b>13,75</b> | <b>12,70</b> | <b>10,69</b> |

29.

There is equal pay between the two genders for all job positions.

Recruitment of permanent monthly employees at Cyta is conducted based on the Law on the Evaluation of Candidates for Appointment in the Public Service, Law 6(1)/1998, and the General Regulations of the Cyprus Telecommunications Authority Personnel and any applicable relevant legislation.

According to the General Regulations of the Cyprus Telecommunications Authority Personnel, recruitments are conducted by the Cyta Board and provided there are vacant organizational positions (The Regulations do not consider recruitments from local communities).

Hourly employees are subject to the General Regulations on the Personnel of the Cyprus Telecommunications Authority, only for those provisions specified in Regulation 25A. Beyond the explicit provisions of Regulation 25A, the other terms of employment for hourly employees are governed and regulated by the applicable Labor Legislation for private employees, the individual employment contracts between the members of the hourly employees and Cyta, and the Collective Labor Agreements for Cyta's hourly employees.

For the calculation of the index, employees who are not directly employed by the Organization were not taken into account.

## Education

We recognize the critical importance of continuously improving our employees' knowledge in relation to increasing the Organization's productivity. In this context, we regularly conduct training programs related to the respective specialties, aiming to achieve professional goals and the development of employees through the continuous acquisition of knowledge and skills.

In 2023, the Organization offered numerous training, development, and learning opportunities to enhance lifelong learning and the systematic development of employees. Subsidized participation in training programs and certifications took place both in Cyprus and abroad. The training programs included education in technology, IT systems, social networks, network & service security, and customer service.

Additionally, we conducted training on topics such as 'First Aid at Work,' 'Teamwork,' and 'Leadership Skills and Personnel Management.' We also organized seminars and lecture to enhance resilience and other areas related to employee well-being.

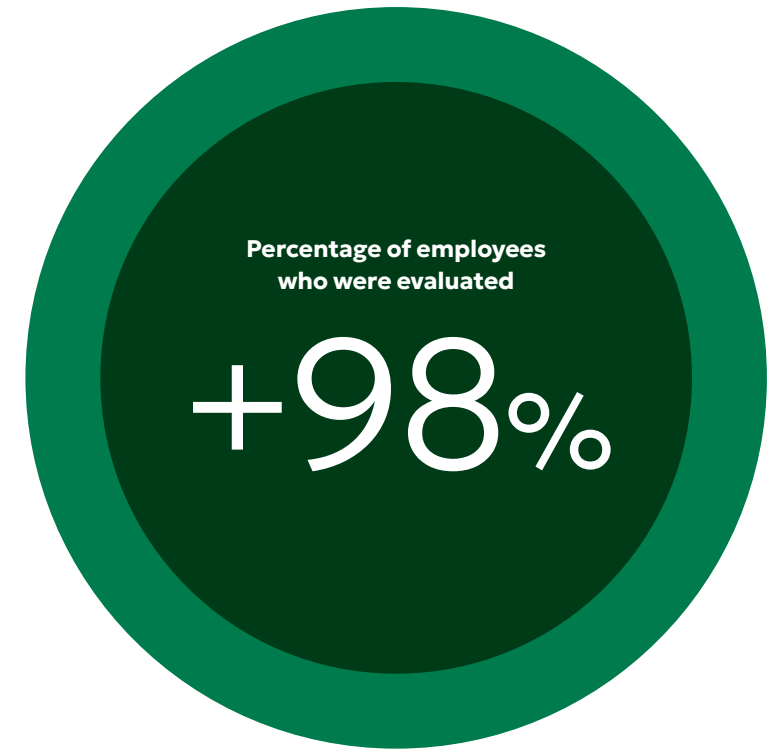
30.

The country of operation for the Organization is Cyprus.

The calculation of training hours is carried out through an internal registration system (ERP).

The calculation of training hours only concerns the average training hours per gender.

The calculation of training hours does not refer to the separate categories of employees.



**Total and percentage of employees who received regular performance evaluations as part of their professional development (per year and per gender)<sup>31</sup>**

| Cyprus  | 2023  | 2022  | 2021  |
|---|-------|-------|-------|
| Total number of women (monthly & hourly employees) who were evaluated | 902   | 915   | 925   |
| Total number of women employees (monthly & hourly employees)          | 910   | 929   | 929   |
| Total number of men (monthly & hourly employees) who were evaluated   | 1.242 | 1.341 | 1.316 |
| Total number of men employees (monthly & hourly employees)            | 1.245 | 1.358 | 1.331 |
| Percentage of women who were evaluated (%)                            | 99,12 | 98,49 | 99,57 |
| Percentage of men who were evaluated (%)                              | 99,76 | 98,75 | 98,87 |
| Percentage of employees who were evaluated (%)                        | 99,49 | 98,64 | 99,16 |

<sup>31</sup>. The calculation of employees who received regular performance evaluations is based on the internal Personnel Evaluation System. Given that, according to the provisions of the Performance Management System, evaluations of newly hired monthly and hourly employees are conducted six months after their hiring date, their evaluations are not included in the above measurements. Hourly employees were integrated into the new evaluation system in 2021

## Health & Safety

[GRI 403-8, GRI 403-9(a), GRI 403-10(a,b)]

### Total number of employees covered by the Health & Safety management system at work<sup>32</sup>

|  | 2023          | 2022          | 2021          |
|--|---------------|---------------|---------------|
| <b>Health &amp; Safety Management System</b>   |               |               |               |
| Total number of employees and non-direct employees   | 2.263         | 2.354         | 2.342         |
| Number and percentage of employees and non-direct employees covered by the Health & Safety managementsystem  | 2.263<br>100% | 2.354<br>100% | 2.342<br>100% |
| Number and percentage of employees and non-direct employees covered by the Health & Safety management system, which has been internally audited                          | 2.263<br>100% | 2.354<br>100% | 2.342<br>100% |
| Number and percentage of employees and non-direct employees covered by the Health & Safety management system, which has been audited or certified by an external partner | 2.236<br>100% | 2.354<br>100% | 2.342<br>100% |

<sup>32.</sup>  
The measurements include all employees and non-direct employees, without any exceptions. The data is collected through inspection reports, risk assessment reports, and reports on work-related accidents.

### Performance on Health & Safety issues

|   | 2023      | 2022      | 2021      |
|---|-----------|-----------|-----------|
| <b>Employees</b>  |           |           |           |
| Number of working hours <sup>33</sup>                               | 3.633,190 | 3.859,312 | 3.813,750 |
| Number of fatalities caused by work-related injuries                | 0         | 0         | 0         |
| Fatality rate caused by work-related injuries                       | 0         | 0         | 0         |
| Number of very serious work-related injuries (excluding fatalities) | 0         | 0         | 0         |
| Rate of very serious work-related injuries (excluding fatalities)   | 0         | 0         | 0         |
| Number of recorded work-related injuries                            | 7         | 15        | 15        |
| Rate of recorded work-related injuries                              | 0,39      | 0,77      | 0,79      |

<sup>33.</sup>  
For the calculation of the number of working hours, the following formula was used: 225 (working days) x 7.5 (average working hours per day) x the total number of employees. The difference in the number of working hours reported for the years 2022 and 2021 in the previous [Annual Report & Sustainable Development Report 2022](#) arises from the adjustment of working days per year, from 255 to 225.

### Main types and number of work-related injuries<sup>34</sup>

| Type of injuries                | 2023     | 2022      | 2021      |
|---------------------------------|----------|-----------|-----------|
| <b>Employees</b>                |          |           |           |
| Minor accident                  | 6        | 8         | 11        |
| Traffic accident                | 1        | 7         | 4         |
| <b>Total number of Injuries</b> | <b>7</b> | <b>15</b> | <b>15</b> |

All accident reports are forwarded by the management team of the employees involved in a work-related accident to the Safety Officer. The Safety Officer, in collaboration with the Health & Safety Committees, conducts an examination of the incidents and makes the necessary decisions to effectively resolve each case.

### Work-related injuries<sup>35</sup>

| Type of injuries   | 2023 | 2022 | 2021 |
|--|------|------|------|
| <b>Cyta employees</b>                                      |      |      |      |
| Number of fatalities caused by work-related illnesses      | 0    | 0    | 0    |
| Number of recorded cases related to work-related illnesses | 0    | 0    | 0    |
| <b>Non-direct employees</b>                                |      |      |      |
| Number of fatalities caused by work-related illnesses      | 0    | 0    | 0    |
| Number of recorded cases related to work-related illnesses | 0    | 0    | 0    |

34.

During the years 2023-2022-2021:

• No fatal accidents or serious injuries related to the workplace were recorded.

• The recorded workplace injuries involved traffic accidents and other minor accidents.

35.

During the years 2023-2022-2021, no incidents of work-related illnesses/injuries were recorded.

# Infrastructure, Connectivity and Innovation





The Organization creates the following impacts:

**ACTUAL IMPACTS**

| TOPICS         | POSITIVE IMPACTS   | NEGATIVE IMPACTS |
|----------------|--|------------------|
| Infrastructure | Through business activities that support the development and creation of critical infrastructures and systems that provide essential social and economic functions (e.g., Data Centres) certified with ISO 27001, ensuring the operational continuity of the country's economic and social activities. | None Identified  |
| Connectivity   | Through business activities and value chain activities, universal and affordable information and communication technology is offered (providing 100% population coverage of 5G to customers/businesses, even in the most remote areas of Cyprus).  | None Identified  |
| Innovation     | Through business activities and value chain activities, Cyta contributes to the creation of sustainable innovative products (IoT solutions such as the smart tracking telematics fleet management system, collaboration with Research Centres and Innovation Centres, e.g., KIOS and CYENS).           | None Identified  |

**MATERIAL TOPIC**

**INFRASTRUCTURE, CONNECTIVITY AND INNOVATION**

# Infrastructure, Connectivity and Innovation

**Cyta APPROACH [GRI 3-3]**

We maintain a pivotal role in the digital landscape of Cyprus, providing the necessary technological infrastructure for the future of the country and its society. Through substantial investments in infrastructure, such as fiber optic networks, submarine cable systems, and certified data centres, we are laying the foundations for the digital transformation of Cyprus.

This enhances the country's competitiveness by attracting international companies and investments, creating jobs, and consequently fostering economic growth. Furthermore, the swift achievement of 100% population coverage with 5G demonstrates the dynamism of Cyprus's digital infrastructure within Europe and establishes the conditions for a competitive digital economy. Lastly, the emphasis on information security positions Cyprus as a modern, technologically advanced, and reliable destination for businesses, providing additional support for the country's development and prosperity.



## Investments in infrastructure

The achievement of 100% coverage with 5G and fibre represents a significant milestone for Cyta and for Cyprus as a whole, allowing the country to stand out in the EU for the first time through its technological advancements. By the end of 2022, Cyta had successfully provided 100% population coverage with 5G, making Cyprus the first country in the EU to accomplish this feat. By the end of 2025, Cyprus is set to become the first country in the EU with 100% fibre coverage across the island, including small communities, while the EU's target for all member states is set for 2030. This achievement places our country among the most advanced globally in terms of telecommunications and connectivity, offering citizens the ability to live and work anywhere with access to cutting-edge technologies. At the same time, the upgrade of infrastructure enhances Cyprus's appeal to investors and businesses, creating favourable conditions for the development of the digital economy, which is also a key strategic goal of the State. Citizens gain access to digital services that are no longer a luxury but a necessary tool for their daily lives, regardless of where they live. This technological equality opens new horizons for both personal development and the economic prosperity of the country.



## Submarine Cable Connectivity

Our participation in submarine cable systems such as KADMOS enhances Cyprus's connectivity with neighbouring regions, improving international business connections and ensuring low latency and high performance for data transmission. The international interconnection of Cyprus through our cable stations and the eleven cable systems we possess establishes Cyta as a significant IP hub in the region and keeps Cyprus among the most advanced countries in telecommunications worldwide.



## Data Centre and Cloud Services

Investments in data centres and cloud services contribute to the development of advanced cloud computing infrastructure, attracting businesses that require reliable and secure data storage and processing capabilities. We are planning the development of a geostrategically significant Data Centre that creates new opportunities for attracting investments. With international standards, ISO 27001 certification, and top-notch data security technology, the centre will serve domestic and international businesses, offering solutions for service providers and multinational companies.

The Data Centre also enhances the digitalization strategy of the Cypriot state, upgrading the services it provides to citizens.



## 100% Population Coverage of Very High-Capacity Networks (VHCN)

This achievement is a significant milestone for improving the ranking of Cyprus's digital infrastructure in Europe (formerly DESI - now Europe's Digital Decade Report) and positions Cyprus as a competitive destination for businesses and investments.



## Cybersecurity

As cyber threats become increasingly sophisticated, we remain steadfast in our commitment to protecting our customers' data and privacy. We utilize advanced encryption technologies, implement strict access control policies, and provide our employees with continuous training to stay ahead of evolving cyber threats. The emphasis on ISO 27001 certification and robust security practices of our data centres ensures the protection of sensitive information.



## Innovation

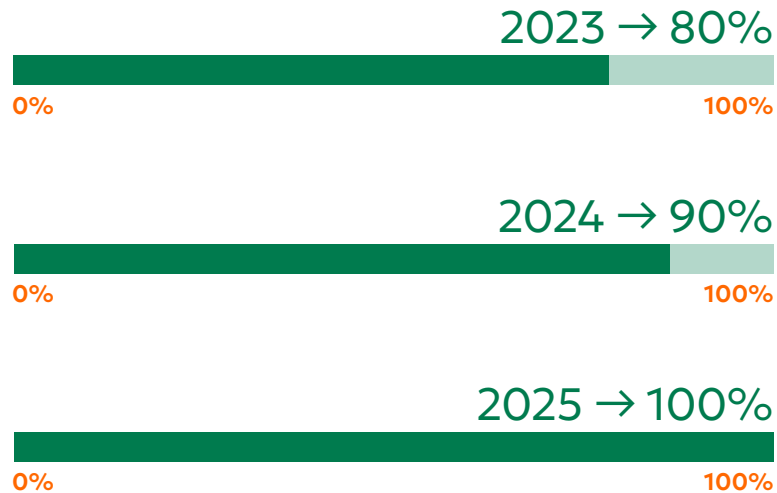
We invest in innovation to develop better products and services that will further improve the daily lives of citizens and the efficiency of businesses. For example, IoT solutions such as smart tracking for intelligent management of corporate vehicle fleets. To this end, we collaborate with Research Centres, Academic Institutions, and Innovation Centres and participate in national and European programs for innovation, research, development, and entrepreneurship, leveraging new technologies to solve specific problems and/or improve our operations.

**Cyta PERFORMANCE**  
**Infrastructure and Connectivity**

→  
**Cyta Indicator #3: Fiber Network Coverage**

The fiber optic network is the most significant project for upgrading Cyprus's telecommunications infrastructure, as it enhances the country's technological profile abroad and confirms its position as modern, advanced, and progressive. With the rapid expansion of our network, in 2023 we achieved full coverage of all urban and suburban areas of Cyprus. Our next goal is to cover the major rural communities and underserved areas by the end of 2025.

**Nationwide Population Coverage of Fiber Network:**



2023: 80%, 2024: projected at 90%, 2025: projected at 100%.



- 100% population coverage of urban and suburban areas by 31/12/2023.
- At the end of 2023, the Fiber network was available to 340.000 premises (100%).
- At the end of 2023, Cyta completed a total of 175.000 connections for broadband services (internet, television, telephony) through the fiber optic network<sup>36</sup>.
- Approximately 4.000 new Fiber connections are implemented each month.
- More energy-efficient network, with an 80% reduction in electricity consumption compared to the traditional copper (DSL) network.



**Rural Areas**

- Expansion of the Cyta Fiber network to all major communities in Cyprus, aiming to cover 40.000 premises.
- The goal is to complete 70% of the coverage by the end of 2024 and the remaining 30% by the end of 2025



**Expansion of the Fiber Network in Underserved Areas**

As part of a tender announced by the Department of Electronic Communications, Cyta recently undertook the study, construction, and operation of very high-capacity networks in underserved areas covering 45.000 premises. In the same context, Cyta also undertook the transfer of existing copper broadband connections and the connection of new customers to the Cyta Fiber network in the same areas. The project will cover 284 communities and is expected to be completed by the end of 2025.

Projected total premises with  
Fiber Network coverage  
by the end of 2024 → 390.000

<sup>36</sup>. Wholesale connections are also included

## Mobile Communication Network



### Cyta Indicator #4: 5G Network Coverage

The 5G network offers the most advanced telecommunications services across the entire country, covering even the most remote areas. Due to Cyta's mobile network, in 2022 Cyprus became the first country in the European Union with 100% population coverage of 5G. In 2023, we continued the qualitative modernization of our network.

## Innovation



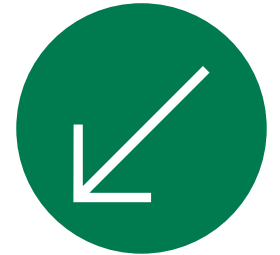
### Cyta Indicator #5: Number of participations in research programs

With accumulated experience, expertise, excellent technical infrastructure, and networking, we are a key partner of the National Innovation Ecosystem, actively supporting activities and projects that promote entrepreneurship and innovation in Cyprus. At the same time, we closely collaborate with Research & Excellence Centres, such as KIOS and CYENS, on innovation and development issues. We also support startups by participating as an Innovation Partner in the EUC Startup program powered by Microsoft and as a Technology Partner in the IDEA startup accelerator. Finally, we monitor and participate in national and European programs for innovation, research, development, and entrepreneurship, aiming to leverage new innovative technologies to ensure the long-term competitiveness of the Organization.

As part of our collaboration with the KIOS and CYENS Research & Excellence Centres, we have undertaken the following actions in the respective projects:

- **Optimization and completion of two major projects:**
  - Introduction of chatbot services in the Customer Contact Centre utilizing artificial intelligence (AI) technologies and
  - Management of prioritization, scheduling, and staffing of software application development projects included in the "SPECTACLE - Addressing the Software Project Scheduling and Staffing Challenge" project.
- **Optimization of algorithms for**
  - Automatic evaluation of communication between the customer and the Service Operators of the Customer Contact Centre in the Call Centre Quality Assurance (CQA) project and
  - Customer identification through voice recognition in the Call Centre Voice Verification (CVV) project.

Finally, we are participating in the innovative project of the European Digital Europe Program "Deploying advanced national QCI systems and networks – CYQCI" with the aim of developing secure quantum optical communications at both national and pan-European levels.



In 2023,  
we participated  
in five research  
projects  
and developed  
four collaborations  
for innovative  
solutions.

A photograph of two young women taking a selfie. The woman on the left is holding a light-colored smartphone. Both women are smiling and looking at the camera. The background is a textured, light-colored wall. A decorative graphic of wavy, overlapping lines in shades of grey and white is overlaid on the right side of the image.

# Data Protection



Cyta creates the following impacts:

Actual Impacts

| TOPICS          | POSITIVE IMPACTS   | NEGATIVE IMPACTS |
|-----------------|--|------------------|
| Data Protection | Through business initiatives and value chain activities that ensure the protection of stakeholders' personal data (e.g., management system and ISO 27001 certification). | None identified  |

[GRI 418-1]

DATA PROTECTION

# Data protection

Cyta APPROACH [GRI 3-3]

The issue of data protection and addressing malicious content on the internet is a top priority for us. We have developed and published on our official website the "Privacy Protection Policy," which details how the information and data of our customers and/or users of our services are collected, used, and processed. More related information is available on our official website at the link: <https://www.cyta.com.cy/privacy-policy>

Since 2003, we have been one of the first major organisations in the country to achieve full certification with ISO 9001:2000. Our Data Centres in Nicosia and Limassol are constructed to high TIER III standards and incorporate exemplary security and protection measures for infrastructure systems and services. This is further validated by their stringent certification in accordance with the ISO 27001 standard.

→  
**Lectures on Safe Internet Use**

We undertake significant initiatives to educate and promote the safe use of the internet in Cyprus. We offer educational programs in all primary, secondary, and technical schools, where students can learn about the basic services of the internet, its advantages and weaknesses, as well as to be informed about new applications of it.

We also conduct lectures on safe internet use for parents, educators, and other organized groups. During these lectures, we explain the usefulness of the "Safe Internet for Home" service, which is offered for free to protect children from malicious and harmful content on any device (e.g., laptops, tablets, mobile phones, gaming consoles, smart TVs) that connects to the internet via Wi-Fi or wired network at home.

→  
**Safe Internet Browsing**

We offer important services to protect our customers from malicious activities on the internet. With "Safe Internet for Schools," we provide schools with the ability to filter content on all computers by a) preventing the creation of different user profiles and b) providing defined access to specific categories of content and applications.

Through the free "SafeWeb" service for "Internet Home" and "Mobile Data" products, we enhance the security of our customers while they browse the internet. This service protects the internet connection by blocking access to websites that can infect devices with malware and viruses or steal personal information, financial data, and personal passwords.

In 2023, the use of the "SafeWeb" service achieved significant success, with restricted access to malicious websites reaching 260 million visits.

**Data Protection**

Documented reports concerning privacy breaches and/or customer data loss:

| REPORTS   | 2023 | 2022 | 2021 |
|---|------|------|------|
| Documented reports concerning privacy breaches and/or customer data loss, categorized based on complaints received from third parties and documented by the Organization. | 0    | 0    | 0    |
| Documented reports concerning privacy breaches and/or customer data loss, categorized based on complaints from regulatory bodies.   | 0    | 0    | 0    |
| Total number of identified leaks, thefts, or losses of customer data.   | 0    | 0    | 0    |

For the reporting period, there were no financial losses related to customer privacy because of legal proceedings.

# Financial Report



FINANCIAL REPORT

# Financial Report

## Summary of Results

In 2023, as in 2022, the international economic environment was characterized by instability and peculiar market conditions. The consequences of the prolonged Russia-Ukraine war, the conflict in the Middle East, and the unrest in international transit trade areas led to an increase in energy costs and product prices. These developments resulted in high inflation and an increase in interest rates as a countermeasure.

The Cypriot economy proved resilient despite the pressures and the slowdown in growth, with a GDP growth rate of 2,5% (compared to 5,1% in 2022). Inflation decreased to 3,5% (improved from 8,1% in 2022) but remains higher than the EU's medium-term target of 2,0%. At the same time, the increase in electricity prices affected the prices of goods and services, limiting the purchasing power of the public. On the positive side, there was an increase in tourist arrivals, which approached the levels of 2019.

Cyta, for another year, chose not to pass on the increased costs to its customers, maintaining stable prices for basic products and reducing them during promotional periods. At the same time, we adopted cost-saving measures to address the rapid increase in expenses. As a result, despite the market challenges, we managed to increase our revenue to the highest level in the last ten (10) years, maintaining high net profitability while absorbing significant costs arising from the Voluntary Retirement Scheme for personnel.

Revenue amounted to  
**€405,5m.**  
 marking an increase of  
**1,4%**  
 compared to  
 €400,1m. in 2022

The profit margin before  
 interest, taxes, and  
 depreciation (EBITDA%)  
 remained at high  
 levels, reaching  
**33,9%**  
 (2022: 37,2%)

Profit for the year after tax amounted to €60,5 million, compared to €76,1 million in 2022. The decrease is mainly due to compensation payments of €17,9 million made to personnel who left through the Voluntary Retirement Scheme.

Profit for 2023, before deducting these compensations, amounted to €78,4 million, with the corresponding (adjusted) net profit margin reaching 19,3%, compared to 19,0% in 2022.

As a result of its consistently robust financial position, in 2023 Cyta managed to:

→ fund its development expenditures amounting to €83,1 million from its own capital  
—

→ pay a dividend of €23,2 million to the State for the 2022 profits  
—

→ maintain zero debt (apart from the obligation to the Pension Fund)  
—

→ have cash reserves amounting to €331,4 million at the end of the year  
—

#### Indicative Five-Year Financial Data (€ million)

|  | 2019   | 2020   | 2021  | 2022  | 2023   |
|--|--------|--------|-------|-------|--------|
| <b>Revenue from Services</b>                                     | 352    | 349    | 375   | 400   | 406    |
| <b>% change</b>  | +2,6%  | -0,9%  | +7,4% | +6,6% | +1,4%  |
| <b>Gross Profit</b>  | 72     | 81     | 87    | 95    | 77     |
| <b>% change</b>  | +13,0% | +12,5% | +7,5% | +9,4% | -18,8% |
| <b>Profit before Interest, Taxes &amp; Depreciation (EBITDA)</b> | 117    | 125    | 133   | 149   | 137    |
| <b>% EBITDA Margin</b>   | 33,2%  | 35,7%  | 35,3% | 37,2% | 33,9%  |

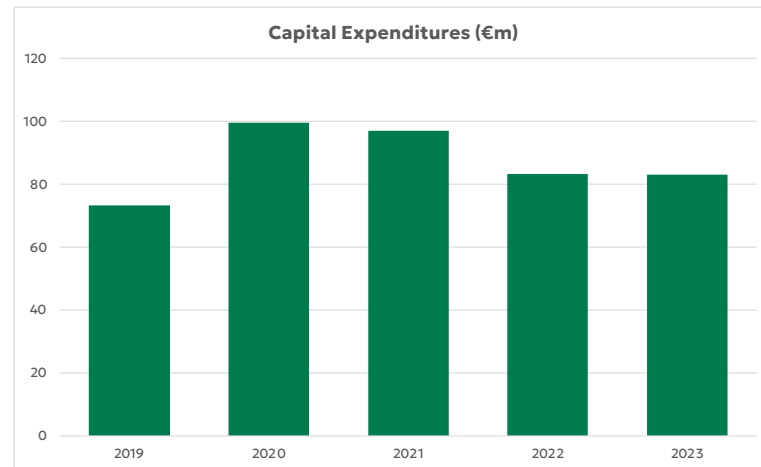
## Capital Expenditures

In 2023, we continued to intensively implement our increased development program, aiming to carry out the strategic projects included in our business plan. Capital expenditures for 2023 amounted to €83,1 million (2022: €83,8 million).

Among the most significant development projects implemented and put into operation in 2023 are:

- the significant expansion of the Fiber network, ensuring 100% coverage in all urban and suburban areas of Cyprus
- the continuation of the upgrade and modernization of the mobile network (5G/SRAN network),
- IT projects that enhance the customer experience.

Our investment program, characterized by its unprecedented scale, continues to be entirely funded from our own capital.

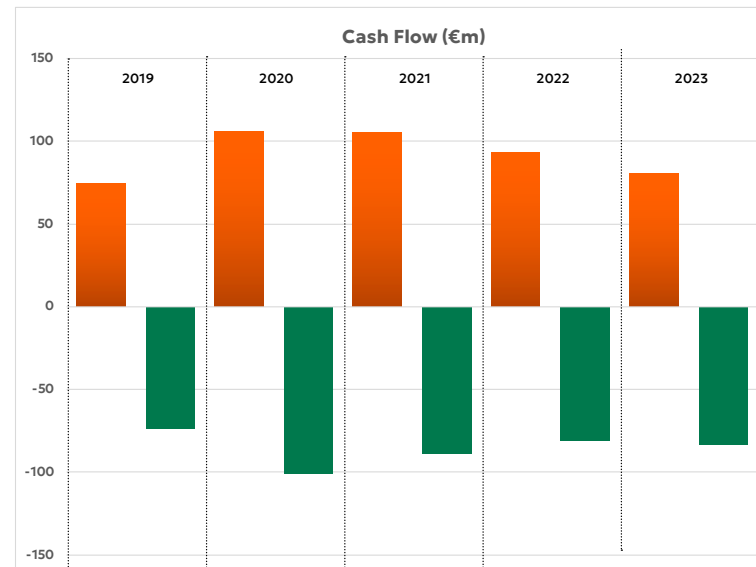


|                      | 2019 | 2020 | 2021 | 2022 | 2023 |
|----------------------|------|------|------|------|------|
| Capital Expenditures | 73.4 | 99.7 | 87.1 | 83.8 | 83.1 |

## Cash and Cash Equivalents

The amount of cash and cash equivalents as of 31/12/23 amounted to €331.4 million (31/12/22: €359,5 million). The amount includes cash in banks (€65,2 million), Eurobonds of the Republic of Cyprus (€77,7 million), bonds of the French Government (€11,1 million), shares in Bank of Cyprus and Hellenic Bank (€4,5 million), and investments in bond funds and money market funds (€172,9 million).

The cash flow during the year strengthened the significant cash reserves we have, ensuring the full financing of our development program from our own funds.



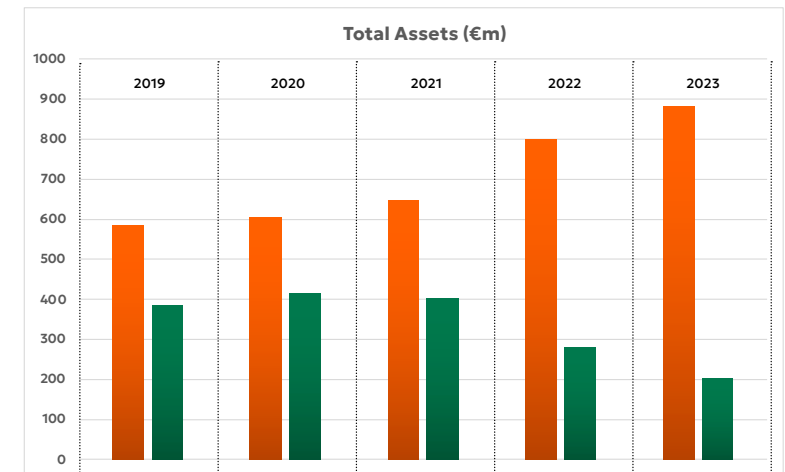
|                                    | 2019  | 2020   | 2021  | 2022  | 2023  |
|------------------------------------|-------|--------|-------|-------|-------|
| Cash flow from operations          | 74.6  | 105.7* | 105.3 | 93.6  | 80.4  |
| Cash flow for development expenses | -73.2 | -100.7 | -88.8 | -80.9 | -83.2 |

\*After reclassification regarding the categorization of government bonds (see note 4 of the financial statements)

## Total Assets

The total non-current assets amounted to €881,6 million (2022: €799,0 million). The increase is mainly due to new investments in bond funds and money market funds, as well as increased development expenditures for the implementation of the Organization's strategic projects.

The total current assets amounted to €204,6 million (2022: €282,3 million), of which €67,9 million consists of bonds and cash in banks and in the cash register.



|                    | 2019  | 2020  | 2021  | 2022  | 2023  |
|--------------------|-------|-------|-------|-------|-------|
| Current assets     | 584.6 | 604.7 | 646.1 | 799.0 | 881.6 |
| Non-current assets | 385.6 | 414.9 | 401.4 | 282.3 | 204.6 |

## Reserves and Dividends

The reserves that constitute the equity of the Organization amounted to €850,6 million as of December 31, 2023 (2022: €884,2 million). The decrease is due to the actuarial losses of the Cyta Pension Fund, amounting to €74,2 million, which arose from the remeasurement of the present value of the Fund's obligations in relation to the fair value of its assets as of December 31, 2023. It is noted that the main factor for recognizing the actuarial loss was the decrease in the discount rate used in the actuarial study, due to the decline in bond yields. On the other hand, the reserves were strengthened by the profit for the year, amounting to €60,5 million, while they were reduced by the payment of dividends and defence in accounted dividends totalling €28,0 million.

It is noted that the total accumulated dividends that Cyta has paid to the State amount to €898,1 million.

## Indicative Financial Data for Five Years (€ million)

|  | 2019 | 2020  | 2021  | 2022  | 2023  |
|--|------|-------|-------|-------|-------|
| <b>Total Assets</b>  | 970  | 1.020 | 1.048 | 1.081 | 1.086 |
| <b>Total Liabilities</b>   | 524  | 642   | 460   | 197   | 236   |
| <b>Increase/(Decrease) in Reserves due to the Actuarial Position of the Pension Fund</b> | -210 | -121  | 156   | 249   | -66   |
| <b>Reserves</b>  | 446  | 378   | 588   | 884   | 851   |
| <b>Cash Flow from Operations</b>   | 75   | 106*  | 105   | 94    | 80    |
| <b>Net Cash Flow from/(for) Investing Activities</b>                                     | -58  | -38*  | 15    | -174  | -99   |
| <b>Dividend to the State</b>   | -14  | -15   | -19   | -23   | -23   |
| <b>Current Ratio (times)</b>   | 4,5  | 4,2   | 4,2   | 2,8   | 2,2   |

\*\* Following reclassification regarding the categorization of Government Bonds.

# Appendices



### Table of Contents GRI

|                  |   |
|------------------|---|
| Usage Statement  | CYTA includes information reflected in the following GRI table of contents for the reporting period 01/01/2023 - 31/12/2023 with reference to the GRI standards (with reference). |
| Applicable GRI 1 | GRI 1: Foundation 2021  |

### Table of Contents GRI

| GRI STANDARD   | PUBLICATION  | REPORT PAGE |
|--|--|-------------|
| <b>GRI 2:</b><br><b>GENERAL DISCLOSURES</b><br><b>2021</b> | 2-1 Organization Details   | 12          |
|  | 2-2 Entities Included in the Organization's Sustainability Report  | 10          |
|  | 2-3 Reporting Period, Frequency, and Contact Person  | 10          |
|  | 2-4 Restatements of Information  | 10          |
|  | 2-5 External Assurance   | 10          |
|  | 2-6 Activities, Value Chain, and Other Business Relationships  | 15          |
|  | 2-7 Employees  | 67          |
|  | 2-8 Non-Employee Workers   | 67          |
|  | 2-9 Governance Structure and Composition   | 41,43,45    |
|  | 2-10 Appointment and Selection of the Highest Governance Body  | 44          |
|  | 2-11 Chair of the Highest Governance Body  | 43          |
|  | 2-14 Role of the Highest Governance Body in Sustainability Reporting   | 36          |
|  | 2-15(a) Description of Procedures for the Highest Governance Body to Ensure that Conflicts of Interest are Prevented and Mitigated | 45          |

## Table of Contents GRI

| GRI STANDARD  | PUBLICATION   | REPORT PAGE       |
|---|---|-------------------|
| <b>GRI 2:<br/>GENERAL DISCLOSURES<br/>2021</b>      | 2-18(b) Report on whether the assessments are/are not independent and the frequency of these assessments          | 45                |
|   | 2-19(a) Description of the remuneration policies for members of the Highest Governance Body and senior executives | 51                |
|   | 2-20(ai) Description of the process for designing remuneration policies and determining remuneration              | 51                |
|   | 2-21 Annual total compensation ratio  | 51                |
|   | 2-22 Statement on the sustainable development strategy  | 3,5               |
|   | 2-28 Participation in organizations   | 27                |
|   | 2-29 Approach to stakeholder consultation   | 34                |
|   | 2-30 Collective labour agreements   | 67                |
| <b>GRI 3:<br/>MATERIAL TOPICS<br/>2021</b>          | 3-1 Process for Determining Material Topics   | 36                |
|   | 3-2 List of Material Topics   | 36                |
|   | 3-3 Management of Material Topics   | 38,54,58,70,83,89 |
| <b>GRI 202:<br/>PRESENCE IN THE MARKET<br/>2016</b> | 202-1(a): Ratio of new employee hire compensation by gender to the minimum wage of employees                      | 78                |
| <b>GRI 306:<br/>WASTE<br/>2020</b>                  | 306-1: Waste generation and significant impacts related to waste  | 58                |
|   | 306-2: Management of significant impacts related to waste   | 58                |
|   | 306-3: Waste generated  | 62,63             |
|   | 306-4: Waste diverted from final disposal   | 62,63             |
|   | 306-5: Waste directed to final disposal   | 62,63             |

## Table of Contents GRI

| GRI STANDARD   | PUBLICATION  | REPORT PAGE |
|--|--|-------------|
| <b>GRI 401:</b><br><b>EMPLOYMENT 2016</b>                  | 401-1: New employees and employee turnover   | 74          |
|  | 401-2: Benefits exclusively for full-time and permanent employees  | 74          |
| <b>GRI 403:</b><br><b>HEALTH &amp; SAFETY AT WORK 2018</b> | 403-1: Health and Safety Management System at Work   | 70,80       |
|  | 403-2: Hazard Identification, Risk Assessment, and Incident Investigation  | 70          |
|  | 403-3: Occupational Health Services  | 70          |
|  | 403-4: Employee Participation, Consultation, and Communication on Health and Safety Matters at Work              | 70          |
|  | 403-5: Employee Training on Health and Safety at Work  | 70          |
|  | 403-6: Campaigns to Promote Employee Health  | 70          |
|  | 403-7: Prevention and Mitigation of Health and Safety Impacts at Work Related Directly to Business Relationships | 70          |
|  | 403-8: Employees Covered by a Health and Safety System   | 80          |
|  | 403-9(a): Work-Related Injuries  | 80          |
|  | 403-10(a,b): Work-Related Illnesses  | 80          |
| <b>GRI 418:</b><br><b>CUSTOMER PRIVACY 2016</b>            | 418-1: Documented complaints regarding violations of customer privacy and loss of customer data                  | 89          |
| <b>CYTA INDICATOR #1<sup>37*</sup></b>                     | Percentage of recycling and/or reuse of generated waste  | 65          |
| <b>CYTA INDICATOR #2</b>                                   | Percentage of recycled paper quantity within the Organization  | 65          |
| <b>CYTA INDICATOR #3</b>                                   | Fiber network coverage   | 86          |
| <b>CYTA INDICATOR #4</b>                                   | 5G network coverage  | 87          |
| <b>CYTA INDICATOR #5</b>                                   | Number of participations in research programs  | 87          |

<sup>37\*</sup>  
Cyta Indicators: Relate to internal indicators (KPIs) that have been established by the Organization for each corresponding material issue.

## Table of Contents SASB – Telecommunication services

| THEMATIC SECTION                      | SASB TELECOMMUNICATION SERVICES INDICATOR   | CATEGORY                | REPORT PAGE | MEASUREMENT UNIT   | CODE         |
|---------------------------------------|---|-------------------------|-------------|--------------------|--------------|
| ENVIRONMENTAL FOOTPRINT OF ACTIVITIES | (1) Total energy consumption  | Quantitative            | 56          | Gigajoules (GJ)    | TC-TL-130a.1 |
| DATA PROTECTION                       | Description of policies and practices regarding behavioural advertising and customer privacy  | Discussion and Analysis | 89          | N/A                | TC-TL-220a.1 |
|                                       | Total economic losses resulting from legal proceedings related to customer privacy  | Quantitative            | 89          | Reporting Currency | TC-TL-220a.3 |
| DATA SECURITY                         | (1) Number of data breaches   | Quantitative            | 89          | Number             | TC-TL-230a.1 |
|                                       | Description of the approach to identifying and addressing risks associated with data security, including the use of third-party cybersecurity standards | Discussion and Analysis | 89          | N/A                | TC-TL-230a.2 |

| ACTIVITY INDICATORS               | CATEGORY     | PUBLICATION          | MEASUREMENT UNIT | CODE        |
|-----------------------------------|--------------|----------------------|------------------|-------------|
| NUMBER OF WIRELESS SUBSCRIPTIONS  | Quantitative | 730.491              | Number           | TC-TL-000.A |
| NUMBER OF WIRELINE SUBSCRIPTIONS  | Quantitative | 151.265              | Number           | TC-TL-000.B |
| NUMBER OF BROADBAND SUBSCRIPTIONS | Quantitative | 206.704              | Number           | TC-TL-000.C |
| NETWORK TRAFFIC                   | Quantitative | 912,53 <sup>38</sup> | Petabytes        | TC-TL-000.D |

38. It refers to the total data traffic of fixed and mobile networks and is used for calculating energy intensity (see related table).

## Board Committees

| COMMITTEE                 | STAFFING   | RESPONSIBILITIES  |
|---------------------------|--|---|
| AUDIT COMMITTEE           | <p><b>Chairman:</b> Charis Millas<br/> <b>Members:</b> Argyris Argyris, Panagiotis Vasiliou, Leontios Philotheou<br/> <b>Secretary:</b> Dimitris Georgakis</p> | <p>The Committee examines, among other things, the following issues:</p> <ul style="list-style-type: none"> <li>• The Financial Statements of the Organization and the accounting principles based on which they are prepared.</li> <li>• In accordance with relevant legislation, the appointment and remuneration of external auditors, as well as the oversight of the effectiveness of the external audit, including the assessment of the independence and objectivity of the external auditors.</li> <li>• The adequacy and effectiveness of the Internal Control System of Cyta and its subsidiary companies.</li> <li>• The Annual Audit Program and the progress of its implementation, as well as the reports of the Internal Audit.</li> <li>• The evaluation of the Internal Audit, as well as the proper and effective organization, staffing, and operation of the Internal Audit.</li> </ul> |
| RISK MANAGEMENT COMMITTEE | <p><b>Chairman:</b> Argyris Argyris<br/> <b>Members:</b> Panagiotis Vasiliou, Nikos Laouris, Athos Maimaris<br/> <b>Secretary:</b> Konstantinos Georgiou</p>   | <p>The main role of the Committee is to oversee and examine on behalf of the Board, as well as to submit proposals to it, regarding the overall risk profile of Cyta, including performance against risk appetite concerning all types of risks, the assessment of the risk strategy, risk appetite, and ensuring the adequacy of Cyta's risk profile.</p>  |
| PERSONNEL COMMITTEE       | <p><b>Chairman:</b> Michalis Ioannidis<br/> <b>Members:</b> Charis Millas, Kypros Louka<br/> <b>Secretary:</b> Andreas Theodorou</p>                           | <p>The main role of the Committee is to submit proposals to the Board for the establishment of strategy on personnel matters, as well as for personnel management policies on major, strategically significant issues as part of the long-term corporate strategy for creating value within the Organization. This is done with an emphasis on the impact of the workforce on the Organization's value in relation to cost, productivity, quality, and revenue. Additionally, this area considers the Organization's policy on diversity, equality, and inclusion, as well as the necessary compliance with legal requirements, e.g., in matters of safety and health and human rights.</p> <p>Furthermore, the Committee submits proposals to the Board for the handling of major strategic Employment Issues.</p>   |

## Board Committees

| COMMITTEE  | STAFFING  | RESPONSIBILITIES  |
|--|---|---|
| <p>COMMITTEE ON INSTITUTIONAL FRAMEWORK, REGULATORY COMPLIANCE, AND CORPORATE GOVERNANCE</p> | <p><b>Chairman:</b> Maria Antoniou Chamatsou<br/> <b>Members:</b> Nikos Laouris, Kypros Louka<br/> <b>Secretary:</b> Loukia Mina</p>  | <p>The main role of the Committee is to submit proposals to the Board for the modernization of Cyta's institutional framework so that it reflects the way the organization operates today, while also aiming to provide the necessary speed and flexibility to management that will allow it to operate more effectively in the competitive environment in which it functions. Additionally, the Committee recommends to the Board proposals for the adoption of a modern and flexible governance framework and principles based on the principles of transparency, legality, reliability, and integrity, ensuring the effective management of Cyta through a clear allocation of powers at each hierarchical level and the necessary separation of powers.</p> <p>Furthermore, the Committee oversees Cyta's compliance with all legislation (primary and secondary), internal operating regulations and procedures, as well as general guidelines from the Minister of Finance (Regulatory Compliance).</p> |
| <p>INVESTMENT STRATEGY COMMITTEE</p>   | <p><b>Chairman:</b> Michalis Ioannidis<br/> <b>Members:</b> Maria Antoniou Chamatsou, Kypros Louka, Athos Maimaris<br/> <b>Secretary:</b> Evelina Nikolaou</p>  | <p>The main role of the Committee is to submit proposals to the Board on matters related to the establishment of strategy, monitoring and oversight of financial issues, asset management policies, and development strategy, including investment decisions of major strategic importance.</p>   |
| <p>CASH RESERVES COMMITTEE</p>   | <p><b>Chairman:</b> Michalis Ioannidis<br/> <b>Members:</b> Maria Antoniou Chamatsou, Kypros Louka, Athos Maimaris, Chief Executive Officer Andreas Neokleous, and Director of Financial Resource Management (initially Kostas Manouhou and subsequently Antigoni Modestou)<br/> <b>Secretary:</b> Evelina Nikolaou</p> | <p>The main role of the Committee is to design the Cash Reserves Investment Strategy, evaluate action plans and investment options, as well as approve investments within specific limits. It also has the responsibility of overseeing the implementation of the Cash Reserves Policy and identifying and managing risk.</p>   |
| <p>SUSTAINABLE DEVELOPMENT STRATEGY COMMITTEE</p>  | <p><b>Chairman:</b> Michalis Ioannidis<br/> <b>Members:</b> Maria Antoniou Chamatsou, Leontios Philotheou<br/> <b>Secretary:</b> Aliko Drakou</p>   | <p>The main role of the Committee is to oversee, communicate, and report on Cyta's Sustainable Development and issues related to climate change.</p>  |

**Audit Committee**  
**Annual Audit Report Details**

The Audit Committee operates within the framework of Cyta's Governance Regulation and according to its Charter. It is responsible for overseeing the application of principles regarding the preparation of financial reports, the effectiveness of the Internal Control System, and Cyta's relationships with auditors. The role, responsibilities, and duties of the Committee are defined in the Charter of the Audit Committee.

The Committee consists exclusively of Members of the Cyta Board. In 2023, it had the following composition:



Charis Millas  
**CHAIRMAN**



Panagiotis Vasiliou  
**MEMBER**



Argyris Argyrou  
**MEMBER**



Ieontios Philotheou  
**MEMBER**

According to its Charter, the Committee meets at least four (4) times a year. In 2023, the Committee met seven (7) times. Relevant reports on the Committee's activities and decisions are made to the Board.

In 2023, the Committee examined the following issues within the framework of its terms of reference.

- In the context of ensuring the reliability of the Financial Statements and overseeing the accounting principles followed, the Committee examined the interim quarterly, preliminary, and final Financial Statements of the Organization

- The Committee met with the external auditors, with whom they discussed the methodology and procedures of the audit, the most significant risk areas where extensive auditing was conducted, and the results of the audit. The auditors' Letter to Management was also reviewed. In the context of assessing the independence and objectivity of the external auditors, a review was conducted of the auditing and non-auditing services provided by the external auditors.
- In the context of examining the adequacy and effectiveness of Cyta's Internal Control System and its subsidiary companies, the Committee reviewed:
  - The Annual Audit Program and the progress of its implementation,
  - The reports of the Internal Audit and the progress of implementing the recommendations,
  - The accountability of the Internal Audit,
  - The evaluation of the Internal Audit, as well as the proper and effective organization, staffing, and operation of the Internal Audit, including issues such as the application and adherence to principles of integrity, objectivity, and confidentiality of its personnel.
- The Committee met with the members of the Risk Management Committee in a joint session to ensure effective information exchange and alignment.

## Risk Management Committee Details of the Annual Risk Management Report

The Risk Management Committee, as recorded in its charter, has the primary role of overseeing and examining on behalf of the Authority's Board, as well as submitting proposals to it regarding the overall risk profile of the Authority, including performance against risk appetite concerning all types of risks, the assessment of the risk strategy, risk appetite, and ensuring the adequacy of the Authority's risk profile.

In 2023, the Committee met three (3) times. Reports on the Committee's activities and decisions are made to the Board, along with the minutes of the Committee. In accordance with the provisions of the Risk Management Committee's Charter, the Committee met with the Members of the Audit Committee in a joint session for information exchange and alignment.

The members of the Risk Management Committee in 2023 were:



Argyris Argyrou  
**CHAIRMAN**



Panagiotis Vasiliou  
**MEMBER**



Nikos Laouris  
**MEMBER**



Athos Maimaris  
**MEMBER**

In 2023, the Committee examined the following issues within the framework of its terms of reference:



### (A) Register of Significant Risks of the Authority for 2023

In the context of its responsibilities, the Committee evaluated the Register of Significant Risks of the Authority for 2023. The 2023 register includes the 48 most significant risks for the Authority, as identified and assessed by the Authority's Units as of April 19, 2023. The significant risks include:

- a. Risks that have been assessed as Moderate/High or High.
- b. Risks that were identified by the Management (Board of Directors) as Significant Risks for the Authority in May 2022 and still exist.
- c. Risks related to cybersecurity.
- d. Risks associated with Major or Strategic/Significant Projects.

The Committee, during its meeting on July 17, 2023, approved the Register of Significant Risks of the Authority, as well as the proposed management measures. At the same time, it instructed that the Register be forwarded to the Board of Directors for final approval. The Board of Directors of the Authority approved the Register of Significant Risks for 2023 on July 25, 2023.



### (B) Corporate Risk Management Policy and Framework

The Committee reviewed and approved the revised Corporate Risk Management Policy, which records the Authority's Policy Statement on Risk Management. Additionally, the Committee reviewed and approved the Corporate Risk Management Framework, which describes the risk management processes of the Organization and outlines the requirements as well as how the Authority implements them. The Framework also includes the roles and responsibilities of various stakeholders, the frequency and monitoring of risks, and the risk management methodology.



### (C) Risk Appetite Framework

The Committee reviewed and approved the Risk Appetite Framework, which defines the levels of risk that the Authority is willing to take on in pursuit of its business objectives. It is part of the Authority's Corporate Risk Management System, along with the Corporate Risk Management Policy and Framework.



### (D) Risk Appetite Statements

The Committee evaluated the Management's proposal for the Risk Appetite Statements for 2024 for each category of risks, as recorded in the Corporate Risk Management Policy. The Committee agreed with the proposal and instructed that the Statements be forwarded to the Board for approval.

## Registry of Policies of the Organization

| #  | DOCUMENT IN THE REGISTRY OF GOVERNANCE POLICIES         | IMPLEMENTATION STAGE          |
|----|---|-------------------------------|
| 1  | Governance Regulation                                   | Approved                      |
| 2  | Unified Document for Delegation of Powers               | Approval expected within 2024 |
| 3  | Unified Document on Exclusive Competence of the Council | Approval expected within 2024 |
| 4  | Council Operating Regulation                            | Approved                      |
| 5  | General Directorate Council Operating Regulation        | Approved                      |
| 6  | Central Bidding Council Operating Regulation            | Approved                      |
| 7  | Employee Code of Ethics and Conduct Policy              | Approved                      |
| 8  | Council Member Admission Policy                         | Approved                      |
| 9  | Corporate Risk Management Policy                        | Approved                      |
| 10 | Business Continuity Policy                              | Approved                      |
| 11 | Crisis Management Policy                                | Approved                      |
| 12 | Internal Audit Statute                                  | Approved                      |
| 13 | External Audit Management Policy                        | Approved                      |
| 14 | Policy for Reporting Improper Behaviours                | Approved                      |
| 15 | Sponsorship Policy                                      | Approved                      |
| 16 | Strategic and Operational Planning Policy               | Approved                      |
| 17 | Capital Allocation Policy                               | Approved                      |
| 18 | Cash Management Policy                                  | Approved                      |
| 19 | Property Management Policy                              | Approved                      |

| #  | DOCUMENT IN THE REGISTRY OF GOVERNANCE POLICIES                       | IMPLEMENTATION STAGE          |
|----|---|-------------------------------|
| 20 | Capital Expenditure Policy  | Approved                      |
| 21 | Employees Recruitment and Promotion Policy                            | Approved                      |
| 22 | Performance Management, Goal Setting, and Employees Evaluation Policy | Approved                      |
| 23 | Employees Incentive Provision Policy                                  | Approval expected within 2024 |
| 24 | Employees Succession and Staffing Planning Policy                     | Approved                      |
| 25 | Employees Health and Safety Policy                                    | Approved                      |
| 26 | Employees Development Policy  | Approved                      |
| 27 | Anti-Fraud, Bribery, and Corruption Policy                            | Approved                      |
| 28 | Conflict of Interest Recognition and Management Policy                | Approved                      |
| 29 | Diversity, Equality, and Inclusion Policy                             | Approved                      |
| 30 | Human Rights Policy   | Approved                      |
| 31 | Sustainable Development Policy  | Approved                      |
| 32 | Communication Strategy Policy   | Approved                      |
| 33 | Privacy Protection Policy   | Approved                      |
| 34 | Information Security Policy   | Approved                      |
| 35 | LGBTQ+ Policy   | Approved                      |
| 36 | Harassment and Sexual Harassment Prevention and Response Policy       | Approved                      |
| 37 | Out-of-Court Settlement Policy  | Approved                      |
| 19 | Property Management Policy  | Approved                      |

## Index of Terms and Abbreviations

| Abbreviation | Acronym  |
|--------------|--|
| SM           | Senior Management                                |
| CEO          | Chief Executive Officer                          |
| HRDA         | Human Resource Development Authority             |
| COLA         | Cost of Living Adjustment                        |
| CYTA         | Cyprus Telecommunications Authority              |
| Cyprus GHS   | Cyprus' General Health System                    |
| N/A          | Not applicable                                   |
| N/E          | Not existent                                     |
| OSH          | Occupational Health & Safety Committees          |
| EU           | European Union                                   |
| CCCI         | Cyprus Chamber of Commerce and Industry          |
| MM           | Mass Media                                       |
| OEB          | Cyprus Employers and Industrialists Federation   |
| H&S          | Health & Safety                                  |
| CFA          | Cyprus Forestry Association                      |
| CO2          | Carbon dioxide                                   |
| CYMEPA       | Cyprus Marine Environment Protection Association |
| CYS          | Cyprus Organisation for Standardisation          |
| EMC          | East Med Corridor                                |
| ESG          | Environmental Social Governance                  |

## Index of Terms and Abbreviations

| Abbreviation | Acronym  |
|--------------|--|
| ETIS         | European Telecommunications Industry Collaboration         |
| ETNO         | European Telecommunications Network Operators' Association |
| FIR          | Flight Information Region                                  |
| FTTH         | Fiber To the Home  |
| GDPR         | General Data Protection Regulation                         |
| GJ           | Gigajoules   |
| GRI          | Global Reporting Initiative                                |
| GSMA         | Global System for Mobile Communications Association        |
| ICAO         | International Civil Aviation Organisation                  |
| ICT          | Information & Communications Technology                    |
| IRU          | Indefeasible Right of Use                                  |
| IoT          | Internet of Things   |
| MVNO         | Mobile Virtual Network Operators                           |
| NOx          | Nitrogen Oxide   |
| ODS          | Ozone-Depleting Substances                                 |
| PM           | Promethium   |
| SASB         | Sustainability Accounting Standards Board                  |
| Sox          | Sulfur Oxide   |
| TM Forum     | Telemanagement Forum                                       |
| tn           | Tons   |
| VOCs         | Volatile organic compounds                                 |

