



Sustainable Development Report 2017

“Promoting
sustainable practices
at all stages
of our value chain.”



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Message from the Chairman

Evangelos G. Mytilineos
President & CEO

Last year, the corporate restructuring was a further step towards the transformation of MYTILINEOS into a strong international company, as it established the appropriate organisational structure, successfully enabling significant operational and financial synergies and defining Responsible Entrepreneurship as a core pillar of the company's sustainability.

Today, the creation of value in both financial and non-financial terms is a global priority. The developments in the international environment, such as the initiatives on climate change, the 17 UN Sustainable Development Goals, the regulation of non-financial information and the sustainable financing promoted by the European Commission - in other words, the inclusion of sustainability criteria in business financing - are changing the requirements for the operation of modern, responsible businesses, promoting investments in benefit of the sustainable development pillars.

In MYTILINEOS, our commitment to Responsible Entrepreneurship is, first and foremost, a process of constant learning and self-improvement, which strengthens our competitiveness in the new economic environment and establishes the conditions that enable us to create value for all our Stakeholder groups. For us, the aforementioned developments represent both a challenge and an opportunity: by combining the requirements of the legal framework with best practices and international trends, we can take advantage of the opportunities presented along the path to the achievement of the UN Sustainable Development Goals.

In this respect, in 2017 we stepped up our efforts in the management of material sustainability issues which are directly linked to our business activity.

With regards to our **Environmental Performance**, the environmental management and the constant care to improve our environmental footprint are crucial factors in the implementation of our strategy for sustainable development. Further improving the efficient use of energy, as well as stabilising and reducing air emissions, remain the common goals of all our production units. In 2017, we launched in all our Business Units the revision of the environmental management systems, in accordance to the new specifications laid down by the **ISO 14001/2015** international standard. This activity is expected to be completed in 2018.

We continued to operate our power plants on the high end of the efficiency curve, making the best possible use of natural gas. At the same time, the operation of the new modern alumina calcination plant, launched in the previous year, was crucial for achieving an overall reduction of individual CO₂ emissions by 86,616 tonnes and of dust emissions by 18.8 tonnes in the Metallurgy Unit.

Moreover, our improvement in the management of water resources, as reported by the **CDP** international organisation, from the Management level in 2016 to the **Leadership level in 2017**, within just two years from joining the organisation, confirms the effectiveness of our efforts in this sensitive area. It is noteworthy that the performance of MYTILINEOS followed an upward trend, in contrast to the decline of the corresponding average performance recorded globally for companies in the energy sector and in the wider industrial sector. This result is also reflected in our specific performance levels, where total consumption of water in our activities declined by 6.4% compared to 2016, while drinking water withdrawals from public water supply utilities shrank by a spectacular 82.1%.

With respect to the circular economy, we further strengthened the already recognised innovation excellence of MYTILINEOS in the management of bauxite residues. 2017 saw the launch of the European R&D project **SCALE** for obtaining Rare Earths from residues of the European metallurgical industry, such as bauxite residues. This programme, with a total budget of €7 million, is coordinated by the MYTILINEOS Metallurgy Unit and implemented by a consortium of 19 partners (among which is the National Technical University of Athens - NTUA) from 9 European countries. Moreover, December 2017 saw the approval, with the top evaluation mark of 14.5/15.0, of the proposal for the European research project **RemovAL**, with the MYTILINEOS Metallurgy Unit as Coordinator. During the 4-year implementation period foreseen for the project, whose approved budget stands at €11.5 million, different technologies will be applied for the utilisation of bauxite residues. As a company, we will have the opportunity to exchange views and know-how and work closely with the other 27 major project partners, which include the largest alumina producers outside China (RUSAL, RIO TINTO, ALCOA), as well as the European Aluminium Association and the International Aluminium Institute.

As far as our **Social Performance** is concerned, we initiated the adoption and implementation of international best practices aimed at providing our employees with timely and continuous information about changes to organisational structures and processes, as well as about our clear strategic priorities in the context of the company's restructuring. We are also moving ahead with the development of programmes to formulate the new single corporate culture, in order to consolidate the Management's and the employees' commitment to common values and behaviours.

We are particularly pleased to report that throughout 2017 no accidents occurred and that we significantly improved our Health & Safety performance, limiting the injury rate to 0.15 injuries per 200,000 hours worked, a figure representing a reduction by **28.5%** compared to 2016. The completion by the Metallurgy Unit of a total number of **350 days of operation without any accident** leading to loss of work time, confirms our improved performance. Nevertheless, we acknowledge that maintaining and further developing an accident prevention culture in all our activities relies on our ongoing efforts for learning and improvement, therefore we will continue to work in this direction in the future.

Having acknowledged the support to young people as a key pillar of our social policy and in order to contribute to the efforts of addressing youth unemployment and the "brain drain" phenomenon, in 2017 we were among the very first Greek businesses to commit themselves to the **GEFYRA Programme** (Greek Enterprises For Youth Reinforcement Acceleration) of the Hellenic Network for Corporate Social Responsibility, which combines the EU Talent internship programme and the European Pact for Youth (Pact4Youth) in a single initiative. In this manner, we highlight the significance and the need for partnerships in this particular field and we commit ourselves to continue strengthening our efforts in the establishment of quality jobs, by implementing annual training programmes and programmes for the acquisition of professional experience.

This commitment is further reinforced by the result of the social value analysis of our programme "ENGINEERS IN ACTION". In performing this analysis, we employed the internationally renowned **Social Return on Investment (SROI) methodology**, in a world-class innovative approach for the industrial sector. The findings of this analysis showed that our investment in the programme produced a social value with an SROI indicator of 4.24:1. In other words, every €1 invested in the programme "ENGINEERS IN ACTION" generated the equivalent of €4.24 in social value, fully reflecting the advantages of such initiatives, which contribute to building an inclusive society that offers equal opportunities within a sustainable environment.

In the same line, we consistently participate in the pioneering six-month paid employment and personal and professional development programme "**ReGeneration**", an initiative of the **World Economic Forum**. Under this programme, in line with our policy on employment, we hire young graduates who stand out on the basis of their all-round qualifications.

From a broader social perspective, in 2017 we created **95 new jobs**, bringing the number of our new hires during the last eight years of the economic crisis up to a **total of 665**. We continued to support the local economy and employment, giving priority to the selection of local suppliers and maintaining our very high rate (88%) in sourcing employees from our local communities. At the same time, our new, three-year programme "**IN PRACTICE**" (2016-2019) for the implementation of our social policy, has already exceeded **€3.4 million** in value and has covered a wide range of significant social issues. It should be noted that in 2017 alone, more than **€900,000** was invested in supporting services and infrastructures for our local communities. In addition to the initiatives carried out locally and to our main social programmes, we also began to actively support youth innovation and entrepreneurship initiatives, in combination with the new developments in education, in order to enable young generation to create, an added value much needed by the country.

Moreover, we continued the social dialogue and engagement with our Stakeholders at the local level. The MYTILINEOS Metallurgy Unit held its 3rd consecutive (and 8th overall) thematic consultation with its Stakeholders, entitled "**Translating Entrepreneurship to value for society**". The main objective of this initiative was to highlight, and hold a consultation on, the social footprint –in financial terms– of the value created by the Metallurgy Unit at locally, as well as by MYTILINEOS' overall business activity at a national level.

In defining our goals for the future, as these are presented in the corresponding Section of the present Report, we completed the alignment of the priorities for our responsible operation with the **17 Sustainable Development Goals (Agenda 2030)** of the United Nations Organisations. In particular, we applied the UN's "**SDG Compass Tool**", starting with the study and understanding of the Goals and proceeding to identify their relevance to both the material sustainability issues of MYTILINEOS and to issues impacted less or in a controlled way by our activity, as well as to issues pertaining to our social policy.

Finally, it was both a great pleasure and an honour to see MYTILINEOS rank in the 21-strong group of "**THE MOST SUSTAINABLE COMPANIES in Greece**" and particularly as one of the 6 companies designated as "**Sustainability Leaders**" on the basis of the Sustainability Performance Directory business index. This major distinction, which coincides with the completion of **10 years during which we have been consistently disclosing our Non-Financial Information**, demonstrates the company's commitment to sustainable development, responsible entrepreneurship and continuous contribution to society. The ranking of MYTILINEOS in the group of "Sustainability Leaders" is solid proof that we are moving in the right direction. Most importantly, however, it serves as a compass for the future – so that, drawing on our renewed governance system and streamlined organisational structure, working more methodically and with increased efficiency, we can promote sustainable practices across our entire value chain. **GRI 102-14**

Evangelos G. Mytilineos
President & CEO
MYTILINEOS

Corporate Profile & Global Presence

MYTILINEOS is one of Greece's largest industrial companies with a successful track record of international growth and constant evolution, through successive business moves, in the sectors of Metallurgy & Mining, EPC & Infrastructure and Electric Power & Gas Trading. The successful completion of the corporate restructuring, that took place in 2017, through the company's merger with its main subsidiaries into a single company, under renewed leadership and with an organisational structure designed according to the best international practices, ensures that all potential synergies will be realised and establishes the best possible conditions for its sustainable development.

OUR VISION

Inspired and motivated by our Greek heritage, we lead our business to global success.

OUR CORPORATE VALUES GRI 102-16

EFFICIENCY WITH PRIORITY ON SAFETY
We are committed to the achievement of our goals, always ensuring the safety at work.

CEASELESS EFFORT FOR COMPETITIVENESS BY OUR PEOPLE
Our effort to be competitive is an ongoing one and relies on the know-how, skills and dedication of our people, as well as on continued modernisation investments.

RESPECT AND IMPORTANT ROLE FOR EVERY EMPLOYEE
We respect employees, help them develop their abilities, communicate with them, provide them with opportunities to gain experience and empower them in their role in all jobs across the organisation.

TWO SUCCESS FACTORS: TEAM SPIRIT AND EXCELLENCE
We achieve results which initially seem impossible, by working as a team. At the same time, we acknowledge and leverage individual excellence.

CONTINUOUS IMPROVEMENT OF EVERYONE IN EVERYTHING THAT WE DO
Continuous improvement is integral to our role, in tandem with the performance of our current work. Every employee knows his job well, develops ideas to improve it and is given credit when these are implemented.

OUR MISSION

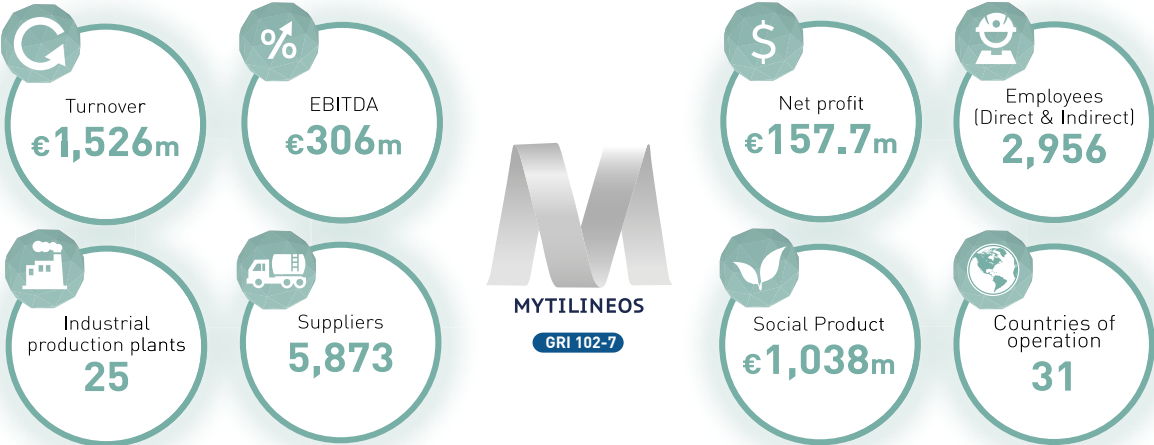
To operate in challenging local and international markets, showing resourcefulness, efficiency and respect for the environment and for society. To rely on the potential of our people and to create value for our customers, our shareholders, our employees and the Greek economy.

Business Sectors

METALLURGY & MINING SECTOR
MYTILINEOS is the largest vertically integrated **alumina and aluminium producer** in Europe and one of the Greece's most healthy growing industrial companies. The company's international business activity, in cooperation with its subsidiary DELPHI-DISTOMON, is a driving force for the national economy as well as for the development of Greek region.

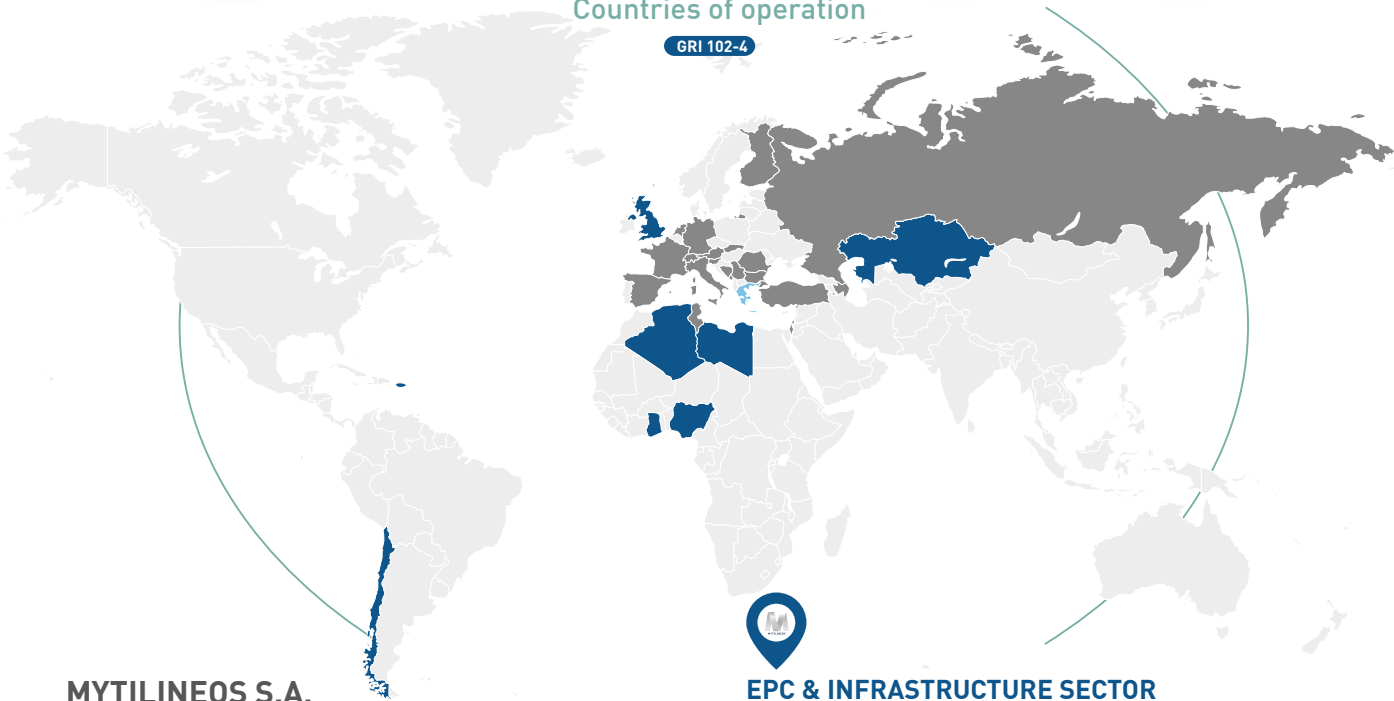
EPC & INFRASTRUCTURE SECTOR
MYTILINEOS is active as a contractor for a wide range of projects, covering the complete range of Engineering - Supply - Construction (EPC) services, as well as an industrial manufacturer with advanced know-how, active in the energy and infrastructure sectors. In the energy sector, the company is focusing on international markets, with projects under way in Europe, the Middle East, the Americas and Africa. **It specialises in the construction of turn-key power plants that utilise the full range of thermal power generation technologies, as well as of hydro and solar power large-scale plants.**

ELECTRIC POWER & GAS TRADING SECTOR
MYTILINEOS has a wide range of activities in the energy sector, ranging from the construction of the Renewable Energy Sources (RES) plants to the **production and supply of electricity and the supply of natural gas** to customers.



Countries of operation

GRI 102-4



MYTILINEOS S.A.

Headquarters & Industrial production plants

- Greece



METALLURGY & MINING SECTOR
Countries where aluminium products are exported

- | | |
|----------------------|---------------|
| • England | • Italy |
| • Azerbaijan | • Montenegro |
| • Austria | • Netherlands |
| • Algeria | • Romania |
| • Bosnia-Herzegovina | • Russia |
| • Bulgaria | • Serbia |
| • France | • Slovakia |
| • Germany | • Slovenia |
| • Switzerland | • Turkey |
| • Spain | • Tunisia |
| • Israel | • Finland |



EPC & INFRASTRUCTURE SECTOR
Countries where large-scale energy and infrastructure projects are implemented

- Algeria
- Chile
- Ghana
- Greece (infrastructure projects)
- Kazakhstan
- Libya
- Nigeria
- Puerto Rico
- United Kingdom



ELECTRIC POWER & GAS TRADING SECTOR
Generation and Supply of Electricity & Trading of Natural Gas

- Greece

Strategic priorities

The company's primary goal is to strive for continuous and responsible growth and to maximise operational and financial synergies between its Business Units to further maintain and expand its strong market position of all its business activity. This goal translates into the following strategic priorities **GRI 102-14**

 METALLURGY & MINING SECTOR	<ul style="list-style-type: none">• Completion of new vertical integration projects and further develop the activities of the Metallurgy Business Unit.• Increase competitiveness through strategic investments and enhancing productivity.• Maintain a strong focus on exports.• Continuous improvement of productivity and reduction of production costs.
 EPC & INFRASTRUCTURE SECTOR	<ul style="list-style-type: none">• Focusing on undertaking large-scale turn-key energy projects.• Expansion to existing and new developing markets.• Exploring new opportunities in the context of undertaking large-scale infrastructure projects in developing countries.
 ELECTRIC POWER & GAS TRADING SECTOR	<ul style="list-style-type: none">• Exploring new opportunities in the context of the liberalisation of the Greek market for energy.• Increase of the company's share of the retail market for electric power.• Strengthening the company's position as the largest independent producer and supplier of electric power in Greece.• Continued investments in the sector of Renewable Energy Sources.• Optimisation of the coverage under competitive terms of operational needs in natural gas and achievement of strategic synergies in natural gas trading.• Pursuing the establishment of strategic alliances.

In parallel, the company's dynamic business growth is inextricably linked to the principles of **Corporate Social Responsibility and Sustainable Development**. For MYTILINEOS, Sustainable Development is synonym to pursuing business excellence with dedication to the corporate vision and with respect for the wider society and the natural environment, while the development of significant synergies, in this direction, is vital for the achievement of the company's goals, in alignment with its corporate values. The company's strategic partnerships in this context, in Greece and internationally, are listed below. **GRI 102-6 GRI 102-12**



Since 2008, MYTILINEOS has been consistently declaring its commitment to upholding the ten principles of the Global Compact, by disclosing its performance on an annual basis.



Since 2016, the company is a voluntary participant in the global sustainable development initiative CDP - WATER, by disclosing extensive quantitative and qualitative information on the management of water resources in the context of its business activity.



As of 2012, MYTILINEOS has integrated the Principles of the International Standard of Corporate Social Responsibility into its operation and is disclosing its progress and performance information on an annual basis.



Since 2008, the company has been following the GRI Reporting Guidelines in its Non-Financial Data Disclosure process. Moreover, as a member of the GRI's Gold Community, it supports its mission to develop and disseminate the commonly accepted principles in Sustainability Reporting.



MYTILINEOS is an ambassador of the Greek Sustainability Code. The company was actively involved in Code's development, either by submitting its views and initiatives, through the open consultation or by participating in the relevant working groups.



As a founding member of the Council on Sustainable Development established by the Greek Federation of Enterprises (SEV), MYTILINEOS is fully committed to the relevant Code of Principles and is actively participating in the Council's initiatives for the promotion and dissemination of the Sustainable Development principles.



Since 2006, MYTILINEOS is an official member of CSR Hellas, the Hellenic Network for Corporate Social Responsibility, taking active part in and supporting the Network's various activities for the promotion and dissemination of the Corporate Social Responsibility principles and practices.

Economic performance **GRI 201-1**

In 2017, the company recorded a strong increase in its financial results, by far exceeding the targets that had been set in December 2016.

More specifically, turnover grew by 22.5% due to the exceptional performance of the Metallurgy & Mining Unit, the strong performance of the Electric Power & Gas Unit and the contribution of the EPC & Infrastructure Unit. Earnings before interest, tax, depreciation and amortisation (EBITDA) stood at €306.0 million, up 37.6% from €222.4 million in 2016, an increase attributed primarily to the record-high performance of the Metallurgy Unit. Net profit after tax and minority rights stood at €154.6 million against €34.2 million in 2016.

The significant increase in earnings per share (+270.2%) and the proposed dividend reflect to a large extent the benefits from the corporate restructuring completed in July, which marked the creation of a new, single corporate entity benefiting from significant business synergies and enhanced financial flexibility.

Outlook for 2018 **GRI 102-6**

METALLURGY & MINING SECTOR

In this sector, MYTILINEOS has been established as one of the most competitive alumina and aluminium production companies globally. The estimates of sustained high levels of global demand, in combination with the company's risk hedging plan, establish the conditions for a very satisfactory performance by the Unit also in 2018.

ELECTRIC POWER & GAS TRADING SECTOR

The market liberalisation process enters a new stage, as significant changes have been initiated for the Greek market's harmonisation with the European regulatory framework on addressing climate change, whose key action lines involve the gradual disinvestment from lignite and the accelerated strengthening of the use of RES, together with measures to ensure energy adequacy during the transition phase, based on the use of natural gas.

The company is already the largest investor in the domestic market and, as internal demand is beginning to recover, aims to maintain its leading position by creating a new 650 MW gas-fired power plant. The new, ultra-modern technology plant will have a thermal output efficiency more than 63%, which will make it the most efficient combined-cycle thermal power plant in Europe. Construction will be undertaken by the company's EPC & Infrastructure Unit. With this new power plant, MYTILINEOS will increase its installed capacity to over 2,000 MW, as it already has in operation more than 1,200 MW of gas-fired plants and 200 MW of RES plants and will also make a major contribution to the fulfilment of Greece's commitment to its transition to "cleaner" sources

Economic Value Table	2017
Economic value created	
Turnover (€)	1,526,720,983.8
Economic value distributed	
Operating costs (€)	1,204,796,213.2
Employee salaries and benefits (€)	72,808,441.0
Payment of income tax & other taxes (€)	57,430,814.2
Payments to capital providers (€)*	36,992,429.2
Investments in local communities (€)	2,018,275.3
Total (€)	1,374,046,172.9
% of economic value which is distributed	90.0%
% of economic value which is retained	10.0%

*(shareholder dividends, payment of interest to creditors, including interest on all types of debts and loans, as well as retrospective payment of dividend amounts owed to preference shareholders).

of energy. Moreover, its significant energy investments have established MYTILINEOS as the largest domestic consumer of Natural Gas. In this capacity, the company focuses on the procurement of natural gas under the best possible terms, for the generation of electricity and its other industrial activities, and as well as for the retail consumers it already serves, by combining the supply of natural gas with the sales of electricity.

EPC & INFRASTRUCTURE SECTOR

In the EPC & Infrastructure sector, on the basis of the company's signed backlog and the outlook for the sector, financial performance in 2018 is expected to follow an upward trend. More specifically, the new \$363 million contract undertaken by the company for the BRIDGE POWER project, involving construction and commissioning of a fast-track 200 MW power plant using as fuels liquefied petroleum gas (LPG), natural gas and diesel oil, underlines the company's commitment to becoming a leading player in the electric power market of Sub-Saharan Africa.

Finally, the agreement between MYTILINEOS and the General Electricity company of Libya (GECOL), announced in September 2017, increases the Unit's signed backlog by \$400 million and is expected to strengthen the company's performance in the coming period. This project concerns the construction of a new power plant in Tobruk, Libya, with a total output in excess of 650 MW.

How we create value GRI 102-14

The way MYTILINEOS conducts its business activity is characterized by its consistent approach to create long-term value. This value is mainly created by:

- the production of primary cast Aluminium products, made of one of the most environment-friendly metals, thus ensuring a safe work environment and the application of responsible and sustainable practices in the extraction process,
- the construction of turn-key power plants with the minimum possible environmental footprint, in countries with substantial needs in energy infrastructure, thus helping ensure access to energy for thousands of people,
- the generation and supply of electric power from

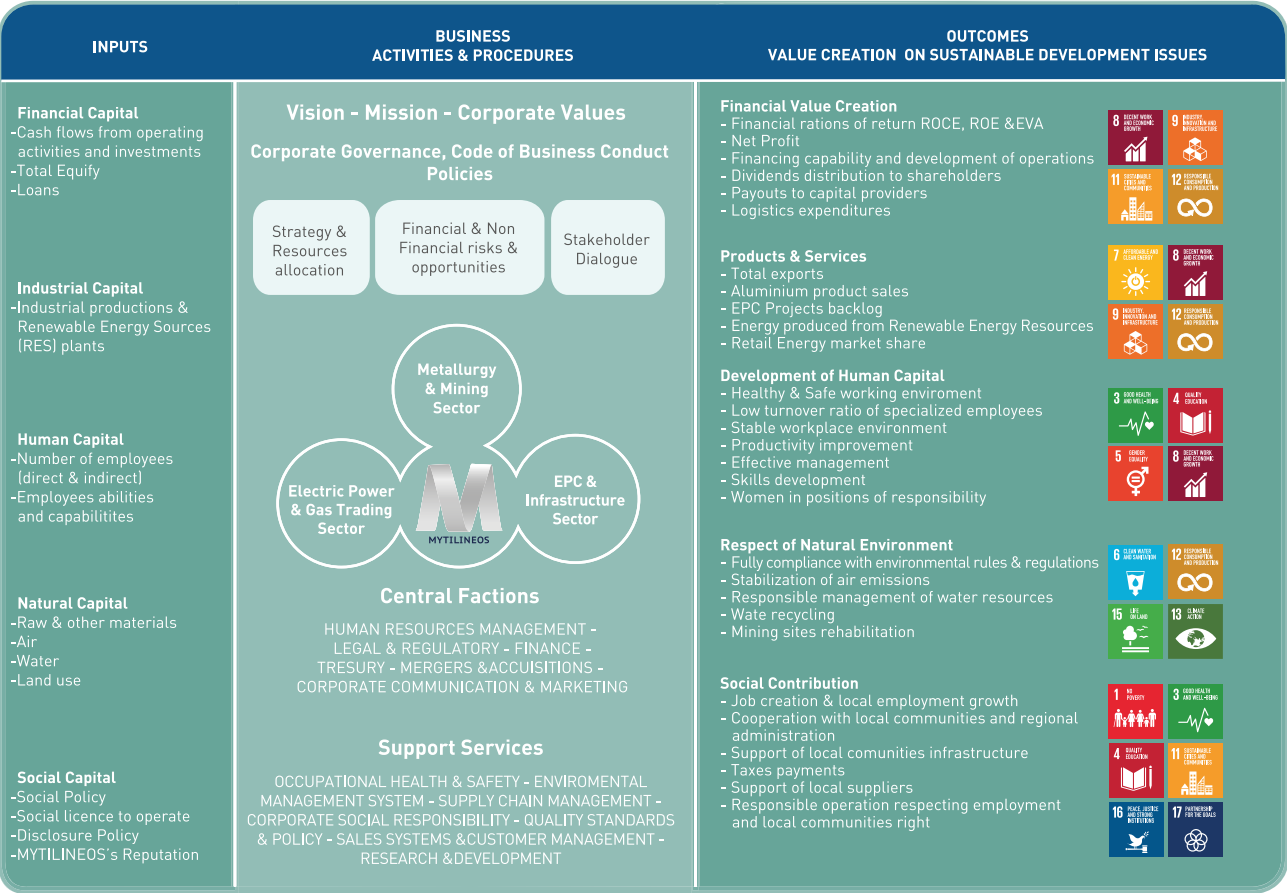
natural gas-driven plants operating at the highest possible efficiency rates and from RES plants.

When making decisions on how to manage and grow our business, we take into account the resources and relationships that are critical to our ability to create value. We refer to these as the five capitals: **financial, industrial, human, natural and social**. Inputs of each are needed for the effective production and delivery of MYTILINEOS goods and services, thereby generating value for all our stakeholders.

In 2017, the company's investments stood at **€127.5 million, of which €17.1 million represented investments for the improvement of its environmental footprint**. The economic value created and distributed, by key Stakeholder group, was the following:



A schematic depiction of the Business Model and value creation process of MYTILINEOS.



The company's Business Model relies on the use of key performance indicators, which can be seen at the following address: <http://scorecard.mytilineos.gr/index-en.html/>.

Our approach to Sustainable Development GRI 102-14

For MYTILINEOS, sustainability means ensuring profitability and business growth in the long term, while balancing its impacts on its human resources, the natural environment, its local communities as well as its responsible presence in the market.

The approach adopted by the company focuses on the management of material issues with a significant impact both on its operation and on the views of its key Stakeholder groups.

Overall, MYTILINEOS' commitment to Sustainable Development strengthens its image and reputation, while also ensuring its social licence to operate. Above all, however, it represents a constant learning and self-improvement process, which strengthens its competitiveness in a constantly changing business environment.

Background review

Corporate Social Responsibility (CSR) is a core practice of MYTILINEOS for achieving Sustainable Development. The company has approached this practice methodically, creating value both for itself and for the environment in which it operates and is deploying its business activity. The CSR policy that the company has applied for the last 10 years has been based on specific strategic lines, such as:

- The Occupational Health & Safety**, with major emphasis placed on strengthening the employees' OHS culture, limiting to a great extent injury rates.
- The Environmental Management**, with the modernisation of key industrial units and the investment of resources (financial and human) in initiatives and plans that stabilise the environmental footprint and lay the foundations for its further reduction.
- The Circular Economy**, with the company's participation in European research programs focusing on the development of technologies for the utilisation of bauxite residues, with parallel increase of waste recycling rates.
- The Implementation of the company's Social Policy** through which the company implements initiatives and social programmes of a high value to society at the local and national level.
- The Management of Human Resources and strengthening employment in general**, with the company maintaining all jobs during the economic crisis and creating a total of 665 new ones in the last 8 years, while in parallel improving all specific labour practices.
- The Promotion of Business Ethics:** the company has renewed its Code of Business Conduct and has laid the foundations for the implementation of the formal Due Diligence process to combat corruption and protect human rights.

● **The Creation of a Responsible Supply Chain**, with the completion of the Suppliers and Business Partners Code of Conduct in each Business Sector and the development of plans to evaluate key suppliers using social and environmental criteria.

● **Strengthening the process for the prevention of Non-Financial risks**, with the company's participation in new domestic and international sustainable development initiatives, drawing on best practices. In parallel, the company is consistently implementing a policy of open social dialogue, which promotes credible information, consent and, in general, the search, jointly with its Stakeholder groups, for mutually acceptable solutions to major issues related to sustainable development.

Sustainable Development Goals

On 25 September 2015, in the UN's headquarters in New York, 193 representatives of States and governments from all over the world declared their commitment to the adoption of **17 Sustainable Development Goals (SDGs)**, aiming to take action in order to tackle three major challenges by 2030: **extreme poverty, inequality and climate change**.

MYTILINEOS argues that businesses can play a decisive role in the achievement of the Sustainable Development Goals, through responsible business operation, new entrepreneurship models, investments and the leveraging of new technologies and synergies, thus promoting sustainable development in a comprehensive way. To this end, the company in 2017 proceeded to establish the relation of its business activity to the Sustainable Development Goals. In aligning and prioritising these Goals, the following were taken into account: a) the key impacts of the activity of the MYTILINEOS Business Sectors, b) the results of the Materiality Analysis process, c) the company's core business goals and d) its Corporate Social Responsibility strategic directions.

According to the results of this process, the **17 UN Sustainable Development Goals** were grouped in two categories:

The first category includes the Goals of relevance to the material sustainability issues of MYTILINEOS.

The second category includes Goals that are complementary to those in the first category and are related to issues on which the impact of the business activity of MYTILINEOS is fully controlled or limited, as well as issues related to the implementation of the company's Social Policy.

SDGs with relevance to the MYTILINEOS material issues and ways in which the company already contributes to their achievement.



In 2017, MYTILINEOS was ranked at the top tier of the Sustainability Performance Directory and was also named "Sustainability Leader", together with five (5) other companies. The ranking of MYTILINEOS in the group of "The Most Sustainable Companies in Greece" is solid proof that the company, after 10 years of systematic efforts, is moving in the right direction. Most importantly, however, it serves as a compass for the future – so that, drawing on its renewed governance system and streamlined organisational structure, and working methodically and with increased efficiency, it can work to promote sustainable practices across its entire value chain. The Sustainable Development Directory business index was developed by QualityNet Foundation as part of the SUSTAINABLE GREECE 2020 initiative. Of the total number of 50 candidate companies, those that distinguished themselves are companies that follow a comprehensive approach to Sustainable Development and to the disclosure of the non-financial information required under the national regulatory framework.

Our future ambitions

Moving forward with a renewed, strong corporate governance system and a new, streamlined organisational structure, MYTILINEOS aims to work systematically and with enhanced efficiency to promote sustainable practices in its value chain, as well as to develop partnerships for the promotion of the 17 UN Sustainable Development

Goals. In doing so, in the coming years the company will be focusing on 5 main targets, while in parallel highlighting the socio-economic impact of its activity at the national and regional level.

These targets are the following:

Targets 2025	Implementation methods
<p>Ensure a work environment without accidents.</p>	<ul style="list-style-type: none"> Maintenance of the already successful practices for strengthening the internal Occupational Health & Safety (OHS) culture. Greater emphasis on contractors training. Future adjustment to the requirements of the new and more demanding ISO 45001 international standard. Exchange of views and best practices with organisations and consultants specialising in OHS, through the Stakeholder Engagement process.
<p>Increase employee satisfaction.</p>	<ul style="list-style-type: none"> Improvement of all work practices in the context of the completion of the corporate restructuring. Conduct of an employee satisfaction survey and utilisation of the results obtained. Provision to employees of information on CSR related issues. Code of Conduct training. Development of corporate volunteerism.
<p>Further improve the environmental footprint.</p>	<ul style="list-style-type: none"> Use of more environment-friendly fossil fuels (where possible). Increase of waste recycling and reuse. Reduction of emissions. Continuation of the company's participation in programmes for the utilisation of bauxite residues. Adoption of eco-friendlier innovative technologies & industrial processing methods.
<p>Develop responsible supplies / purchases.</p>	<ul style="list-style-type: none"> Evaluation of key and new suppliers (in every Business Sector) using environmental and social criteria, and utilisation of the results. Inclusion of social and environmental criteria in the purchasing process.
<p>Support selected initiatives of high social value to strengthen social cohesion.</p>	<ul style="list-style-type: none"> Alignment of MYTILINEOS' social policy with the UN Sustainable Development Goals. Emphasis on supporting projects for the development of local public benefit infrastructures and services. Initiatives in the context of the company's commitment under the programme GEFYRA (European Pact for Youth) to strengthen youth employability.

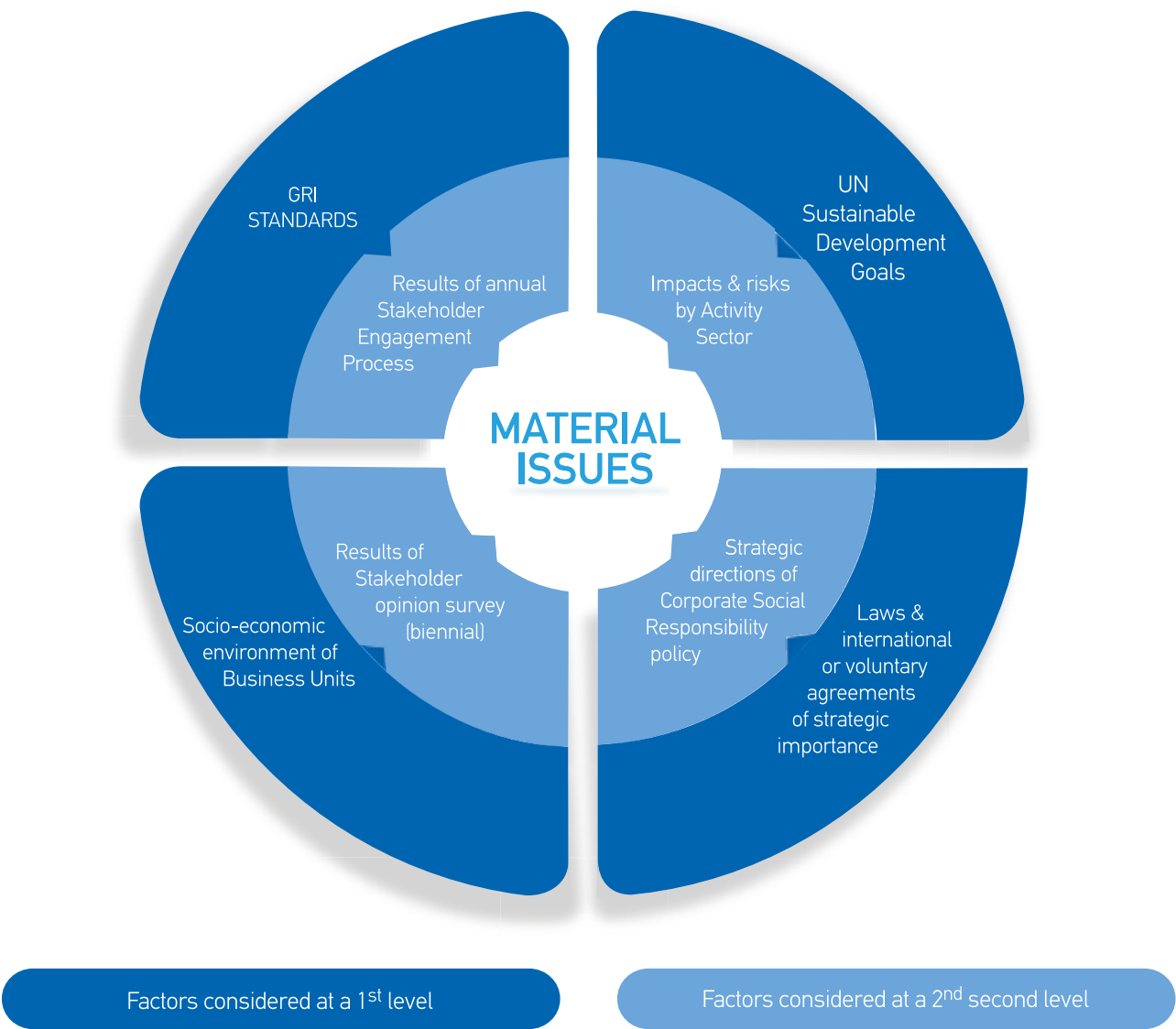
Materiality analysis of sustainability issues GRI 102-11 GRI 102-15

The process for identifying and comprehending the Material sustainability issues (Materiality analysis) is a key practice in the operation of MYTILINEOS. Through this process, the company formulates the content of its Sustainable Development Report taking into account the expectations of its Stakeholders, and aligns its strategy, objectives and social and environmental initiatives, operating responsibly across the entire range of its activity (at the local, national and international level).

At the same time, the open dialogue with the Stakeholder groups lies at the heart of MYTILINEOS' Corporate Social Responsibility policy, as it improves the understanding of the impacts of the company's activities, while also providing valuable new data as feedback to the Materiality analysis process.

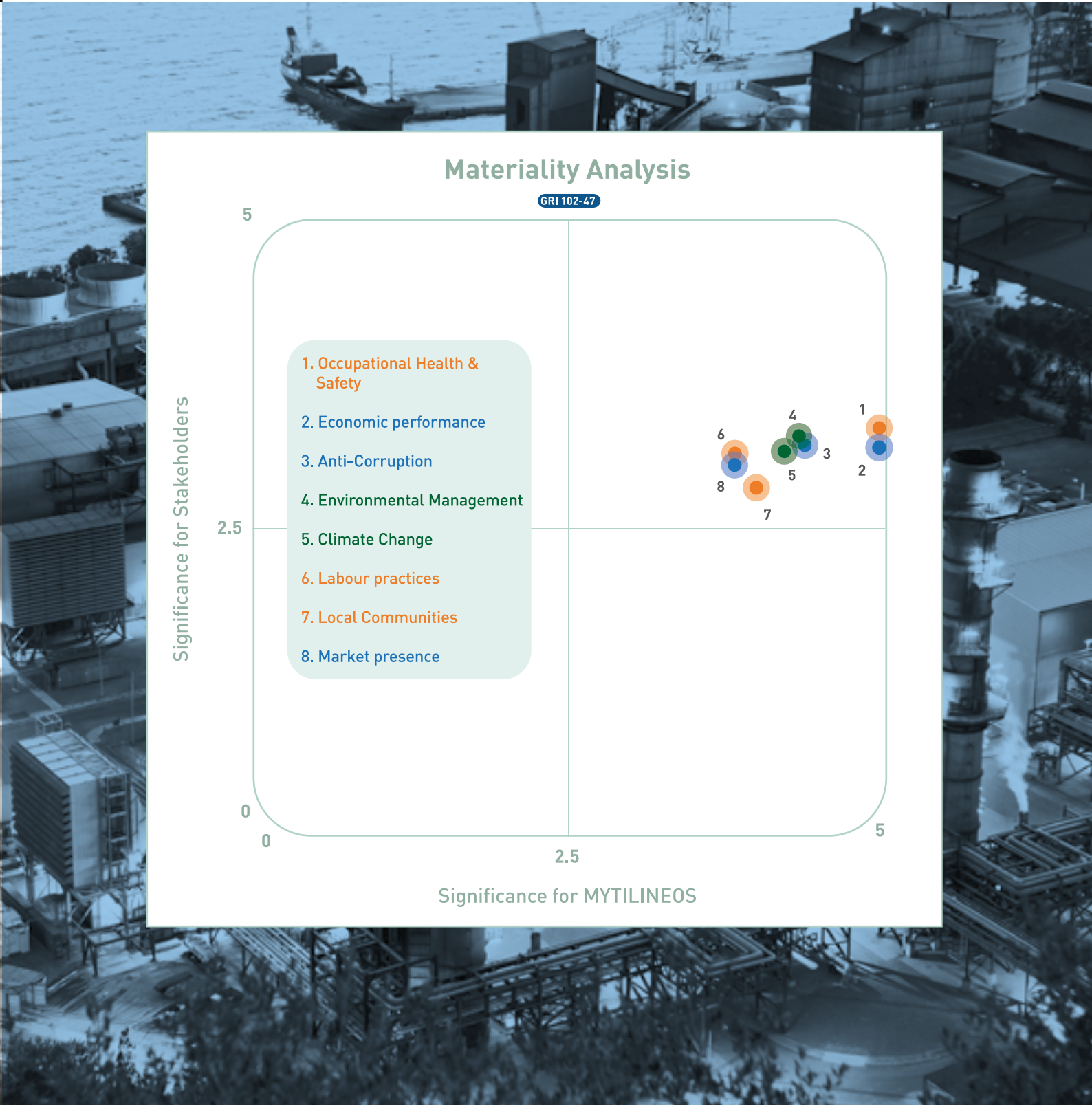
In 2017, MYTILINEOS following the newest international best practice (GRI STANDARDS) and taking into account the complexity and diversity of its Business Sectors, updated the evaluation of the issues related to its business activity and the sustainable development. The issues were examined, in terms of the degree to which they affect the company's capacity to fulfil its business goals as well as in terms of the significance attached to them by its key Stakeholder groups (through a custom-designed opinion survey of 1,085 individuals).

The detailed framework applied by MYTILINEOS for the identification and prioritisation of the Materiality issues is shown below:



The synthesis of the results of the above process is shown in the Materiality Matrix graph below. In addition, the relation of the Material issues to the 17 UN Sustainable Development Goals towards 2030 was also identified.

In concluding, for 2017 the Material issues for the company remained the same as for 2016, while the limited changes observed in the level of significance of some these issues for the Stakeholders did not affect the final result.



Summary of Material Issues GRI 103-1 GRI 102-46

Occupational Health & Safety



What's in this issue:
Disclosure Management Approach, performance, company objectives & initiatives.

Reduction of the injury rate by

28.6% and zero fatalities

Impact within MYTILINEOS	Impact outside MYTILINEOS
All Business Sectors	<ul style="list-style-type: none"> Contractors' employees Other indirect employees Third parties Public Authorities related to Health & Safety

Relation to the UN Sustainable Development Goals

Economic performance




What's in this issue:
Economic performance, economic value created & company outlook for 2018.

Increase of turnover by

22.5% with net profit of €157.7 million.

Impact within MYTILINEOS	Impact outside MYTILINEOS
All Business Sectors	<ul style="list-style-type: none"> Shareholders/Investors and Financial analysts Capital providers Government bodies Local communities Suppliers / Business partners

Relation to the UN Sustainable Development Goals

Labour practices




What's in this issue:
Disclosure Management Approach, employment, labour conditions, employee training & evaluation, Human Rights and Equal Opportunities.

Increase of total employment by

7% with the participation of women in total employment rising to 15.4%.

Επίδραση εντός ορίων της MYTILINEOS	Επίδραση εκτός ορίων της MYTILINEOS
All Business Sectors	<ul style="list-style-type: none"> Local communities neighbouring the company's industrial units The wider society

Relation to the UN Sustainable Development Goals




Climate Change

What's in this issue:
Disclosure Management Approach, Energy (energy consumption & production, energy intensities per produced product) & Emissions (direct & indirect CO2 emissions, specific emissions per produced product).

5.7% increase of total CO2 emissions (scope 1 & 2).

Impact within MYTILINEOS	Impact outside MYTILINEOS
All Business Sectors	<ul style="list-style-type: none"> Local Communities Customers Shareholders/Investors Public authorities Non-Governmental Organisations

Relation to the UN Sustainable Development Goals



Anti-Corruption

What's in this issue:
Disclosure Management Approach against corruption and bribery, report of compliance with the laws and the relevant regulatory provisions, Code of Conduct.

0 incidents of corruption recorded, and no political contributions made in 2017.

Impact within MYTILINEOS	Impact outside MYTILINEOS
All Business Sectors	<ul style="list-style-type: none"> Public authorities Shareholders/Investors Business organisations & Regulators Customers Suppliers / Business partners

Relation to the UN Sustainable Development Goals

Environmental Management




What's in this issue:
Disclosure Management Approach, management of raw & other materials, management of solid & liquid waste, withdrawal and consumption of water, environmental restorations, report of compliance with the environmental legislation.

Total investments of

€17m for the protection of the natural environment.

Impact within MYTILINEOS	Impact outside MYTILINEOS
All Business Sectors	<ul style="list-style-type: none"> Local Communities Public authorities Non-Governmental Organisations

Relation to the UN Sustainable Development Goals

Local communities


What's in this issue:
Disclosure Management Approach, presentation of social initiatives, cost of social contribution programme (sponsorships & donations).

A total investment of

€2m for the support of local infrastructure projects and social cohesion initiatives.

Impact within MYTILINEOS	Impact outside MYTILINEOS
All Business Sectors	<ul style="list-style-type: none"> Local communities neighbouring the company's industrial units The wider society Non-Governmental Organisations

Relation to the UN Sustainable Development Goals


Market presence

What's in this issue:
Disclosure Management Approach, product quality and safety, supply chain, responsible communication & Marketing.

Total outlays of

€732m to Greek suppliers.

Impact within MYTILINEOS	Impact outside MYTILINEOS
All Business Sectors	<ul style="list-style-type: none"> Customers Public authorities Business partners Contractors Suppliers

Relation to the UN Sustainable Development Goals




Stakeholder Engagement

GRI 102-11GRI 102-15GRI 102-21

The Stakeholder Engagement process expresses the long-standing principle of MYTILINEOS engage in an honest and systematic dialogue with its Stakeholders, considered essential for the company to achieve its short-term and long-term strategic goals and, therefore, ensure its sustainability. This practice, which today has been established as a corporate institution, is consistently held on an annual basis and is subject to self-evaluation

and self-improvement using appropriate techniques. For MYTILINEOS, the primary aim in adopting this practice is to be able to understand and meet the expectations of the employees, shareholders, suppliers, local communities, organisations, businesses and other social groups with which it communicates, collaborates and interacts in the framework of its business activity.

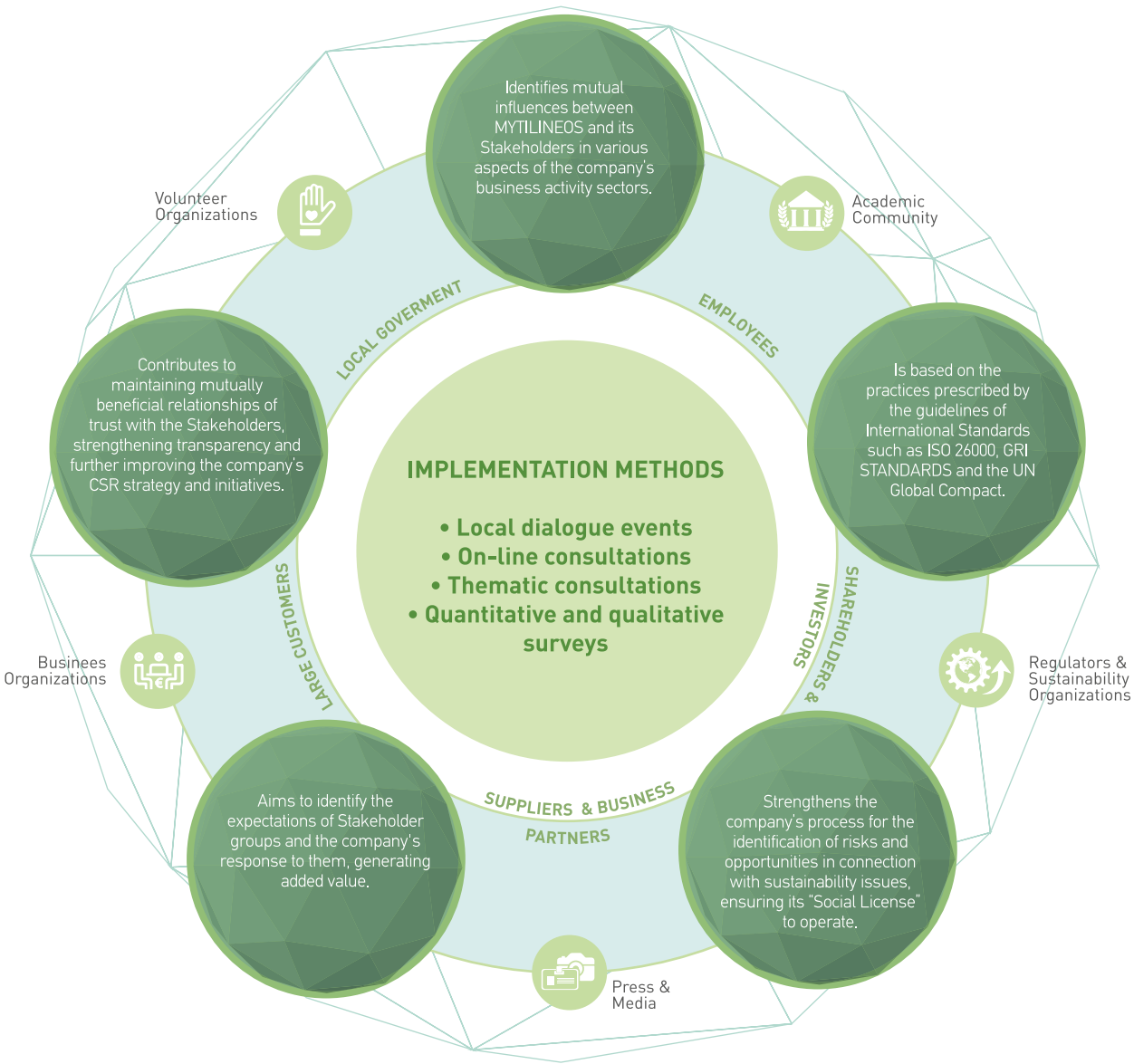
The effectiveness and transparency of this process is assured through the CSR Governance system, under which the individual CSR teams of the MYTILINEOS Business Sectors record and evaluate all Stakeholder proposals, ideas and concerns in connection with

sustainability issues. Once this has been done, the most important issues are forwarded to the Management, so that decisions can be made concerning the responses to them and, where feasible, their integration into the corporate strategy.

Engagement & collaboration methods by Stakeholder Group

Key Stakeholder groups GRI 102-40	Engagement & collaboration methods GRI 102-43
Employees	<ul style="list-style-type: none">Formal Stakeholder Engagement process.Participation of employees in the first and second-degree evaluation boards.Established employee performance and skills review process.Disclosure of policies and open communication with all employees.Regular and ad hoc meetings between the Management and representatives of Employees' Unions.
Shareholders – Investors – Financial analysts	<ul style="list-style-type: none">Regular and Extraordinary Shareholders' Meetings.Financial result presentations (Press releases, videoconferences, internet).Information on business developments (Press releases, internet).Annual meetings with financial analystsCommunication and collaboration with the Shareholder Services Department of MYTILINEOS in response to individual requests.
Suppliers & Business Partners	<ul style="list-style-type: none">Stakeholder Engagement process.Procedure for inviting, evaluating and selecting suppliers and service providers in the context of outsourcing operations.
Large customers	<ul style="list-style-type: none">Formal Stakeholder Engagement process.Communication via the Company's Commercial Departments.Collaboration for the purposes of customer satisfaction surveys.
Local Government (local communities)	<ul style="list-style-type: none">Formal Stakeholder Engagement process.Regular and ad hoc communication (meetings, participation in local consultations).Collaboration for the implementation of the MYTILINEOS Social policy.Participation in events.
Business Organizations	<ul style="list-style-type: none">Formal Stakeholder Engagement process.Regular and ad hoc communication (supply of data and information, meetings, participation in consultations).Participation in events.
Regulators & Sustainability Organisations	<ul style="list-style-type: none">Formal Stakeholder Engagement process.Regular and ad hoc communication (supply of data and information, meetings, participation in consultations).Participation in events.
Academic Community	<ul style="list-style-type: none">Formal Stakeholder Engagement process.Participation in R&D programmes for new or improved products.
Press & Media	<ul style="list-style-type: none">Formal Stakeholder Engagement process.Direct communication through the Group's Communication Department.Participation in events.Organisation of information events with Greek and foreign journalists.
Volunteer Organizations	<ul style="list-style-type: none">Formal Stakeholder Engagement process.Collaboration to support actions of common interest by various Non-Governmental Organisations, in line with the Company's Social policy.

MYTILINEOS
Formal Stakeholder Engagement Process
GRI 102-43



Engagement Process 2017 GRI 102-43

MYTILINEOS has always followed –and will continue to do so– an Open Social Dialogue policy, creating the conditions for establishing new attitudes and practices, as well as new forms of partnership with its key Stakeholders. In line with this approach, the company's Metallurgy & Mining Sector held its 3rd consecutive (and 8th overall) thematic consultation with its Stakeholders, entitled **"Translating Entrepreneurship to value for society"**.

Held in October 2017 in Aspra Spitia, Viotia, the event was attended by 60 Stakeholders, invited by the General Management of the Metallurgy & Mining Sector and comprising representatives from Local Government, local authorities, the company's key suppliers, local associations and organisations, local Media and the local school community, as well as representatives of the company's employees.

The main objective of this initiative was the emergence and the consultation of the social footprint, in financial terms, and the value creation over the short, medium and long term by the Metallurgy & Mining Sector as well as by the overall business activity of MYTILINEOS at the local and national level respectively.

The first part of the Social Dialogue focused on the contribution of MYTILINEOS' business activity to the Greek economy. As demonstrated by the detailed analysis presented, the company's total social product for 2016 stood at **€602 million**, while **100 new jobs** were also created.

In the second part, the analysis focused on the key pillars of the Metallurgy & Mining Sector social footprint, whose total value amounted to **€230 million** including the following:

- 1) initiatives to boost local employment,
- 2) educational programmes to accelerate integration into the labour market,
- 3) payment of taxes to the public authorities,
- 4) support of local suppliers,
- 5) the company's annual Social Contribution programme,
- 6) environmental investments.

The long discussion and exchange of views that ensued highlighted the Company's positive relations with the local community, as well as the significant issues and challenges that represent the consensus view of the participants. It was agreed that today, more than ever before, there is a requirement for more effective action and cooperation at the local level, and that this can only be achieved with the agreement of the social groups that share the same view.

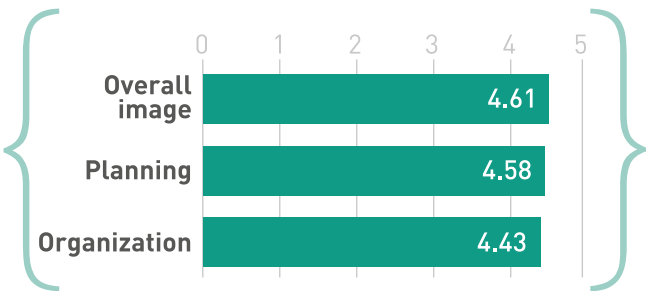
The conclusions from the discussion will be used by MYTILINEOS to guide the development of the company's new strategy and of its relevant practices, in alignment with the **Sustainable Development Goals**.

The key issues on which participants focused their interest were the following: GRI 102-44

- The skills development topic, in the context of company's further cooperation with the Technological Educational Institute of Central Greece, for providing occupational guidance to graduates and for contributing to the apprenticeship activities in Vocational Lyceums, especially concerning the technician's disciplines of the departments of electrical systems and vehicles respectively.
- The future investment plan of MYTILINEOS.
- The provision of information about the planned activities for the renewal of the Aspra Spitia model settlement.
- The broader collaboration with the Municipality of Livadia, especially regarding the Municipality's social work programme, which the company supports.
- The proposal for establishing, jointly with the Municipalities neighbouring the plant, a programme for the promotion of tourism, to be funded by the company's Corporate Social Responsibility programme.
- The establishment by MYTILINEOS of a scholarship programme for Tertiary education studies, based on socio-economic criteria, as well as the need for higher investments, under the company's Social Contribution programme, in the development of local infrastructures and other public benefit projects.

Finally, MYTILINEOS proceeded to evaluate the Consultation by posting a custom satisfaction questionnaire to all participants and inviting them to indicate their satisfaction using a rating scale of 1 (low) to 5 (high).


Three separate aspects of the Consultation were evaluated: (a) Overall Image, (b) Planning and (c) Organisation. A number of individual variables were used in each category and respondents were also able to make comments and suggest improvements. The percentage of Stakeholders who responded to the evaluation reached 50%, with a total of 10 comments/suggestions for future improvement submitted. Overall, the participants rated the new consultation process as extremely useful and positive.



Response to Stakeholder' requests raised in the 2016 Engagement event.

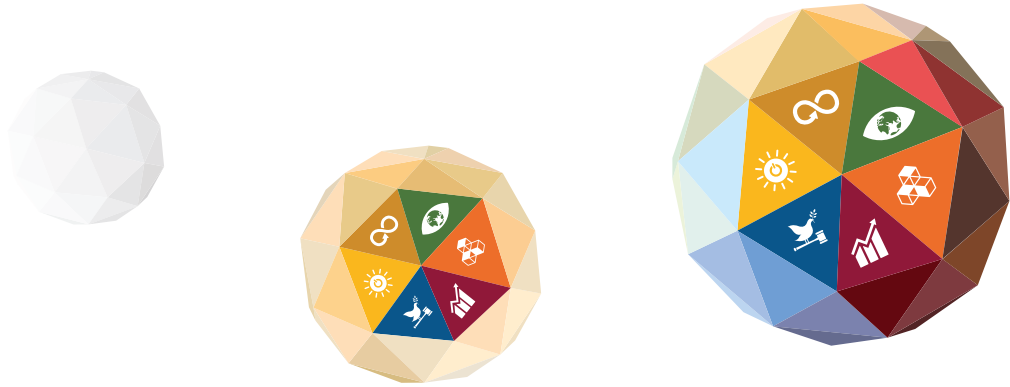
Stakeholders key issues & expectations raised during the 2016 thematic dialogue, titled: "We are talking about the Environment" GRI 102-44	Response METALLURGY & MINING SECTOR 
1. The prospect of investments in more environment-friendly technologies at the Aluminium production plant.	The improvement of the environmental footprint of the Metallurgy Unit is taken into account in every investment that the company makes. The optimisation of the consumption of natural resources (water, fuel, electricity), the reduction of greenhouse gas emissions, the reduction of liquid and solid waste, the application of recycling and utilisation practices, and the steps taken to avoid disturbing the fauna and flora of the wider region where the Company's operations are located, are vital parameters in selecting large or small-scale investment technologies.
2. The prospects of placing on the Greek market stone wool and pig iron products obtained from the utilisation of bauxite residues made possible by the European ENEXAL programme.	The quantities of stone wool produced by this process cannot be absorbed by the Greek market, especially so under the current recessionary environment in the country's construction industry. Moreover, the high transportation costs, in combination with the product's low price, are prohibitive for exports. The solution to the issue of bauxite residues, which is a major one for the global aluminium industry, lies in a combination of many practices and technological developments that will enable their overall utilisation. In this direction, the MYTILINEOS Metallurgy Unit participates in 4 major new European research programmes (SCALE, REMOVAL, ENSUREAL, SIDERWIN), scheduled for implementation from 2017 to 2022, in two of which it has the role of Coordinator. At the same time, the individual partnerships that have been developed with multinational companies in the aluminium production sector and with educational and research institutions in Greece and abroad, underline the leading role that MYTILINEOS plays in this issue.
3. The company's collaboration with postgraduate University programmes, for disseminating its environmental management know-how and the experience from its participation in research efforts, to the postgraduate students in the fields of Geosciences and the Environment.	The company is working closely with educational institutions in Greece and abroad, for the implementation of postgraduate or doctoral programmes related to its activities and their unavoidable impacts. Under the European programme Marie Curie (2014-2018), 15 PhD theses are currently in progress, of which four (4) in Greece (under the supervision of the National Technical University of Athens - NTUA and the MYTILINEOS Metallurgy Business Unit), concerning primarily the utilisation of bauxite residues.
4. The results of studies that have been carried out on marine environment protection issues.	The studies that the company carries out in accordance with the environmental terms in force, concern the Antikyra Gulf and have been assigned to the Hellenic Centre for Marine Research (HCMR). Their results are communicated every year, in accordance with the applicable provisions, to the competent authorities (the Ministry of Environment and Energy and the Water Management Directorate of the Decentralised Regional Administration). The findings of the studies carried out in the five-year period from 2010 to 2015 have shown the ecological status to be stable, with improvement trends recorded at several observation stations. These studies will be continued for at least five more years.
5. The possibility of utilising bauxite residues for paving rural roads.	It was initially clarified that such an application is indeed possible, yet the designation of the material as "waste" makes its use difficult, as a relevant license does not exist. Although licensing is in theory possible, it has to be obtained directly by the interested user, e.g. a Municipality or the Local Government in general.

Stakeholders key issues & expectations raised during the 2016 on-line thematic consultation titled: “Social Impact and Performance”		Response
GRI 102-44		ELECTRICITY POWER & GAS TRADING SECTOR
		
Issues related to employees		
<ul style="list-style-type: none">• Development of corporate volunteerism.• Actions addressed to families of employees that include persons dealing with long-term unemployment or health issues.• Support for the children of employees with top school grades (Scholarships at universities abroad).• Training in the protection of the natural environment.• Incentives for the submission of proposals and innovative ideas.• Personnel education and training in evolving technologies.	<p>Because the completion of the corporate restructuring of MYTILINEOS was given priority, these requests are still in the evaluation stage.</p>	
Issues related to suppliers		
<ul style="list-style-type: none">• Suppliers’ Screening in accordance with the company’s Suppliers and Business Partners Code of Conduct.• Improvement and safeguarding of harmonious and stable partnerships.• Support to domestic suppliers, where possible.• Briefing of suppliers on the findings of the evaluation carried out in the context of the company’s Quality Management System.• Introduction of sustainability criteria in the supplier selection process.	<p>The 1st official Suppliers Screening has been scheduled to take place during 2018.</p> <p>The company maintains several long-term business partnerships, especially with suppliers operating in the areas where its plants are located, thus supporting the corresponding local communities.</p> <p>Because the completion of the corporate restructuring of MYTILINEOS was given priority, these requests are still in the evaluation stage.</p>	

Stakeholders key issues & expectations raised during the 2016 on-line thematic consultation titled: "Social Impact and Performance" <small>GRI 102-44</small>		Response ELECTRICITY POWER & GAS TRADING SECTOR 
Issues related to customers		
<ul style="list-style-type: none"> • Promotion of energy conservation. 	The company designed a special leaflet with useful tips on how to save energy and had it added as an insert in the electricity bills of residential customers. In parallel, weekly posts with useful tips on how to save energy are uploaded to Protergia's website and to its Facebook page.	
<ul style="list-style-type: none"> • Creation of a friendlier consumption monitoring programme. 	In 2017, specific improvements were made to the service platform "myprotergia".	
<ul style="list-style-type: none"> • Promotion of Protergia's environmental footprint from the operation of the RES plants it manages. 	The company provides large customers with a Green Energy Certificate.	
<ul style="list-style-type: none"> • Continuous provision of reliable information on services, prices and offers. 	This information is given through the site www.protergia.gr , Protergia's Facebook page, information leaflets and an advertising campaign on TV and radio, in newspapers and on the web (Internet sites).	
<ul style="list-style-type: none"> • Briefing of customers on Protergia's CSR initiatives, with the aim of having the customers themselves participate in them. 	This activity is scheduled for implementation during 2018.	



Thematic Consultation 2017: "Translating Entrepreneurship to value for society".



Environmental performance

Material issues

Environmental management
&
Climate Change

UN Sustainable Development Goals



UN Global Compact Principles



Total Bauxite consumption

2016	2017
1.87	1.85
million tonnes	



Total Natural Gas consumption

2016	2017
900.4	1,063.3
million Nm ³	



Total energy consumption

2016	2017
43,720	48,830
Tj	



Emissions
(Scope 1 & Scope 2)

2016	2017
4.67	4.93
million tCO ₂ eq	



Other emissions
(NO_x & SO_x)

2016	2017
4.5	2.0
thousand tonnes	



Recycling of waste

2016	2017
36,137	82,024
tonnes	



Water consumption from public water utilities

2016	2017
164,949	29,421
m ³	



Total water consumption

2016	2017
6.2	5.8
million m ³	



(International Sustainable Development initiative for Water Resources Management)

2016	2017
LEVEL B Management	LEVEL A-Leadership



Environmental expenditures

2016	2017
13.9	17.1
million €	



Restoration of the natural environment

2016	2017
80.4%	80.4%
% of total land area that has been restored	



Certified Environmental Management system

ISO-14001	ISO-14001
2008	2015

Environmental management and Climate Change

Disclosure Management approach GRI 102-11

The purpose of this management approach is to provide specific information and data to all social groups and persons that affect, and are affected by MYTILINEOS' operation, so that they can understand how the company balances the unavoidable impacts of its business activity

Relevance and boundaries of the Material Issue GRI 103-1

The major environmental challenges that MYTILINEOS is facing in pursuing its business activity are the following: (1) the rational management of the reserves of mineral and natural resources, (2) energy consumption and control of emissions, (3) the management of waste, with emphasis on the utilisation of bauxite residues, (4) the control of air quality, and (5) the restoration of the natural landscape in exploitable land areas affected by the bauxite mining process and the development of RES plants.

Additionally, climate change is one of the major challenges globally. MYTILINEOS acknowledges the importance of carbon dioxide (CO2) emissions and energy consumption, as well as of their impacts on its operational efficiency and overall on sustainable development.

The strict adherence to the applicable environmental legislation is a core element of all company's activities. In this respect, MYTILINEOS applies systematically specific practices aimed at ensuring the continuous improvement of its environmental performance. The company's

on the environment. This management approach also reflects the company's commitment to regularly invest in initiatives and new technological equipment, as well as in the culture of its people, with the aim of minimising its environmental footprint.

general

objective is for its processes, services and products to have the minimum possible adverse impact on the environment.

Boundaries:

The impacts of MYTILINEOS' activity on the environment are identified both within the boundaries defining the operation of its Business Sectors and subsidiaries, as mentioned in the relevant section on the parameters of this Report, as well as outside these boundaries, affecting key Stakeholder groups such as Local Communities, Customers, Suppliers, Shareholders/Investors, Public authorities and Non-Governmental Organisations. GRI 102-15

Major risks and relevant risk control practices:

Given the environmental impacts referred to above, MYTILINEOS acknowledges the following major risks, which may affect its business goals and against which it has been carrying out, for a number of years, appropriately selected investments in order to significantly reduce the likelihood of their occurrence. These risks are the following:

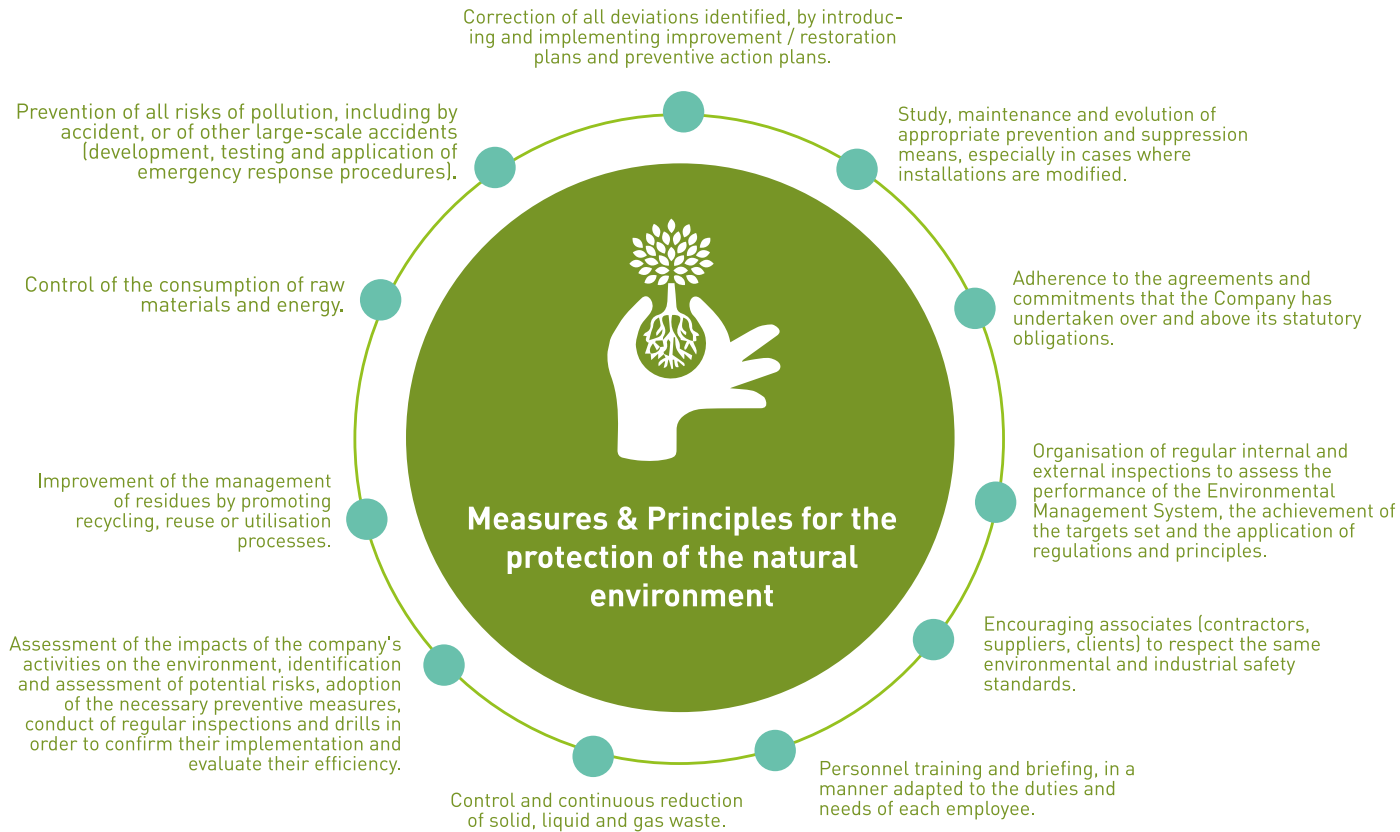
Major risks	Risk control practices
<ul style="list-style-type: none">• The management of bauxite residues is probably the most important environmental challenge for the MYTILINEOS Metallurgy & Mining Business Sector.	<ul style="list-style-type: none">• The company continues to invest consistently in research on the utilisation of bauxite residues, by participating in European programmes for energy-efficient "green" technologies in the aluminium industry and the development of technologies for mining/extraction of rare earths elements.
<ul style="list-style-type: none">• Like most high energy-intensive industries, MYTILINEOS produces emissions that contribute to the downgrading of air quality and to climate change.	<ul style="list-style-type: none">• MYTILINEOS monitors emissions on a monthly basis and implements timely corrective actions in order to ensure that emissions are in line with its statutory allowance and, most importantly, are kept at the lowest possible level.
<ul style="list-style-type: none">• Deviations from the legislation in force or from amendments thereto related to the Environment or to Climate Change.	<ul style="list-style-type: none">• MYTILINEOS is systematically following the relevant developments in the legislation and takes preventive measures in order to minimise any potential adverse effects. The company might be obliged to undertake significant investments in the future, as a result of the requirement for compliance with the new, amended legislation and the new regulations.
<ul style="list-style-type: none">• Possible downgrading of groundwater and surface water quality and possible soil pollution. Refers to a potential impact of limited extent within the boundaries defining the operation of the Metallurgy Unit, given the great distance of the Unit's operational sites from organised settlements and other economic activities.	<ul style="list-style-type: none">• The main objective is to avoid any incident involving a downgrading of the environment. The relevant prevention measures comprise strict adherence to the Environmental Terms for the Metallurgy Business Activity, compliance with the measures provided for in the Safety Study (SEVESO III - implementation of Joint Ministerial Decision 172058/2016), and detailed knowledge of the Emergency Response Plans (ERPs) accompanied by relevant drills.

Management of the Material issue GRI 103-2

- Environmental responsibility is a key element of the Code of Business Conduct, the corporate principles and the Suppliers and Business Partners Code of Conduct of MYTILINEOS.
- All the company's Business Sectors apply an ISO 14001 certified Environmental Management System, supported by specific environmental policies by activity sector. 2017 saw the launch, in all the company's Business Units, of the revision of their environmental management systems in accordance with the new specifications laid down by the **ISO 14001:2015** international standard.
- Moreover, the setting of environmental targets for each Business Sector, the implementation of the company's measures and principles regarding the protection of the environment, the adherence to the requirements of the laws as a minimum commitment, the continuous assessment and monitoring of all environmental parameters, the cultivation of the employees' environmental awareness and the harmonious collaboration with the local communities,

are key components of MYTILINEOS' management of environmental issues.

- To address climate change, the company invests consistently in the improvement of production processes, in new technology installations and in the extension of the use of Natural Gas to all its industrial plants, in order to improve energy efficiency, reduce emissions and optimise the management of waste.
- In parallel, the systematic application of Best Available Techniques (BATs) in the production process and in the management of waste, in tandem with the use of more environment-friendly fossil fuels (primarily natural gas), especially in the Metallurgy and Electricity Sectors, are significant factors that contribute to the company's business growth and drive its commitment to the protection of the environment and to ensuring the sustainable management of natural resources.
- In each Business Sector, the persons responsible for the environment take steps to ensure correct environmental operations in all industrial plants.



Targets of the Material issue

The primary objective of MYTILINEOS concerning the environment, is to mitigate the negative impacts of its production activities and to participate in international sustainable development initiatives that can lead to overall improvements in its environmental footprint.

In the Metallurgy & Mining Sector, the key priorities are to continue the implementation of specific continuous improvement projects aimed at stabilising and reducing emissions, to utilise in the production stages digital industrial techniques that can help conserve energy, and to invest in partnerships with Universities and scientific organisations for the development of new technologies for the utilisation of bauxite residues.

SPECIFIC ENVIRONMENTAL TARGETS	Performance in 2017	Targets 2017-2018
Fluorine emissions (kg/tAl) ¹	1.40	<1.50
Carbon tetrafluoride emissions (kg CF4/tAl) ²	0.051	<0.040
Solid waste sorting ratio ³	93%	>90%
Generation of unclassified basin waste (kg/basin AB) ⁴	18.3	<20
Final waste disposal for the alumina production line (kg/tAH) ⁵	3	<7
Total water withdrawal (industrial use & drinking, m3/day) ⁶	13,059	<13,950
Conduct of two studies on the protection of biodiversity in the Metallurgy Unit	50%	100%

1&2 4Specific targets of the Metallurgy Unit that contribute to the reduction of solid waste. With regard to the deviations from the specific targets, please consult the relevant section on Emissions.

3,4&5 Specific targets of the Metallurgy Unit that contribute to the reduction of solid waste.

6 Specific target of the Metallurgy Unit that contributes to the conservation of natural resources.

Performance in 2017

In 2017, MYTILINEOS invested more than €17 million in the implementation of its environmental policy. More specifically, expenditures for waste disposal, emissions management and remediation stood at €15,113,287, while the costs for prevention and environmental management stood at €1,992,789.



Environmental compliance

Compliance with the environmental legislation is a core element of MYTILINEOS' business activity and a major issue of equal importance with the other issues that the Company is managing in the context of its continuous and responsible development. This view, which is the key component of the company's environmental policy, is based first and foremost on the principle of adherence to the provisions of the law, as well as to the agreements concluded and the voluntary commitments undertaken by its Business Sectors. To this end, the strict adherence to the applicable laws, the implementation of a regular environmental legislation review and update process and the application of the environmental rules and regulations pertaining to MYTILINEOS' activity during 2017, have resulted in the absence of any incidents involving a

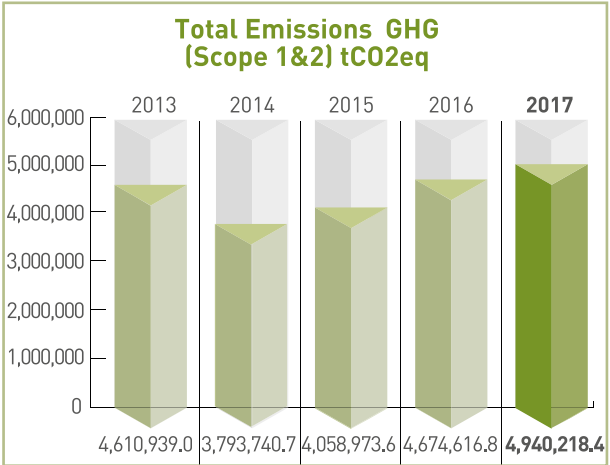
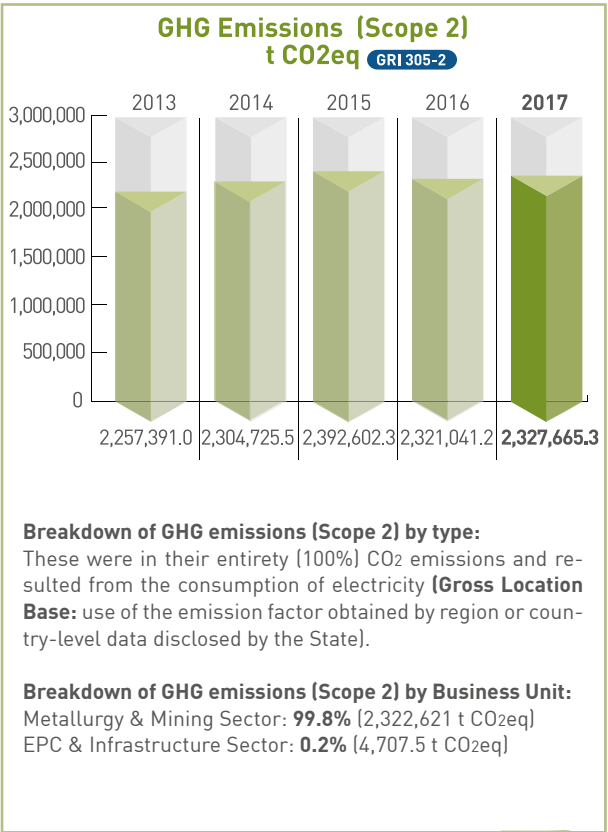
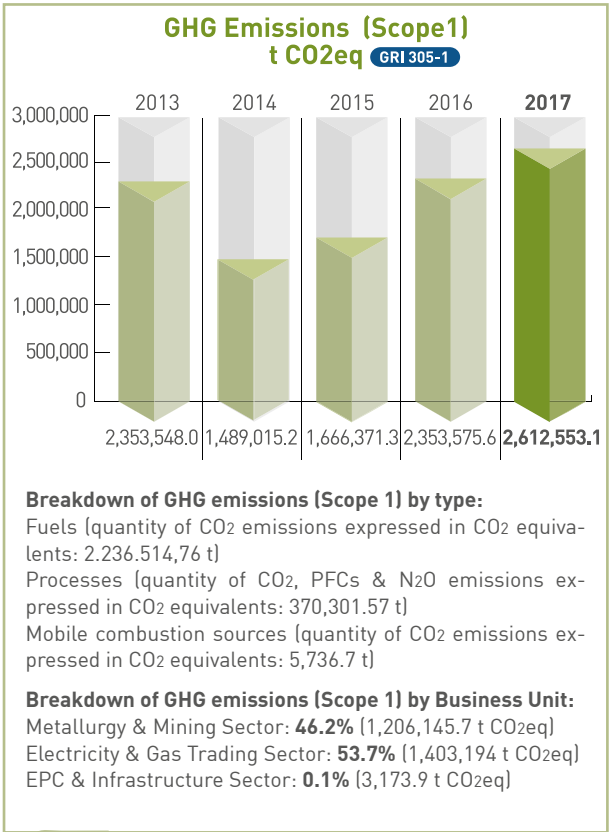
deterioration in the quality of the environment. Additionally, monitoring compliance with the approved environmental licenses (Environmental Terms Approval Decisions) for the company's operational units, is a process conducted internally, on a regular basis and by specialised personnel in each Business Sector, as well as annually, by a recognised independent organisation that undertakes to audit and certify the environmental management system in place. According to the results of the recent relevant audit for 2017, no deviations from the current environmental licenses were observed, which would necessitate the planning of investments for their rectification, while no cases of non-compliance with environmental rules and regulations were recorded. **GRI 307-1**



Emissions

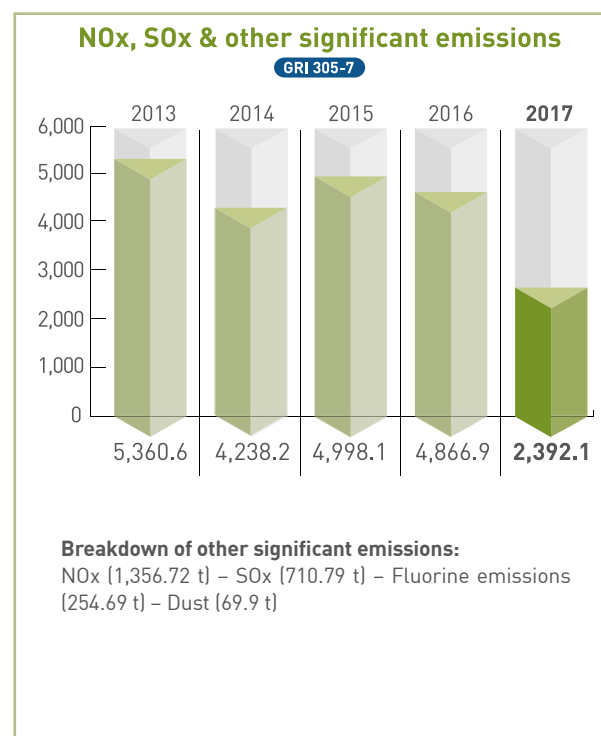
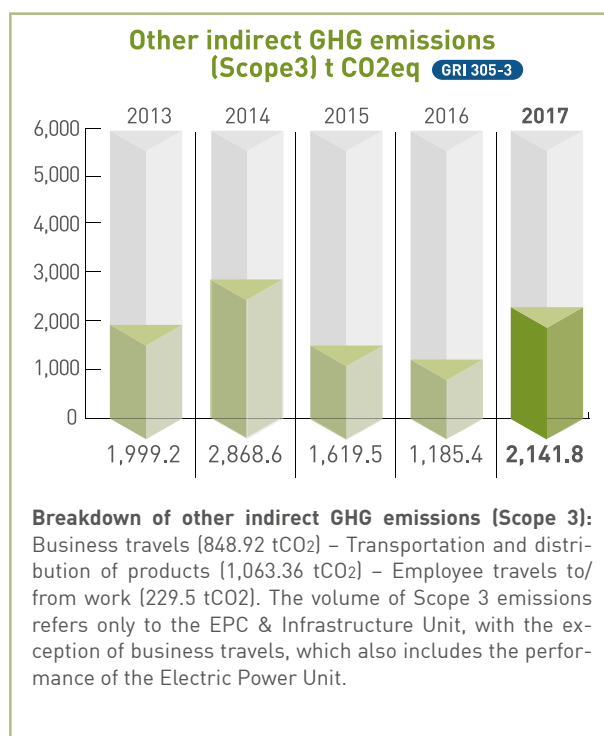
The Metallurgy & Mining and Electricity & Gas Trading Sectors generate 99.5% of the company's total carbon dioxide (CO2) emissions. Direct (Scope 1) emissions result primarily from the alumina and aluminium production process (consumption of fuels and chemical processing as part of the production process) and from power generation (consumption of natural gas), while indirect (Scope 2) emissions correspond to the consumption

of electricity. In 2017, indirect emissions remained at their 2016 levels, while the increase in the generation of electric power by the company's thermal plants drove a corresponding increase of its direct emissions. As a result, total emissions (Scope 1 & 2) for 2017 stood at 4.94 million tonnes of CO2, up by 5.7% compared to the previous year.



In the context of the company's efforts to reduce emissions, the first year of the new alumina calcination plant full operation resulted in the reduction of the indirect emissions of the Metallurgy & Mining Sector by 13,946 tonnes, the reduction of sulphur oxide (SOx) emissions by 78.5% (i.e. 2,555 tonnes) and the reduction of the quantity of dust emissions by 18.8 tonnes, compared to the respective quantities in 2016. On top of the aforementioned reductions,

account should also be taken of the reduction in the emission of Perfluorocarbons (PFCs) by 6,125 tonnes, as a result of appropriate technical interventions (e.g. controlling the frequency and duration of the anode effect) during the electrolysis process causing these specific emissions. Moreover, a reduction of indirect emissions by 224 tonnes was achieved in the EPC & Infrastructure Sector through the reengineering of production processes. **GRI 305-5**



Finally, MYTILINEOS is subject to and fully complies with the applicable regulatory framework and the allowances of the EU Emissions Trading Scheme (EU ETS), as well

as with the restrictions of the applicable EU regulatory framework for large industrial combustion installations.

Main specific emissions GRI 305-4	2014	2015	2016	2017	Change
METALLURGY & MINING SECTOR					
t CO2/t of bauxite produced	0.06	0.012	0.018	0.018	0.0%
t CO2/t of hydrated alumina produced	-	0.76	0.53	0.70	32.1%
t CO2/t of aluminium produced	-	14.6	15.3	12.0	-20.0%
Fluorine emissions (tCO2/y)	213.8	243.2	275.0	254.7	-7.0%
PFC emissions (tCO2/y)*	79,558.6	65,909.6	88,310.5	82,185.1	-7.0%
ELECTRIC POWER & GAS TRADING SECTOR					
Specific CO2 emissions (t CO2/TJ of electric power generated)	96.9	93.8	95.0	95.4	0.4%
EPC & INFRASTRUCTURE SECTOR					
tCO2/t of processed metal	5.3	4.9	4.4	4.9	11.3%

*Perfluorocarbons – PFCs (CF4 & C2F6) are gases that contribute significantly to global warming.

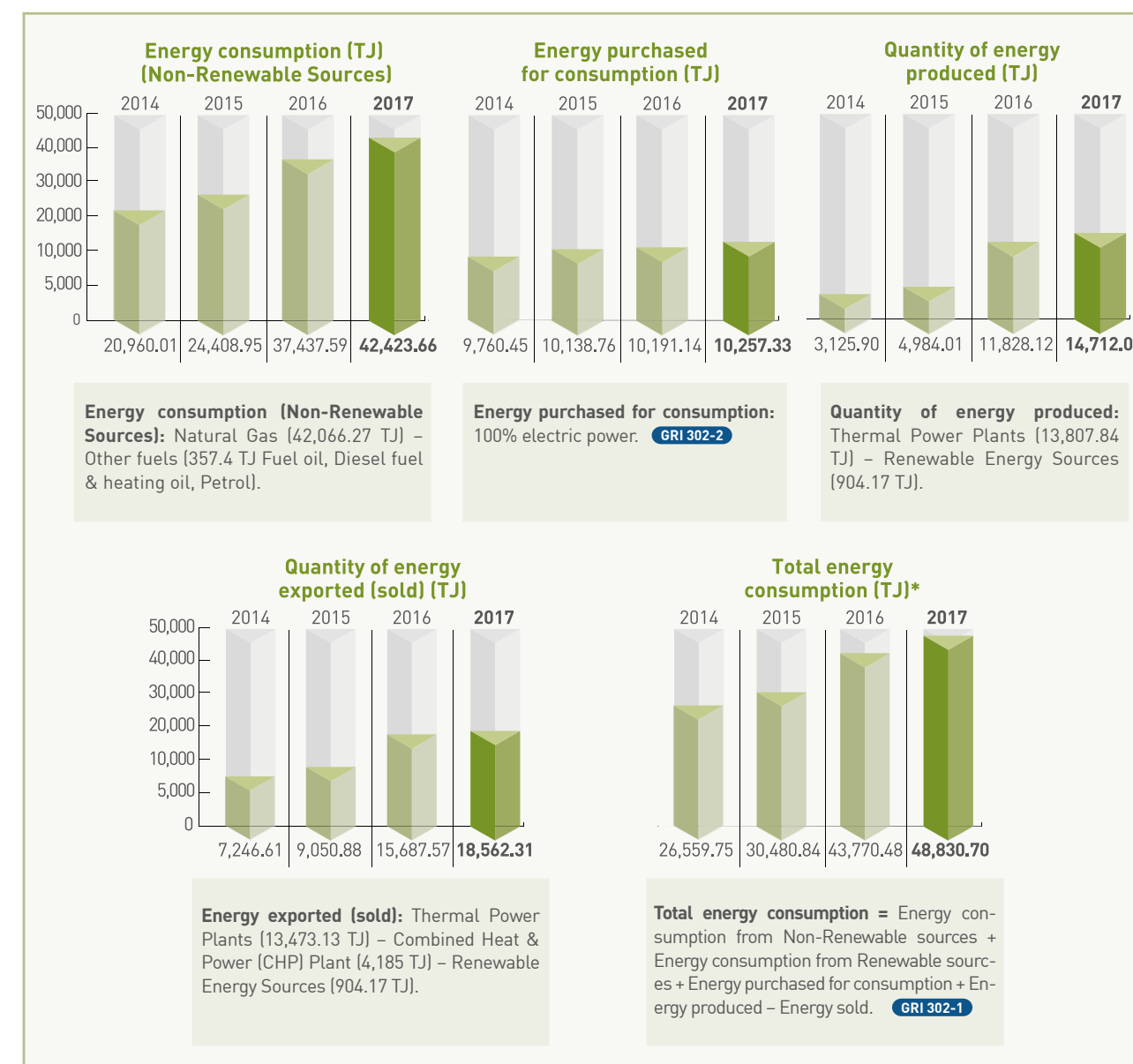
To illustrate this, suffice to mention that 1 tonne of CF4 is equivalent to 7,390 tonnes of CO2, while 1 tonne of C2F6 is equivalent to 12,200 tonnes of CO2.



Energy

The total energy consumption at MYTILINEOS' industrial plants in 2017 increased by 11.6% compared to 2016, as presented in the table below. The electricity consumption recorded a marginal increase (by 0.5%), while the consumption of energy from conventional energy sources

such as natural gas, grew by 13.5%. The total increase in consumption was due to the energy generation increase by the company's thermal plants by 17% for 2017, corresponded to 10.7% of domestic production.



Despite of the increase of the total energy consumption, improvements in energy efficiency domain were achieved, through the lower specific consumptions recorded in the alumina and aluminium production departments, as well as in the treatment of processed metal process. These improvements are the result of work quality controls carried out, developments in equipment and methods, regular inspections of the equipment of

production installations, optimisation of parameters and sensitisation of the personnel involved, through custom-developed action plans. In line with MYTILINEOS' policy, these efforts will be continued in the future, in order to identify areas where operational improvements can be made so as to optimise the utilisation of the available technologies and practices.

Table of main energy intensity figures GRI 302-3	2014	2015	2016	2017	Change
METALLURGY & MINING SECTOR					
Specific consumption in bauxite production (GJ ¹ /t of bauxite produced) ¹	0.1	0.1	0.1	0.1	-
Specific consumption in alumina production (GJ ¹ /t of alumina produced) ¹	8.5	10.5	10.4	10.1	-2.88%
Specific consumption in aluminium production (GJ ¹ /t of aluminium produced) ¹	66.3	53.9	53.7	50.9	-5.21%
ELECTRIC POWER & GAS TARDING SECTOR					
Specific product consumption (TJ ² /TJ of electric power generated) ²	-	1.87	1.89	1.90	0.52%
EPC & INFRASTRUCTURE SECTOR					
Specific consumption – processed metal (GJ/t)	16.0	17.0	15.4	13.3	-13.63%

¹ Combined consumption of natural gas & electric power | ² Consumption of natural gas

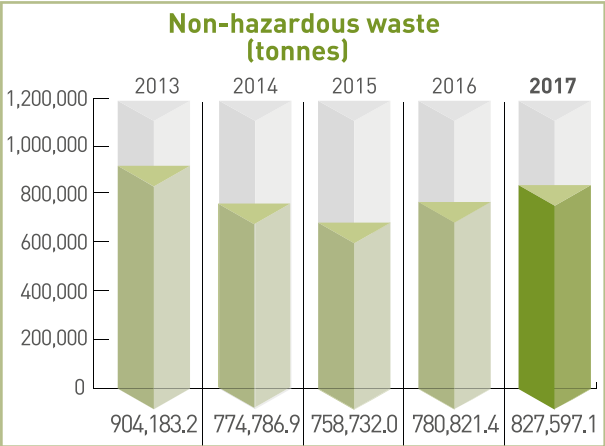
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Waste Management

As part of its environmental policy, MYTILINEOS ensures the systematic collection and utilisation of waste, by implementing management and disposal practices on a large scale. The waste resulting from the aluminium production (bauxite residues) represent the largest part of the company's total volume of solid waste.

The improvement in this particular field depends on the utilisation of this type of waste which, until their final disposal, are accumulated in a specific designated area which, for the purposes of measuring MYTILINEOS' environmental footprint, is considered as a Controlled Landfill for Non-Hazardous Waste operating in accordance with the Sterea Regional Administration and the Viotia Prefectural Administration licensing acts.

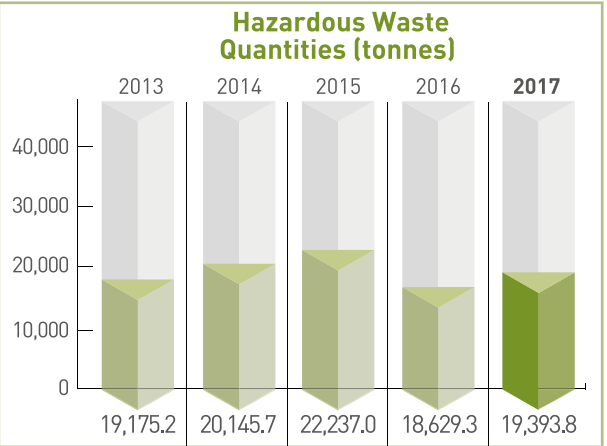
2017 saw an increase by 6% in the total quantity of waste.



Non-hazardous waste (tonnes) GRI 306-2	2017
Controlled Landfill (Accumulation area for Bauxite Residues)	744,746.1
Controlled Landfills for Non-Hazardous Waste	3,908.2
Recycling / Recovery / Reuse / Utilisation	78,915.8
Exchange	27.0
Total	827,597.1

Against this, the quantity of waste collected, recycled, reused and/or utilised in various ways by the company's Business Sectors (excluding bauxite residues), stood at 80.2% of total waste, posting a significant increase by 127% (45,887 extra tonnes) from the corresponding quantity in 2016. This quantity involved primarily waste from excavations, aluminium, industrial waste and various collected materials, which include metal scrap (e.g. iron and steel), vehicle batteries, used lubricants, electrical and electronic equipment, paper, carton, wooden pallets, home batteries and used consumables from printers and photocopiers (840 pieces of ink cartridges and toners).

Where feasible, the materials to be recycled are utilised inside the company's facilities, while where waste cannot be recycled or utilised internally, this is done through collective waste management systems or licensed waste contractors.



Hazardous Waste Quantities (tonnes) GRI 306-2	2017
Controlled Landfills for Hazardous Waste	16,229.1
Recycling / Recovery / Reuse / Utilisation	3,110.9
Incineration	25.9
Storage in third-party facilities	25.9
Exchange	1.9
Total	19,393.8

In the context of the circular economy, company's Metallurgy & Mining Sector has set itself the objective of developing technologies that will make possible the holistic utilisation of bauxite residues, through its participation in national and European research programmes.

2017 saw the launch of the research project **SCALE** (Production of Scandium compounds and Scandium-Aluminium alloys from European resources), which aims to obtain Rare Earths and, in particular, Scandium (Sc) compounds and Scandium-Aluminium alloys from residues of the European metallurgical industry, such as Bauxite Residues. The project has a total budget of €7 million and is coordinated by the Metallurgy & Mining Sector of MYTILINEOS. The project consortium, which also includes the National Technical University of Athens (NTUA), consists of a total of 19 partners from nine European countries. The project plan foresees the construction and operation, in the MYTILINEOS Metallurgy facilities, of a prototype Scandium leaching and extraction pilot plant which will produce Scandium concentrate for further utilisation in a pilot plant of another project partner.

Moreover, the following research projects, in which the MYTILINEOS Metallurgy & Mining Sector participates as a partner, were approved and launched in 2017:

- ENSUREAL (Ensuring sustainable alumina production) [2017- 2021]**
The ENSUREAL project, coordinated by SINTED Institute in Norway, will test on a pilot basis, in the aluminium plant of the MYTILINEOS Metallurgy Unit, the extraction of cast iron and alumina from bauxite residues using a combination of pyrometallurgical and hydrometallurgical treatment methods.
- SIDERWIN (Sustainable Electro-winning of Iron) [2017- 2022]**
The five-year SIDERWIN project, coordinated by ArcelorMittal, aims to test, on a pilot basis, a new sustainable technology for producing iron by alkaline electrolysis. MYTILINEOS in collaboration with NTUA, will examine the use of bauxite residues as an alternative source of iron in this process.

- Finally, December 2017 saw the announcement of the approval, with the top evaluation mark of 14.5/15.0, of the proposal for the European research project RemovAL, with the MYTILINEOS Metallurgy Unit as Coordinator. The **RemovAL project (Removing the waste streams from the primary Aluminium production and other metal sectors in Europe)**, is scheduled to start in May 2018 and will run for four years. It has a total budget of €11.5 million and its Consortium numbers 27 partners, which include the largest alumina producers outside China (RUSAL, RIO TINTO, ALCOA), as well

as the European Aluminium Association and the International Aluminium Institute. The purpose of the RemovAL project is to test, on a pilot basis, different technologies for the utilisation of bauxite residues.

In the **EPC & Infrastructure Unit**, correct management and disposal of the waste produced is promoted through systematic practices that include the following:

- Development of a Site Waste Management Plan (SWMP) for every project carried out by the company. The SWMP, which is developed prior to the commencement of all construction activities, aims to minimise the production of waste and to examine ways to reuse or recycle this waste.
- Definition of waste types, categories (urban waste water, hazardous and non-hazardous waste) and quantities, so that they can be classified for reuse, recycling or disposal in some other way.

As regards the management of the liquid waste and water discharges resulting from MYTILINEOS' activity, this is fully controlled and takes place in accordance with the parameters determined by the environmental terms and regulations under which the facilities of the company's Business Units have obtained their environmental licenses.

In the Metallurgy Unit, which produces the largest quantity of liquid waste, most of this waste is recycled within the production process itself. More specifically, the aluminium production plant uses an underground system of water or waste collection pipes which leads to a liquid industrial waste treatment plant featuring settling basins, an oil separator and a multi-layered activated carbon filter. The pH value, temperature and flow are constantly measured and monitored on-line. There is also a safety tank with a capacity of 800 m3, to which waste is fed, when necessary, by an automatic diversion system.



The Biological Treatment Facility in Aspra Spitia & Antikyra

Table of water discharges

GRI 306-1

Business Unit	Water discharge category	Quantity m³/year	Destination	Quality of water discharges, including treatment method
METALLURGY & MINING UNIT	From the cooling process of the Combined Heat and Power (CHP) plant	158,086,982.8	Discharge to the sea (determined by legislation)	pH: 8,2 Temperature: 21,8°C
	Waste water, including rainwater, measured at the point of exit from the primary treatment facilities	468,706.4	Discharge to the sea (determined by legislation)	Primary treatment (Settlement of floating particles, Filtration of supernatant fluid, Chlorination, Discharge). <ul style="list-style-type: none"> pH 25°C with temperature compensation: 7.71 Biochemical Oxygen Demand (BOD5) - mg/l: 5.4 Chemical Oxygen Demand (COD) - mg/l: <10 Total Solids (103-105°C) - mg/l: 828 Total Suspended Solids (103-105°C) - mg/l: 15.8 Sulphides - mg/l: <0.05
	Waste water from the mining process	20,061	Subsoil	No particular treatment. This waste is water (from licensed drills or water collected in underground mining sites) used in the mining process, which with the addition of inert bauxite or limestone dust (depending on the particular mining activity), becomes a liquid mix that ends in the aquifer.
	Water used for road wetting, Watering – Environmental restoration	24,150	Subsoil	No special treatment applied. Concerns water from licensed drills.
	Waste water from mining site workshops	3,500	Watering of rehabilitated areas.	Cleaning of liquid waste from sites using a system of filters (sand - activated carbon). The water obtained by this process is suitable for irrigation (site landscape restoration) or reuse in the production process. Chemical tests show a BOD<5 (with the maximum limit being 10).
ELECTRIC POWER & GAS TRADING UNIT	Industrial service water in the power generation process	56,158	52,5% : Disposal to a Motor Oil liquid waste treatment plant 47,5% : Disposal by closed pipeline to the liquid waste treatment plant of the Metallurgy Unit.	The 26,698 m³ of service water intended for disposal to Motor Oil undergo treatment to regulate pH (must be between 6.5 and 9), temperature (must be <45°) and concentration grade (must be 1.3).



Raw & Other Materials

As regards the use of natural resources, the quantity of bauxite used in the Metallurgy Unit to produce aluminium and alumina in 2017 posted a marginal decrease by 1% compared to 2016, while the total quantity of natural gas used in the Electric Power Unit, which is not recyclable and is not a renewable source, increased by 18%, primarily due to the increase in production. The EPC & Infrastructure Unit does not manage primary natural resources, but instead uses semi-finished or finished products.

In detail:

In 2017, approximately 2.44 million tonnes of raw materials (dry basis) were used in the **Metallurgy & Mining Sector** for the production of primary cast aluminium products. This quantity was marginally lower (by 1%) compared to 2016. Of this quantity, 76% was bauxite, the largest part of which (1.36 million tonnes) comes from the exploitation of mines in the Prefectures of Fokida and Viotia and is the main raw material used to produce alumina and aluminium. The remaining 24% represented other materials from non-renewable sources. The use of alternative raw materials, i.e. by-products or waste from other industries, which can help reduce the consumption of raw materials, is not applicable to the aluminium production process.

Moreover, three Biological Treatment Facilities are in operation in the Metallurgy Unit, to cover the needs of the aluminium production plant and the local communities: the Biological Treatment Facility in Aspra Spitia & Antikyra, the Biological Treatment Facility in Agios Nikolaos, with a capacity of 200 residents, serving the homonymous settlement, and the Plant's Biological Treatment Facility with a capacity of 2,000 people, serving the plant's population. The Biological Treatment Facility in Aspra Spitia & Antikyra was the first biological treatment facility for urban waste water in Greece and was built together with the settlement, by the company Degremont France. Following its upgrade in 1995, the facility has a capacity of 10,000 people. In accordance with the Environmental Terms Approval Decision, monthly analyses are carried out by the scientific quality control laboratory, which has been accredited by the Hellenic Accreditation System in accordance with the ELOT EN ISO 17025 standard. During the bathing season (May - September), seawater samples are taken at 8 locations in the Antikyra Gulf. These locations include the sea point exit of the treated waste water pipe from the Biological Treatment Station of Aspra Spitia & Antikyra. The results related to this location have demonstrated that the samples taken comply with the legally required limits for exceptional-quality coastal water and are completely free of pathogenic micro-organisms.

METALLURGY & MINING UNIT GRI 301-1	2014	2015	2016	2017	Measurement method	Origin of supplies
Type and weight of Raw Materials (tonnes)*						
Bauxite	1,830,996	1,833,201	1,875,509	1,855,677	Direct measurement	Internal & external sources
Anhydrous alumina	332,656	345,587	347,882	348,733		Internal sources or production
Casthouse metals	2,057	2,473	2,473	2,459		External supplier
Subtotal (1)	2,165,753	2,181,261	2,225,864	2,206,869		
Type and weight of Materials (not incorporated in the end product) (tonnes)*						
Anode electrodes	71,949	74,835	75,797	75,245	Direct measurement	Internal & external sources
Coke	62,210	64,490	64,529	59,668		External supplier
Lime	59,388	61,459	60,999	58,584		
Soda	26,650	22,659	23,516	25,051		
Tar	13,336	13,296	14,039	13,201		
Aluminium fluoride	2,668	3,152	3,239	3,588		Internal sources or production
Cathode electrodes	-	-	-	314		
Cast iron	-	-	-	166		
Silicomanganese (SiMn) alloys	-	-	-	31		
Lubricants	132	110	140	120		
Subtotal (2)	236,333	240,001	242,259	235,968		
Type and weight of packaging Materials (tonnes)*						
Polyester rings	1,016	667	968	972	Estimation	External supplier
Polyester rings	15	28	0	15		
Subtotal (3)	1,031	695	968	987		
Total (1+2+3)	2,403,117	2,421,957	2,469,091	2,443,739		

*From Non-Renewable Sources

The **EPC & Infrastructure Sector** does not manage primary natural resources, but instead uses semi-finished or finished products, according to the detailed plans/drawings and procedures for each project, which specify with great accuracy each material to be used, its manufacturing method and its exact position and operation. These plans/drawings and procedures of the company conform to the latest developments in the respective fields of expertise. They involve the use of complex materials/products

such as turbines, power generators, pumps etc. for incorporation in its products/projects, together with more simple ones such as merchant bars (beams, pipes, steel plates, axles, cast parts etc.) for manufacturing (cutting, welding, processing, hardening) in its industrial facilities or in those of its subcontractors. The manufactured products are then transported to the customer's facility / construction site, where assembly/erection of the final product (e.g. a power plant) takes place.

EPC & Infrastructure UNIT GRI 301-1	2014	2015	2016	2017	Measurement method	Origin of supplies
Type and weight of Materials (not incorporated in the end product) (tonnes)*						
Oxygen**	102.5	104.6	103.5	83.0	Direct measurement	External supplier
Welding gases (Argon & Nitrogen)**	81.3	114.7	116.6	117.9		
Carbon dioxide*	18.2	17.3	22.7	28.6		
Acetylene*	3.6	5.1	4.1	4.2		
Liquid coolant*	3.5	5.5	6.9	7.0		
Mineral oils*	1.5	0.8	1.6	1.3		
Subtotal (1)	210.6	247.9	255.4	242.0		
Type and weight of semi-finished products (not incorporated in the end product) (tonnes)*						
Steel, in plates / merchant bars	355	226.1	747.5	782.5	Direct measurement	External supplier
Special materials for projects	302	181.2	182.6	51.2		
Welding materials	21	32.7	24.5	20.7		
Paints	6	24.8	53.5	2.7		
Connection materials	5.5	1.5	1.8	1.6		
Solvents	2	6.4	14.2	7.7		
Subtotal (2)	691.5	472.9	1,024.1	866.4		
Type and weight of packaging Materials (tonnes)*						
Nylon	2.3	2.3	5.8	4.1	Direct measurement	External supplier
Tarpaulin	0.2	0.1	0.4	0.5		
Cardboard	-	-	1.4	1.1		
Plastic packaging	-	-	0.1	0.2		
Subtotal (3)	2.5	2.4	7.7	5.9		
Total (1+2+3)	904.6	723.2	1,287.2	1,114.2	GRI 301-1	

*From Non-Renewable Sources **From Renewable Sources

The percentage of recycled materials used in the implementation of projects in the EPC & Infrastructure Unit in 2017 stood at 30%¹ **GRI 301-2** . Additionally, a key criterion in the design stage of the projects that the company is carrying out as an EPC Contractor is the maximum possible use of recyclable materials. The company's requests for proposals and contracts with suppliers of materials and equipment contain a specific clause regarding their compliance with the requirements of the ISO-14001 International Standard, specifically

referring to the prohibition of using environmentally hazardous materials and the obligation to make the maximum possible use of recyclable materials.

In the **Electric Power & Gas trading sector**, the raw material used in power plants is natural gas, which cannot be recycled and is not a renewable source. **GRI 301-2** The substantial increase in the consumption of natural gas at the company's thermal power plants in 2017 was due to the increase in electricity production.

¹Of the 1,114.2 tonnes of total weight of materials used and incorporated in the end product, steel (in the form of plates, merchant bars or other project materials) accounted for approximately 835 tonnes. Around 40% of the EU's total steel production comes from electric arc furnaces, in which steel is produced from 100% recycled raw material (scrap). [Source: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0407:FIN:EN:PDF>, Strasbourg, 11.6.2013, COM (2013) 407 final, p.27]. Thus, 334 tonnes (40% of 835 tonnes) correspond to recycled steel.

ELECTRIC POWER & GAS TRADING UNIT GRI 301-1	2014	2015	2016	2017	Measurement method	Origin of supplies
Type and weight of Raw Materials*						
Natural gas (million Nm ³)	144.9	223.4	507.6	672.0	Direct measurement	External supplier
Type and weight of Materials (not incorporated in the end product)*						
Lubricating oils (lt)	8,213.0	8,333.0	17,949.6	13,762.0	Direct measurement	External supplier

*From Non-Renewable Sources



Water management

According to the evaluation tools available, no source of water was affected by MYTILINEOS' activity in 2017. **GRI 303-2** Total water consumption stood at 5.8 million m³, down by 6.4% from 2016. The decrease in water consumption is due primarily to improvements in installations as well as to small-scale water recycling practices, where this was feasible, in the framework of a large-scale "Black Belt" project implemented in the alumina and aluminium production processes with the aim of conserving water

resources. As the project is currently in progress, more positive results are expected in the future. In this respect, it is interesting to note that the total quantity of water withdrawn from municipal water supplies and other public water utilities, as well as from the company's network of drills, was the lowest in the last five years. Overall, 164.4 million m³ of water were withdrawn and 158.6 million m³ were discharged.

Water withdrawal sources GRI 303-1	2014	2015	2016	2017
Surface water (m ³)				
Volume of seawater used in the cooling systems of the Combined Heat and Power (CHP) plant of the Metallurgy Unit. The limit to the volume of water withdrawn annually is determined by the Water Resources Management Directorate of the Sterea Regional Administration.	161,733,577	159,609,769	124,044,607	159,367,229
Ground water (m ³)				
Volume of industrial service and drinking water, used primarily to meet the manufacturing / processing, energy and water supply needs of the company's industrial facilities. This quantity is obtained from a network of 17 drills, owned by the Metallurgy Unit, which the company operates in the wider region around its plant, in strict compliance with the provisions of the Water Resources Management Directorate of the Sterea Regional Administration.	4,997,097	5,159,676	5,067,653	4,801,581
Municipal water supplies and other public water utilities (m ³)				
Volume of water from municipal water supplies and public water utilities, used to meet the needs of the buildings and primarily of MYTILINEOS' industrial facilities.	152,555	62,897	164,949	29,421
Discharges of waste water from another organisation (m ³)				
Seawater returned by Motor Oil and used in the desalination process of the Electric Power Unit.	63,288	131,429	131,429	213,762
Rainwater				
Rainwater collected directly in a special reservoir configured in the area of a disused mine, used by MYTILINEOS' subsidiary DELPHI-DISTOMON.	6,000	7,000	6,460	7,000

Regarding the seawater used in the cooling systems of the Combined Heat and Power (CHP) plant of the Metallurgy Unit, in addition to the strict compliance with the relevant provisions of the laws determining the framework for preventing any environmental impact, the company commissions, on an annual basis, an authoritative organisation (Hellenic Centre for Marine Research - HCMR) to conduct a research study monitoring the status of living organisms (benthic biocoenoses, with emphasis on thermophilic species) on the Antikyra Gulf seabed. The studies carried out by the company in accordance with the applicable environmental terms, together with their results, are communicated every year, in accordance with the applicable provisions, to the competent authorities (the Ministry of Environment and Energy and the Water Management Directorate of the Decentralised Regional Administration). The findings of the studies carried out in the five-year period from 2010 to 2015 have shown the ecological status to be stable, with improvement trends recorded at several observation stations. These studies will be continued for, at least, five more years. **GRI 306-5**

Finally, the quantity of water recycled/reused in another company unit prior to being discharged, **stood at 5.14 million m³** [corresponding to 3.12% of the total volume of water withdrawn **GRI 303-3**]. Of this total quantity, 99.8% concerns water recycled/reused by the Electric Power Unit and, more specifically, to: (a) the use of 5,114,817 m³ of seawater, from the cooling system network of the Metallurgy's Combined Heat and Power (CHP) plant, by the Ag. Nikolaos thermal power plant; (b) the recycling of 26,819 m³ of liquid waste from the Heat Recovery Boiler of the combined-cycle thermal power plant in Ag. Theodoroi, Korinthia; and (c) the recycling of 8,660 m³ in the mining activity for obtaining raw materials.

Finally, in recognition of its long-term commitment to the rational management of water resources, in 2017 MYTILINEOS was included in the **Leadership (A-)** level of the **CDP-WATER** global initiative of sustainable development, within just two years from joining this initiative.



The water section of the CDP initiative and the quantitative and qualitative indicators accompanying it are designed to help investors integrate data related to water management into their investment decisions. The Leadership level includes companies that acknowledge the risks associated with water usage and apply best practices for its rational management, both within and outside the boundaries of their business activity. According to the results report of the CDP organisation, the improvement of MYTILINEOS' performance in this area was the main reason for upgrading its ranking from the Management level in 2016 to the Leadership level in 2017. MYTILINEOS' participation in the CDP-WATER global sustainable initiative is voluntary and is implemented with the submission of comprehensive data on the management water resources by the company's Metallurgy & Mining and Electric Power & Gas trading sectors. It should be mentioned that MYTILINEOS' performance moved upwards, in contrast to the drop recorded in the average performance of the companies in the energy sector and in the wider industrial sector globally.



Environmental restoration & Biodiversity

MYTILINEOS has ensured that its Business sectors plants do not affect legally protected areas and areas of high biodiversity value. However, the Electric Power & Gas trading sector presents certain particularities, as according to the laws in force on the protection of the environment and of biodiversity, construction of RES power plants inside protected areas belonging to the NATURA 2000 Network is allowed. More specifically:

In the **Metallurgy & Mining sector**, the aluminium production plant is not located in a protected area or in an area of high biodiversity value. Nevertheless, in 2017 soil rehabilitation works were carried out over a total area of 18,000 sq.m. (Disposal Area for Aggregates and area for the disposal of bauxite residues), involving the planting of **12,600 plants and saplings**. As regards the mining activity, which is performed by DELPHI-DISTOMON, a subsidiary of MYTILINEOS, involves primarily underground mines in the region of Fokida. Before each new mining activity begins, Environmental Impact and Environmental Rehabilitation Studies are carried out and used as the basis, not only for the mining phase, but also for the rehabilitation phase. Environmental restoration takes place by the systematic planting of approximately 20-25,000 trees per year. To this day, DELPHI-DISTOMON has planted approximately **1,124,000 trees** across a total reforestation area of over **1.8 million m²**. In addition, 72.5 km of fencing has been installed (for protecting the planted areas), together with a network of irrigation pipes and watering hoses for the trees, with a total length of 678 km. It is also worth noted that in the last 6 years, an annual average of 250,000 tonnes of waste rock from limestone was produced during the mining process. This quantity has been disposed of into pre-existing cavities in ground-level and underground sites. As a result, not a single square meter of land has been reserved for the disposal of this type of waste. At the end of 2017, the total area used for exploitation in the mining process was **126 acres** (down by 3.1 % compared to the end of 2016), the area of the land under restoration amounted to **241 acres** (up by 1.7% compared to 2016), and the percentage of restored land since the start of the company's mining activity over the total usable land area stood at **80.04%**. **GRI 304-2**

In the **Electric Power & Gas trading sector** and with respect to the activities which concern the construction of wind farms located near or inside areas designated as Special Protection Areas, a key prerequisite is the development of the respective environmental impact studies foreseen (specific ecological assessment, annual monitoring of the protected area), to confirm that there are no impacts or, in cases where there are impacts, to describe the measures which may be adopted in order for these impacts to be avoided. In line with the above, the impacts in the locations of the company's activities are negligible in terms of pollution (gaseous, solid or liquid waste), the movement of animals is not obstructed as there is no fencing, and the disturbance to the local population of birds is negligible (where necessary, technical systems

for the protection of birds are installed). In what furthermore concerns the restoration of the environment, the company applies and systematically promotes the obligation to reforest areas destroyed by fire (areas under reforestation),

in accordance with the applicable laws and the instructions of the corresponding Forest Departments. Over the next two years, it is estimated that the company will reforest more than 370,000 m² of such areas in total. **GRI 304-2**

Operational sites under lease by MYTILINEOS in protected areas GRI 304-1	Biodiversity value of protected area
<p>Wind Farm in the locality "Koryfi" of the Municipality of Sintiki (Regional Unit of Serres), with a power output of 17.0 MW, in operation, owned by the company Eoliki Sidirokastrou, situated at an average distance of 1.5 km from the outer boundaries of the NATURA 2000 area "GR 1260001" and at a distance of more than 7.0 km from the area "GR 1260008".</p> <p>Concerns the lease of 0.80 km² of land from the Public Properties Company S.A. Area of operational site: 0.12 km².</p> <p>Wind Farm in the locality "Koryfi (Extension)" of the Municipality of Sintiki (Regional Unit of Serres), with a power output of 15.0 MW, in operation, owned by the company Eoliki Sidirokastrou, situated at an average distance of 1.0 km from the outer boundaries of the Natura 2000 area "GR 1260001" and at a distance or of more than 7.5 km from the area "GR 1260008".</p> <p>Concerns the lease of 0.027 km² of land from the Municipality of Sintiki. Size of operational site: 0.035 km²</p>	<p>The "GR 1260001" area encompasses wetlands and mountainous ecosystems of great national and international importance. It supports rich -in terms of both numbers and diversity- bird populations, including rare and endangered species. The wetland is of great importance as a feeding ground for birds of prey nesting in the nearby forests, as a winter site and stopover site for migratory birds, as well as a breeding ground for a significant number of birds. The increased biological productivity, the existence of rare plant species (Marsilea quadrifolia, Utricularia Vulgaris a.o.) and of equally rare and diverse fauna (fish, mammals, amphibians, reptiles), increase even more the area's biodiversity value.</p> <p>No impacts on the protected area, as the operation areas of the Wind Farms are located in the area's peripheral zone, away from the Priority Habitats. GRI 304-3</p>
<p>Wind Farm at the locality "Pyrgos" of the Municipality of Karystos (Regional Unit of Evia), with a power output of 15.3 MW, under construction, owned by the company Eoliki Evias Pyrgos, situated as follows:</p> <p>(a) At a maximum distance of 1.0 km from the outer boundaries of the area with the code number "GR 2420012", which is the "Mt Ochi, Coastal Area and Islets" Special Protection Area (SPA) for birds. Seven (7) Wind Turbines are located inside this area</p> <p>(b) At a maximum distance of 200 m from the outer boundaries of the area "GR 2420001", which is the Special Management Area" (SMA) "Mt Ochi - Karystos Plain - River - Cape Kafiareas - Marine coastal area" of the Natura 2000 Network. Two (2) Wind Turbines are located inside this area.</p> <p>Concerns the lease of 0.0579 km² from private land owners holding the ownership rights to the "Dafniza-Kalipeti" private forest. Size of operational site: 0.42 km².</p>	<p>In the Natura "GR2120012" area (Mt Ochi, Coastal Area and Islets), 55 species of birds listed in Annex I of Directive 79/409/EEC have been recorded, as well as 38 important species of migratory birds.</p> <p>The protected area "GR2420001" (Mt Ochi - Karystos Plain - River - Cape Kafiareas - Marine coastal area) is mainly mountainous, with a relatively wild and difficult to access coastline on the northeastern foothills of Mt Ochi. 16 habitats in this area are listed in Annex I of Directive 92/43/EEC, of which Habitat 1120* - Marine vegetation areas with Posidonia (Posidonion oceanicae) is a priority habitat. Four species of reptiles, two of invertebrate and two of mammals are listed in Annex II of Directive 92/43/EEC and in article 4 of Directive 2009/147/EC. The two species of mammals (Mediterranean monk seal and otter) are priority species.</p> <p>Limited impacts on the area's flora from the operation of the construction site for the wind farm in accordance with the relevant License granted by the Environmental Terms Approval Decision. GRI 304-3</p>

Social performance

Material Issues

Occupational Health & Safety

Anti-Corruption

Labour Practices & Human Rights

Local Communities

Market Practices

UN Sustainable Development Goals



UN Global Compact Principles

Principle 1	Principle 2	Principle 3
Principle 4	Principle 5	Principle 10


Percentage of employees from local communities

2016	2017
86.6%	88.4%



New jobs

2016	2017
100	95



Employee turnover rate

2016	2017
14%	11.2%



Number of Fatalities (Direct employees)

2016	2017
0	0



Number of Accidents (Direct employees)

2016	2017
5	3

(accidents causing interruption of work)



Occupational disease incidents

2016	2017
0	0



Training man-hours

2016	2017
49,500	45,833



Percentage of employees who received a performance review

2016	2017
91.0%	80.8%



Percentage of women in positions of extended responsibility

2016	2017
18.2%	22.7%

(Percentages of the company's executives)



Percentage of women (Direct employees)

2016	2017
13.4%	15.4%



Percentage of employees <30 (Direct employees)

2016	2017
11.9%	11.2%



Social investments

2016	2017
€1.45	€2.02

(million)

Occupational Health & Safety

Disclosure Management Approach GRI 102-11

This management approach includes qualitative information and quantitative data to enable the Stakeholders of MYTILINEOS to develop the best possible understanding of the manner in which the company manages the specific material issue, as a significant part of its responsible and sustainable development.

Relevance and boundaries of the Material Issue GRI 103-1

Occupational Health and Safety has always been fundamental to the operation of MYTILINEOS and a primary business goal. As a responsible organisation, MYTILINEOS acknowledges its responsibility to ensure the best possible Health & Safety conditions in all its work areas, as well as the right of its direct and indirect employees to work without exposing themselves to any risk of injury or illness.

MYTILINEOS acknowledges that the elimination of accidents and occupational disease incidents at the workplace and especially at its production facilities, plays a decisive role in boosting its competitiveness and achieving wider financial growth in general.

Due to their nature, the company's activity sectors are linked to Occupational Health & Safety issues (accidents with work time loss and occupational diseases) which may have a significant social impact, primarily in terms of the social problems caused to the employees and their families. Additionally, they can lead to other risks, such as: reduced output and productivity, low employee morale, increased cost of accidents/absences and the adverse effects on the image and reputation of MYTILINEOS.

Boundaries:
The impacts of MYTILINEOS' operation on the Health and Safety of its employees are identified both within the operation limits of its Business Sectors and its subsidiaries, as mentioned in the relevant section of the Report, as well as beyond those, affecting key Stakeholder groups such as contractors' personnel performing important tasks for the company as well as the residents of the local communities where the company is located and operates.

Major risks and relevant risk control practices:
The company has recognised the risks stemming from the exposure of employees to factors in their work environment which may be harmful to their health and safety. GRI 102-15

Major risks	Risk control practices
<ul style="list-style-type: none">• Direct or Indirect Accident Risks: Indirect Accident Risks create the conditions which lead to accidents and include the physical layout, functionality, access-evacuation routes, lighting and temperature of work areas. Direct Accident Risks lead to accidents and include natural, chemical and biological factors.	<ul style="list-style-type: none">• Responsibility for Occupational Health and Safety extends from the Company's Management and the General Management of the Business Sectors to all stages production process. In order to address these risks, the company has put in place and is strictly applying safety systems and measurements, in order to assess their impact on the human body and to identify the needs for corrective measures in its work areas. At the same time, continuous progress and self-improvement are a function of the experiences that the company gains from every individual incident and near misses, while personnel training and development at all levels of the company's hierarchy is crucial for maintaining and further developing the employees' accident prevention mentality.
<ul style="list-style-type: none">• Non-Accident Risks: these concern organisational, psychological and ergonomic parameters that do not lead to accidents but affect in the short or long-term the physical and mental health of employees.	

Management of the Material issue GRI 103-2

- Occupational Health & Safety is a fundamental element of the Code of Business Conduct and of the corporate values of MYTILINEOS.
- MYTILINEOS adheres to the applicable Greek and European laws and the national regulatory provisions on Occupational Health & Safety without fail. In many cases, the compliance of the company's Business Sectors with the relevant legislation is achieved by the company itself imposing much stricter limits through the relevant Management programmes and systems in place.
- The company applies an OHSAS 18001 certified Occupational Health & Safety Management System in all work areas. This system is designed to minimise risk, by allowing the continuous adoption of measures to prevent and minimise accidents and occupational diseases, providing for ongoing employee training and strengthening a safe work culture. The system is characterised by the following specific basic practices, which are applied in all company Business Units:
 - Constant recognition and assessment of occupational risks to which the precautionary principle applies, and implementation of the necessary measures to prevent them.
 - Use of advanced prevention tools and exhaustive analysis of all accidents, near misses and safety incidents.
 - Constant provision of information to personnel and systematic participation of personnel in special training programmes on Occupational Health & Safety.
 - Implementation of targeted communication initiatives to raise employee awareness.

- Systematic inspection of the organisation and the processes in place to ensure complete adherence to safe work rules across all company activities and to protect the safety of employees, clients, associates and other citizens visiting the Group's facilities.

- Additionally, the individual relevant policies in each Business Sector acknowledge the improvements in Health and Safety performance through the application of best practices, as a primary business goal and a commitment of the company's Management.
- The systematic and continuous efforts to foster and promote a Health and Safety culture that encourages all personnel to act responsibly for their own personal safety as well as for the safety of those around them, is a long-standing commitment in daily operations.
- Scheduled or ad hoc safety inspections/audits are carried out by internal inspectors and by independent external safety auditors and their results are taken into account in the formulation of action plans for further improvements in H&S.
- Monitoring the Occupational Health & Safety function within the company, relevant Departments are in operation in each Business Sector, together with committees on Health & Safety issues in the Metallurgy & Mining and EPC & Infrastructure Sectors covering the employees.

Targets of the Material issue

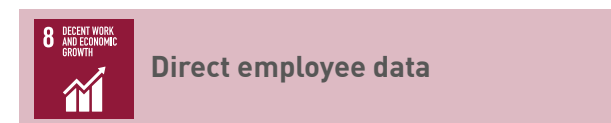
MYTILINEOS attaches the utmost priority, on a daily basis, to the Health & Safety of its employees in the work areas of all its Business Units. MYTILINEOS continues to take constant care to ensure the achievement of the only acceptable target **"ZERO ACCIDENTS AND ZERO OCCUPATIONAL DISEASES"**, which is also the major challenge for the industrial and construction sectors.

MAIN HEALTH & SAFETY OBJECTIVES	Performance in 2017	Targets 2017-2018
Number of fatalities	0	0
Number of accidents (direct employees)	3	0
Number of accidents (indirect employees)	5	0
Total incidents related to occupational diseases	0	0

Performance in 2017

The Company's key concern is to sustain the high level of its Health & Safety indicators in all its facilities (offices, industrial plants and construction sites), by implementing action plans and specific programmes to protect and improve the employees' quality of life. 2017 was a year during which significant progress was made in nearly all Occupational Health and Safety indicators, for both direct and indirect personnel.

More specifically:



Direct employee data

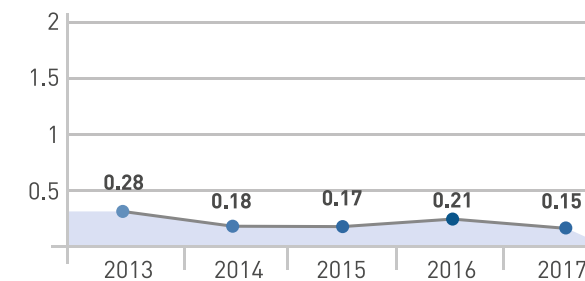
The objective of zero workforce fatalities was achieved, while the number and rate of accidents causing interruption of work **declined by 40% and 28.6%**, respectively, compared to the previous year. The rate of workdays lost (due to accidents) stood at 2.9 days per 200,000 hours worked, **down by 51%** from the corresponding figure for 2016. In the Metallurgy & Mining Sector, 350 days of operation were completed without the occurrence of any accidents resulting in work time loss, while the significant initiative of the safety awareness campaign, which aims at further developing a safety culture and focuses on the behaviour of personnel, was continued for the third consecutive year. In addition, the performance of the Metallurgy & Mining Sector is evaluated against that of similar plants, intensifying the company's efforts for continuous improvement.

Education and training of direct employees at all hierarchy levels is crucial for developing and maintaining an accident prevention mentality. In 2017, a total of **18,937 training man-hours in health and safety** matters were implemented in all Business Sectors, with the participation of 60% of employees.

Furthermore, through the procedure in place for recording and investigating safety incidents which under certain conditions could lead to accidents (near misses), a total of 67 safety incidents were reported in the Metallurgy & Mining and EPC & Infrastructure Business Sectors. These findings are used for improving the safe work procedures as well as for providing more comprehensive information to employees.

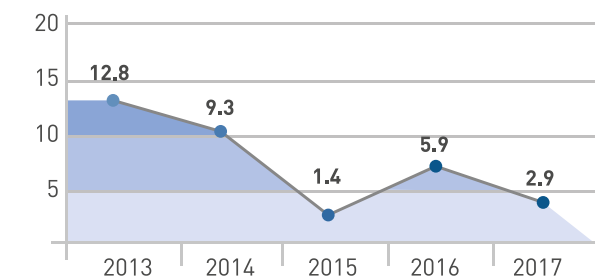
Health & Safety Indicators (Direct employees) <small>GRI 403-2</small>	2013	2014	2015	2016	2017
Injury Rate (IR) / 200,000 work hours					
IR (Total)	0.28	0.18	0.17	0.21	0.15
IR (Men)	0.29	0.21	0.19	0.24	0.18
IR (Women)	0.35	0.00	0.00	0.00	0.00
Lost Days Rate (LDR) / 200,000 work hours					
LDR (Total)	12.80	9.35	1.45	5.93	2.91
LDR (Men)	13.20	10.67	1.65	6.74	3.47
LDR (Women)	10.30	0.00	0.00	0.00	0.00
Occupational Diseases Rate (ODR) / 200,000 work hours					
ODR (Total)	0	0	0	0	0
ODR (Men)	0	0	0	0	0
ODR (Women)	0	0	0	0	0
Absenteeism Rate (AR)					
AR (Total)	-	-	-	1.31%	2.89%
AR (Men)	-	-	-	1.31%	2.44%
AR (Women)	-	-	-	0.62%	5.36%

**Injury Rate
per 200,000 work hours (IR)**



The injury rate includes fatalities and incidents causing interruption of work

**Lost Days Rate
per 200,000 work hours (LDR)**



Days lost due to accidents are calculated starting on the day after the incident and refer to actual work days

Responsibility for Occupational Health and Safety extends from the Company's Management and the General Management of the Business Sectors to all stages production process. Health & Safety Committees are in operation in 66% of the company's Business Sectors, while employees are encouraged to submit their proposals with a view to improving safety conditions. More specifically:

In the Metallurgy & Mining Sector, an official Plant Health & Safety Committee (PHSC) is in place, in which 100% of employees are represented. The Committee consists of 6 members who are elected by the employees. Additional Safety Committees have also been established, led by Management Executives and composed of representatives from all Plant departments. These Committees are: Work at Heights Committee, Lockout / Lifting of Lockout of Facilities and Confined Spaces Committee, Circulation Committee, Subcontracting and Training Committee. The issues they deal with relate to the Plant's main procedures, while they also examine proposals for the improvement or revision of procedures. GRI 403-1

In the EPC & Infrastructure Sector, the Health & Safety Committees operate at the facility level (in every construction site or plant) and represent more than 75% of employees in total. More specifically, at the Volos Plant there is a three-member Health & Safety Committee which is composed of employees, Union representatives and members of the Management, established in accordance with the provisions of the Greek laws. The Safety Technician and the Occupational Physician work closely with the Committee on all issues regarding the safety, protection and health of employees. The Committee's members, the Safety Technician, the Occupational Physician and the Company's representatives attend Training Programmes on Health & Safety and related formal information days. In addition, in all of the company's construction sites specialised personnel is on duty at all times to handle Health & Safety issues, First Aid services are provided (personnel & equipment) and an Ambulance and Occupational physician are available to administer First Aid care and handle emergencies. GRI 403-1

In the Electric Power & Gas trading Sector, no formal Occupational Health & Safety (OHS) Committees have been established at any level or company facility. However, a consultation process is applied, with the active participation of the personnel from the company's Energy Complexes on OHS issues, in the framework of the OHSAS 18001 Occupational Health & Safety Management System. Consultations are held at least twice per year, in order to promote the implementation of the company's OHS policy in force, to communicate information on OHS actions and programmes and to involve the employees, through their active participation in the consultation process, in the management of occupational risk. Moreover, as part of the OHS audits carried out in accordance with the OHSAS 18001 Occupational Health & Safety Management System, a mechanism has been established to monitor implementation of the OHS regulations in the facilities and activities of the Energy complexes.

In 2017, a total of three (3) accidents occurred involving male employees who had by the end of the year fully recovered and returned to work. More specifically:

- In the Metallurgy & Mining Sector, one accident occurred, resulting in a total loss of 29 working days. The accident involved the fracture of a finger of the employee's left hand sustained during the unloading/loading of billets. The incident was analysed using the "Root Cause Analysis" method, and corrective measures were taken with the aim of preventing any conditions which could cause the recurrence of such an incident, i.e.: (a) the Lifting Operations Functional Unit examined the optimal way of working as well as the design specifications of the billet pack handling machinery when using a crane, (b) the working mode for the overall billet pack unloading/loading procedure was improved, (c) information was provided to plant and sub-contractor personnel about the incident and they were reminded of the security instructions when driving loads, and (d) security measures were increased (Safety Visits, Inspections, etc. were doubled).

- In the EPC & Infrastructure Sector, two accidents occurred, resulting in a total work time loss of 28 days. Both accidents involved an injury to a lower limb sustained by two employees while they were working at construction sites. The events were analysed, and the primary corrective action taken involved the retraining of the employees.

Health and hygiene matters are key to the quality of life of employees and, by extension, of the communities in which the company operates. MYTILINEOS has been consistently investing in this area, monitoring, assessing and controlling all work environment parameters in an effort to constantly improve the good health of employees and ensuring healthy living conditions at the workplace. Exposure to dust, noise, high temperatures and substances such as fluorine compounds, sulphur dioxide, carbon monoxide and aromatic polycyclic hydrocarbons, are the main factors monitored systematically. Finally, in order to constantly improve the health of employees, the occupational physicians help promote a healthy lifestyle at the workplace, while the company offers medical care plans, over and above the statutory ones.



Health & Safety Indicators (Indirect employees) GRI 403-2	2014	2015	2016	2017
Injury Rate (IR) / 200,000 hours worked				
IR (Total)	0.45	0.37	0.49	0.19
IR (Men)	0.46	0.38	0.50	0.20
IR (Women)	0.00	0.00	0.00	0.00

8 DECENT WORK AND ECONOMIC GROWTH

Indirect employee data

Managing the safety of the personnel of independent contractors is a particular challenge for MYTILINEOS. The company is consistent in its efforts in this area and focuses on the need to alter everyone's behaviour and mentality with regard to accident prevention. For example, contractors who employ a significant number of personnel at the facilities of the Metallurgy Unit's aluminium plant, are required to implement an OHSAS 18001 certified Occupational Health & Safety management system, while the company evaluates regularly their performance using specific criteria. In 2017, no fatalities were recorded for this category of employees, while the number and rate of accidents with work time loss **declined by 28.5% and 61.2%**, respectively, compared to the previous year.

A total of five (5) accidents occurred, all involving male employees, who by the end of 2017 were healthy enough to return to work. More specifically:

- In the Metallurgy & Mining Sector, one accident occurred, resulting in a total loss of 64 working days. The accident involved a contusion to the lower right leg sustained by the employee during lifting operations. The incident was analysed using the "Root Cause Analysis" method, and the following corrective measures were taken: (a) contractor personnel was retrained in operations involving the handling of elevated loads, (b) the incident as well as the lifting guidelines was presented to all personnel carrying out lifting operations, and (c) security actions (Safety Visits, Inspections etc.) were intensified.
- In the EPC & Infrastructure Unit, four accidents occurred, resulting in a total work time loss of 53 days. Three accidents involved limb injuries and, following the assessment of the incidents, the employees underwent retraining. The fourth accident was an electrocution incident resulting in a staircase fall. The following actions were taken: (a) damaged electrical materials were removed from the construction site, and (b) the subcontractor submitted the electrician licenses and other certificates in order to have their conformity verified.

Anti-Corruption

Disclosure Management Approach GRI 102-11

The objective of this management approach is to completely eliminate the company's exposure to corruption and bribery. MYTILINEOS acknowledges that ensuring transparency in all transactions connected with its business activities is crucial to its sustainability.

Relevance and boundaries of the Material Issue GRI 103-1

The business ethics of MYTILINEOS are expressed by its steadfast opposition to all practices which invalidate competition, give rise to procedures lacking in transparency and compromise the very essence of entrepreneurship. The company acknowledges that corruption and bribery undermine the moral environment of businesses and have a broad range of negative effects that include violations of Human Rights, adverse impacts on the environment, distortion of the competition, and impediments to the distribution of wealth and economic development. These effects represent a major hindrance to sustainable development, have a disproportionate impact on poor communities, and corrode the very fabric of society.

Addressing corruption and bribery is of major significance for MYTILINEOS because (a) it helps improve risk assessment and management, (b) the compliance with the laws against bribery and corruption is mandatory, yet for MYTILINEOS legislative compliance is a non-negotiable principle in every region or country where it operates, (c) it serves its business goals (such as fulfilling the relevant tender requirements for construction projects), and (d) it helps protect the company from fraud and abuse, further enhancing its corporate image.

Boundaries: Although there have been no (major or minor) impacts on this matter from the company's establishment to this day, the boundaries of this aspect may be found in the company's relations and transactions both within its Business Units and beyond those, with its key stakeholder groups such as public authorities, business organisations and regulators, customers, volunteer organisations and NGOs, as well as with its supply chain.

Major risks and relevant risk control practices: GRI 102-15 MYTILINEOS may be exposed to the following major risks:

Major risks	Risk control practices
<ul style="list-style-type: none">● By undertaking turn-key energy projects in developing countries with high energy needs, which according to the Corruption Perception Index published by Transparency International are countries with a high risk of corruption and bribery, MYTILINEOS is exposed to the corresponding risks.	<ul style="list-style-type: none">● Adherence to market rules and compliance with the laws against corruption and bribery, in addition to being mandatory are also core principles that govern the company's operation.● MYTILINEOS has made a formal commitment to the UN Global Compact 10th Principle, according to which "It opposes corruption in all its forms, including extortion and bribery". This principle serves as a catalyst for the fostering such a culture in its individual Business Sectors.
<ul style="list-style-type: none">● Any deviation from the company's principles and ethical practices compromises its good reputation and credibility and, by extension, its financial results.	<ul style="list-style-type: none">● The relevant guidelines against corruption and bribery, which have been incorporated in the company's new Code of Business Conduct as well as in its Suppliers and Business Partners Code of Conduct, strengthen the prevention of the occurrence of these risks in the company's personnel and supply chain.● The Business Administration & International Operations Department of the EPC & Infrastructure Sector functions as a safety control mechanism in connection with the company's exposure to corruption in the countries where it undertakes projects, by systematically monitoring local market specificities and the respective public policies, so that the measures required in order to effectively address these risks can be adopted.

Management of the Material issue GRI 103-2

- Addressing corruption and bribery is a key element of the company's Code of Business Conduct and its Suppliers and Business Partners Code of Conduct.
- Also, the reference for MYTILINEOS when it comes to addressing corruption and bribery, is the principle of integrity, which relates to the company's long-standing commitment to zero tolerance of corruption and bribery and is implemented by avoiding all transactions and contacts with any third party which may be guilty or suspect of encouraging conditions giving rise to corruption, extortion or bribery.

The company's policy on the prevention of corruption and bribery incidents is organised in three key stages:

- The first stage involves the analysis of prevailing conditions and potential risks or threats which may encourage the occurrence of incidents of corruption or bribery in the corporate environment. These are implemented through self-evaluations and internal audits that take place every two or three years. This particular practice covers sensitive corporate activities with a significant risk of such incidents occurring (according to international studies), such as charity contributions, sponsorships, facilitation payments, gifts and hospitality, with a view to establishing respective prevention procedures, where these are not in place.
- The second stage refers to ensuring that all transactions carried out on behalf of the Company by its shareholders, employees, Business Units and major business partners and suppliers, are characterised by a high level of integrity. Through established procedures, applying primarily in the Purchases-Procurement Units in connection with the selection of suppliers and other business partners, controls are carried out annually of the conditions under which every single transaction takes place, in order to identify and eliminate those which may give rise to incidents of corruption.
- The third stage refers to the Company's operation as a "Responsible Corporate Citizen", reflected in a number of voluntary initiatives such as: adherence to market rules; participation in international standards to strengthen transparency; establishing transparency as an important item on the agenda of the ongoing dialogue with its key Stakeholder groups; the provision of education and training on anti-corruption policies and procedures to its employees of all levels; and, in general, its commitment to ethical business practices and sound corporate governance.

The Legal and Regulatory General Central Support Function, of which the Compliance Department forms part, has been entrusted with the creation and implementation of a system of safeguards to protect the company from corruption and bribery.

Targets of the Material issue

In 2018, MYTILINEOS aims to implement the relevant formal due diligence process whose development was completed during 2017, to safeguard the precautionary policy it applies regarding these matters. With this initiative, the company seeks to regularly assess and further improve the procedures for managing the risk of corruption, as well as to verify that the operations of its Business Sectors comply with the established corporate policies and procedures, as these are defined in the Code of Business Conduct, the Internal Regulation Code and the Suppliers and Business Partners Code of Conduct, always in full compliance with the laws and the relevant regulatory provisions in force.

Performance in 2017

During 2017, MYTILINEOS applied all necessary internal procedures to safeguard its policy. The control mechanisms applied in the Purchases - Procurement Units of the company's Business Sectors, where the selection of business partners and all types of transactions were examined, did not report or identify any circumstances that could give rise to incidents of corruption and bribery. GRI 205-3



Labour practices & Human rights

Disclosure Management Approach GRI 102-11

This management approach provides basic information to the Stakeholder groups of MYTILINEOS, so they can understand how the company manages its human capital, which makes a significant contribution to the company's creation of added value. At the same time, by highlighting the existing positive practices, this approach works as a means of preventing any adverse effects on the completion of the company's new operating model in the context of its restructuring.

Relevance and boundaries of the Material Issue GRI 103-1

MYTILINEOS has entered a new era in its evolution, moving forward with increased prospects for growth and aiming to achieve even more ambitious goals and higher performance levels. The company acknowledges that its success is inextricably linked to the skills, experience and decision-making empowerment of each one of its employees. In line with the above, attracting and retaining capable and talented employees, investing in the development of their skills and capabilities, and encouraging them to function to the maximum of their capabilities, are the key requisite elements for the achievement of the company's strategic business vision. In parallel, ensuring the protection of Human Rights and establishing labour relations that foster mutual trust, collaboration, two-way communication and recognition, drive personal improvement and strengthen the satisfaction of the company's employees regarding their personal as well as their professional development.

- Investing in human capital is an integral part of the company's corporate culture, as the attainment of its business goals, the achievement of positive results and its continuous growth relies on its people.
- Systematic investments in employee education and professional skill enhancement are key to meeting the company's operational needs locally and internationally. Its business activity, such as metals, specialised construction projects and energy, require specific knowledge and skills which need to be constantly updated, in accordance with a framework

of continuous education and training. This framework offers employees a wide range of opportunities to develop their knowledge, competences, managerial and problem-solving skills as they face new challenges every day.

- Through the employee performance system, MYTILINEOS ensures objectivity, transparency and meritocracy in aligning its practices with its vision, values and strategic objectives.
- The company can respond to risks relating to the following: the directly linked costs that may arise due to personnel voluntarily leaving the Group, the loss of valuable knowledge and experience gained through the employment and training of employees by MYTILINEOS, as well as the financial investment and the investment of time and resources that were required to train the employees.
- Creating opportunities for the long-term employment of skilled and talented employees does not only benefit the daily business activities of MYTILINEOS, but also helps promote the sustainable development of local communities.
- The results of the process for defining the company's Material aspects showed that Human Resource Management and Development is important for all its Stakeholder groups.

Boundaries:

The Human Resource Management and Development framework of MYTILINEOS applies to everyone employed in its Business Sectors, while labour rights are of major significance for all employees, for the regulatory authorities and for the local communities where the company is located and operating.

Major risks and relevant risk control practices:

Through the operation of its Business Units, which to a significant degree are labour and HR-quality intensive, MYTILINEOS may face the following major risks: GRI 102-15

Major risks	Risk control practices
<ul style="list-style-type: none"> In the framework of the completion of its restructuring, the company may face risks due to the employees' lack of adaptability to changes in corporate organisation and in processes and, consequently, to their difficulty in assimilating the new shared corporate culture. 	<ul style="list-style-type: none"> Adoption and application of international best practices concerning: (a) the timely and continuous provision to employees of information about changes in structures and processes due to the corporate restructuring, and (b) the development of programmes for formulating the new uniform corporate culture, based on the employees' shared values and their behaviours.
<ul style="list-style-type: none"> Expenses and loss of intangible resources which may arise due to any voluntary departures of high-potential employees, loss of valuable knowledge and expertise gained through their employment and training by the company, and loss of the financial investment and of the investment in time (man-hours) required for their training. 	<ul style="list-style-type: none"> The company's system for the administration of its human resources aims first of all to select and retain employees whose knowledge and skills meet the requirements of the company, for which they represent a competitive advantage. The company promotes suitable organisational arrangements and incentives, together with practices that focus on training, the development of skills and the mobilisation of human resources and is constantly improving work conditions. In parallel, the provision of equal opportunities in staffing procedures, remunerations, reward systems, benefits and facilitations to employees and their families, which are offered over and above the statutory ones, contribute to employee satisfaction by creating an ideal work environment.

Management of the Material issue GRI 103-2

The integrated approach that MYTILINEOS follows in the management of its human capital is a long-standing and is consistently aligned with the corporate values and with specific principles and standards. MYTILINEOS has made health and safety at the workplace, the prosperity of its employees and the protection of human rights its utmost priority. In this respect, employment in all Company activities is characterised by the existence of long-standing and stable relations with employees. The MYTILINEOS Code of Business Conduct underlines the Company's commitment to adhere to the UN Universal Declaration of Human Rights (UNDHR) and to the Conventions of the International Labour Organisation (ILO) on labour rights and work conditions.

The holistic HR Management approach that the company applies is organised around the following key themes:

- Full compliance with the labour legislation in force. The company's labour practices comply as a minimum with all the provisions of the legislation in force and respect the fundamental principles laid down in the International Labour Organisation's (ILO's) Declaration on Fundamental Principles and Rights at Work.
- Attraction and retention of capable individuals with principles and values such as integrity, consistency, loyalty, creative thinking, professional diligence and responsibility.
- Development of talent management and development systems and succession plans.
- Application of modern systems for employee performance evaluation.

- Implementation of training programmes and, where appropriate, of lifelong training and skills development programmes, which enable employees to attain their professional goals in a constantly changing economic and social environment. These programmes are established through processes that identify the areas for the provision to employees of training in subjects that are consistent with the company's strategic goals for business growth.
- Familiarisation with and understanding of the Code of Business Conduct by all personnel.
- Continuous improvement of working conditions and occupational health & safety for all personnel and associates.
- Creation of a work environment in which the proper elements are in place to encourage creativity, personal development and the full utilisation of the capabilities of each employee.
- Self-assessment reviews and protection of Human Rights and especially of labour rights.
- Ensuring timely communication and the proper flow of information about organisational changes, through the appropriate communication channels.
- Protection of the personal data of employees, allowing access by authorised persons and only in cases where it is required by law for purposes related to the functioning of labour relations and to the Company's business activity.

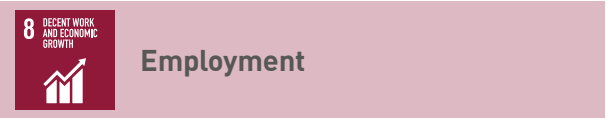
The Human Resources Central Support Function of MYTILINEOS is responsible for establishing and implementing the management and development framework for the relevant policies and practices, as well as for providing to the Business Units professional support for dealing with issues related to human resources.

Targets of the Material issue

MYTILINEOS seeks to treat its people with responsibility and consistency always, and to remain their first choice of employer throughout their career paths. Career development, development of diverse skills and capabilities at various hierarchical levels, performance reviews, education and training, and the transfer of know-how and experience to indirect employees, are common objectives shared by all the Business Sectors of MYTILINEOS as

well as practices that help enhance the dedication and commitment of its people. Finally, among the company's immediate goals are both the completion of the Internal Communication System that will promote lateral and hierarchical communication and will strengthen the corporate culture, as well as the planning of actions to further enhance employee satisfaction.

Performance in 2017



In 2017, following the completion of its corporate restructuring and the integration of the new activities into the company, the total number of direct employees at MYTILINEOS reached 2,021 people, up by 7% compared to 2016. The company also provides indirect employment to a significant number of people, in areas such as mining,

transportation, maintenance services etc. In 2017, the total number of persons employed by MYTILINEOS through contractors, as self-employed professionals working under long-term work contracts or under employment contracts stood at 884, bringing up the total number of the company's direct and indirect employees to 2,956 individuals.

Employee data 2017 GRI 102-8	Total number of employees	Employee turnover rate GRI 401-1
	2,021	11.2%
Breakdown by gender		
Men	1,710	11.9%
Women	311	7.4%
Breakdown by age group		
<30 years old	226	38.0%
30 - 50 years old	1,450	7.5%
>50 years old	345	8.9%
Breakdown by country		
Greece	95.0%	10.1%
Ghana	1.7%	
United Kingdom	1.0%	
Algeria	0.7%	
Kazakhstan	0.4%	
Iran	0.4%	
Nigeria	0.4%	
Puerto Rico	0.2%	
Turkey	0.1%	
Chile	0.1%	
Breakdown by type of employment contract and by gender		
Permanent	1,785	
Men	1,521	
Women	264	
Temporary	236	
Men	189	
Women	47	
Breakdown by employment type and by gender		
Full-time	2,006	
Men	1,710	
Women	296	
Part-time	15	
Men	0	
Women	15	

Highlights

- The employee turnover rate declined substantially by **20%**.
- The retention rate for full-time employees remained high, at **92%** (2016: 95.2%).
- The low percentages of employees working under fixed-term employment contracts (**11.9%**) and of part-time employees (**0.7%**), confirm the company's intention to build long-term collaborations with its people.
- The participation of young employees aged under 30 in direct employment stood at **11.2%** (2016: 11.9%).
- The participation of women in direct employment reached **15.4%** (2016: 13.4%).
- The percentage of employees covered by agreements based on collective bargaining stood at **75.0%** (2016: 75.5%).

Regarding employee turnover, MYTILINEOS aims to ensure the long-term sustainability of as many jobs as possible. **In this respect, 2017 saw the creation of 95 new jobs, bringing up to 665 the total number of new jobs created during the last eight years of the economic crisis.** Out of all departures, 29.2% involved voluntary departures while the remaining 70.8% were mainly due to the termination of employment contracts, such as in the EPC & Infrastructure Sector where, due to the nature of the activities, a substantial number of employees who undertake to perform a specific part of the work are employed under temporary contracts which expire upon delivery of the project.

Employees recruitments & departures 2017	Total Recruitments GRI 404-1	Total Departures GRI 404-1
	321	226
Breakdown by gender		
Men	253	203
Women	68	23
Breakdown by age group		
<30 years old	137	86
30 - 50 years old	167	109
>50 years old	17	31
Breakdown by geographical region		
Greece	269	194
Ghana	29	2
Kazakhstan	7	-
Nigeria	6	-
Iran	5	1
Puerto Rico	3	10
United Kingdom	2	1
Algeria	-	14
Turkey	-	1
Jordan	-	2

In all regions where MYTILINEOS operates, the compensation and benefit plans offered to its employees are as a minimum in full compliance with the labour legislation and with the collective bargaining agreements, where applicable. Any compensations over and above the statutory ones are based on the employees' individual performance, which is reviewed and assessed annually. The objective in adopting this approach is to ensure meritocracy in earning levels, guarantee competitive earnings as a function of the conditions in the business environment that affect the company's competitiveness and lay the foundations for long-term cooperation with its people. Additionally, MYTILINEOS has in place a number of short and long-term benefit plans for full-time employees. These benefits vary between activity sectors and indicatively include the following: health and medical care, life insurance, coverage against disability/incapacitation, retirement provisions, maternity/paternity leave, medical care plan, additional leave for parents of large families (with more than 3 children), provision of gift vouchers for Christmas and Easter (with additional amounts foreseen

for the parents of large families), personnel transportation etc. These benefits are free from all discrimination and are governed by the principles of equal treatment and transparency, laying down clearly defined policies for each category of personnel. **GRI 401-2**

8
DECENT WORK
AND ECONOMIC
GROWTH

Management – Employee relations

One of the main goals of MYTILINEOS, as an important social entity, is the fulfilment of its social role. The company is an economic organisation with its capital being a main element and the making of profit being its primary aim. Yet at the same time, through profit, it also seeks to ensure the wellbeing of its employees who are seen by the company as an important factor for its growth. Therefore, employees are considered to be “integrated” within the company, beyond the employment-remuneration provision relationship that formally connects them with it, in the sense that the continuous improvement of their capabilities and of the outcome of their work is inextricably linked to the company's progress. This interdependence, together with the creative coexistence of the economic with the social character of the company, serves as the guide for formulating the general principles of its social policy. The company sees to it that these general principles, characterised by clarity, dynamism, timeliness and flexibility, are communicated to all its personnel, while adherence to them is one of the main objectives of its social policy. The company's Management has set as its priorities the safety of its employees and the protection of their interests and rights in the framework of sound corporate management, given that one of the key success factors is the employees' full dedication to their duties. Thus, employees can communicate with authorised members of the Management about all matters of concern to them and are provided with timely answers and solutions. A key aspect characteristic of MYTILINEOS' consistency towards its employees is its policy to inform them in a timely manner prior to the implementation of major changes in corporate operations which might affect them significantly. The length of the notice period varies, depending on the importance of the change involved as well as on the specific Business Unit. The following examples are indicative: **GRI 402-1**

- In the Metallurgy & Mining Sector, the Plant Steering Committee holds weekly meetings to discuss matters concerning Safety, the Environment, Production and Finance, as well as organisational / operational changes (if any), with the participation of all Company Managers. The results of these meetings are immediately communicated to all other employees by the company's Executives.

- In the EPC & Infrastructure Sector, a reasonable notice period applies, depending on the circumstances and in consultation with the employees' elected representatives, to ensure that employees are notified in the best possible way. The Management meets regularly with the Board of the Employees' Union to inform them of any issues that may concern them. In extraordinary cases, the meeting and the provision of information by the company to the Board of the Employees' Union precedes the implementation of any positive or negative change that affects employees, with provisions made for the time necessary to disseminate the information and hold consultations.

4
QUALITY
EDUCATION

Employee Training & Development

MYTILINEOS is constantly seeking to help its employees develop and improve their competitiveness, by providing them with suitable professional education, training and technical specialisation courses. In this way, it supports them in building their capacity for better responding to the current and future challenges of both their professional and personal life. The company's activity in diverse sectors, such as the processing of metals, the specialised construction projects and the energy sector, results in differing training needs. At the same time, however, it offers its employees access to a wide range of knowledge and skills, providing them with opportunities to develop managerial and problem-solving skills, as they face new challenges every day.

In 2017, approximately €315,000 were invested in delivering 45,833 training man-hours to direct employees, 9% less than the training man-hours delivered in 2016. The company's training programme, which was attended by 69% of its direct employees, focused primarily on three key areas, which accounted for nearly 84% of the total number of training hours: (a) Health & Safety at the workplace, (b) occupational training within a company department, and (c) development of soft skills and personal abilities.

The evaluation of employee performance refers to the system used to measure the performance of personnel by means of a process aimed at developing their knowledge, skills and abilities and improving their performance. The performance evaluation process was continued during 2017, covering the majority of personnel in all categories, to ensure that all personnel development programmes match the priorities and needs of employees and the company's future organisational needs, both in the short and in the long term. In the framework of this process, a total of 15 recommendations for internal promotions were submitted for evaluation.

Employee training and evaluation 2017	Average training man-hours per employee GRI 404-1	Percentage of employees who received a performance review GRI 404-3
	22.7	80.8%
Breakdown by gender		
Men	24.4	80.6%
Women	13.1	82.3%
Breakdown by employee category		
Executives	23.7	80.1%
Administrative employees	15.8	91.5%
Technical & Labour personnel	27.0	82.8%



Finally, as regards the practices relating to the provision of transition programmes designed to support employees about to retire, the company for the time being does not provide placement services or support, training and advice programmes. However, it maintains in effect and applies specific pension plans. Furthermore, to ensure the smooth succession of retiring employees, succession plans are developed to identify suitable successors to the positions vacated and to help these persons adjust smoothly to their new jobs. In addition, the “Talent Management System” helps identify employees with exceptional capabilities who become candidates for senior management positions. In the case of dismissals, compensation is payable in accordance with the provisions of Law 2112/20 and Law 3198/55, while in some cases the compensation actually paid is higher than the statutory one.

Main categories of in-house or external training programmes/seminars

GRI 404-2

METALLURGY & MINING SECTOR

In-house training programmes: The training policy of the Metallurgy & Mining Sector focuses on the continuous education and training of its employees. More specifically, personnel training activities are grouped into General Training, under the responsibility of the Training Department, and In-Service Training, under the responsibility of the Unit's individual Lines/Departments. In 2017, a total of 23,707.20 hours of in-house training programmes were delivered (in-service occupational training within one department, technical training and Health & Safety training), attended by 951 employees.

External training programmes: Implementation of 13 seminars / training programmes totalling 14,930 hours, which covered the training needs of 632 employees from all personnel categories. Training Modules: 1. Human Resources, 2. Safety, 3. General Training, 4. Logistics, 5. Management, 6. Foreign Languages, 7. Finance, 8. Information Technology, 9. Quality, 10. Personal Skills, 11. Fire protection - Environment, 12. Continuous Progress, and 13. Technical training.

EPC & INFRASTRUCTURE SECTOR

In-house training programmes: The EPC & Infrastructure Sector, placing strong emphasis on the health and safety of employees, carries out frequently in-house trainings in health and safety at its construction sites in Greece and abroad. This training is attended by the Sector's technical and labour personnel and by the external associates present at or visiting its construction sites. Environmental trainings are also carried out at the Unit's construction sites.

External training programmes: The training programmes for 2017 covered primarily subject areas such as Technical training, Professional and Soft Skills Development, Quality Assurance and Control, Information Technology, Financial and legal issues, Health and Safety. In total, 31 training programmes were organised, including seminars in Greece and abroad, certification exams, workshops and University study courses. These programmes were attended primarily by the Unit's executives, administrative employees and external associates. Particular emphasis is placed in the participation of the Sector's technical personnel, to ensure their familiarisation with the requirements of modern technology and with the high-quality standards applied in the execution of construction projects.

ELECTRIC POWER & GAS TRADING SECTOR

In-house training programmes: Implementation of 25 seminars / training programmes totalling 1,138 hours, which covered the needs of 147 employees from all categories of personnel. Training Modules: a. Induction training for newly-hired employees, b. Photovoltaic systems, c. Natural gas, d. Performance evaluation system, e. ISO & OHSAS Quality Management Systems, and f. Call Centre call handling skills. The training objectives were to successfully induct new employees to the company, develop their skills, strengthen their technical capabilities, familiarise them with the company and its processes and provide them with information on issues related to Health and Safety, quality and the environment.

External training programmes: Implementation of 19 seminars / training programmes totalling 560 hours, which covered the training needs of 40 employees from all personnel categories. Training Modules: a. Energy innovation & emerging technologies, b. Finance, c. HR / Labour issues, d. Customer service, e. Soft skills / Management, f. Information Technology, g. Sales, and h. Corporate Social Responsibility. The training objectives were to develop skills and strengthen technical capabilities.



Human Rights

MYTILINEOS ensures labour relations that foster mutual trust, constructive collaboration and two-way communication and recognition, while at the same time promoting the fundamental principles of the International Labour Organisation (ILO) Declaration of Fundamental Principles and Rights at Work, including: (a) respect for the freedom of association and the effective recognition of the right to collective bargaining; (b) elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; and (d) elimination of all discrimination in respect of employment and occupation.

The company also subscribes to and complies with the Principles of the UN Global Compact, which are based on the internationally recognised principles on the protection of Human Rights, as these are defined in the Universal Declaration on Human Rights.

The company's commitment to the six first Principles of the UN Global Compact and its recently revised Code of Business Conduct promote the protection of and respect for Human Rights and ensure the absence of any related incidents in the company's work environment.

The company's direct employees are covered by collective agreements, where applicable, and participate through their representatives in health and safety committees, presenting to the Management their proposals regarding continuous improvement. In parallel, Employees Unions are in place in the Metallurgy and the EPC & Infrastructure Sectors. In the latter, a first-degree trade union body is established and functions at business-unit level (Volos plant), whose members are elected by the general assembly of the plant's employees, with representatives also elected to the second-degree trade union organisation (Volos Labour Centre) and to the Panhellenic Metal Workers' Federation (POEM).

In 2017, the company implemented for the second time the self-assessment process regarding the protection of Human rights in its Business Units, in line with the methodology recommended by the Global Compact (Global Compact Self-Assessment Tool - Human Rights). The areas examined in accordance with the above process, which was also supported by daily communications with the Human Resources Department and by the latter's processes and management systems, are summarised in the table below. **GRI 412-1**

Labour rights are of major significance for all employees.

Areas examined	Results
OCCUPATIONAL HEALTH & SAFETY	During the self-assessment exercise, no deficiencies were established in terms of procedures or policies regarding the Health and Safety of employees. The policy, the planned actions for the achievement of the targets set and the initiatives adopted voluntarily by the company to ensure the Health and Safety of employees, are rigorously applied, as presented in the relevant section of this report.
PERSONEL WORKING HOURS, REMUNERATIONS AND LEAVES	For MYTILINEOS, a fundamental and non-negotiable principle is that its business activity is carried out in complete alignment, conformance to and compliance with the legislation on labour applicable in every geographical region or country where the Group is present. No incident of a violation of these rights was reported to the Human Resources Central Support Function through the formal procedure in place for reporting violations of the company's Code of Business Conduct.
FAIR TREATMENT OF EMPLOYEES	In accordance with the Code of Business Conduct and the Internal Regulation Code, the company protects its employees from all forms of harassment at the workplace, as well as from physical, verbal, sexual or psychological abuse and harassment and from threats of any kind. The company also respects the privacy of its employees' personal data. No incident of unfair employee treatment was reported to the Human Resources Central Support Function through the formal procedure in place for reporting violations of the company's Code of Business Conduct.
FREEDOM OF ASSOCIATION	The legal framework on labour includes provisions on the recognition and safeguarding of the employees' right to freedom of association and collective bargaining, which MYTILINEOS fully respects. The employees' right to freedom of association is recognised in all the company's Business Units. During 2017, no areas were identified, and no incidents were reported in connection with a threat to or violation of this right. This has been the result of the implementation of a specific social negotiation process, whose fundamental prerequisite is the commitment of the company's Management and employees to detailed arrangements on social and labour issues, taking into consideration the rights and interests of both sides. GRI 407-1

IMPACT ON LOCAL COMMUNITIES	No conditions giving rise to concerns about incidents of human rights violations at the level of local communities were identified through the mechanisms maintained by the company for formal and informal contacts with local communities, in each one of its Business Sectors.
CHILD LABOUR	MYTILINEOS complies fully with the relevant laws. No incident of child labour was reported to the Human Resources Central Support Function through the formal procedure in place for reporting violations of the company's Code of Business Conduct. GRI 408-1
FORCED LABOUR	In line with the Constitution of Greece (art. 22 par. 4), which establishes the freedom of labour, MYTILINEOS prohibits all forms of forced or compulsory labour in its work premises. It also takes steps to prevent the employment of young persons in hazardous work. No incident of forced or compulsory labour was reported to the Human Resources Central Support Function through the formal procedure in place for reporting violations of the company's Code of Business Conduct. GRI 409-1
DISCRIMINATION	MYTILINEOS follows the internationally accepted practices in all the regions and countries where it operates, ensuring that decisions on matters such as recruitment, compensations, promotions, vocational training, retirement and the termination of employment contracts, are based exclusively on impartial criteria and are not connected to any form of discrimination. No incident of discrimination was reported to the Human Resources Central Support Function through the formal procedure in place for reporting violations of the company's Code of Business Conduct. GRI 406-1

Through its EPC & Infrastructure Sector, MYTILINEOS operates construction sites abroad and collaborates with suppliers in various developing countries in Middle East and Africa, where there is a risk of occurrence of incidents involving restrictions or violations of Human Rights. In these regions, MYTILINEOS takes all measures necessary to ensure compliance with the law. All the contracts which the company concludes with its supply chain actors contain clauses on the adherence to the applicable national laws and statutory rules and regulations, and on the strict compliance with the provisions of the labour laws, with a view to ensuring the protection of labour rights. In particular, the contracts with suppliers or subcontractors with which the company maintains business associations include an explicit clause on safeguarding wages pursuant to the applicable laws and on maintaining safe work conditions for employees, together with provisions on the protection of the freedom of association and collective bargaining. **GRI 407-1**

Moreover, these contracts also include clauses on the following: the mandatory compliance with the applicable national laws, rules and regulations, with a view to ruling out incidents of forced and child labour or of employing young persons in hazardous work; the acceptance of the Suppliers and Business Partners Code of Conduct as a prerequisite for cooperation; and the company's right to request the audit of its suppliers or subcontractors by recognised International Organisations, in order to ensure the overall protection of Human Rights. Additionally, with its rigorous personnel selection procedure and the use of custom-developed control mechanisms (e.g. document validation), the company seeks to eliminate all forms of child labour.

In parallel, the company requires its Managers and Senior Executives to undertake a binding commitment to fully adopt and defend these principles and to adhere to the applicable legal framework, as the persons responsible for screening and rejecting every supplier or contractor which may be associated with incidents of child labour. **GRI 408-1** **GRI 409-1**

10
REDUCED
INEQUALITIES

Equal opportunities

The provision of an environment of equal opportunities, where all employees enjoy the exact same rights and are treated fairly and according to the abilities that they have in order to respond to their assigned roles, is a core value of MYTILINEOS. The climate of equality in the company is founded on the respect for individuality, coupled with the development of organisational structures that create an inclusive work environment for all employees without exception. As most of company's activities are in the heavy industries sector, the participation of women in employment and the advancement of young employees (proportionately and always in accordance with the requirements in each Business Sector), are the key issues in connection with the promotion of equal opportunities in the company's work environment.

In 2017, the aggregate percentage of women in the company's total employment grew by 15% and the percentage of their participation in positions of extended responsibility by 40%, while the percentage of young employees aged below 30 remained approximately the same, at 11.2% (2016: 11.9%).

Diversity of the MYTILINEOS Governance bodies and Executives / Administrative employees GRI 405-1	2015	2016	2017
Company Governance bodies			
Men	87.0%	88.9%	87.5%
Women	13.0%	11.1%	12.5%
<30 years old	0.0%	0.0%	0.0%
30 -50 years old	28.3%	28.9%	0.0%
>50 years old	71.7%	71.1%	100.0%
Executive Committee			
Men			83.3%
Women			16.7%
<30 years old	-	-	0.0%
30 -50 years old	-	-	33.3%
>50 years old	-	-	66.7%
Executives			
Men	83.7%	81.8%	77.3%
Women	16.3%	18.2%	22.7%
<30 years old	5.3%	5.7%	4.3%
30 -50 years old	69.5%	72.1%	75.7%
>50 years old	25.2%	22.1%	19.2%
Administrative employees			
Men	69.3%	68.2%	68.4%
Women	30.7%	31.8%	31.6%
<30 years old	8.4%	9.6%	10.1%
30 -50 years old	68.3%	67.1%	66.4%
>50 years old	23.4%	23.3%	23.4%



Local Communities

Disclosure Management Approach GRI 102-11

The objective of this management approach is to provide the social groups, that affect and are affected by the business activity of MYTILINEOS, with access to essential information relating to the company's responsible management of social issues of concern to its local communities and to the wider Greek society.

Relevance and boundaries of the Material Issue GRI 103-1

From its establishment to this day, the history of MYTILINEOS has been connected with the economic growth of Greece and especially of the Greek region. This has been a constant evolving effort which takes various forms, all of which hinge on the Company's undertaking to understand and respond to the concerns of local communities, by means of the open social dialogue processes it applies. Furthermore, MYTILINEOS, fully aware of the modern socio-economic environment, supports where possible the work of Local Government, offering its know-how and experience, while through collective efforts, it builds associations that yield multiple benefits, create added value and strengthen social cohesion

- Local communities are among the most important social groups of concern and interest to MYTILINEOS. The development and maintenance of relations based on mutual understanding, trust, prospects and benefits are aspects that guide the company's policy and its practices. At the same time, they reduce the unexpected non-financial risks and enable the company to achieve its strategic objectives by improving its overall competitiveness.
- The company's relationships and interaction with the local communities in which it operates are matter of great significance which helps it maintain both its social license and its reputation.

Boundaries:

The boundaries of this Material issue include primarily the local populations near the plants of the MYTILINEOS Business Sectors as well as the wider Greek territory in the context of social policy of the company.

Major risks and relevant risk control practices:

MYTILINEOS may face the following major risks: GRI 102-15

Major risks	Risk control practices
<ul style="list-style-type: none">Failure to specify and manage the concerns of local communities may give rise to unforeseen non-financial risks with a severe negative impact on the Company's operation. Relations with local communities and the respective Stakeholder groups affect the Company's reputation, its social license to operate and, by extension, its future growth.	<ul style="list-style-type: none">The General Management of each Business Sector of MYTILINEOS is responsible for managing relationships with the local communities where the Sector operates. The main objective is to identify any negative impacts from the company's business activity and to minimise them, through the responsible operation.Moreover, a Corporate Social Responsibility (CSR) team has been appointed and is operating in each Business Sector. This team is managing the implementation of the company's social policy, the annual Stakeholder engagement process, the use of local social media and the organisation of visits of members of the local community to the company's facilities, when this is requested.The company communicates with its local communities in a clear and transparent manner, through formal and informal channels, which include the organisation of annual thematic or general-purpose open consultations with representatives of the local communities, in order to follow up and discuss special issues of local concern.

Management of the Material issue GRI 103-2

In implementing its social policy and seeking to strengthen and maintain social cohesion, MYTILINEOS focuses on the following areas:

- Bolstering local employment:** As the core activities of MYTILINEOS are primarily located in the Greek region, the Company acknowledges and accepts its important role in the development and preservation of the prosperity of the local communities. In all the geographical regions where the Company operates, its human workforce derives mainly from the local population. In addition, the Company's practice to include in the management teams of its Business Units senior executives coming from the local communities, enhances its ability to understand the needs specific to each area.
- Supporting the development of the local economy:** All Company Business Sectors adhere to the principle of giving priority to the selection of local suppliers, provided that these meet their needs and particular requirements.
- Making a substantial contribution through the company's annual Sponsorships & Donations plan:** Taking concerted financial and technical assistance actions to support the implementation of local infrastructure works and to address immediate local needs, is a key pillar of the company's social policy.
- Implementing programmes and initiatives** that help tackle unemployment, promote balanced and


multi-faceted improvements in the quality of life at the local level, support consciously and actively the local cultural, social and sporting life, and strengthen social inclusion and the protection of the environment in the wider sense, while in parallel raising each community's awareness of local problems and strengthening its engagement in solving them.

In each Business Sector, specialised Executives, in collaboration with the Corporate Social Responsibility Central Function of MYTILINEOS, manage the implementation of the relevant corporate policies and the organisation of the annual Stakeholder engagement events, so that local needs arising may be addressed and new opportunities for joint action may be examined. They also ensure transparency in corporate practices and enhance the crisis prevention or response mechanisms.

Targets of the Material issue

The long-standing goal of MYTILINEOS is to record and evaluate local needs and to contribute to meeting them, to create conditions for the sustainable growth of its local communities. In terms of its strategy in this respect, the company will seek to pursue its further mobilisation, by means of selected actions in vital social policy areas (poverty, unemployment, public benefit infrastructures, education, health etc.) which resulted from the alignment of its social strategy with the **UN Sustainable Development Goals**, so as to strengthen its collaborative activities and enhance the value it creates at the local and national level.

Performance in 2017



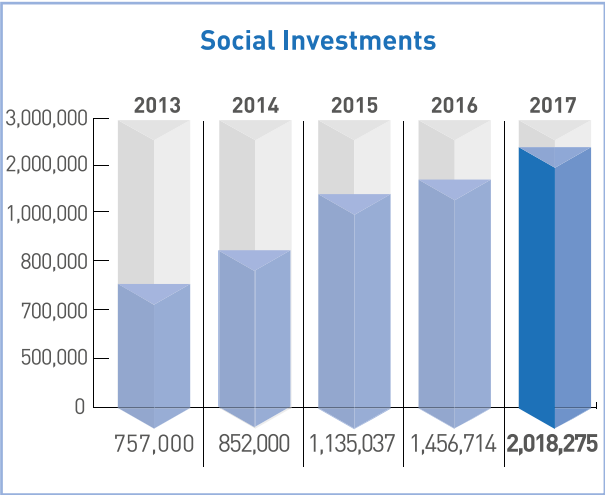
Open social dialogue

For the last eight years, MYTILINEOS has been consistently holding its established Open Social Dialogue events with its Stakeholder groups. The company is one of the pioneers in this area in Greece, as this approach establishes the conditions for defining new attitudes and practices in its relationships with Stakeholders, taking as its starting point the characteristics of its Business Sectors. In line with the above, the MYTILINEOS Metallurgy & Mining Sector held its 3rd consecutive thematic consultation with its Stakeholders, entitled **"Translating Entrepreneurship to value for society"**. The

continued development of relationships of collaboration with its Stakeholders, based on mutual trust and on the understanding of their expectations, the strengthening of transparency and the implementation of actions of a high social value in the framework of its Corporate Social Responsibility strategy, are the key pillars of the company's Open Social Dialogue policy. Under this policy, MYTILINEOS has implemented from 2010 to this day the following: **12 local open dialogue events, 4 thematic consultations** and 3 online consultations, exclusively on issues related to sustainable development.

Social Policy

In 2017, MYTILINEOS continued to implement its Social policy through its three-year Social Contribution Programme “IN PRACTICE” (2016-2019), contributing financial, human, material and technical resources to the development of services and the implementation of projects to support the growth of its local communities as well as of the wider society. The process that the company



In 2017, MYTILINEOS increased its social expenditure by 38.6% compared to 2016, implementing actions in the following social policy areas:

11 SUSTAINABLE CITIES AND COMMUNITIES

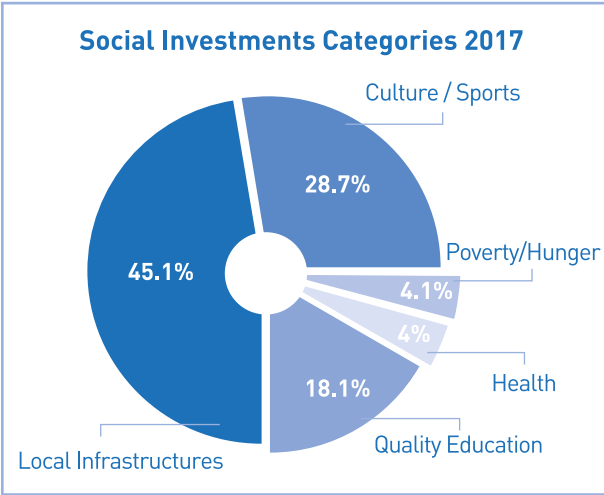
Strengthening local infrastructures and services

GRI 203-1

Wishing to contribute to the sustainability of the local communities where it operates and to improve the everyday life of local residents, in 2017, MYTILINEOS invested €387,876 to cover the cost of local infrastructures and services with a direct public benefit, such as: construction of playgrounds, upgrades to school buildings, provision of the equipment for a Municipal library, offering materials for municipal works etc. Through its Business Sectors, the company has also established several partnerships with the Local Government, such as the Municipality of Livadia regarding the Municipality’s social work programme. The company contributes to this programme, by giving specific materials and financial resources for the renovation of public infrastructures creating, at the same time, jobs for unemployed citizens.

In parallel, the added value created by the company’s business operation, with the development of Renewable Energy Sources (RES) projects by its Electric Power Unit, refers not only to its contribution to the achievement of the national environmental goals but also to the significant benefits offered to the local communities. Thus, in 2017 the company’s total investment in sponsorships, donations and infrastructure projects in Municipalities where RES plants are in operation or new ones are to be deployed, stood at over €520,000.

followed for aligning its strategy with the **UN Sustainable Development Goals** resulted in a corresponding adjustment to its social agenda, which presented it with the opportunity to strengthen its collaborative activities and enhance the value it creates at the local and national level. **GRI 413-1**



11 SUSTAINABLE CITIES AND COMMUNITIES

Promoting Culture and Sports

The support of major cultural events in the country, which promote the dissemination of cultural values and the familiarisation of the Greek public with them, has always been a core value of MYTILINEOS. In this context, in 2017, in addition to supporting individual local cultural events, the company was the exclusive sponsor of one of the year’s most important cultural events, namely the production of “**Electra**”, the opera by Richard Strauss based on the homonymous tragedy by Sophocles and considered to be one of the most demanding operas of the 20th century. This initiative of the company coincided with the official opening of the Greek National Opera’s new home at the Stavros Niarchos Foundation Cultural Centre. With regard to the preservation and protection of Greek cultural heritage monuments, the company continued its long-standing support of the significant work that the “**DIAZOMA**” Association and is providing financial assistance, on an annual basis, for the development of studies regarding the restoration of the **Ancient Theatre of Orchomenos, Viotia**, and the creation of an archaeological park in the area. Finally, the company continued for yet another year to support local sports clubs and national federations of sports with a dynamic growth, such as the **Greek Equestrian Federation**. For the implementation of all aforementioned initiatives, the company invested over €590,000 from its own financial resources.

1 NO POVERTY

2 ZERO HUNGER

Alleviating poverty and hunger

In 2017, MYTILINEOS created **95 new jobs, bringing up to 665 the total number of new jobs created during the last eight years of the economic crisis**. The company also managed to maintain more than 800 indirect jobs in its core business activities. It also remained committed to its policy of bolstering local employment, demonstrating that it acknowledges and accepts its important role in the development and preservation of the prosperity of the local of communities, as the majority of its human resources **(87%) come from the local population**.

Moreover, always at the side of socially vulnerable groups of the population, MYTILINEOS provided financial assistance to the families that are supported by the “Arogi” Foundation of the Holy Diocese of Thiva and Levadia and face serious financial and health problems, supporting them in their daily subsistence needs. At the same time, the company supported the operation of the Social Grocery of the Municipality of Karystos. Finally, in order to alleviate food insecurity, MYTILINEOS, through its participation in the Crowdfunding programme for Society and the Economy of the **act4Greece initiative**, offered a total of **over 50,000 nutritious hot school meals** to primary school pupils in Western Attica and in the Municipality of Trikala and Kavala. The company’s contribution **covered 14.2% of the initiative’s target**, as an additional promotional activity aimed at addressing the need to provide nourishment to pupils belonging to vulnerable population groups and at supporting the educational process and preventing school drop-out. The meals were prepared in collaboration with the Limited Liability Social Cooperatives of Trikala and Kavala, thus offering additional benefits to the local communities.

3 GOOD HEALTH AND WELL-BEING

Supporting health infrastructures

GRI 203-1

Ensuring healthy living conditions and access to health structures, and promoting wellness for all people of all ages, are fundamental to sustainable development. Recognising the importance of the access to quality health services for all, MYTILINEOS launched at the end of 2017 its **partnership with the “Pediatric Trauma Care” Association**. With this partnership, MYTILINEOS aims to **contribute to the creation and upgrading of Emergency Departments in Greek Health Centres and Pediatric Hospitals**, primarily in the areas of the local communities in which the company operates, as well as to provide broader information to parents and teachers about issues related to child injuries. The launch of the partnership involved the company’s financial assistance for the upgrading of the Emergency Department of the Larisa General Hospital with diagnostic and interventional medical equipment. In parallel, the company also supported other significant initiatives: (a) it made a substantial contribution to the re-opening of the Creative Activity Centre for Children with Disabilities in Maroussi, which hosts children with autism and mental disabilities; (b) it assisted financially the health services of the SOS Children’s Villages; (c) it supported the work of MDA Hellas, a charity association

caring for people with muscular dystrophy disorders; (d) it covered the repair costs for an ambulance of the Municipality of Antikyra; and (e) it supported the work of volunteer organisations such as “Floga” (Flame - Association of Parents of Children with Cancer), “The Smile of the Child” (child welfare association), “White Butterflies” (Volos-based boarding house for 50 people of all ages with severe mental disabilities) and ELEPAP (Rehabilitation Centre for the Disabled).

4 QUALITY EDUCATION

Supporting quality education

MYTILINEOS acknowledges that access to quality education is the basis for the improvement of human life and for sustainable development. During 2017, the company continued for yet another year the implementation of several initiatives of a high social value in this area. These included:

- The completion of the 2nd cycle and the launch of the 3rd cycle of the programme “I’M IN” against the school drop-out phenomenon, implemented at the 7th School Community of the Prefecture of Attica, in partnership with the Association “Together for Children”. The programme ensures the educational progress of students until they complete their basic education, by developing a strong social solidarity network against educational and social exclusion. The completion of the programme’s 2nd cycle yielded the following results:
 - **Coverage of a total of 57 school children of two classes** (one second-form and one third-form Gymnasium class). All children who participated in the programme completed the school year successfully and remained on the path towards completion of their basic education, which is the programme’s main objective.
 - **Creation of 12 new jobs for 9 months**, while in total 20 persons from 4 different social organisations were employed in the programme.
 - **Provision of 40 hours of counselling** by experts in school psychology, who offered guidance to the educators to work as teachers in the programme.
 - **Implementation of 1,026 hours of supplementary teaching**.
 - **Distribution of 4,700 nutritious and healthy meals, school bags, school supplies, new shoes** and other articles to the school children participating in the programme, throughout the school year.
 - **Implementation of 300 hours of psychological interventions** to children, educators and parents.
 - **Inclusion of 6 families** (of children who participated in the programme) **in a programme of free meals for 6 months** (28 beneficiaries in total).
- The completion of the programme “**YOUNG GENERATION IN ACTION**” and of the 2nd cycle of the programme “**ENGINEERS IN ACTION**”, two

programmes that offer a way out to unemployed young people through 12-month salaried internships and open up career prospects for them, also providing them with a strong incentive to stay in the country. **According to the social value analysis of the programme, which was based on the internationally recognised Social Return On Investment (SROI) methodology**, a world-class innovative approach for industry, the company's total investment in the programme produced a social value representing a **return ratio (SROI) of 4.24:1**. In other words, every €1 invested in the programme "ENGINEERS IN ACTION" generated the equivalent of €4.24 of social value, reflecting fully the advantages of such initiatives, which contribute to building an inclusive society offering equal opportunities within a sustainable environment.

- Support, for the 10th consecutive year, of the **Scholarships Programme of the University of Piraeus**, whose aim is to upgrade the level of studies, showcase excellence and open up prospects for a better future for young people, especially those coming from financially disadvantaged families, by offering to them equal access to the best possible education.
- Looking to encourage non-formal education and the creation of experiential learning conditions in Primary education, MYTILINEOS undertook **the reconstruction of a classroom of the 6th Amaroussion Primary School into a Library and Multi-Purpose Room** for the school's children. In addition to renovation works using modern decorative elements, the room was also fitted with a modern audio-visual system installation, modern library cabinets and trays for Geographical and Educational maps, closed cabinets for storing equipment for experiments and mobile lab benches for holding experiments. Reading desks, made of materials friendly to children, were also purchased. Finally, an area of the room was configured as a carpeted, tiered seating area with cushions, to be used for reading-presenting stories to younger children and for play.

4
QUALITY EDUCATION

Promoting youth innovation & entrepreneurship

In the current times of rapid technological advances, in which promoting novel ideas and encouraging their development, especially by the young generation, is more necessary than ever, strengthening youth innovation and entrepreneurship is considered of major significance for reducing unemployment and building economic prosperity. In line with its endorsement of the UN's Sustainable Development Goals, MYTILINEOS, focusing on innovation and on new developments in education and aiming to assist the creation by the young generation of added value that will remain in the country, is actively supporting youth innovation and entrepreneurship. More specifically, in 2017 the company supported:

- **The "CanSat in Greece" pan-Hellenic space technology competition**, which is organised by the European Space Agency. The aim of the competition is to firmly establish Greece as a participant in the European space technology competitions and to build a community of students that

will turn to space technologies in the future and will recognise the opportunities that working on them offers.

- The **"F1 in Schools"** World Champions competition, which has been taking place for the last 12 years under the auspices of the Formula One organisation and is one of the most comprehensive **S.T.E.M. (Science, Technology, Engineering, Mathematics)** Education programmes that stimulate the students' interest in the Natural Sciences, New Technologies, Engineering, Mathematics and beyond. The company provided financial support for the scientific project of the Omega Racing team from the "Ekipediftiki Anagennissi" School, which represented Greece in the 2017 "F1 in Schools" World Champions finals held in Malaysia, finishing in 9th place.
- Finally, the financial and advisory support that MYTILINEOS provides to the Youth Entrepreneurship Council (SEN) of the **Hellenic Federation of Enterprises (SEV)**, aims to bring young people closer to entrepreneurial thinking and action, thus supporting entrepreneurship culture where it matters most – in education. During the 2106-17 school year alone, 8,810 students participated in the 10 programmes implemented by SEN and 95 virtual businesses were developed by students, bringing the country's student community closer to creativity, innovation and teamwork.

17
PARTNERSHIP FOR THE GOALS

Building major partnerships for achieving the Global Sustainable Goals

In 2017, MYTILINEOS was one of the very first Greek businesses to **commit themselves to the GEFYRA Programme** (Greek Enterprises For Youth Reinforcement Acceleration) of the Hellenic Network for Corporate Social Responsibility (CSR Hellas). This programme combines into a single initiative the "EU talent" internship programme and the European Pact for Youth (Pact4Youth) and is based on the key pillars of professional experience/training, practical training (internships) and professional skills building. In the context of its commitment to the Programme, the company has undertaken the following:

- To make available through its programme, a specific number of paid jobs "in preparation for employment", along two lines: Practical training (internship) and Professional training (traineeship),
- To include the Programme's quality criteria in the company's activities in connection with these jobs.
- To develop a framework of collaboration with academic organisations, with a view to taking joint action to bridge the "skills gap",
- To examine its participation in the programme "Adopt an SME", by covering the apprenticeship costs (the part not covered OAED, the Greek Manpower Employment Organisation) for young people employed in SMEs of the MYTILINEOS supply chain.

Market practices

Disclosure Management Approach GRI 102-11

The objective of this management approach is to provide the customers, suppliers and business partners of MYTILINEOS with key information, so that they understand how the company manages the quality assurance and safety of its products, as well as how it aims to integrate responsible entrepreneurship into its supply chain.

Relevance and boundaries of the Material Issue GRI 103-1

MYTILINEOS places emphasis on the quality and safety of its products. In addition to a catalyst for its business growth, product quality and client satisfaction, including continuous customer service and support, are also areas of continuous development for the company. Due to the diversity of the activities of its Business Sectors and to the geographical dispersion of its operations, the company has a broad client base. The company's suppliers and business partners play a decisive role in its efficient operation, as they supply a broad range of products and services for use from the mining process and the production and maintenance of the aluminium industry, to the manufacturing and purchase of equipment for the delivery of EPC & Infrastructure projects

and the operation and maintenance of Energy Complexes and in the development, construction and maintenance of RES plants. Given that the demand for new products with longer lifecycle spans and reduced environmental impacts is steadily increasing, the company invests in Research and Development, looking for solutions that will satisfy the varying needs of its clients, to offer a comprehensive service with the lowest possible burden on the environment. In this direction, the company's key business partners and suppliers can act as catalysts, as they are an integral part of its efforts. The company's policy in this area achieved the production/manufacture in Greece of a broad range of specialised materials and custom-made products that meet the needs of all its Business Sectors.

Boundaries:
The boundaries of this Material issue encompass the customers and the supply chain of MYTILINEOS' Business Sectors.

Major risks and relevant risk control practices:
MYTILINEOS acknowledges that its production processes as well as its supply chain affects the attainment of its Sustainable Development objectives. In this respect, the company faces the following risks: **GRI 102-15**

Major risks	Risk control practices
<ul style="list-style-type: none"> • The quality of products and services and the high level of customer satisfaction are crucial factors for MYTILINEOS' further growth in the highly challenging activity areas of its Business Sectors. Any deviation from the quality specifications of the products and services offered by the company may affect its clients' satisfaction levels and impact its good reputation and credibility and, by extension, its financial results. 	<ul style="list-style-type: none"> • Strict adherence to laws and regulations • Operation according to the principle that no product or construction project is signed off to the next production stage unless the quality criteria of the current stage have been fully satisfied. • Strict application of the procedures under the EN ISO 9001 Quality Management System • Conduct of Hazard & Operability (HAZOP) Studies for operational risk analysis • Staffing of the Quality Control Departments with experienced personnel who are provided with continuous training.
<ul style="list-style-type: none"> • The company's responsible operation may be affected by potential non-responsible practices (business, environmental and social) of its suppliers and business partners, which impact directly its reputation and operation. 	<ul style="list-style-type: none"> • In order to optimise the selection of suppliers, the company follows procedures that are characterised by meritocracy and transparency and include specific criteria which, in addition to the requirements regarding quality, compliance with technical specifications, reliability, sustainability and geographical location, take also into account health and safety at work and adherence to the environmental legislation. • In all geographical regions in which the company is active though its EPC & Infrastructure Sector and which may present risks of non-responsible practices being followed by supply chain actors, all the contracts and agreements that the company concludes with its business partners (Suppliers – Subcontractors) contain clauses on the mandatory compliance with the applicable national laws, legal provisions, rules and regulations, in order to rule out all likelihood of incidents involving any form of forced labour. Where a Code of Conduct is part of the contract, specific reference is made to the respect for human Rights, to the prohibition of child or forced labour, and to the company's right to request the audit of its Suppliers or Subcontractors by recognised International Organisations for ensuring compliance with the requirements regarding the protection of Human Rights.

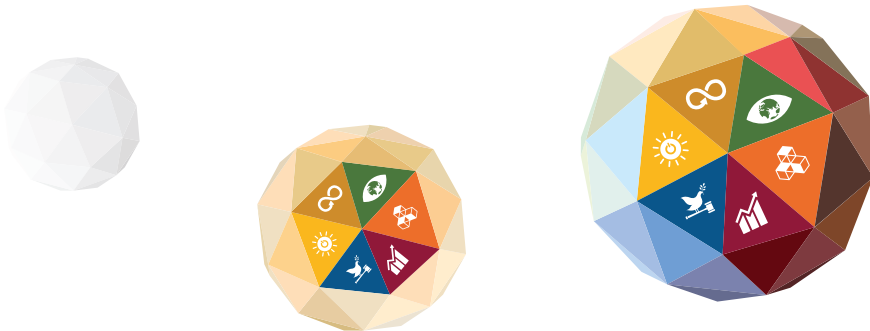
Management of the Material issue GRI 103-2

Concerning product quality:
In the Metallurgy & Mining Sector, the impacts of the company's primary products on health and safety are related to the end use of the secondary products to result from its manufacturing clients. The company is committed to and takes steps to ensure the best quality in its products, in response to the expectations and requirements of its clients, providing them with products (Alumina and primary cast Aluminium) and relates services that fully meet their quality requirements. To achieve this primary goal, the company is managing proactively the processes and resources related to the improvement of the quality, safety and environmental impact of its products and services, seeking to secure benefits for its clients and, thus, for society.

In EPC & Infrastructure Sector, in addition to considering the internationally applicable regulations on the design of such projects and the control of subcontractors to ensure compliance with the health and safety regulations, the company monitors in detail the quality, safety and health measurements of its final projects, to ensure that the stated requirements of clients are met. This takes place at various stages during the implementation of each project, in accordance with the respective activity schedule. The company's objective is to ensure that the materials intended for incorporation which do not comply with the stated Quality and Health and Safety requirements are checked and identified as such, to avoid their intentional use and delivery.

Concerning the supply chain actors:
Developing and maintaining good relationships with the supply chain actors is a commitment in which MYTILINEOS has invested and is continuing to invest at the local, national and international level. The company develops long-term collaborations with a number of suppliers, while it manages others on a short-term horizon, based on the competition in the market. As a result, the overall management of the company's supply chain, which considers the particular characteristics of its Business Sectors, is governed by specific basic rules such as the following:

- Depending on the scope and nature of a specific purchase, priority is given to local suppliers, who are selected on the basis of their solvency, reliability in terms of quality and punctuality in terms of delivery, cost of products or services, available capacity to ensure the quantities required, and capability to meet the requirements of the particular purchase in accordance with the specifications set by the company's Business Sectors.
- Efforts are also being made, by applying practices and procedures characterised by transparency and meritocracy, to strengthen the company's collaboration and communication with local suppliers. This effort is also in line with its stated priority to support local development, where possible, as specific projects may require specialised suppliers from industrially developed countries. Additionally, in many cases the company provides to the suppliers of major significance for its operation, the know-how and methods required to process the materials needed for its activities and encourages investment initiatives involving more environment-friendly production processes.
- Additionally, the **"Suppliers & Business Partners Code of Conduct"** of MYTILINEOS sets out the company's minimum requirements/expectations from its supply chain regarding issues related to Responsible Entrepreneurship, as a key precondition for the commence of any commercial collaboration between them. The sections of this Code address issues such as the Protection of the Environment, the Safeguarding of Health & Safety, Work Conditions, Ethics & Integrity. In developing the Code, the company aims to obtain its suppliers' commitment to sustainable development best practices, which will lead to mutual benefits. In addition, the company believes that this effort will provoke considerable positive responses, mainly because of the large size of the companies concerned and their exposure to challenges in the external environment.



Performance in 2017



MYTILINEOS complies fully with the national laws and the international guidelines and industry standards applicable to its activity sectors in relation to the design and production of its products and the methods it employs for their promotion and marketing. The company places particular emphasis on the quality of its materials, products and construction projects and applies innovative production processes that improve the quality, safety and environmental impacts of each product. GRI 414-1

In the EPC & Infrastructure Sector, industrial activities focus on highly demanding applications –in terms of the technology used– for the industrial manufacturing of equipment for the energy sector and for high value-added construction in the infrastructure sector. Typically, these involve heavy and/or complex metal constructions, requiring a high level of quality. The company's 50 years of experience in large-scale manufacturing projects, its state-of-the-art industrial facilities in Volos which are equipped with high-precision and efficiency machinery, and its capability to comply with the most stringent international quality standards, are only some of its competitive advantages. The strictest international quality standards are applied in every stage of industrial production, while the personnel of the Quality Assurance and Control Department are highly qualified and experienced, to assure the quality of the end product.

In the Metallurgy & Mining Sector, ensuring that the mining and processing of natural resources take place in responsible manner is at the core of our commitment to duly manage our product. At the same time, this commitment represents a critical stage that defines the level of the quality offered to our customers. Key aspects of the management of our products are the technological upgrades of our machinery, the use of the strictest technological specifications and processes and the minimisation of the solid and liquid waste from our production activities.

For more than half a century, the Metallurgy & Mining Sector of MYTILINEOS has embodied the impressive evolution of the metallurgical sector in Greece, with a know-how in industrial and commercial practices that is found only among the world's top metallurgical industries. The quality of its products and the provision of technical support and customer service are areas of continuous development. All alumina and aluminium products manufactured and sold are assessed for their impact on health and safety. In addition, the company has obtained the ISO 9001:2015 Quality Certificate for its products, while its quality control laboratory has been accredited by Hellenic

Accreditation System S.A. (ESYD S.A.) in accordance with the requirements of the ISO 17025:2005 International Standard, for the chemical analysis of bauxite, alumina (both hydrated and calcined) and of aluminium and its alloys.

In the Electric Power & Gas Trading Sector, the company, in addition to generation, is also active in the supply of electric power, providing electricity to businesses, professionals and households, meeting the customers' requirements for competitive prices and modern, reliable services. To this end, it has designed and is marketing services and products that offer unique privileges.

At the same time, the company is actively participating in two research projects funded by the European Commission through the programme "Horizon 2020". These involve the development of energy efficiency using as a key element the change in the energy consumption behaviour of electricity consumers and the response to demand, which is expected to lead to significant reductions in the purchase cost of electricity for the final consumer.



The correctness of the forms of communication and marketing that MYTILINEOS is applying, is assured by monitoring and integrating all developments in the relevant laws and by applying responsible practices that govern "below-the-line" promotion of its products and subsidiaries and "above- the-line" communication at the central corporate level, as well as the communication of its sponsorships and social contribution programmes. The company seeks to provide transparent information and to ensure that its messages are fully understood by all its current and potential clients.

To this end, the company's communication associates are bound by the Hellenic Code of Advertising-Communication Practice, compliance with which is established on an advisory, preventive or even corrective basis by the Communication Control Board, in line with Greek laws. According to the Code's principles, all advertising should be legal, decent, honest and truthful, should be prepared with a due sense of social responsibility and should conform to the principles of fair competition as this is generally accepted in the market.

During 2017, there were no incidents of non-compliance with the regulations and voluntary codes on marketing communications, including product promotion and sponsorships, involving the implementation of the company's communication strategy. Moreover, the company's products are not subject to any restrictions about their sale to specific markets and no significant issues of concern were raised by its Stakeholders in connection with

products and their marketing communication. **GRI 417-3**

Concerning the provision of verifiable and clear information on its products for the purposes of labelling, the MYTILINEOS complies fully with the relevant requirements. In all cases, customers have at their disposal the tools allowing them to check all significant information provided and to proceed to the corresponding tests, if they so wish.

Type of information related to product labelling							
GRI 417-1							
Major categories of products subject to the following information requirements	Aluminium	Alumina	EPC Projects	Metal & Machinery Constructions			
Information on the origin of product elements or ingredients.	100%	100%	100%	100%			
Information on content, especially regarding substances which may have an environmental or social impact.							
Information on the safe use of the product or service.	Non-applicable requirements						
Information on the product's disposal method and its potential environmental/social impacts							
In the Metallurgy & Mining Sector, the above labelling requirements apply to all end products for sale (aluminium billets and slabs), as well as to calcined and hydrated alumina.							
In the EPC & Infrastructure Sector, the company's products and services comply fully with the terms and conditions of the respective Contracts and with its contractual obligations to its clients, who are supplied with all Health, Safety and Environment-related information and warnings, such as:							
<ul style="list-style-type: none">• Instructions on the use, maintenance and disposal for all supplied equipment (Operation & Maintenance Manuals) and materials.• Clearly visible labelling of all materials and equipment (signs, warnings and relevant instructions).• Use and recycling instructions, in the form of Material Safety Data Sheets (MSDS) for all hazardous materials.							



12 RESPONSIBLE CONSUMPTION AND PRODUCTION Supply Chain

At the end of 2017, the supply chain of the MYTILINEOS included more than 5,800 suppliers and partners, while the company's total outlays to its supply chain stood at approximately €1.39 billion, benefiting significantly the local communities and contributing, in an indirect way, in the efforts to maintain jobs and create income. At the

same time, the strengthening of local communities in the areas of the MYTILINEOS industrial plants is an integral part of its philosophy and is reflected in the priority given, depending on the nature of the requirements, to collaborating with local suppliers.

Basic description of the supply chain of MYTILINEOS GRI 102-9		
Main business activities requiring services or products from the supply chain	<ul style="list-style-type: none">● Production & Maintenance of the alumina chemical industry and the primary-cast aluminium metallurgy● Plant Production Department, regarding the purchase of raw or other materials● Construction Department, regarding the purchase of equipment for carrying out EPC projects● Logistics Department, regarding the delivery methods and times for products in various countries● Operation and maintenance of Energy Complexes (thermal power plants)● Development, construction and maintenance of RES plants (Wind Farms, Photovoltaic Parks, Hydropower Plants)● Retail activity● Studies - Investments● Logistics, Administrative, Financial, Legal and other Services	
Main supplier categories	<ul style="list-style-type: none">● Producers of Raw Materials● Subcontractors● Manufacturers● Distributors / Freight forwarders● Suppliers of spare parts / materials● Wholesalers● Suppliers of Studies & Investments	
Supply Chain Data 2017 GRI 204-1		
<div><div><div>Total number of suppliers</div><div><div><div><div>Greece</div><div>Abroad</div></div><div><div><div>5,873</div><div>81.2%</div><div>18.8%</div></div></div></div></div></div></div>	<div><div><div>Total number of key suppliers</div><div><div><div><div>Greece</div><div>Abroad</div></div><div><div><div>307</div><div>75.2%</div><div>24.8%</div></div></div></div></div></div></div>	<div><div><div>Total number of local suppliers</div><div><div><div>3,746</div></div></div></div></div>
Total outlays: €1,389,764,390	Total outlays: €1,099,608,689	Total outlays: €732,175,640

Although varying slightly between the company's Business Sectors, the term "local supplier" generally refers to providers of materials, products or services, both industrial and otherwise, who are located in the geographical region of the company's industrial units are located and in the neighbouring Prefectures.

In 2017, 11% of the key suppliers of the EPC & Infrastructure Sector were screened for the social and environmental impacts of their activity. According to the results obtained, no adverse impacts were identified in the screened sample of suppliers.

In addition, starting in 2017, the availability of an ISO 14001-certified Environmental Management System has been included in the supplier assessment criteria used

by the Metallurgy & Mining Sector. Of the 15 suppliers assessed in the previous year, 33% were found to have been issued with the relevant certification.

Finally, acknowledging that its supply chain affects the achievement of its social and environmental objectives, MYTILINEOS aims to develop a formal systematic process for promoting the "Suppliers and Business Partners Code of Conduct" to its key suppliers, and to also develop a mechanism for the assessment of suppliers in terms of their social and environmental performance, with the ultimate aim of taking joint action in order to better understand the impacts involved and ensure the mutual harmonisation of goals and expectations.

Corporate governance

UN Sustainable Development Goals



Size of the Board

2016	2017
8	7



Board Composition

2016	2017
E: 25%	E: 28.6%
NE: 37.5%	NE: 42.8%
INE: 37.5%	INE: 28.6%

(E: Executive Members –
NE: Non-Executive Members –
INE: Independent Non-Executive Members)



Board Composition

2016	2017
I: 37.5%	I: 28.6%
NI: 62.5%	NI: 71.4%

(I: Independent Members
NI: Non-Independent Members)



President Duality

2016	2017
Yes	Yes



Appointment of Independent Vice-Chairman

2016	2017
No	No



Board Duration

2016	2017
4	4

(years)



Number of Board Meetings

2016	2017
63	91



Board Meetings attendance <75%

2016	2017
0	0



Gender representation in the Board

2016	2017
M: 87.5%	M: 85.8%
W: 12.5%	W: 14.2%

(M: Men - W: Women)



Voting standard

2016	2017
majority	majority



Number of Board Committees

2016	2017
2	2

(Audit Committee & Remunerations Committee)



Corporate Governance Code

2016	2017
GCGC (2013)	GCGC (2013)

(Greek Corporate Governance Code)

The term “Corporate Governance” describes the way in which companies are managed and controlled. In accordance with the Principles of Corporate Governance of the Organisation for Economic Cooperation and Development (OECD), corporate governance is a system of relations between the company’s Management, the Board of Directors, its shareholders and its other Stakeholders. It represents the structure which serves as the basis for approaching and setting the company’s objectives, identifying the major risks that the company faces in its operation, specifying the means for achieving the corporate objectives, organising the risk management system and enabling the monitoring of the Management’s performance in implementing the above. In Greece, the corporate governance framework has been developed primarily through the adoption of mandatory rules but also through other legislative acts which transposed to the Greek legislative framework the European company law directives, thus creating new corporate governance rules.

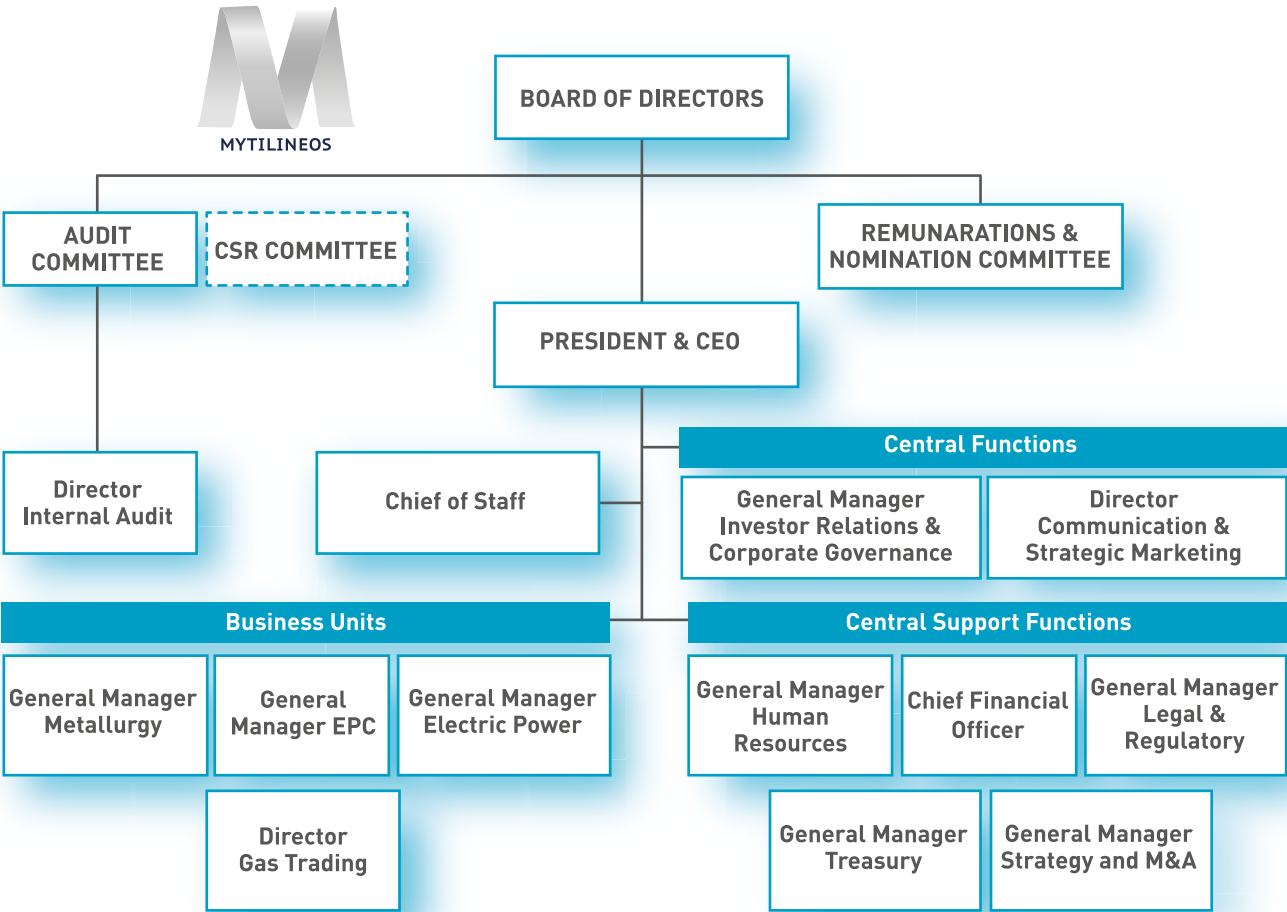
MYTILINEOS applies the Principles of Corporate Governance in accordance with the Greek law. In addition to the requirements provided for by the Greek law, the company is voluntarily following the Corporate Governance Code of the Greek Council of Corporate Governance (ESED) for listed companies (hereinafter

referred to as the “Code”). The Code is available on the ESED website, at: <http://www.helex.gr/web/guest/esed>. In addition to the ESED website, the Code is also available to all MYTILINEOS personnel from the company’s corporate website. **GRI 102-11**

Guided by the principles of Corporate Governance, MYTILINEOS aims to establish transparency and to ensure the responsible operation of all its Business Sectors. The company’s key objectives are to safeguard its interests and its viability, as well as to maximise the benefit and the value which it produces, and which is directed to its shareholders and other key Stakeholder groups.

ORGANISATIONAL STRUCTURE OF MYTILINEOS

The new organisational structure of MYTILINEOS, as this emerged following the completion of the company’s restructuring, facilitates decision-making and implementation in the framework of its strategy. It operates in the context of principles and practices that safeguard and secure the legitimate interests of all parties related to the company. The organization of the company comprises its organizational structure, the structure of executive governance, the organizational chart, the internal procedures and the internal communication system. **GRI 102-18**



(A) The organisational structure, i.e. the allocation of business activities to sectors that create the company’s added value, comprises:

- The four Business Units/Sectors of the company,
- The group of Central Units/Support Functions (CSFs), which, in addition to meeting corporate operations and needs, support the Sectors by providing them with specialised services,
- The Central Functions.

This structure operates under the responsibility of the CEO, with support from the CEO’s Office in connection with matters regarding coordination and the settlement of pending issues.

(B) The structure of executive governance ensures expedient and good decision making, fully informed, with optimal utilization of top management time. It comprises decision preparation, decision making, and coordination committees as follows:

- Monthly Executive Committee, that defines the company’s strategy and direction.
- Three subcommittees, preparing the material necessary to support the decision-making role of the Executive Committee:
 - Monthly subcommittee for treasury affairs, charged with matters relevant to financial performance, risk, international markets and capital markets,
 - Subcommittee for capital investment, which meets whenever this is necessary to consider matters relevant to capital investments,
 - Monthly subcommittee for energy and regulatory affairs of strategic importance.
- Monthly committees of the Metallurgy Sector, the Electric Power Sector and the EPC & Infrastructure Sector, charged with the task of directing the operation and monitoring performance in the respective Sector, coordinating the projects specified in the strategic plan and making business decisions to the extent not falling within the authority of the Executive Committee.

- Support Functions Committee, which meets whenever the need arises to consider matters related to the provision of support services to the individual Sectors.

(C) Internal procedures comprise and express the policies adopted by the company and provide information on its organisation and on the development of a common understanding between employees, as well as on the corporate practices regarding the management of human resources. They also elucidate roles and responsibilities in matters where competent persons from different Sectors and Central Support Functions are involved.

(D) The internal communication system comprises hierarchical communication for the coordination of tasks, as well as updating, deployment and the resolution of issues relevant to projects, premises, employees or employee groups. It is of an informative nature and supplements the hierarchical communication for employees to have a complete picture of the matters relevant to the Company; finally, it comprises informal communication between the members of the organization, which supplements the hierarchical and formal internal communication by bridging gaps that could cause organizational dysfunctions.

THE MANAGEMENT OF MYTILINEOS

The General Meeting of the shareholders is the supreme corporate body, having authority to decide on any matter relevant to the company. Its resolutions, adopted as prescribed by law, are also binding on absent or dissenting shareholders.

The Board of Directors, acting collectively, exercises the management of the company and controls all company activities. According to the company’s Articles of Association, the Board of Directors should be composed of no fewer than seven (7) and no more than fifteen (15) members. The current Board of Directors was elected by the General Meeting on 01.06.2017 and its term ends on 01.06.2021. It is composed of two (2) executive and five (5) non-executive members, with two (2) of the latter being independent members. The current composition of the Board of Directors, following the election by the Board, on 18 September 2017, of Mr George Chryssikos as Non-Executive Member, in replacement of the resigned Non-Executive Member Mr. Wade Burton, in accordance with article 22 par. 1 of the company’s Articles of Association, is as follows:

BOARD OF DIRECTORS (1-6-2017)	
FULL NAME	STATUS
Evangelos Mytilineos, son of George	Chairman and CEO – Executive Member
Ioannis Mytilineos, son of George	Vice-Chairman – Non-Executive Member
George-Fanourios S. Kontouzoglou	Executive Director - Executive Member
Sofia G. Daskalaki-Mytilineou	Member – Non-Executive
George Chryssikos, son of Constantine	Member – Non-Executive
Apostolos Georgiades, son of Stavros	Member - Independent - Non-Executive
Christos Zerefos, son of Stylianos	Member - Independent - Non-Executive

The Board of Directors represents the company and adopts resolutions on all matters relevant to the company with a view to furthering the corporate objects, except for matters which under the Law or under the Articles of Association fall under the exclusive authority of the General Meeting of shareholders. The Board is furthermore entrusted with the full and effective control of the company business and acts in conformance with

the provisions of law and of the Articles of Association.

Additionally, the Board of Directors, in order to support the preparation of its resolutions and ensure the effective management of potential conflicts of interest in the decision-making process, has provided for the establishment two committees, namely **the Audit Committee and the Remunerations Committee**.

COMPOSITION OF THE AUDIT COMMITTEE	
FULL NAME	STATUS
Apostolos Georgiades	Chairman - Independent Non-Executive member of the Board
Konstantinos Kotsilinis	Independent Non-Executive member
Christos Zerefos	Independent Non-Executive member of the Board

The **Audit Committee** meets at least four (4) times per year and also holds extraordinary meetings when required, also working closely with the company's Internal Audit Department. Its key responsibilities are: (a) the external audit of the company, i.e. the monitoring of the statutory audit of the company's individual and consolidated financial statements, (b) the monitoring of the financial reporting process, and (c) the examination and assessment of the adequacy and effectiveness of the internal control systems. The duties and responsibilities of the Audit Committee and its Regulation Code are posted on the company's website, www.mytilineos.gr at: <http://www.mytilineos.gr/en-us/committees/and-external-auditors>

The key responsibilities of the **Remunerations Committee** include dealing exclusively with matters concerning staffing, remunerations and incentives at the level of senior executives of the Company and of its subsidiaries, and the submission of recommendations on the remunerations of these executives, so that the Board of Directors may make informed decisions in granting its approval. In addition, the Remunerations Committee submits to the Board of Directors recommendations on the application of remunerations and benefits systems, on organisational changes involving the executives, on the replacement of Board members when this is judged necessary based on reasoned recommendations, and on the remunerations of the Board members. Furthermore, the Committee proposes to the Board of Directors possible changes of executives in the company's organisational chart, Performance Review Systems for senior executives

and measures to support the professional advancement of executives and is also supervising the procedure for filling key Company positions.

In the context of the overall upgrading and enhancement of its Corporate Governance in 2018, MYTILINEOS will proceed to re-establish the Remunerations Committee in line with the Greece Corporate Governance Code and with international best practices.

Moreover, MYTILINEOS acknowledges the significance of promoting **the principle of diversity** in the composition of its governance bodies as well as in its executives and administrative personnel. Managing and capitalising on diversity represents a major organisational challenge for MYTILINEOS, which the company, as a modern-day business, will have to address in the next two years, following the completion of its corporate transformation and in line with its responsible operation. In 2017, the Company paved the way in this direction by introducing a specific Diversity Policy with clearly defined vision and objectives.

CSR GOVERNANCE

Management of the issues related to responsible entrepreneurship is exercised by the Senior Management Team of MYTILINEOS and covers all policies and actions aimed at meeting the expectations of its Stakeholders, over and above the company's legal and regulatory obligations. The system for the governance of Corporate Social Responsibility (CSR) in place at the company is presented in the table below:

Description of the CSR Governance system	Objectives of the CSR Governance system
CSR COMMITTEE The CSR Committee is responsible for monitoring and ensuring the correct implementation of Corporate Social Responsibility in the company, while at the same time checking and approving the material issues that determine the structure of the company's annual Sustainability Report. GRI 102-32 It may also act in the role of advisor to the Management of MYTILINEOS on environmental, social and ethical matters.	(a) To highlight the scope and breadth of the relevant concepts, with the ultimate goal of preventing business, social and environmental risks.
CEO's OFFICE GENERAL MANAGEMENT With its crucial coordinating role and also through the specialised CSR support service unit that forms part of it, the CEO's Office General Management sets the short-term strategic priorities as well as the long-term overall CSR strategy of the company. It is also responsible for providing support to all Business Sectors of the company, in order to ensure compliance with the relevant standards and with the CSR goals of MYTILINEOS.	
BUSINESS SECTORS The Heads of the Business Sectors are actively involved in the management of social and environmental issues, providing the respective CSR teams of their Sector with the necessary directions and ensuring that the Key Performance Indicators (KPIs) are in line with the Group's strategic goals. The individual CSR teams operate within specific and clearly defined duties and obligations, to implement the central strategic goals and policies, as well as the CSR programmes at the level of the individual Business Sectors.	
OPEN SOCIAL DIALOGUE The Stakeholder Engagement process is a long-established principle of MYTILINEOS' responsible operation, contributing to greater transparency and to the further improvement of the CSR strategy and of the related initiatives of its individual Business Units.	(b) To identify and implement policies and initiatives that will substantially contribute to the achievement of Sustainable Development.
COMPANY CODES GRI 102-16 The following codes play an important role in the governance of CSR: 1. The "Code of Business Conduct" of MYTILINEOS, which refers to the rules of acceptable conduct regarding the conduct of the company's Management towards employees, the principles of professional ethics and the rules that govern the conduct of employees between themselves and towards third parties 2. The "Suppliers and Business Partners Code of Conduct", which describes the company's minimum requirements / expectations of its supply chain actors regarding CSR-related issues as a prerequisite for the establishment of a commercial association.	
	(c) To balance the economic, social and environmental implications of the company's activities, while generating value for the shareholders and all other Stakeholder groups in general.

From January to June 2017, when the company's restructuring was announced, the CSR Committee held three (3) meetings. The topics discussed in these meetings are presented in the following table:

DATE OF MEETING	AGENDA
27.03.2017 & 29.03.2017	Discussion and adoption of decisions in connection with the new institutional framework for CSR. Presentation of the key standards adopted and applied by MYTILINEOS and of the company's obligations under Law 4403/2016 regarding the disclosure of Non-Financial Information.
10.04.2017	Presentation and approval of the results of the internal review of the MYTILINEOS materiality analysis process.

Organisation and implementation of risk management GRI 102-11 GRI 102-15

With operations in four core Business Sectors, MYTILINEOS is faced with a number of different risk factors which may potentially affect its operation, its financial and non-financial status or its operational results.

MYTILINEOS has defined risk as a set of uncertain and unpredictable situations that may affect all its activities, its business operation, its financial performance, as well as the implementation of its strategy and the achievement of its goals. For this reason, the company has established an integrated approach to risk management, which has become established in all its Business Units and consists of the following three stages:

- Identification and assessment of risk factors,
- Planning of the risk management policy,
- Implementation and evaluation of the risk management policy.

All senior executives of the company are involved in the identification and initial assessment of risks, so as to facilitate the work of the Executive Committees of each Business Unit, as well as of the Board of Directors of each

legal person, in the planning and approval of specific actions in the context of the approved Enterprise Risk Assessment and Management (ERM) processes.

Regarding Non-Financial Information, since 2010 the company has introduced a specific Stakeholder engagement process for evaluating the materiality of the sustainability issues which are related to its activity sectors. This process, combined with the corresponding prioritisation of these issues by activity sector, is at the core of the company's accountability policy. For the company, this process is an ongoing exercise that is constantly evolving and being improved.

Finally, the presentation of these risks and of the available ways in which to deal with them are discussed in the specific Disclosure on Management Approach presented for each Material issue, in the respective sections of this Report. More information on Corporate Governance, on the financial risks to which MYTILINEOS is exposed and on the new Diversity policy, are presented in the Annual Board of Directors Management Report 2017.

The "Code of Business Conduct" of MYTILINEOS sets out the general principles that define responsible business conduct and the ethical rules that all the employees involved in the group's activities, as well as the Group's associates, including contractors, suppliers and business partners are expected to adhere to. The Code is important to the company because its application is a substantial step towards achieving its main strategic goal of Continuous and Responsible Development. The Code ensures that all MYTILINEOS activities are carried out with integrity, thus protecting its reputation, which is its most valuable intangible asset, and creates the right setting for the company's further growth. GRI 102-16



Sustainability Report Parameters

The present Sustainability Report of MYTILINEOS (hereinafter "Report") presents an overview of the company's performance in sustainable development related areas during 2017, supplementing its Annual Financial Report. This Report also marks the **10th consecutive year of disclosure of company's Non-Financial information**.

Report preparation principles

In structuring the Report and preparing its contents, the following were taken into account:

- The New Standards of the Global Reporting Initiative international organisation (GRI Standards). (You can consult the relevant GRI Index at: www.mytilineos.gr/en-us/csr-disclosure-table-2015/of-mytilineos-group/)
- The ISO 26000 International Standard on Corporate Social Responsibility. (You can consult the relevant table at: www.mytilineos.gr/en-us/memberships-initiatives-and-standards/about-corporate-social-responsibility#tab-iso-2006-international-standards)
- The 10 Principles of the UN Global Compact. (You can consult the annual Communication on Progress (CoP) at: www.mytilineos.gr/Uploads/ETHSIA_DELTIA/csr_reports/MYTILINEOS_UNGC_Advanced_Level_CoP_2017.pdf)
- The OECD Guidelines to multinational enterprises on responsible business conduct. GRI 102-45 GRI 102-50

Report scope and reference

The Report covers the period from 1/1/2017 to 31/12/2017 and contains information from:

- The central services and all Business Sectors of MYTILINEOS in Greece, as established following the completion of the corporate restructuring.
- The construction sites that the company, through its EPC & Infrastructure Sector, operates abroad (unless otherwise indicated).
- The MYTILINEOS subsidiaries based in Greece in which the parent company has a stake higher than 50%, as listed in the company's Annual Report.

The Report does not include non-financial information for the company's Zinc/Lead Metallurgy and Gas Trading activities.

Report content

The purpose of the Report is to present quantitative and qualitative information on the performance of MYTILINEOS regarding the fulfilment of key Environmental, Social and Governance criteria and has been prepared in accordance with the "In accordance - Core" option of the GRI Standards.

The information presented in the Report has been collected and evaluated by means of internal procedures, provided by the company's CSR Governance system, for disclosure purposes. Thus, the Report:

- Focuses on the sustainability issues which are material to the achievement of the strategic goals of MYTILINEOS and which have been identified based on the company's formal Materiality analysis process.
- Concerning Environmental Performance, quantitative data are presented for the five-year period 2013-2017 or the four - year period 2014-2017 (with base year 2013 or 2014 respectively, as the first year in which MYTILINEOS published consolidated information).
- Concerning Social Performance, quantitative data for the five or four-year period (2013-2017 or 2014-2017) are also presented, while in tables with no comparable time line, the year 2017 has been set as base year, due to the company's recent transformation.
- Contains data from direct measurements, while where estimates are given, this is explicitly mentioned.
- The completeness of the information contained in the Report is supported by the dedicated Corporate Social Responsibility section of the MYTILINEOS website, the revised **Integrated Value Creation Scorecard** tool, and by the references, where required, to the Annual Report 2017.

Communication GRI 102-53

Your views, comments or suggestions regarding the contents of the Report are most welcome. You can submit them using a custom-developed questionnaire, available at: www.mytilineos.gr/en-us/survey/survey-about-mytilineos. For more information or clarifications, please address your queries to:

Mr. Georgios Galanis
Corporate Social Responsibility Manager
MYTILINEOS S.A.
5-7 Patroklou Street, 151 25 Maroussi
E-mail: Georgios.galanis@mytilineos.gr

The Greek Sustainability Code

The **Greek Sustainability Code** provides a structured system with regards to the transparency and commitment of businesses towards Sustainable Development and Responsible Entrepreneurship. It responds to the need for measuring the economic, environmental and social performance of companies with the goal strengthen their competitiveness in terms of: a) the enhancement of the export activity of Greek businesses as well as their overall

openness b) the acquisition of capital through the positive evaluation from the financial market and the international investor funds and c) their accession into international Networks of “Responsible Suppliers”.
The table below presents the company’s response to the Greek Sustainability Code criteria (**LEVEL A**) which are based on the following international standards: GRI, GLOBAL COMPACT, EFFAS, ISO & EMAS

		
PILLAR	CRITERIA	REFERENCES (Sustainability Report 2017)
STRATEGY	1. Strategic Analysis & Action	• Message from the Chairman • Our approach to Sustainable Development
	2. Materiality	• Materiality analysis of sustainability issues
	3. Objectives	• Our approach to Sustainable Development • Disclosure Management Approaches of material issues
	4. Management of Value Chain	• Supply chain
PROCEDURE MANAGEMENT	5. Responsibility	• Corporate Governance
	6. Rules & Processes	• Our approach to Sustainable Development • Disclosure Management Approaches of material issues • Corporate Governance
	7. Monitoring	• Corporate Governance • http://scorecard.mytilineos.gr/ • Sustainability Report Parameters
	8. Incentive and reward systems for Sustainable Development	• Annual Report 2017 (Board directors remunerations).
	9. Stakeholder engagement	• Stakeholder Engagement
	10. Product Responsibility and innovation	• Product Quality & Safety
ENVIRONMENT	11. Usage of Natural Resources	• Environmental Performance
	12. Resource Management	
	13. Climate relevant emissions	
SOCIETY	14. Employment Rights	• Social Performance
	15. Equal Opportunities	
	16. Qualifications	
	17. Human Rights in the Supply Chain	
	18. Corporate Citizenship	
	19. Initiatives and Political Influence	
	20. Corruption prevention and alleviation	
		

UN Global Compact Communication on Progress (Advanced level)

The United Nations Global Compact is a commitment platform and a practical framework for businesses which voluntarily declare their pledge to serve the Sustainable Development agenda and promote responsible business practices.
MYTILINEOS, has declared, since 2008, its commitment to uphold the ten principles of the Global Compact, disclosing on an annual basis its relevant performance

(Communication of Progress) in the context of its broader activity.
The table below presents the company’s exposure to the 10 Principles of the Global Compact while in the address: www.mytilineos.gr/enus/csr-reports/publications, is available its independent report, about the fulfilment of the 21 criteria under the **UNGC Advanced COP Self-Assessment 2016 (Updated 19 August 2016)**.

	
THE 10 PRINCIPLES OF THE UN “GLOBAL COMPACT”	REFERENCES (Sustainability Report 2017)
1st: Businesses should support and respect the protection of internationally proclaimed human rights.	• SOCIAL PERFORMANCE (Material issues: Occupational Health & Safety – Employment practices)
2nd: Businesses should make sure that they are not complicit in human rights abuses.	
3rd: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	
4th: Businesses should uphold the elimination of all forms of forced and compulsory labour.	• SOCIAL PERFORMANCE (Material issue: Employment practices)
5th: Businesses should uphold the effective abolition of child labour.	
6th: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	
7th: Businesses should support a precautionary approach to environmental challenges.προκλήσεων.	• ENVIRONMENTAL PERFORMANCE (Material issue: Environmental management & Climate Change)
8th: Businesses should undertake initiatives to promote greater environmental responsibility.	
9th: Businesses should encourage the development and diffusion of environmentally friendly technologies.	
10th: Businesses should work against corruption in all its forms, including extortion and bribery.	• SOCIAL PERFORMANCE (Material issue: Anti-corruption)
<div><div><p>UN GLOBAL COMPACT</p><p>COMMUNICATION ON PROGRESS</p></div><div><p>This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.</p><p>We welcome feedback on its contents.</p></div></div>	

"The Sustainability Report is the result of a coordinated effort of the Corporate Social Responsibility Teams of the MYTILINEOS Business Sectors. We would like to express our thanks to all CSR teams members for their important contribution and cooperation. We would also like to thank all our Stakeholders and external associates, whose participation in our annual Engagement process is an invaluable help in the adoption of international standards and the implementation of best practices that further improve our activities".





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