



**MYTILINEOS**

**SUSTAINABILITY COMMITTEE**

**Terms of Reference**

**15 June 2021**

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## **Chapter 1 - Purpose, membership, tenure**

### **Article 1 - Purpose**

1. The Sustainability Committee ("Committee") of MYTILINEOS assists the Board of Directors of the Company ("Board") in integrating Sustainable Development policies and procedures in the Company's basic decision-making processes and operations.
2. The purpose of the Committee is to assist the Board in strengthening the Company's long-term commitment to creating value in all three pillars of Sustainable Development (economy, environment and society) and in overseeing the implementation of responsible and ethical business conduct, evaluated regularly on the basis of its results and its performance in Environmental, Social and Governance (ESG) matters.

### **Article 2 - Membership**

1. The Committee shall consist of at least three (3) members, the majority of whom shall be non-executive Board members and at least two (2) of whom shall be independent non-executive Board members. A third person, not a Board member, also can be a member of the Committee.
2. The exact number of members of the Committee shall be determined by the Board, which, moreover shall appoint the members of the Committee according to paragraph 1.
3. The members of the Committee shall appoint the Chair.
4. In order that they carry out the Committee's duties adequately, its members as a whole should possess the required knowledge, skills and/or experience related to the Company's activity and, in particular, regarding issues of sustainable development, environment, society and governance (ESG).
5. Following a proposal by the Remuneration and Nomination Committee, the Board shall assess the candidate members of the Committee.

### **Article 3 - Tenure**

Unless the Board were to resolve otherwise, the Chair and the members of the Committee shall be appointed for a period equal to the tenure of the Board, namely for four years.

## **Chapter 2 - Functioning and decision-making**

### **Article 4 – Notice of Meetings**

1. The Chair shall convene the Committee by invitation notified to the members at least three (3) working days prior to the meeting.
2. The invitation shall state the items on the agenda, the date, time and place of the meeting of the Committee, with relative documentation attached. At the Committee Chair's discretion, accompanying documents relating to specific items on the agenda exceptionally may be submitted less than three (3) working days prior to the meeting.
3. The Committee may also be convened extraordinarily if the Chair of the Committee,



deems it appropriate, or following a written and reasoned request submitted to the Chair by any of the Committee members. The Committee also may meet on its own initiative, provided that all its members are present.

4. With the support of the Secretary, the Chair, shall set the agenda for each Committee meeting.

#### **Article 5 - Frequency and Minutes of Meetings**

1. In order to carry out its duties effectively, the Committee shall meet in person or by teleconference at regular intervals, at least three (3) times a year. Whenever required, the Committee shall meet extraordinarily.
2. The meetings of the Committee shall be attended by its members, its Secretary and or the Deputy Secretary, and the Company Secretary, the latter to assist the Committee in matters of corporate governance. However, whenever deemed appropriate, it is at the discretion of the Committee to invite third parties, both from within and from outside the Company, to participate in its meetings.
3. As required, the Committee may meet jointly with other Committees of the Board to discuss important issues of mutual interest.
4. The Chair shall ensure that the Secretary shall minute the Committee's meetings in an appropriate manner. The Committee shall approve the minutes of each meeting until the next meeting, following which the Chair and the members shall sign them either by hand or electronically.
5. Any member of the Committee may request that his opinion be recorded in the Minutes.
6. The drafting and signing of Minutes by all the members of the Committee shall be equivalent to a meeting and a resolution, even if no meeting has preceded.
7. The Chair or the Secretary of the Committee issue the transcripts and the excerpts of the Minutes, without any further ratification.

#### **Article 6 - Secretariat**

1. The Committee shall appoint a Secretary and a Deputy Secretary to support its operations. In case no Secretary is appointed according to the above, the Company Secretary and the Deputy Company Secretary or his/her deputy shall carry out the duties of Secretary and Deputy Secretary of the Committee.
2. The Secretary of the Committee shall be responsible for the proper implementation of the meetings of the Committee. Specifically:
  - a) shall minute the Committee's meetings, see to the determination of the venue, the date and the duration of the meetings;
  - b) shall ensure that the agenda of the items to be discussed and the supporting documents required are communicated and sent to each member of the Committee, as well as to any other person invited to attend a meeting of the Committee, in accordance with Article 4 hereof;
  - c) must ensure that the Committee shall receive all the necessary information and documents in a timely manner, so that the issues to be discussed can be examined fully;



d) shall be responsible for the proper keeping of the Minutes of the Committee meetings and for recording those present and attending each meeting.

#### **Article 7 - Resolutions**

1. The Committee shall be in quorum when at least half plus one of its members are present, either in person or by teleconference.
2. The Committee Chair must attend all Committee meetings. Should an unforeseen event impede the Chair from attending a scheduled meeting, the other members may appoint another member to chair the meeting, provided that at least half of the members of the Committee are present.
3. Committee resolutions shall be reached by a majority.
4. Each member of the Committee shall have one vote, to exercise on issues discussed at the meeting. Only members who attend the meeting, either in person or electronically/by video conference, shall have the right to vote.
5. Should the Committee consider an issue in which a member has a personal interest, either directly or indirectly, that member shall be barred from voting on the matter at the meeting.
6. Where resolutions are not reached unanimously, the views of minorities must be recorded in the Minutes. Non-unanimous resolutions must be reported as such to the Board.
7. In reaching its resolutions, the Committee shall take due account, on the one hand, of the current legislative and regulatory framework, and on the other hand, the interests and implications of its decisions for shareholders and the Social Partners.

### **Chapter 3 - Remit, access to information and resources**

#### **Article 8 - Remit**

The Committee shall have the following responsibilities:

- a) It shall review annually the domestic and international trends in Sustainable Development that can have a significant impact on the Company's business activities and performance.
- b) It shall supervise and monitor the implementation of the Sustainable Development Policy, in accordance with the Company's strategy in this respect.
- c) It shall examine and approve the process of determining the essential issues of Sustainable Development, validating its results annually, which shall constitute the structure of the Company's annual Sustainable Development Report.
- d) It shall be informed with regard to and shall approve the content of the Company's annual Sustainable Development Report.
- e) It shall monitor the progress of achieving the objectives of reducing carbon dioxide (CO<sub>2</sub>) emissions and the Company's performance in the other essential Environmental, Social and Governance (ESG) issues, informing the Board in this respect and proposing corrective actions.
- f) It shall be informed with regard to and shall evaluate the results of the institution of the



Consultation of Social Partners (expectations of key groups of Social Partners, Relevant Stakeholders) providing the corresponding directions.

g) It shall forward reports and make recommendations to the Board for a better understanding of Environmental, Social and Governance (ESG) issues, highlighting areas that may require action or improvement.

h) It shall be informed with regard to the Company's individual Sustainable Development policies (and the relevant Codes of Conduct) which fall within its remit and shall approve their content and any revision thereof or, as the case may be, shall recommend their approval to the Board.

i) It shall discuss and examine Sustainable Development issues and Environmental, Social and Governance (ESG) issues, in combination with the Company's priorities of communication and management of its reputation, proposing to the Board ways for the most effective communication of these issues both within and outside the Company.

j) It shall evaluate annually its own performance and effectiveness, discuss the results of this evaluation, propose corrective actions and take measures to correct weaknesses identified. At its discretion, the Committee may assign the evaluation of its performance and effectiveness to an external consultant.

#### **Article 9 – Access to information and resources**

1. The Committee should have at its disposal the resources necessary for carrying out its tasks.
2. To discharge its duties, the Committee should:
  - a) have access to the relevant internal information required for fulfilling its role, and/or through its Secretary or Deputy Secretary request and receive any data and information material from the Company's competent executives and employees, which it shall consider important for the proper performance of its duties;
  - (b) at its discretion, where it shall reasonably consider it necessary to do so, receive independent legal or other professional advice from external consultants on any matter within its mandate, the Company providing it with adequate funds to this end;
  - c) at its discretion, where it shall consider it necessary to do so, request that the Company's General Division of Legal and Regulatory Affairs participate in its meetings.
3. The Committee also may propose the use of any supporting instruments, internal or external, which it may deem necessary and/or desirable for the proper application and implementation in the Company of Sustainable Development and Environment, Society and Governance (ESG) policies. The cost of external instruments or services shall be part of the corporate budget for Sustainable Development and Environmental, Social and Governance (ESG) matters.
4. The members of the Committee shall be provided with appropriate and timely training in the form of an induction training program for its new members, also in accordance with the Education Policy of the Company's Board.



## **Chapter 4 - Final provisions**

### **Article 10 – Provision of information**

1. The Board and senior management executives, as well as the other staff of the Company shall cooperate with the Committee and provide it with any information it may request.
2. At least annually, the Committee Chair shall inform the Board regarding the Committee's work on all matters falling within its remit and the manner in which it discharged its duties. Moreover, annually he shall submit to the Board a report on its work during the year.
3. The Company's Management must ensure that the Committee shall be kept informed in a timely and adequate manner regarding the Company's decisions which impact its responsibilities and must see to it that the Committee is provided with the information required.

### **Article 11 - Shareholder Engagement**

1. The Committee shall assist in the Company's Shareholder Engagement in accordance with the Company's policy in this regard.
2. The Committee Chair shall attend the Company's Annual Ordinary General Meeting of Shareholders, to support, as required, the Company's Chair of the Board in questions regarding the Committee's activities and issues that fall within its remit.

### **Article 12 - Applying and amending the Terms of Reference**

1. The members of the Committee must comply with the terms of Reference. The other members of the Board, Company executives and in general its staff must observe the provisions of the Terms of Reference to the extent that they are concerned and to the extent that they are involved in the Committee's work.
2. The Committee shall draft the Terms of reference. They shall enter into force immediately after their approval by the Board and shall be posted on the Company's website.
3. The Committee shall review the Terms of Reference annually and shall revise them as appropriate.