

HOLDINGS
MYTILINEOS

GLOBAL COMPACT

Communication On Progress
Advanced Level 2015

JUNE 2016



This is our Communication on Progress
in implementing the principles of the
United Nations Global Compact.

We welcome feedback on its contents.



Chairman's statement of Continued Support

“Our Communication on Progress 2015 showcases our will to stay true to our 2008 commitment to support the fundamental principles of UN Global Compact (Human Rights, Labour Standards, Environment and Anti-corruption).

The fact that of our « Advanced level CoP» validation, for the 3rd time, comes as a recognition of the Group's continuous effort towards integrating this principles in its corporate governance. An effort that is clearly depicted in the Group's 8th Sustainability Report 2015.

Here you will find our 2015 Communication on Progress and can learn more about how we are implementing all ten principles across MYTILINEOS Group.”



Evangelos G. Mytilineos
Chairman of the Board & CEO
MYTILINEOS Group of
Companies

Contents

1. Implementing the Ten Principles into Strategies & Operations

Criterion 1: The COP describes mainstreaming into corporate functions and business units.....3

Criterion 2: The COP describes value chain implementation.....5

Robust Human Rights Management Policies & Procedures

Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights.....6

Criterion 4: The COP describes effective management systems to integrate the human rights principles.....8

Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration.....10

Robust Labour Management Policies & Procedures

Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour.....12

Criterion 7: The COP describes effective management systems to integrate the labour principles.....14

Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration.....16

Robust Environmental Management Policies & Procedures

Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship.....17

Criterion 10: The COP describes effective management systems to integrate the environmental principle.....19

Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship.....21

Robust Anti-Corruption Management Policies & Procedures

Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption.....22

Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle.....23

Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption.....24

2. Taking Action in Support of Broader UN Goals and Issues

Criterion 15: The COP describes core business contributions to UN goals and issues.....25

Criterion 16: The COP describes strategic social investments and philanthropy.....27

Criterion 17: The COP describes advocacy and public policy engagement.....28

Criterion 18: The COP describes partnerships and collective action..... 29

3. Corporate Sustainability Governance and Leadership

Criterion 19: The COP describes CEO commitment and leadership..... 31

Criterion 20: The COP describes Board adoption and oversight..... 33

Criterion 21: The COP describes stakeholder engagement.....35

4. Independed Assurance Statement.....36

Implementation Percentage of suggested best practices

2013	2014	2015
66.6%	66.6%	83.3%
40.0%	60.0%	60.0%

80.0%	80.0%	80.0%
30.0%	30.0%	44.4%
42.8%	42.8%	42.8%

62.5%	62.5%	62.5%
57.1%	57.1%	71.4%
50.0%	50.0%	50.0%

83.3%	83.3%	83.3%
50.0%	66.6%	66.6%
66.6%	66.6%	66.6%

66.6%	66.6%	66.6%
22.2%	33.3%	33.0%
66.6%	66.6%	66.6%

66.6%	66.6%	100%
50.0%	66.6%	75.0%
33.3%	66.6%	66.6%
66.6%	66.6%	100%

60.0%	60.0%	60.0%
75.0%	75.0%	75.0%
80.0%	80.0%	100%

Implementing the Ten Principles into Strategies & Operations

Criterion 1: The CoP describes mainstream into corporate functions and business units.

Best Practice 1:

Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives.



The implementation of our sustainability strategy is primary based on our CSR Governance System, which is characterized by certain structures within the Group. The integration of the CSR Governance System in the Group's organizational structure relies on a uniform set of procedures and on specific reporting hierarchy, in order to overcome any obstacles which might result from the particular characteristic of our individual business activity sectors. Moreover, sustainability responsibilities are assigned to all departments of the Group such as HR, Health & Safety, Legal etc.

The objectives of our CSR Governance system are:

(a) To highlight the scope and breadth of the relevant concepts, with the ultimate goal to prevent social, environmental and governance risks, (b) to identify and implement policies and initiatives that will substantially contribute to the achievement of Sustainable Development, (c) to ensure the harmonization of Group's sustainability commitments with the particular CSR objectives of Group's subsidiaries, (d) to balance the economic, social and environmental implications of the Group's business activities, while generating value for its shareholders and for all its other Stakeholder groups and (e) to guarantee that different business functions manage closely to maximize CSR performance.

Best Practice 2:

Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy.



Our approach to Corporate Social Responsibility is a multifaceted and complex process characterized by our conscious self-commitment to continuous improvement. It is directly linked to our business operations and defines the way in which we choose each time to move forward, taking steady steps towards achieving Continuous Responsible Development, guided by our vision and values.

Starting with the definition of our fundamental commitments regarding Corporate Social Responsibility:

- We have created and published specific DMA's according to GRI G4 guidelines for all material sustainability issues.
- We have developed a uniform system for the CSR governance and for its integration into our organizational structure, taking into account the particular characteristics of our business activity sectors and subsidiaries.
- We have established an open dialogue with our Stakeholders, which we improve every year.
- We have adopted international standards and we have committed ourselves to international initiatives that promote responsible entrepreneurship and
- We continue to set realistic ESG targets to ensure the proper disclosure of our performance.

Our Code of Business Ethics, Suppliers Code of Conduct, Environmental and Occupational Health and Safety Policy are part of our governance system and applied across our business units.

Also you can see:

- CSR strategy: www.mytilineos.gr/en-us/our-strategy/about-corporate-social-responsibility
- Code of Ethics: www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code
- Suppliers Code of Conduct: www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf

Implementing the Ten Principles into Strategies & Operations

Criterion 1: The CoP describes mainstream into corporate functions and business units.

Continue

Best Practice 3:

Design CSR strategy to leverage synergies between and among issues areas and to deal adequately with trade-offs.



For MYTILINEOS Group, Corporate Social Responsibility (CSR) is a key strategic choice which over the last 10 years has been gaining increasing significance for developing and sustaining its competitiveness. The Group's primary objective is to introduce and implement related initiatives, which guarantee the existence of ethical operation criteria, respect for people and the protection of the natural environment in all its business initiatives and activity sectors. For the Group, CSR Governance is a multifaceted and complex process characterised by its conscious self-commitment to the achievement of "Continuous Responsible Development", guided by its vision and values. MYTILINEOS Group understands CSR as a fundamental factor which contributes to the prevention of economic, social and environmental risks, in order to build a context of trust in which can operate creating value for its Stakeholders. The Group remains steadfast in its pledge to uphold the ethical rules and the principles that guarantee its unbroken alliance with Society, with its Employees and with the Environment, especially so in the adverse economic juncture the country is facing, which makes the contribution of businesses as social partners all the more imperative.

Best Practice 4:

Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary.



The Group has encouraged the creation, in all its subsidiaries, of CSR teams. Each CSR team is responsible to the Board of Directors of the respective Group Company for developing, implementing and evaluating the overall CSR strategy in terms of policies, goals/targets, actions and results in connection with significant environmental, social and ethical issues in the internal as well as the external environment of the respective company.

For more information please see www.mytilineos.gr/en-us/csr-governance/info

Best Practice 5:

Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts.



The Group has adopted the Principles of the Greek Corporate Governance Code as laid down in the applicable Greek laws and in accordance with international practice. Representing a set of rules, principles and controls based on which the Group is organized and managed, Corporate Governance is aimed at ensuring transparency towards the investing public while safeguarding the interests of the Group's shareholders and of all other stakeholders involved in its operation.

Guided by the principles of Corporate Governance, MYTILINEOS HOLDINGS S.A. formulates the strategy and lays down the general directions, policies and principles that govern the operation of all Group subsidiaries. The organizational structure of MYTILINEOS HOLDINGS S.A. defines the boundaries of responsibility, assisting and facilitating decision-making and implementation in line with the Group's strategy. Its role as the coordinator center, is to establish the relationships and roles that guarantee the smooth operation of the Group.

The Group Communication Department serves as an interface between all the different corporate functions and manages the CSR and Sustainability topics and the non-financial reporting. Also, an operational CSR Committee, meet regularly to exchange and maximize performance. For more information please see www.mytilineos.gr/en-us/csr-governance/info

Implementing the Ten Principles into Strategies & Operations

Criterion 2: The COP describes value chain implementation.

Best Practice 1:

Communicate policies and expectations to suppliers and other business partners.



All our suppliers and subcontractors, are required to comply with the Group's values and general terms of purchase and payment, which include respect for the core Conventions of the International Labour Organization and for local legislation. All the contracts signed with our major subcontractors and suppliers contain clauses regarding their obligation to comply with the laws, to ensure the safety and protection of their personnel and other labors rights, as well as clauses on environmental compliance (in accordance with the ISO 14001 International Standard).

Furthermore, as part of our efforts to communicate more effectively our principles and values in our sphere of influence, we have published our "Suppliers and Business Partners Code of Conduct" which sets out more clearly our policies and expectations for a responsible supply chain management and aims to focus on communicating and promoting the principles of the UN Global Compact to our principal associates and suppliers. For new suppliers, the Code is implemented by a communication procedure of our expectations from the first contact while, existing suppliers will aware of these expectations through particular meetings or contracts and mainly through the annual Stakeholders Engagement process on CSR-related issues.

Best Practice 2:

Undertake awareness - raising, training and other types of capacity building with suppliers and other business partners.



The application of Corporate Responsibility in practice relies on our collaboration with social and other business partners and institutions, in order to promote our policies and to jointly work out and support solutions to important issues of concern at national level. To this end, MYTILINEOS Group is developing initiatives and is participating as an active member in voluntary Greek and international organizations, seeking to promote CSR and the principles of Sustainable Development, to exchange views on CSR-related issues, to improve its social and environmental contribution and to develop responsible practices in the broader business community.

More information you can find in www.mytilineos.gr/en-us/memberships-initiatives-and-standards/about-corporate-social-responsibility

Best Practice 3:

Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts.



Through our strategy, we seek to create value for our key stakeholder groups such as: customers, employees, shareholders and society. We take into account upstream and downstream material issues across the value chain. We map the key focus areas as identified in our materiality process in each phase of our value chain and identify the ways in which we engage with stakeholders to influence the impact of that issue.

More information you can find in our Sustainability Report 2015 in sections: 4 - Materiality analysis of sustainability issues, 7. Stakeholder Engagement and 10.4 Risk Management & Internal Audit : www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Implementing the Ten Principles into Strategies & Operations

Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights..

Best Practice 1:

Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights).



Protection of Human Rights

Our Commitment : We are committed to upholding all laws, regulations and practices designed to protect human rights in all areas in which we operate. We strictly oppose all forms of discrimination, and recruit employees regardless of color, race, gender, nationality, religion, sexual orientation or other personal diversity indicators. We are committed to strive in a continuous and concerted manner to establish procedures and methods that will define our actions, so that our commitments remain aligned with the principles of the United Nations Global Compact regarding to the Labour and broader Human rights protection. (Part of the Group's Corporate Social Responsibility Fundamental Commitments).

Best Practice 2:

Integrated or stand - alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company.



DISCLOSURE MANAGEMENT APPROACH OF HUMAN RIGHTS SAFEGUARDING.

www.mytilineos.gr/en-us/safeguarding-of-human-rights/information#tab-management-approach

Our Human Rights commitment and the related DMA have been approved by the CSR committee of the Group and are available to the our internal and external stakeholders through our website and our CSR report. Also, they consist major subjects during our annual Stakeholders Engagement Process.

Best Practice 3:

Statement of policy stipulate human rights expectations of personnel, business partners and other parties directly linked to operations, products or services.



MYTILINEOS Group acknowledges its share of the responsibility to protect Human Rights and to ensure they are respected in the work premises of its companies as well as in its broader business activities (where is feasible). To this end, we are committed to making continuous and concerted efforts to strengthen the methods and procedures which we have in place and which allow us to:

- Adhere to our pledge to uphold the principles of the UN Global Compact, especially regarding child labour and compulsory labor.
- Protect the rights of people with disabilities.
- Promote the protection of Human Rights among all participants in the supply chain of our Group subsidiaries.

For more information please see:

Group's Professional Ethics Business Code: www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code. The Code applies to all employees, irrespective of their position within the Group's hierarchy.

Group's Suppliers & Business Partners Code of Conduct:

www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf

Implementing the Ten Principles into Strategies & Operations

Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights..

Continue

Best Practice 4:

Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties.



MYTILINEOS Group “**PROFESSIONAL ETHICS CODE**”, the “**DISCLOSURE MANAGEMENT APPROACH OF HUMAN RIGHTS SAFEGUARDING**” and the “**SUPPLIERS CODE OF CONDUCT**” are publically available on www.mytilineos.gr/en-us/corporate-social-responsibility/of-mytilineos-group

The annual edition of Group’s Sustainability Report is publically available on www.mytilineos.gr/en-us/csr-reports/publications The Group’s key objective in publishing its Sustainability Reports is to provide its Stakeholders with direct access to information about its efforts, performance and future commitments regarding its contribution to sustainable development and CSR clauses including the protection of Human Rights.

Also Human Rights DMA is communicated internally and externally to all personnel, business partners and other relevant parties during the annual Group subsidiaries Stakeholders Engagement Process.

Implementing the Ten Principles into Strategies & Operations

Criterion 4: The COP describes effective management systems to integrate the human rights principles.

Best Practice 1:

Process to ensure that internationally recognized human rights are respected.



Communication to sphere of influence: MYTILINEOS Group has issued its "Suppliers and Business Partners Code of Conduct". The particular Code includes a description of the Group minimum conditions and expectations from its supply chain (significant suppliers and business partners), in matters relating to Corporate Social Responsibility, as a prerequisite of commercial cooperation between the two parties. The Code applies to all suppliers and business partners and its sections cover matters of Health and Safety, Working conditions and Human Rights, Ethics and Anti Corruption, Environmental protection and management.

Due diligence process: A Human Rights actual and potential impacts Self - Assessment applies in all Group's subsidiaries based on Global Compact related tool every 3 years. The next self assessment has been scheduled for 2016.

Best Practice 2:

Allocation of responsibilities and accountability for addressing human rights impacts.



In every business unit one person (the Construction Site Manager, the General Manager, the Managers of Headquarter Divisions, the Managers of the Energy Centers, and the Human Resources Departments) is designated as supervisor or as the person responsible for receiving all complaints regarding violations of Human Rights. This person is first of all responsible for taking action to prevent the occurrence of such practices, and then for dealing with cases of related complaints immediately, in full compliance with the local national laws and the principles of the Company. Additionally, to support this process, the CSR team in each Group subsidiary is committed to deal with HR issues protection according to Group's CSR Governance system procedures.

Best Practice 3:

Operational – level grievance mechanisms for those potentially impacted by the company's activities.



Although there are no official grievance mechanisms in place yet, all Group's subsidiaries implement the following initiatives which include, among others, the Human Rights issues:

- Environmental impact assessments and ongoing monitoring.
- Public Disclosure of results of environmental and social impact assessments.
- Contribution to local communities' needs.
- Employee representation bodies in specific subjects such as Health and Safety and our CSR teams are responsible to deal with matters related to our social and environmental local impacts.
- The process implementing accountability to the local communities about our social impacts consist of our "open door" policy, our annual Stakeholder Dialogue Process and the publication of our Sustainability Report. These are also our formal procedures for receiving complaints from the local community about the Group's activity.

Implementing the Ten Principles into Strategies & Operations

Criterion 4: The COP describes effective management systems to integrate the human rights principles.

Continue

Protecting the rights of children

With a strong interest in children's education, MYTILINEOS Group, in direct cooperation with the "Together for Children" Association, developed the Innovative Pilot Program "**I'm in!**", whose objective is to help mitigate the effects of **School Drop-out, i.e.** of children quitting school early, before completing their basic education.

The Program's key objectives for the school year 2015-2016 are:

- To achieve a 60% success rate in keeping in school the children who will participate in the program and who run a high drop-out risk during the current school year.
- To improve the children's learning performance.
- To lessen their food insecurity rate.
- To improve their psychological resilience and social functioning skills
- To provide 100% of the teachers participating in the program with the tools that will allow them to better handle high drop-out risk students and the specialised knowledge for handling school crises.

More information you can find in our Sustainability Report 2015 in section 9.7 – Social contribution: www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Best Practice 4:
*Process & Programs in place
to support human rights.*



Implementing the Ten Principles into Strategies & Operations

Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration.

Best Practice 1:

*Monitoring drawn from
internal and external feedback,
including affected stakeholders.*



Internally:

The Group's subsidiaries apply an Employees Performance Review System in annual basis. The relevant procedure carried out by the employee's direct and indirect supervisors. The performance appraisal interview, that follows, provide employees with the opportunity to express their views, to reward specific aspects of performance, to evaluate the existing Labor and Human Rights areas and practices and to provide their evaluators with the feedback regarding any problems they face in their daily work. The main practices, that have been evaluated each year, through this procedure, include issues such as: Working conditions, Fair Treatment, Discrimination, Hour and Wages, Forced labor and Health & Safety.

Externally:

MYTILINEOS Group continuous efforts to apply CSR in practice, rely on collaboration with its main Stakeholders groups in order to jointly work out and promote solutions to issues of mutual concern. In this context, transparency in communication and open dialogue are key to fostering mutual trust and collaboration with all main Stakeholders groups: employees, local communities, clients, suppliers, shareholders, the Press & Media, business partners, public bodies and voluntary organizations. Since 2010, Group's subsidiaries systematically organize dedicated consultation initiatives such as local dialogue forums, online consultations, thematic consultations and quantitative and qualitative surveys, with all their main stakeholders groups. Through this Dialogue Engagement Process, Human Rights Protection is one of the top discussion subjects giving the opportunity to all affected or potentially affected Stakeholders groups to express their views and concerns.

Best Practice 2:

*Leadership review of
monitoring and improvement
results.*



As has been defined according to Group's CSR Governance system each CSR team reports regularly to the Board of Directors of the respective subsidiary as well as Group's CSR Committee, through the Group's Communication Department, about Human Rights issues in terms of review, monitoring, goals/targets, actions and results.

Implementing the Ten Principles into Strategies & Operations

Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration.

Continue

Outcomes of due diligence process:

GRI indicator G4-HR1: Since the end of 2010, we have introduced the inclusion of criteria on the protection of Labour Rights in our major business agreements in terms of economic volume and strategic importance, as well as in the contracts that we conclude with major suppliers, contractors and other business partners.

In EPC Project sector, for the year 2015, 52 out of the 64 contracts with commercial character included terms relating to human rights protection (81,2%).

GRI indicator G4-HR9: Implementation of a self - assessment procedure regarding Group's subsidiaries performance in relation to Human Rights areas using the relevant Global Compact self-assessment tool. This procedure will be repeated every three years. Next self-assessment will take place in 2016.

Disclosure of main incidents involving the company: In 2015, no Human Rights incident has been identified across the Group.

Outcomes of remediation processes of adverse human rights impacts: In 2015, there were no grievances related to human rights filed, addressed by internal or external stakeholders and resolved through formal mechanisms.

Also you can see our: GRI G4 Disclosures Tables (Human Rights): www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table

Best Practice 3:

*Outcomes of integration of the
human rights principles.*



Implementing the Ten Principles into Strategies & Operations

Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour.

Best Practice 1:

Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies.



Group's "Disclosure Management Approach on Labour Practices" and "Code of Professional Ethics" are aligned with international references such as the Universal Declaration of Human Rights, the ILO relative to the principles and fundamental rights at work the OHSAS 18001 International Standard and the principles of the Global Compact, among others. Also, our significant suppliers, subcontractors and other business partners are required to comply with the Group's "Suppliers and Business Partners Code of Conduct", which include respect for the Fundamental Conventions of the International Labour Organization and local legislation, particularly in terms of the minimum wage, working time and health and safety.

Code of Business Ethics:

www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code

Best Practice 2:

Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners.



The Group subsidiaries contracts or agreements signed with their significant suppliers, subcontractors and associates contain a social clause, setting out in more detail the commitments to comply with the Fundamental Conventions of the International Labour Organization and with local legislation. We have updated and aligned the procedures for the hiring of suppliers and contractors, so that they comply with the standards and commitments adopted by the Group through our new "Suppliers and Business Partners Code of Conduct".

Suppliers Code of Conduct:

www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf

Best Practice 3:

Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectoral, national).



DISCLOSURE MANAGEMENT APPROACH ON LABOUR PRACTICES.

www.mytilineos.gr/en-us/labour-practices/information#tab-labour-management-approach

Our Labour Practices commitment and the related DMA have been approved by the CSR committee of the Group and are available to the our internal and external stakeholders through our website and our CSR report. Also, they consist major subjects during our annual Stakeholders Engagement Process.

Implementing the Ten Principles into Strategies & Operations

Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour.

Continue

Best Practice 4:

Reflection on the relevance of the labour principles for the company.



MYTILINEOS Group has always put the human dimension and individual performance at the centre of its core of business as part of a long-term vision. The maintenance of labour peace, the support of equal opportunities staffing policy, the Occupational Health & Safety and the continues development of our employees (men and women) are key elements in the group's economic and social performance. For MYTILINEOS Group, the promotion of dialogue and collaboration with its people on issues of common interest is a daily concern. Our employees and their representatives are encouraged to express their opinion on business, social and environmental issues through appropriate constructive channels such as: their participation in the consultations with our Stakeholders, in line with our commitment for an open and constructive communication that promotes the public good and mutual interests, their participation in the regular and ad hoc meetings between the Management and their collective Unions, in the annual employee performance review procedures etc. Additionally, meetings with employees are held in all our subsidiaries to provide them with information on important corporate matters and on potential operational changes. With respect to the latter, all Group employees affected by such changes are informed of them within the time limits prescribed by the applicable laws, which in several cases exceed the statutory ones. Finally, in all geographical locations of its operations abroad, our subsidiary METKA S.A. complies with the applicable national or regional laws and adheres to employment and labour practice standards which are the same as those that apply in Greece.

Materiality process: According to the results of the materiality process, issues such as: Health & Safety, Employment, Employee satisfaction and Training & Employees Development were classified as a top subjects.

Best Practice 5:

Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation.



Human Resources Commitment:

www.mytilineos.gr/en-us/csr-fundamental-commitments/info

Equal opportunities & diversity:

www.mytilineos.gr/en-us/safeguarding-of-human-rights/information#tab-equal-opportunities-and-diversity

Employee Training:

www.mytilineos.gr/en-us/labour-practices/information#tab-employees-training-and-development

Occupational Health & Safety:

www.mytilineos.gr/en-us/health-and-safety/info#tab-health-and-safety-policy

Wages and Benefits

In all regions where MYTILINEOS Group operates, the compensations and benefit plans offered to its employees are 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 Group's objective in adopting this approach is to ensure meritocracy in earning levels, guarantee competitive earnings in relation to the Greek market and lay the foundations for long-term cooperation with its people.

Implementing the Ten Principles into Strategies & Operations

Criterion 7: The COP describes effective management systems to integrate the labour principles.

Best Practice 1:

*Risk and impact assessments
in the area of labour.*



We apply specific risk management methods such as: 1) the annual Stakeholders Dialogue Forums, 2) the Materiality of Sustainability issues procedure, 3) the Global Compact self assessment tool and 4) the annual employees performance review system in which we include risks related to labor practices..

Best Practice 2:

*Dialogue mechanism with
trade unions to regularly
discuss and review company
progress in addressing labour
standards.*



In MYTILINEOS Group, we guarantee to all our employees, without exception, the right to assemble and associate and to collective bargaining. In this context, all our subsidiaries recognize the trade union rights of employees, i.e. their right to establish Unions, to participate in them and to enter into collective negotiations. The purpose of the employee unions in the Group Companies, where they exist, is to safeguard employees interests and to guarantee the continuation of their acquired rights and their improvement in terms of quality and quantity. During 2015, no reports were made of incidents involving a violation of the free “trade union right” of employees by the Human Resources Divisions of our companies, which are responsible for handling such incidents and for taking appropriate action in collaboration with the Employee Unions, where these exist.

MYTILINEOS Group has set up an active dialogue between management and employees and their representatives. This Dialogue mechanism consist from the following approaches:

- Regular and ad hoc meetings between the Management and representatives of employee unions.
- Representation of employees in the General Meetings of the Shareholders.
- Participation of employees in the annual consultation (Stakeholders Engagement Process) on CSR-related issues.
- The annual employee performance review.
- The annual institution procedure of “Hierarchy Days of Communication” in Metallurgy & Mining Sector.

Best Practice 3:

*Allocation of responsibilities
and accountability within the
organization.*



Under the supervision of the Chief Executive Director – Group Administration the Group’s Executive Director of Human Resources department is responsible and accountable for the integration of labour principles within the Group. Also is responsible to maintain the labour peace and to ensure cohesion and consensus in the efforts to realize the Group's vision in all the levels of the workforce – from the top management down to the production line. Furthermore the CSR Committee is responsible to the Board of Directors for monitoring and ensuring the correct application of Labour principles, as a part of CSR matters, in the Group, in terms of policies, goals/targets, actions and results. The CSR Committee also acts as an advisor to the Human Resources department Executive Director on the above issues, to assist in their implementation in a more complete manner.

Implementing the Ten Principles into Strategies & Operations

Criterion 7: The COP describes effective management systems to integrate the labour principles.

Continue

Best Practice 4:

*Internal awareness –raising
and training on the labour
principles for management
and employees.*



We have an incident reporting process and system providing knowledge and statistics to reduce risk for re-occurring health and safety incidents. This includes reporting from employees and contractors in high-risk related activities.

Our Code of Business Ethics is applied to all employees in all hierarchy levels:
www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code

Best Practice 5:

*Active engagement with
suppliers to address labour -
related challenges.*



All the contracts signed between the Group's subsidiaries and their major subcontractors and suppliers contain clauses regarding their obligation to comply with the laws, to ensure the safety and protection for their personnel, to pay all types of statutory or contractual personnel wages and salaries, and to take out and maintain in effect appropriate insurance policies. They also contain clauses on environmental compliance (in accordance with the ISO 140001 International Standard) and on the protection of human rights.

Group's **"Suppliers and Business Partners Code of Conduct"** defines the minimum standards we ask our new and significant suppliers and Business Partners, to respect and to adhere to when conducting business with the MYTILINEOS Group's subsidiaries. This document will help the continued implementation of our commitment to international standards such as the 10 Principles of the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, the Core Conventions of the International Labour Organization (ILO) and the ISO 26000 International CSR standard, beyond our own operations, to every significant associate of our supply chain.

Suppliers Code of Conduct:
www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf

Implementing the Ten Principles into Strategies & Operations

Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration.

Best Practice 1:

System to track and measure performance based on standardized performance metrics.



The Group's Human Resources department is responsible and accountable for the integration of labour principles within the Group. The HR reporting system covers all aspects of MYTILINEOS Group Human Resources policy. The proper development and management of labour practices is at the core of the business of the Group, and has its roots in the full respect of the rights of all its employees. To this end, the Group has integrated into its operation meritocratic systems for the development of its human resources, which include equal opportunities practices, performance evaluation systems, continuous training, talent management and procedures to ensure the health and safety of its employees at the workplace.

Additionally, the Group "Professional Business Ethics Code" acts as an important supplement to the integration of labour principles within the Group, covering certain items of Human Rights such as child labour and forced labour. The Code is approved by the respective Boards of Directors of the Group Companies. It is the responsibility of each Company's Board of Directors to ensure that the principles incorporated in the present Code are communicated to all employees, who understand them and adhere to them. Compliance with the Code is subject to regular monitoring. Finally, we have management indicators aligned with GRI G4 guidelines and Global Compact Principles.

Best Practice 2:

Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future.



MYTILINEOS Group has set up an active dialogue between management and employees or their representatives that applies to all its subsidiaries. This dialogue mechanism consist from the following approaches:

- Regular and ad hoc meetings between the Management and representatives of employee unions.
- Participation of employees in the annual consultation (Stakeholders Dialogue Forum) on CSR-related issues.
- The annual employee performance review.
- The annual institution procedure of "Hierarchy Days of Communication".
- Health & Safety Committees.

The 79,2% of full-time employees in the MYTILINEOS Group are covered by collective bargaining agreements.

Best Practice 3:

Outcomes of integration of the Labour principles.



See our Sustainability Report 2015 sections: 9.1 Bolstering employment, 9.2 Work Conditions, 9.3 Management – Employee relations, 9.4 Occupational Health & Safety and 9.5 Employee Training & Development: www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Also you can see our: GRI G4 Disclosures Tables (Human Rights): www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table

Implementing the Ten Principles into Strategies & Operations

Criterion 9: The CoP describes robust commitments, strategies or policies in the area of environmental stewardship

Best Practice 1:

Reference to relevant international conventions and other international instruments.



The adoption and implementation of international standards, related to the environmental protection is a dynamic approach in the consideration of potential risks. We are fully committed to implementing and integrating these standards and the relevant guidelines which are completely aligned with strategic objectives into all of our operations and policies.

- ISO 14001 International Standard
- ISO 14064 International Standard

- The EU's environmental regulations and Best Available Techniques (BATs)
- The Global Reporting Initiative (GRI G4 environmental indicators).
- The United Nations' Global Compact (UNGC) environmental principles and CoP Advanced level criteria.
- The Kyoto Protocol
- The ISO 26000 CSR International standard

Best Practice 2:

Reflection on the relevance of environmental stewardship for the company.



According to our Materiality analysis of sustainability subjects the main environmental issues that may influence the assessments and decisions of our stakeholders are: 1) Waste management, 2) Environmental compliance, 3) Management of raw and other materials, 4) Control of greenhouse gas emissions and 5) Energy consumption.

See our Sustainability Report 2015 in section 4. Materiality analysis of sustainability issues: www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Best Practice 3:

Written company policy on environment stewardship.



DMA of on Climate Change and environmental protection.

www.mytilineos.gr/en-us/climate-change/csr#tab-climate-change-management-approach

Our DMA :

- is included in our Suppliers Code of Conduct.
- is presented by our website through the new dedicated section on Corporate Social Responsibility.
- is considered as a main discussion topic in annual Dialogue Forums with our Stakeholders groups.
- is applied to all our subsidiaries and to all employees, irrespective of their position within the Group's hierarchy.

Best Practice 4:

Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners.



We have a "Suppliers & Business Partners Code of Conduct" which is available to our suppliers and business partners. In MYTILINEOS Group, we are committed to complying with environmental laws and regulations, reducing the environmental impact of our subsidiaries and promoting the sustainability of the natural resources which depend on our business activity. To this end, we expect our suppliers and other basic business partners to play a key part, not only by implementing environmentally responsible practices but also by offering alternatives and suggestions, thus helping us meet these objectives.

See our Suppliers Code of Conduct:

www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf

Implementing the Ten Principles into Strategies & Operations

Criterion 9: The CoP describes robust commitments, strategies or policies in the area of environmental stewardship

Continue

ENVIRONMENTAL Commitment: To identify the sources and assume the responsibility for the unavoidable impacts of our operations on the natural environment and to carry out concerted “green” actions or programmes to mitigate these impacts, coupled with systematic monitoring and application of the Group’s Environmental Measures and Principles across all Group companies. (Part of the Group’s Corporate Social Responsibility – Fundamental Commitments)

Specific environmental targets :

	Performance 2015	Targets 2016-2017
•Fluorine emissions (kg/t Al) ¹	<1.4	<1.37
•Carbon tetrafluoride emissions (kgCF4/tAl) ¹	<0.041	<0.035
•Solid waste sorting ratio ²	>90%	>90%
•Generation of unclassified basin waste (kg/basin AB) ²	31.3	<20
•Final waste disposal for the Alumina production line (kg/tAH) ²	4.7	<7
•Total water withdrawal (industrial use & drinking, m ³ / day) ³	13,994	<14,000
•Application of ISO 14064 in the Group subsidiaries		66%
•Conduct of two studies on the protection of biodiversity in the Metallurgy & Mining Sector		100%

Specific targets to the METALLURGY & MINING SECTOR that help: ■ REDUCE EMISSIONS ■ REDUCE SOLID WASTE ■ CONSERVE NATURAL RESOURCES

See our Sustainability Report 2015 in section 6. Corporate Responsibility Overview 2015: www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Best Practice 5:
Specific commitments and
goals for specified years.



Implementing the Ten Principles into Strategies & Operations

Criterion 10: The CoP describes effective management systems to integrate the environmental principles

Best Practice 1:
*Environmental risk and
impact assessments.*



We assess, prioritize and mitigate environmental risks as part of our overall risk management process. In addition, our Environmental Management System (EMS), aligned with the ISO 14001 environmental standard, outlines our obligation to “manage the environmental risks of our activities” and stipulates that “environmental risk is part of the overall risk assessment which business units are required to complete on an annual basis.” It indicates we must consider, among other risks, those that require legislative compliance; have significant cost implications for the business; and which may impact our reputation. We conduct environmental risk assessments of the direct impacts of our production operations. These include conservation and rehabilitation of nature and biodiversity, water and air pollution prevention, noise prevention, greenhouse gas stabilization & reduction, natural resource and water use and waste management. In addition, our CSR teams maintain ISO 14001 and ISO 14064 certifications in our subsidiaries. Such compliance includes annual audits performed by external auditors, as well as preparatory internal audits.

Best Practice 2:
*Assessments of lifecycle
impact of products,
ensuring environmentally
sound management
policies.*



MYTILINEOS Group complies fully with the national laws and the international guidelines and industry standards applicable to its activity sectors in connection with the design and manufacture of its products. The Group 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. Overall, the strict adherence to the laws and regulations, the principle that no product or construction project is released from one production stage to the next unless the quality criteria of the current stage have been fully satisfied, the strict application of the procedures under the EN ISO 9001 Quality Management System, the conduct of a Hazard & Operability (HAZOP) Study for operational risk analysis and the staffing of the Quality Control Departments with experienced personnel who are provided with continuous training, are some of the fundamental aspects of the specific policies on product quality and safety applied by our subsidiaries in the Metallurgy & Mining Sector as well as in the EPC Projects sector.

Best Practice 3:
*Allocation of
responsibilities and
accountability within
the organization*



Our subsidiaries managers responsible for environmental issues are in charge for integrating environmental principles. Also the CSR team in each Group subsidiary is committed on a daily basis to the reduction of environmental footprint. Additionally, as has been defined according to Group’s CSR Governance system (which is presented below) each CSR team reports regularly to the Board of Directors of the respective subsidiary as well as Group’s CSR Committee, through the Group’s Communication Department, about Environmental Protection issues in terms of review, monitoring, goals/targets, actions and results.

Implementing the Ten Principles into Strategies & Operations

Criterion 10: The CoP describes effective management systems to integrate the environmental principles

Continue

Best Practice 4:

Grievance mechanisms, communication channels and other procedures for reporting concerns or seeking advice regarding environmental impacts.



MYTILINEOS Group has set up an active Engagement Process with its significant Stakeholders Groups that applies to all its subsidiaries regarding Sustainability issues. This Engagement mechanism consist from the following approaches:

- Regular and ad hoc meetings between the Management of Group's subsidiaries and local communities regarding environmental concerns.
- Open Stakeholder Engagement Procedure on environmental issues.
- Open door policy with employees and local citizens.
- Close cooperation with the Hellenic Federation of Enterprises (SEV) and the Greek Mining Enterprises Association (SME), in terms of significant environmental issues.

Implementing the Ten Principles into Strategies & Operations

Criterion 11: The CoP describes effective monitoring and evaluation mechanisms for environmental stewardship

Best Practice 1:

System to track and measure performance based on standardized performance metrics.



The 100% of Group's subsidiaries have in place an Environmental Management System certified in accordance with the **ISO 14001** international standard. Also, METKA S.A. (one of the subsidiaries of the MYTILINEOS Group) applies the **ISO 14064** which is related with greenhouse gas emissions. In order to manage and control our environmental impacts, we establish goals, targets and timetables for environmental performance improvement, which are supported by performance measure indicators and reporting processes. These are monitored and managed by each subsidiary CSR team and in cooperation with the relevant department, while in the Group level we have placed management indicators aligned with GRI G4 guidelines.

Best Practice 2:

Process to deal with incidents.



According to the ISO 14001 and ISO 14064 International Standards all concerns are thoroughly investigated and appropriate action is taken in case of non-compliance with MYTILINEOS Group environmental measures and principles. We have contingency plans (with trial application or application of emergency response procedures) and strategies in case of all types of pollution risks including accidental ones, or of other large-scale accidents such as significant spill or an uncontrolled and/or a controlled spill. As part of these plans, which are updated periodically, we identify the main weak points in the operated fields that require immediate attention if an event occurs.

Best Practice 3:

Outcomes of integration of the environmental principles.



We are reporting our performance according to GRI G4 Reporting Guidelines and more particularly in the following Aspects: Energy, Materials, Water, Emissions, Effluents and Waste, Product and Services, Compliance, Overall and Biodiversity. Advice our Sustainability Report 2015 (Section 8): www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group.

Also you may consult the related indicators in our website: www.mytilineos.gr/en-us/csr-disclosure-table/of-mytilineos-group (G4 - Environmental Performance).

Best Practice 4:

Leadership review of monitoring and improvement results.



Environmental results are monitored according to our CSR Governance system. Additionally, the Group subsidiaries conduct an annual evaluation of their compliance with environmental requirements, whose results are used by the top Management for the setting of new targets.

Implementing the Ten Principles into Strategies & Operations

Criterion 12: The CoP describes robust commitments, strategies or policies in the area of anti-corruption

Best Practice 1:

Publicly stated formal policy of zero-tolerance of corruption.

DMA of zero-tolerance of Corruption

www.mytilineos.gr/el-gr/strengthening-transparency/information#tab-managment-approach

Our DMA against corruption:

- has been published in our annual Sustainability Report.
- is included in our Suppliers Code of Conduct.
- is presented by our website through the new dedicated section on Corporate Social Responsibility.
- is considered as a main discussion topic in annual Dialogue Forums with our Stakeholders groups.
- is applied to all our subsidiaries and to all employees, irrespective of their position within the Group's hierarchy.

Best Practice 2:

Policy on anti-corruption regarding business partners.

Through our "Suppliers and Business Partners Code of Conduct" we expect from our new and significant partners to comply with the applicable national laws, regulations and the international anti - corruption conventions, as in force and to the extent to which the relevant provisions apply to the work that they provide on behalf of MYTILINEOS Group. Our detailed policies for our suppliers and business partners are specified within our related Code.

Best Practice 3:

Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes

Anti-Corruption - Our commitment:

www.mytilineos.gr/el-gr/csr-fundamental-commitments/info

Our commitment against corruption:

- is integrated in our Code of Business Ethics.
- is presented by our website through the new dedicated section on Corporate Social Responsibility.
- is considered as a main discussion topic in annual Dialogue Forums with our Stakeholders groups.

Best Practice 4:

Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption.

In MYTILINEOS In MYTILINEOS Group, the promotion of transparency is driven by a combination of the following:

- Our corporate value which refers to the "Principle of Integrity"
- The 10th Principle of the UN Global Compact.
- The Group's Disclosure Management Approach on strengthening transparency.
- The 10th Principle of the Hellenic Federation of Enterprises (SEV) "Council for Sustainable Development" Code of Principles.

Implementing the Ten Principles into Strategies & Operations

Criterion 13: The CoP describes effective management systems to integrate the anti-corruption principle

Best Practice 1:
*Support by the organization's
leadership for anti-corruption*

The annual edition of Group's Sustainability Report is publically available on www.mytilineos.gr/en-us/csr-reports/publications. The Group's key objective in publishing its Sustainability Reports is to provide its Stakeholders with direct access to information about its efforts, performance and future commitments regarding the material sustainability issues including the Anti-Corruption. Group's "Professional Ethics Code", the Anti-Corruption DMA and the "Suppliers and Business Partners Code of Conduct" are approved by the Group's CSR Committee.

Best Practice 2:
*Carrying out risk assessment of
potential areas of corruption.*

The Group takes advantage of the available international experience and expands its practices by applying, on a three-year basis, the **specific self-assessment tool of the UN Global Compact** which involves the systematic identification, assessment and correction of deficiencies in the policies and processes of its subsidiaries in connection with the potential areas of Corruption and Bribery, in line with the Group's values and principles. Next self – assessment in EPC Projects Sector has been planned for the 2nd semester of 2016.

Best Practice 3:
*Other established or emerging
practices.*

The Group:

- participates in the **"Call to Action" initiative of the UN Global Compact Organisation**. MYTILINEOS Group was one of the first 10 businesses in Greece which sign on to the UN "Call to Action".
- supports annually the **International Transparency Hellas Organisation** which operates the "Transparency Now!" Service that provides information, guidance and support to victims and witnesses of corruption.

Implementing the Ten Principles into Strategies & Operations

Criterion 14: The CoP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption

Best Practice 1:
*Leadership review of
monitoring and improvement
results.*



The Group's internal audit team is particularly vigilant on the subject of transparency. Corruption risks are systematically covered during internal audit missions. Furthermore, our CSR Committee (see www.mytilineos.gr/el-gr/csr-governance/info), is responsible, to an extent, to the Board of Directors for monitoring and ensuring the correct application of transparency values in the Group, as a part of its CSR matters. The CSR Committee acts as an advisor to the Audit Committee on the issues of bribery and corruption, to assist the annual internal audit implementation in a more complete manner.

Best Practice 2:
Process to deal with incidents.



Although, the development of the formal procedure of dealing with incidents of corruption or bribery has not yet been completed, all possibly concerns are thoroughly investigated and appropriate action is taken (administrative and illegal measures are available in accordance with the Group's internal working regulations), in case of non-compliance with Group's anti-corruption policy. Also MYTILINEOS Group's financial statements are independently audited every year. The Group will continue to have financial statements audited annually.

Best Practice 3:
*Public legal cases regarding
corruption.*



During the reporting period, there were no public legal cases regarding anti-corruption.

Best Practice 4:
*Outcomes of integration of the
anti-corruption principle.*



Through the procedures applied in the Purchases – Procurement Units of its subsidiaries, the selection of business partners and all types of transactions were checked during 2015. In the context of these checks, no incidents of corruption and bribery were identified.

In EPC Projects Sector, METKA's Business Development Division operates as a transparency safeguard in the countries where undertakes projects. Its role is mainly the identification of new projects, business development with potential customers (local State Utilities, Ministries and IPPs) and long-term relationship building with existing customers and partners in strategic countries, aiming to optimize long-term cooperation and develop more favorable project management/execution conditions. Dedicated Area Directors are appointed for each region of strategic interest. The team is responsible for the systematic market research & analysis, gathering of geographical information, activity sectors of interest, potential customer-base, competition monitoring, etc. The respective market intelligence, along with new project opportunities/tenders, is communicated to Management, who decides in each case which ones to pursue further. Depending on the strategic interest and general viability of the project, the initial tender phase may lead to the final stage where an official contract is signed for the execution of the project.

Implementing the Ten Principles into Strategies & Operations

Criterion 15: The CoP describes core business contributions to UN goals and issues

Best Practice 1:

Align core business strategy with one or more relevant UN goals/issues



Our core business strategy includes a set of CSR commitments and relevant Disclosure Management Approaches, which are aligned with the Global Compact, GRI G4 guidelines, ISO 26000 CSR International Standard, OCDC Guidelines and the objectives and issues of the UN such as: Human Rights, Humanitarian Assistance, Climate Change Mitigation, Anti-Corruption, Employment and Decent Working Conditions, Gender Equality and Biodiversity. Also, MYTILINEOS Group participates actively in the UNGC Greece Local Network working groups and events such as the Human Rights Working Group, the Local Network meetings and expert group activities. For several years now, we have been engaged in a drive to intensely adapt our Group strategy to the sustainability rapid challenges of the regions we operate. In this direction, addressing Corporate Social Responsibility, we fully comply with the international regulations and norms of conduct and undertake business by high ethical standards while actively engaging stakeholders through an dynamic dialogue procedure. Also, we integrate environmental and social considerations into our core business operations, including tackling environmental challenges such as climate change and waste management, biodiversity loss, respect for human dignity and diversity and proactive community involvement and development. Moreover, our social investment plan is aligned with our vision of Corporate Social Responsibility and it is materialized through strategic alliances with local authorities, NGOs and other principals aiming at our significant contribution to the resolution of issues in each region we operate, building sustainable communities. This is why, for the past 7 years, we have been supporting and implementing the Principles of the United Nations Global Compact, a commitment renewed in 2014 as an Advanced Level participant.

Best Practice 2:

Adopt and modify operating procedures to maximize contribution to UN goals / issues.



- We have in place an annual social investment plan which is based on the local communities needs such as: Education, Health, Culture and infrastructure projects.
- We have established strong relationships with NGO to contribute to Children's Rights and Health programs.
- We have applied a certain Self - Assessment Process in all our subsidiaries regarding to Anti-corruption and Human Rights protection.
- We have drawn up the Group's "Business Professional Ethics Code"
- We have issued our "Suppliers and Business Partners Code of Conduct" based on UNGC 10 principles, the Universal Declaration of Human Rights, the United Nations Convention Against Corruption, ISO 26000 and the ILO International Labor Standards.
- With the utmost respect for the personality of every individual, the Group follows the internationally accepted practices in all geographical regions and countries where it operates, ensuring that decisions on matters such as recruitment, compensations, promotions, professional training, retirement also the termination of employment contracts, are based exclusively on impartial criteria and are not connected to any form of discrimination. As most of the Group's activities are in the heavy industry sector, the participation of women in employment and the advancement of young employees (proportionately and always in accordance with the requirements in each activity sector), are key issues in the promotion of equal opportunities in its work environment.

Implementing the Ten Principles into Strategies & Operations

Criterion 15: The CoP describes core business contributions to UN goals and issues

Best Practice 3:

Develop relevant products and services or design business models that contribute to UN goals / issues



Metallurgy & Metal Sector

We produce Bauxite – Alumina – Aluminium. Aluminium is 100% recyclable and can be reborn an endless number of times. About 75% of aluminium that has ever been produced is still in use. Aluminium downstream applications include:

- Automotive and aerospace: Lower GHG emissions through lighter vehicles and through recycling post-use
- Infrastructure: Bringing energy efficiency for cities and buildings in an energy constrained world
- Packaging: Preserving food and medicines through its unique barrier properties

EPC Projects Sector

In many regions of the world, the absence of reliable sources of electricity generation significantly affects economic development. We provide a broad range of complete, specialized and cost effective fast-track power solutions, to support governments, local communities and industrial customers around the world. We execute projects to improve environmental performance, either by upgrading existing equipment or by installing new state-of-the-art emission control technologies.

Energy Sector

We produce and supply the National Grid with electricity from Renewable Energy Sources (RES).

Wind: Operational: 36 MW Under Construction: 130 MW

Solar: Operational: 14 MW

Hydro: Operational: 6MW

Also our total 1.2GW capacity through 3 gas-fired power plants is making a significant contribution to the efforts to reduce carbon dioxide emissions at the national level, as the electricity supplied to the National Grid substitutes the power which under the previous conditions would be obtained from lignite combustion.

The humanitarian crisis unfolding in Greece, both locally and nation-wide, has led MYTILINEOS Group in 2015 to redefine and its social role, with the aim of returning added value to the society and contributing even more towards maintaining a balanced financial and social growth. In this context, the Group has developed and introduced a new three-year strategic plan for the Management and Implementation of its Social Contribution (2016-2019) titled “IN PRACTICE”.

With “IN PRACTICE”, the Group aspires to contribute to the reestablishment of social cohesion in a very critical period for the country, by strategically pursuing its further mobilisation via selected initiatives. This approach requires a careful selection of the social groups and organisations that can provide maximum results by making use of collective action at every level. It also calls for a focus on actions that conform with: (1) the Group's culture and business values; (2) the effects of its business activity; (3) the basic social emerging under the economic crisis; and (4) the development goals of the United Nations, in line with the Group's commitment to the UN Global Compact.



Best Practice 4:

Other established or emerging best practices

Implementing the Ten Principles into Strategies & Operations

Criterion 16: The CoP describes strategic social investments & philanthropy

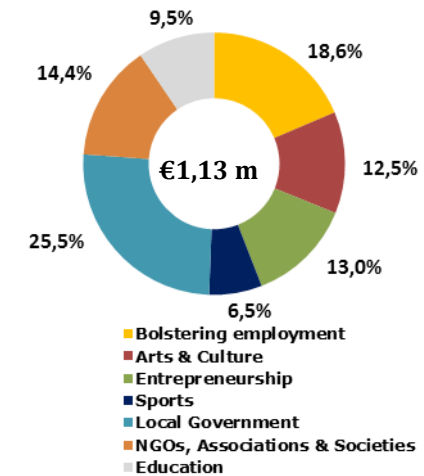
Best Practice 1:

Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy.

From its establishment to this day, the history of MYTILINEOS Group has been linked with the economic growth of Greece and especially of the Greek periphery. The social policy of MYTILINEOS Group gives priority to supporting local communities, Non-Governmental Organisations (NGOs) and its other important Stakeholders, and to implementing programs to strengthen social cohesion, through partnerships that focus on the exchange and transfer of knowledge, experience and best practices, beyond financial contribution. In 2015, the Group's expenditure in support of this policy stood at €1,135,037, up 33.2% from 2014.

More information about our **2015 highlights** you can find in our Sustainability Report 2015 in section 9.7 – Social contribution: www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Sponsoring & Donations plan 2015:



Best Practice 2:

Coordinate efforts with other organizations and initiatives to amplify - and not negate or unnecessarily duplicate - the efforts of other contributors.

•Cooperation's & Memberships in CSR initiatives: www.mytilineos.gr/en-us/memberships-initiatives-and-standards/about-corporate-social-responsibility

Implementation of programmes that help strengthen social cohesion.

"ENGINEERS IN ACTION":

A 12-month paid employment programme for talented young engineers to help them enter the labour market.

"I'm In!":

An innovative pilot programme of MYTILINEOS Group in partnership with the "Together for Children" Association to tackle the School Drop-out phenomenon.

More information you can find in our Sustainability Report 2015 in section 9.7 – Social contribution: www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Best Practice 3:

Other established or emerging practices.

Implementing the Ten Principles into Strategies & Operations

Criterion 17: The CoP describes advocacy & public policy engagement

Best Practice 1:

Publicly advocate the importance of action in relation to one or more UN goals/issues.



Since 2008, our CEO has been communicating publicly our commitment to the implementation of the principles of the Global Compact. Our “Business Professional Ethics Code” and our “Suppliers and Business Partners Code of Conduct” are publicly available to all our Stakeholders groups and is aligned with international references such as the Universal Declaration of Human Rights, the Universal Declaration of the ILO relative to the principles and fundamental rights at work and the principles of the Global Compact.



Best Practice 2:

Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals.



In 2015, MYTILINEOS Group as an ambassador of the Greek Sustainability Code was actively involved in the Code development of either submitting its views and initiatives through the open consultation process or participating in the relevant working groups.



Taking Action in Support of Broader United Nation Goals and Issues

Criterion 18: The CoP describes partnerships & collective action

Best Practice 1:

Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy.



The application of Responsible Entrepreneurship in practice relies on the collaboration with social partners and organizations in order to jointly work out and promote solutions to important issues of concern at the national level. To this end, MYTILINEOS Group is developing initiatives and is participating as an active member in voluntary Greek and international organizations, seeking to promote CSR and the principles of Sustainable Development, to exchange views on CSR-related issues, to improve its social and environmental contribution and to develop responsible practices in the broader business community. The Group participates in, endorses or supports voluntary the following initiatives:

- The UN Global Compact, since 2008.
- The Global Reporting Initiative (GRI) international organization, since 2008.
- The International standard of Corporate Social Responsibility (ISO 26000), since 2013.
- The annual Environmental, Social and Governance (ESG) Survey of the Bloomberg international financial data service, since 2012.
- The Hellenic Network for Corporate Social Responsibility, since 2006.
- The Hellenic Federation of Enterprises (SEV), in whose “Council for Sustainable Development” the Group participates and whose the Code of Principles and the Code of Corporate Governance it adopts.
- The international standards on Quality (ISO 9001), Environmental Management (ISO 14001) and Occupational Health & Safety (OHSAS18001), which have been adopted by all Group Companies.
- The new Greek Sustainability Code, which the Group operates as an ambassador, since 2015.
- The “Code of Principles of Sustainable Development” of the Greek Mining Enterprises Association.

Best Practice 2:

Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain.



Please advise our website:

www.mytilineos.gr/en-us/memberships-initiatives-and-standards/about-corporate-social-responsibility

Taking Action in Support of Broader United Nation Goals and Issues

Criterion 18: The CoP describes partnerships & collective action

Best Practice 3:
*Other established or
emerging practices.*



“I’m In!”: An innovative pilot programme of MYTILINEOS Group in partnership with the “Together for Children” Association to tackle the School Drop-out phenomenon.

MYTILINEOS Group, highly sensitised to the need to protect the children's right to education, designed, in partnership with the “Together for Children” Association, the Innovative Pilot Programme titled **“I’m In!”**, whose objective is to help mitigate the effects of School Drop-out, i.e. Of children quitting school early, before completing their basic education.

This program is implemented with the full financial support of MYTILINEOS Group, with executives from the Group taking an active part in the programme’s key planning stages. The detailed action plan was developed by the “Together for Children” Association, drawing on its valuable knowledge and long experience in the development of social programs. To ensure the best possible conditions for the program’s implementation, scientific support was provided by the non-profit organisation “MERIMNA” and the “Prolepsis” research organisation, which worked closely with a team of volunteer teachers from the 2nd Experimental Lyceum of Athens and the Centre for School Psychology Research and Applications of the University of Athens.

In the current pilot phase, the program covers the needs of all beneficiaries and of society as a whole, by providing incentives for using of experimental schools as environments where alternative teaching methods for children with a high drop-out risk can be tried.

Direct beneficiaries of the programme:

30 Gymnasium (2nd Grade) students

- 300 hours of supplementary teaching
- 15 Experiential actions in the classroom
- 8 personal or family counselling sessions with specialist psychologists
- A free nutritious, healthy meal throughout the duration of the programme
- Free school supplies & shoes
- Organisation of extracurricular activities

5 volunteer teachers

- 30 hours of counselling on school psychology
- 34 hours of free training on school crisis management
- Award of attendance certificates

Students' families

- Inclusion of 5 families struggling financially in a free meals programme for 6 months (using specific inclusion criteria)
- 6 hours of psychology training for the parents of the programme's students

Corporate Sustainability Governance and Leadership

Criterion 19: The CoP describes CEO commitment & leadership

Continue

Corporate policies and values relating to the Group's economic, environmental and social performance:

The Group has drawn up the Professional Ethics Code and which has been communicated to all Board members and to all units and employees in all its subsidiaries. The Code is closely related to the UN Global Compact in what concerns the protection of Human Rights and the promotion of Transparency. Additionally, the Group's mission and the values that govern its operation, such as the Internal Rules of Operation and the Internal Procedures and Quality System, which are also related with UNGC principles, are incorporated in all official business documents. The Internal Rules of Operation lay down the responsibilities, duties and obligations of all statutory bodies established pursuant to the Articles of Association and to the applicable laws.

The Group's labour practices and the environmental protection performance and policies are checked and certified in accordance with the Occupational Health and Safety Management Systems (OHSAS 18001 – ELOT 1801) and the Environmental Management (ISO 14001) and Quality Management (ISO 9001) Standards, respectively. The principles of the Global Compact are a strategic part of our sustainability strategy, which is promoted by the highest echelons of the Group, including the CEO. Our CSR governance system demonstrates how the UNGC principles align with our CSR strategy and GRI reporting. Also, monitors how we integrate sustainability considerations into our business processes and decision-making according to CSR Management Standards across all of our activities.

The Standards cover all activities that have the potential to positively or negatively impact the environment, employee health and safety, human rights, transparency and the well-being of communities.

Procedure for evaluating the performance of the Board with respect to the Group's economic, environmental and social performance:

The procedure for evaluating the effectiveness of the Board Members and Committees takes place at least once every two years. The Chairman of the Board presides over this procedure and the relevant results are discussed by the Board in a special meeting held for this purpose. Based on the evaluation results, the Chairman takes measures to deal with any weaknesses identified. The Board evaluates the Chairman at least once every two years in a separate meeting chaired by the Vice-Chairman. In addition to the evaluation procedure, in the regular and extraordinary Board meetings extensive references are made, if judged necessary by the Chairman and CEO, to the economic, environmental and social performance of the Group and of its subsidiaries, followed by the evaluation of the performance of the Board members in relation to these issues. The relevant information is secured through the information available to the CEO through his participation in the Boards of Directors of the individual subsidiaries and from the reports submitted to the Board's executive members through the management hierarchy, in line with the latter's duties.

Best Practice 3:

Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team.



Corporate Sustainability Governance and Leadership

Criterion 20: The CoP describes Board adoption & oversight

Best Practice 1:

Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance.



The Group's CSR Committee, in which the Chairman of the Group is participating as a member, is primarily responsible for supervising and ensuring the correct implementation of the CSR Governance in MYTILINEOS Group in terms of policies, targets, actions and results in connection with environmental, social and ethical issues. The Committee reviews and approves the Sustainability Report ensuring that all material issues are addressed. It may also act in the capacity of advisor to the Group's Executive Management and to the relevant Board Committees on the above issues, to assist their implementation in a more complete manner. The CSR Committee, is responsible for the long term Group's corporate sustainability strategy.

Best Practice 2:

Board (or committee), where permissible, approves formal reporting on corporate sustainability (CoP).



The CSR Committee is in charge to approve formal reporting on CSR (UNGC COP, GRI G4 indicators and CSR clauses according to ISO 26000 international standard).

Best Practice 3:

Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.



The Group's CSR Committee, in which the Chairman of the Group is participating as a member, is primarily responsible for supervising and ensuring the correct implementation of the CSR Governance in MYTILINEOS Group in terms of policies, targets, actions and results in connection with environmental, social and ethical issues.

For more information please see Group's CSR Governance system: www.mytilineos.gr/el-gr/csr-governance/info

Corporate Sustainability Governance and Leadership

Criterion 21: The CoP describes Stakeholders engagement

Best Practice 1:

Publicly recognize responsibility for the company's impacts on internal and external stakeholders.



Our continuous efforts to apply Corporate Social Responsibility in practice, rely on our collaboration with our Stakeholder groups in order to jointly work out and promote solutions to issues of mutual concern. In this context, transparency in communication and open dialogue are the keys to fostering mutual trust and collaboration with our key Stakeholder groups: employees, local communities, clients, suppliers, shareholders, the Press & Media, business partners, public bodies and voluntary organizations. For several years now, we engaged in an official dialogue with our significant stakeholders (those «impacting on» or «impacted by» our activity), demonstrating our readiness to listen to and gain a deeper understanding of their needs. Our annual sustainability report is one of the accountability mechanisms with our stakeholders. We take their views into account and listen to their ideas in order to include them in our corporate strategy. Moreover, guided by our values of “Socially Responsible Development” and “Gaining the trust of the society around us”, we continue our efforts to enhance our role as an active corporate citizen in our sphere of influence on which our activities, depending on their nature, have a positive or negative impact. www.mytilineos.gr/el-gr/dialogue-with-stakeholders/details

Best Practice 2:

Define sustainability strategies, and policies in consultation with key stakeholders.



- Environmental Disclosure Management Approach
- Health & Safety Disclosure Management Approach
- Social Contribution policy
- Sustainability issues materiality analysis procedure

Please find more information in our Sustainability Report 2015 (section 7): www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Best Practice 3:

Consult stakeholders in dealing with challenges and invite them to take active part in reviewing performance.



- In Metallurgy & Mining Sector: Thematic consultation on “Health & Safety at the workplace”
- In EPC Project Sector : Online consultation on Responsible Entrepreneurship

Please find more information in our Sustainability Report 2015 (section 7.1 & 7.2): www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Corporate Sustainability Governance and Leadership

Criterion 21: The CoP describes Stakeholders engagement

Continue

Best Practice 4:

Establish channels to engage with stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'.



Please find more information in our Sustainability Report 2015 (section 7): www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

Best Practice 5:

Other established or emerging best practices



In Metallurgy & Mining Sector: Thematic consultation on "Health & Safety at the workplace"

This initiative, which is a key practice under the ALLUMINIUM OF GREECE company's CSR policy, benefited from the participation of representatives from: contractors, large businesses, business consultants, the Prolepsis Institute of Preventive Medicine, Environmental and Occupational Health, the Greek Mining Enterprises Association, the National Technical University of Athens, the Regional Administration for Central Greece, the Ministry of Labour and the neighbouring Municipalities.

The Consultation event started with a briefing of the participants by the company's executives on the policy, objectives and the OHSAS 18001 occupational health and safety management system in place in ALUMINIUM OF GREECE, stressing the company's commitment to the systematic measurement, assessment and mitigation of Health & Safety risks in all work areas.

Emphasis was also placed on the active participation of Stakeholders, which were allocated to three working groups. In order to achieve the Consultation's initial objective, ALUMINIUM OF GREECE put to the working groups two specific issues for discussion:

- a) Improving the adherence to the Health & Safety instructions; and
- b) Improving the use of the foreseen Personal Protective Equipment (PPE) both by the company's employees, as well as by the employees of the contractors it works with.

The Consultation concluded with the presentation of the results by the rapporteurs of the three working groups, who also responded to clarifications asked by the company's representatives.

June
2016



UN Global Compact Communication on Progress **Advanced Level**

Independed Assurance Statement

Independended Assurance Statement

By, MEDA Communication S.A. a Social Management & Development Company - CSR Specialist Consultant - ("MEDA") to MYTILINEOS Holdings S.A. ("Company") on the UNGC Communication of Progress (COP) ended 31st of December 2015.



Encouraging
Corporate
Sustainable
Behavior

Preface

MYTILINEOS Holdings S.A. commissioned MEDA to conduct an independent assurance on whether specific criteria of its UNGC Communication on Progress (COP) 2015, as presented at www.mytilineos.gr, has been prepared in accordance with the United Nations Global Compact Advanced Level criteria.

To the Readers (Roles & Responsibilities)

This assurance statement is aimed at the significant stakeholders groups as they have been defined by the Company and secondarily at the COP's general readers. The Company's Communication Department in cooperation with its subsidiaries CSR teams are in charge for the presented information, statements and data within the COP as well as for establishing and maintaining appropriate internal methods and systems from which the reported information was derived. MEDA was not involved in the drafting of the Document. Our sole responsibility was to provide independent assurance on the matters as described in the "Scope of Assurance".

Scope of Assurance

The basic objective of our work, as agreed with the Company, was the evaluation of the accuracy and completeness of information of the following UNGC COP Advanced Level criteria: 1, 2, 15 to 21, and criteria in relation with Robust Human Rights and Anti-Corruption Management Policies & Procedures. Our assurance did not include information relating to opinion expressions, aims or statements of the future commitments by the Company as well as information included in criteria of the Company's COP that are not listed in the "Scope of Assurance". MEDA disclaims any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this assurance statement.

MEDA's approach

MEDA managed the assurance process through its specialized personnel who followed the UNGC COP Self-Assessment Advanced Level criteria and the supporting principles and guidelines (e.g. Anti-corruption and Protection of Human Rights) as suggested by the Global Compact. Concerning to the above criteria we undertook the following tasks:

- Face to face interview with the Company's CSR Supervisor to understand the overall CSR strategy, the CSR governance structure as well as the implementation and monitoring of major corporate responsibility initiatives for 2015.
- Reviewing Company's COP in terms of the United Nations Global Compact principles Advanced Criteria. Reviewing the presentation of information relevant to the scope of our work in the COP to ensure consistency with our findings.
- Reviewing of the Company's documents, policies, commitments and codes (e.g. Sustainability Report 2015, Disclosure Management Approaches, Codes of Conduct and Corporate governance elements.)
- Evaluation of the Company's approach to Stakeholder Engagement for the year 2015 by reviewing associated procedures, documents and records.

Independed Assurance Statement

By, MEDA Communication S.A. a Social Management & Development Company - CSR Specialist Consultant - ("MEDA") to MYTILINEOS Holdings S.A. ("Company") on the UNGC Communication of Progress (COP) ended 31st of December 2015.



Encouraging
Corporate
Sustainable
Behavior

Assurance conclusions

In our view, based on the work undertaken, Company's Communication on Progress (COP) for 2015 as presented at www.mytilineos.gr has been prepared, in accordance with the UNGC COP Advanced Criteria.

The Company has established a CSR governance system which controls the collection and analysis of the relevant data. During our work we did not face any difficulty to find any evidence to suggest that the information which support the coverage of the selected UNGC COP Advanced level criteria, are inaccurate or incomplete.

In relation to the Criterion 2

Group has applied due process in determining and reporting on its material issues in a transparent and balanced manner. An annual group-wide materiality process is followed that encompasses an assessment of Group's risks, as identified through an internal risk assessment process, as well as careful consideration of the interests and expectations of both internal and external stakeholders.

In relation to the Criterion 21

The Group has a formal stakeholder engagement function that is applied across the organisation and governed through the CSR committee of the board. A stakeholder management strategy and engagement charter are in place and are being implemented to cover all subsidiaries and identified stakeholder groups.

Basic recommendations for future improvements

- In relation to the Robust Human Rights Management & Anti-Corruption Management Policies & Procedures, the development and the description of a basic formal procedure of dealing with incidents of these areas is needed.

- The Disclosure Management Approaches and policies concerning material aspects in the areas of Human Rights, Labour, Environmental Stewardship, and Anti - Corruption that are applied across Group's subsidiaries need a specific review, in terms of GRI G4 Guidelines which the Company declares that follows.
- The Group should proceed to the implementation of monitoring mechanisms (e.g. audits/screenings) for compliance within its supply chain. Also need a better description of its value chain, (upstream and downstream) in terms of mapping risks, opportunities and impacts.

Statement of Independence

MEDA states its independence and impartiality with regards to this assurance engagement. MEDA did not work with MYTILINEOS Holdings or any of its subsidiaries and stakeholders on any engagements which could compromise the independence or impartiality of our findings or recommendations. MEDA confirms that is not aware of any other engagement or issue that could impair our objectivity in relation to this assurance engagement. Moreover, MEDA was not involved in the preparation of any text or data provided in the Document, with the exception of this Assurance Statement.

Athina Galanis

A handwritten signature in blue ink, appearing to read "Athina Galanis".

Managing Director
MEDA Communication S.A.



Encouraging
Corporate
Sustainable
Behavior

Agiou Isidorou Str. 1, Athens, Greece
Tel. 2103610309 - Fax. 2103610696

www.meda.gr

16th of JUNE 2016, Athens, Greece