


**S&B** sustaining **our** future

# About S&B

S&B Industrial Minerals, listed in the Athens Exchange since 1994, is the mother company of a multinational Group of companies with activities in 23 countries in 5 continents.

Utilizing the multiple properties of industrial minerals and through its portfolio of mineral reserves, S&B converts natural resources into more than 2,000 high quality customized value adding solutions for a wide range of applications serving 15 different industrial end-use segments. 



## contents

<b>2</b> Management Letter	<b>6</b> Governance & Management	<b>11</b> Economic Contribution	<b>14</b> Human Resources	<b>26</b> Environment	Reporting Parameters
<b>4</b> Sustainable Development at S&B	<b>8</b> Stakeholder Dialogue		<b>20</b> Health & Safety	<b>34</b> Social Contribution	G3 Content Index

S&B is organized in product Divisions across the various legal entities of the Group.

## Bentonite • Perlite • Bauxite • Stollberg • Otavi

All Divisions hold top rank positions in the markets they serve both in Europe and worldwide. They are responsible for driving forward S&B's market based approach to business and for building comprehensive Market-to-Mine chains, following the needs of the market and working closely with customers.

**No1**

bentonite  
producer  
in the E.U

**No1**

supplier of  
graded perlite  
worldwide

### Product Divisions

#### **Bentonite**

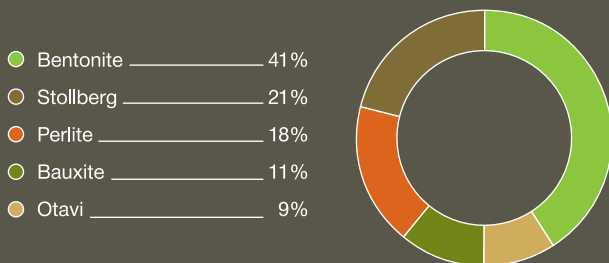
The Bentonite Division, utilizing the binding, absorbing and rheological properties of bentonite, and mixtures of this mineral with other materials, supplies more than 1,000 product formulations to foundries, iron ore pelletizing, oil drilling, civil engineering projects, pet litter absorbents, paper industry and other specialty applications. With extensive reserves and processing plants across many countries, S&B is the number one producer of bentonite in Europe and the second in the world, while its brand lines IKO and IBECO and the recently acquired CEBO are widely recognized among bentonite users.

#### **Perlite**

The Perlite Division, with its extensive perlite reserves, its more than 100 perlite based products and a widely spread just-in-time distribution network, is the largest raw graded perlite supplier worldwide and an important expanded perlite supplier for various applications in Greece, Spain and Bulgaria. Perlite, mainly used in its expanded state, is a lightweight aggregate with outstanding thermal and acoustic insulation properties. It is thus used as an ingredient in acoustical tiles, plasters & mortars, as hydroponics media or filter aid and as a component for various industrial uses.

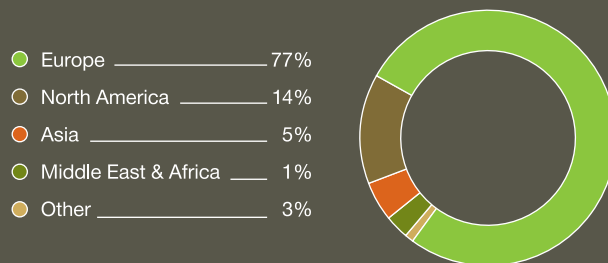
## 2007 Industrial Minerals Sales

by Division



## 2007 Industrial Minerals Sales

by Geographical Area



**No1**  
bauxite  
producer  
in the E.U.

**No1**  
producer of  
casting fluxes  
worldwide

One of  
the leading  
wollastonite  
suppliers  
in Europe

### Bauxite

The Bauxite Division, taking advantage of the special properties of the Greek type bauxite –of diasporic and boehmitic nature– has been established as the most important producer and supplier of high quality bauxite in Europe, particularly for the non metallurgical specialized uses, such as Calcium Aluminate and Portland cements, iron and steel industries, mineral wool and abrasives. S&B is also the base load supplier of metallurgical bauxite for the Greek aluminium industry.

### Stollberg

The Stollberg Division, with the Stollberg brand, is the worldwide market and technology leader in continuous casting fluxes and related technical products and services for the steel industry. Its more than 1,000 customized solutions, based on a variety of industrial minerals and other materials, are applied to the mould during the continuous casting process, facilitating the production of high quality steel. With its own manufacturing locations spanning the globe, Stollberg ensures logistics benefits, product development and technical application support nearest to its customers.

### Otavi

The Otavi Division is processing and trading a variety of specialty minerals under the Otavi brand, from its own sources –such as wollastonite– or from its partners worldwide, serving the glass, ceramics, refractory and metallurgy markets. The Otavi Division is also acting as a “window of opportunity” for S&B by developing new businesses on a Market-to-Mine basis. Otavi is striving to be a reliable provider of solutions to its customers by developing profitable and sustainable supply chains in specialty industrial minerals and new geographies.

# Management Letter



## Our Values

### Integrity

We keep our promise.

### Customer Intimacy

We strive to understand and satisfy our customers needs and to share their aspirations for the future.

### Respect for People

We value our people and we foster their development within a safe working environment of mutual trust and respect.

### Social Responsibility

We gain the respect of our stakeholders with our professional and responsible conduct.

This year's Social Report is entitled "sustaining our future", to convey our conviction that our access to the earth's scarce natural resources is inextricably linked with the "social license" to operate. Therefore, our commitment to business development and growth deep into the future, is coupled with the practice of sustainable development, with accountability and transparency. This Report provides to our shareholders and to all other stakeholders our progress and our performance in this continuous journey. This journey of responsible entrepreneurship, that has been part of S&B's value system all along, continues today in its more contemporary incarnation, expressed through the three pillars of sustainable development.

Always mindful of the sustainability of our Group, we are committed to foster our people's development within a safe work environment, to minimize the impact of our operations on the natural environment, and to gain the respect of the local communities where we operate through continuous dialogue and specific investments in community development and welfare.

Our Social Report is a tool of accountability for the ways we address and manage the commitments mentioned above, documenting and communicating our practices and our performance in all areas of sustainable development and corporate social responsibility.

We consistently and systematically strive for the continuous improvement of our performance both in Greece, where our environmental and social work is deep rooted and has a long historical tradition and continuity, as well as in our worldwide operations, which continue to be added to our Group mostly through acquisitions.

As our international presence develops and we integrate our new colleagues, we expand the systematic recording and monitoring of the performance of all operations in our Group in the areas of corporate social responsibility, and we are challenged to diffuse and disseminate corporate practices throughout our subsidiaries worldwide, adjusted to local needs and peculiarities.

2007 was a strong year of business development for the S&B Group, with robust increases in revenue and profits, with further enhancement of our market positions internationally, with an expansion of opportunities for further growth through acquisitions and new initiatives.

Equally, it was a year of significant progress in the efforts and the results of the S&B Group in the other two pillars of sustainable development, those relating to "society" and the "environment", to which the Social Report at hand is mainly dedicated.

In the area of **human resources**, actions were developed and implemented that were based on the results of the Employee Satisfaction Survey conducted in 2006. Irrespective of its very positive results, such a survey is a source of idea generation for continuously improving our relations with all the S&B people. Moreover, 2007 was a year of further integration of the Company's human resources systems across the Group's subsidiaries.

Concerning **safety** at work, the concerted efforts of all of us towards our corporate goal for "zero accidents" continued unabated, as a result of which safety indices have been continuously improving for many years in a row. This satisfaction, however, was shadowed by a fatal accident, which happened to an employee of a contractor of ours, in the surface bauxite operations of Fokida. This incident is a painful reminder of the long road still ahead for the elimination of all accidents at work.

Care for the **environment** across all stages of our activities in Greece is continuously enhanced, with an emphasis on initiatives for the effective management and protection of biodiversity in the main mining sites of our industrial minerals, as well as with very significant investments for further reducing dust emissions. Furthermore, we have intensified efforts to converge the environmental practices dictated by the Corporate Policy on Quality, Environment and Health & Safety across all activities of the Group.

Finally, in the area of our contribution to the **local communities**, we have made one more significant step in setting up an institutional framework for our cooperation with them. We have concluded a long but constructive dialogue with the Municipality of Milos by signing the agreement for the establishment of an autonomous development company under the name of "MILOS Initiative". The purpose of this new form of partnership is the promotion of activities supporting the sustainable development of the island of Milos, through a transparent form of engagement with the local community.

We welcome you to our Social Report of this year, which has been compiled with the greatest possible objectivity and transparency, following the guidelines of the Global Reporting Initiative. As you can see, our coverage of the practices and performance of our worldwide activities is continuously expanding, but of course plenty more has yet to be achieved.

**We are committed to continue with consistency our efforts for responsible contribution to sustainable development.**

**Ulysses P. Kyriacopoulos**  
Chairman of the Board

**Efthimios O. Vidalis**  
Chief Executive Officer

# Sustainable Development at S&B

S&B's strategic approach to Corporate Social Responsibility is today bound to its voluntary contribution to Sustainable Development.

S&B's social responsibility is not a matter addressed over the last few years. Through the years, however, it has evolved:



The S&B Group's international expansion, mainly through acquisitions, is followed by a Group-wide gradual and systematic integration of corporate procedures and systems to all subsidiaries worldwide. This internationalization started with the Human Resources systems and procedures and has been followed by the Environment, Health & Safety policies and systems. The regional hubs that are being formed are of particular importance for co-ordinating and carrying through this Group-wide integration. Such hubs already operate in Greece, Germany and North America covering more than 60% of the Group's personnel and more than 80% of its products globally.



## The business case for Corporate Social Responsibility at S&B



The business case for Corporate Social Responsibility at S&B is usually portrayed using the well-known triangle of Sustainable Development, which essentially shows that long-term value creation for the shareholders is interlinked, as a matter of strategy and not philosophical abstraction, to sustainable development practices and the accountability those entail.

One of the basic elements of the Group's investment proposition as presented to investors refers to **"S&B's strong commitment to the principles of Corporate Social Responsibility and Sustainable Development towards the maximization of the long-term value of the Group"**.

## Challenges & Opportunities

The key Sustainable Development challenges that S&B faces are:

- Securing access to and responsible management of natural resources: in order to be able to meet present and future demand for its products and, at the same time, improve efficiency in the use of natural resources
- Safeguarding occupational Health & Safety
- Valuing S&B's people and fostering their development
- Mitigating the environmental footprint of the Company's activities: prevent, protect, restore
- Caring for local communities: promoting their balanced and sustainable development and achieving balance between the Company's activity and other activities, such as tourism

## Strategic approach to Sustainable Development

For S&B, as repeatedly stated, ensuring a sustainable future requires the balanced pursuit of economic, environmental and social development through:

- **Policies** in the various Corporate Social Responsibility fields of its concern
- **Practices** systematically and comprehensively undertaken by the Company in these fields
- **Performance** on the way to implementation and the end results of these practices

## Reporting

S&B's systematic approach to and evolutionary development of Corporate Social Responsibility issues is reflected every year in the Company's Social Report, published for the past 6 years separately from the Annual Report.

The Social Report covers all relevant and important sustainable development issues managed by the Company:

- Governance & Management
- Stakeholder Dialogue
- Human Resources
- Occupational Health & Safety
- Environment
- Social Contribution

The Social Report demonstrates the Company's commitment, accountability & performance and communicates what S&B does for each of the above areas of concern.

# Governance & Management

## Governance

### Corporate Governance

S&B, over and above the enforcement of any legal requirements, has developed and adopted a comprehensive Corporate Governance System. This System comprises the overall legal obligations as well as a set of Company commitments that stem from the Principles and Values of the Enterprise.

The Board of Directors acts as the trustee of the Corporate Governance Principles. The mission of the Board of Directors consists mainly in guiding the Group's strategy according to its Purpose, while safeguarding the interests of the Company and all the shareholders and stakeholders in general.

S&B's Corporate Governance System has evolved along with wider socioeconomic developments. For this reason, in 2007 it was deemed necessary to proceed with a 3rd revision of the "S&B Principles of Corporate Governance", a separate booklet which S&B first published in 2001. In this revision, which is available from the company's website, apart from general changes in structure, the emphasis is on

transparency, which is addressed according to the new legal obligations of the European Union that are gradually being integrated in the Greek regulations as well. In addition, emphasis is given to the risk management processes of the Group, resulting from the international unstable business environment.

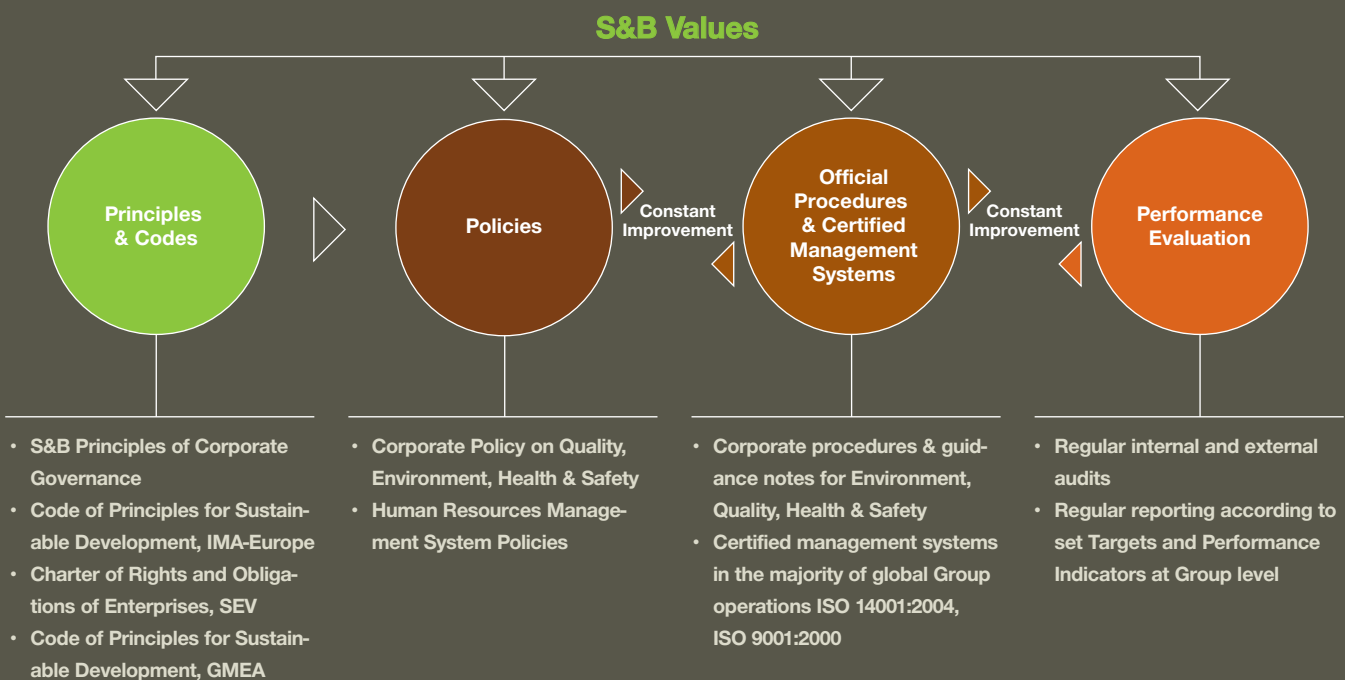
### Risk Management

In conformance with a 2006 Board decision about systematizing the Group's risk management, a systematic Report was compiled in cooperation with a specialized external firm addressing the risks that could possibly have a significant negative impact on the operational activities, the financial statements, the profitability and the cash flow of the S&B Group. According to this Risk Report, which is available from the company's website, measures are being taken for managing the main risks that arise, namely: Transport risks, Energy Price risks, Raw Material risks, Environmental risks, risks of Health, Safety, and Quality, Insurance risks, Legal risks, risks of Permit Rights and Financial risks.

**The main objective of the S&B Corporate Governance System is the long-term development of the Company, dictated by an equal and fair defence of the interests of all Shareholders with no exception, as well as by the demands of social responsibility and public acceptance.**

## Management

S&B's Corporate Social Responsibility issues are effectively managed through an appropriate organizational structure which is supported by a set of Values, Principles, Policies and Systems; these are gradually integrated to all subsidiaries worldwide.



## Organization

Two Committees concerned with corporate human resources issues operate at Board level:

- The **Human Resources Committee** responsible, among others, for submitting proposals to the Board concerning the professional development of executives, as well as efficient reward and benefit systems for the personnel.
- The **Pension Plan Committee**, which evaluates and selects the best alternatives for investing the funds of the Group's personnel Pension Plan.

The **Corporate Social Responsibility & Communication Division**, headed by a member of the top-level management team reporting to the Chief Executive Officer (CEO), is responsible for planning the Group's social policy and the environment, health & safety policy and for the coordination of all related activities. This Division represents the Company in its relations with external stakeholders and handles all relevant affairs. The central Environmental Affairs and Health & Safety Departments come under this Division as well.

The **Corporate Council for Environment, Health & Safety (EHS)** has been operating since 2005, headed by the CEO. Its scope of responsibilities comprises:

- Definition of Group strategy on EHS matters
- Review of targets and monitoring of Group performance in EHS

matters (indicators, issues of non-compliance with corporate policies or legislation)

- Regular updating of the Group on international legislation and related impact on the business
- Supervision of certification in the various companies of the Group
- Follow-up of EHS investments
- Discussion of significant complaints from local communities
- Identification and sharing of best practices

Additionally, two **Local Health & Safety and Environment Committees** operate, one for **Greece** and one for **Germany**. These two countries together represent approximately 57% of the Group's personnel and more than 80% of Group production worldwide.

The **Corporate Human Resources Division**, also headed by a top-level executive reporting to the CEO, handles all matters related to the Company's relations with its employees and to the personnel's social benefits. Among other matters, this Division deals with the planning and implementation of systems and procedures for the continuous training and development of the personnel, for the establishment of modern, transparent and meritocratic human resources management systems, the application of participative processes, as well as integration of corporate human resources systems and procedures to the entire S&B Group.

### Policy-making bodies at Group level for CSR

- Board of Directors
- Human Resources Board Committee
- Pension Plan Board Committee
- Corporate Council for Environment, Health & Safety

### Management bodies at Group level for CSR

- CEO
- Corporate Social Responsibility & Communication Division
- Corporate Human Resources Division

### Management bodies at local level for CSR

- Country or Local Plant Managers
- Local Health & Safety and Environment Committees (Greece, Germany)

## Monitoring

The effective operation of the Company is secured through an independent system of operational controls.

The internal control system is to safeguard compliance with the financial, operational and risk-management procedures and controls. In addition, the Group's financial statements as well as its operations worldwide are audited by external –third party– professional auditors, in conformance with regulatory requirements.

Regular internal audits are carried out every year in the areas of Environment, Health & Safety. Moreover, yearly environmental audits are conducted by third-party auditors in most Group installations (representing more than 85% of total S&B production) worldwide, within the framework of the ISO 14001:2004 certification. S&B's extractive and processing activities are supervised and licensed by the statutory Supervising Authorities, for example the Mining Inspectorate in Greece, or similar authorities in global operations. Finally, major suppliers that affect the majority of S&B's core business are monitored through the management procedures of ISO 9001:2000 which is implemented by the Company.

# Stakeholder Dialogue

## The stakeholders ...of S&B

## Listening & Talking

### Employees

The immediate family of S&B in 2007 amounted to 2,051 employees in 14 countries. More than half of them were technicians and workers (more details to be found under "Human Resources").

Two-way communication between Management and employees continued through:

- Regular Employee Satisfaction Surveys, the last one having been conducted in 2006. In response to findings from this survey, a number of measures and practices were initiated during 2007.
- Regular employee performance appraisals
- Corporate announcements, briefing meetings, congresses, working groups etc.
- Quarterly edition of corporate newsletter in 3 languages (Greek, English, German)
- Operation of a new, state-of-the-art electronic platform providing direct and reliable information on the Company's current policies & systems

### Partners & Suppliers

S&B's main partners and suppliers are service providers involved in the extraction and the transportation of minerals.

Sea freights are also a key service purchased by S&B, particularly in Greece which is the largest export center of S&B's products to many countries around the world

Regular communication with Sales and Business Development people from S&B's Divisions, as well as with the Company's Supply Chain or Purchasing Department

### Customers

The S&B Group provides more than 2,000 specialized solutions serving 15 various industrial sectors, like foundries, steel-making, constructions and building materials, metallurgy, horticulture etc.

Due to the nature of its products and services, S&B has a relatively small number of customers, with whom it develops close long-term relationships.

Regular communication with customers continued in 2007:

- With S&B's Sales, Technical Support and Research & Development people in order to provide services, technical support and support for product applications and for new products
  - Through visits to the Group's mines and the processing plants
  - Through the participation in international exhibitions and congresses like GIFA 2007, METEC 2007, 13th Alumina & Bauxite Seminar 2007 etc.
  - Through product information, material safety data sheets, web-based databases, technical and scientific support etc.
- In addition, regular Customer Satisfaction Surveys are conducted, the most recent one being that of 2006 (presented in Social Report 2006).

### Local Communities

The impact of S&B's business to local communities in the areas where it operates is more significant in Greece, where its activity is most extensive (Milos island & Fokida Prefecture).

The Group's presence and influence are gradually expanding to other areas around the globe as well.

- Dialogue and relations with the local communities continued through various local authority bodies, as well as local community organizations and associations (more details to be found under "Social Contribution").
- The evolution of S&B's cooperation with local communities into a more institutionalized framework was further developed in 2007 with the establishment of the "MILOS Initiative" (see "Social Contribution"), while the similar "Fokida Initiative", established in 2004, continued its operation.

## The stakeholders ...of S&B

## Listening & Talking

<p><b>Shareholders, Investors &amp; Financial Analysts</b></p>	<p>S&amp;B's shareholder structure as of March 21, 2008, is: 57.4% - Founding family 20.4% - Greek institutional investors 11.9% - Foreign institutional investors 10.3% - Greek private investors S&amp;B's business performance is covered by Greek and foreign analysts.</p>	<p>Regular contact continued through various channels:</p> <ul style="list-style-type: none"> <li>• Website (<a href="http://www.sandb.com">www.sandb.com</a>)</li> <li>• Press Releases and Announcements</li> <li>• Road shows</li> <li>• Annual Bulletin, Annual &amp; Social Report</li> <li>• Shareholders' Service Office</li> <li>• Conference calls on financial results</li> </ul>
<p><b>Public Authorities</b></p>	<p>Public Authorities at local, national or international level –in all 23 countries of activity of the S&amp;B Group– but also at E.U. level</p>	<ul style="list-style-type: none"> <li>• State Authorities in all countries of activity of the S&amp;B Group are an important stakeholder for the company since they provide mining rights and concessions for access to natural resources, as well as the various permits needed to operate.</li> <li>• Transparent and objective dialogue with the various authorities is based on well-documented Company positions and aims at building two-way cooperation and information channels.</li> </ul>
<p><b>Non Governmental Organizations (NGOs) &amp; Academia</b></p>	<ul style="list-style-type: none"> <li>• NGOs: large organizations of national and/or international coverage with which S&amp;B cooperates and communicates</li> <li>• Academia and other scientific institutions in Greece and abroad such as: the National Agricultural Research Organization the Universities of Athens, Salonica, Thessaly, Patras etc.</li> </ul>	<p>The most important cooperations in 2007 were:</p> <ul style="list-style-type: none"> <li>• Development of the environmental and educational project «With colors &amp; aromas» on the island of Milos with the Hellenic Society for the Protection of the Environment and the Cultural Heritage</li> <li>• Base studies: «Ghiona Fauna Study» with the University of Thessaly and «Study of Flora in Milos &amp; Fokida» with the National Agricultural Research Organization and the University of Athens</li> </ul>
<p><b>Business Associations</b></p>	<p>S&amp;B participates actively in business associations at national and at European level.</p>	<p>S&amp;B is an active member of:</p> <ul style="list-style-type: none"> <li>• The Federation of Greek Industries. S&amp;B's CEO is a member of the Board of the Federation and head of its Working Group for the Environment.</li> <li>• The Greek Mining Enterprises Association (GMEA), President of which, since April 2005, is S&amp;B's CEO.</li> <li>• The Hellenic Network for Corporate Social Responsibility, Vice-President of which is S&amp;B's Director of Corporate Social Responsibility &amp; Communication.</li> <li>• The Industrial Minerals Association – Europe (IMA), the European Bentonite Association (EUBA) branch of which is being presided by a top-level executive of S&amp;B. Other company executives also participate in various committees of IMA.</li> <li>• The European Association of Mining Companies (Euromines), with the participation of S&amp;B's executives in various committees.</li> <li>• Various Chambers in Greece and abroad.</li> </ul>
<p><b>Media</b></p>	<p>The media include printed and electronic media.</p>	<p>Regular communication with the media continued in 2007 through:</p> <ul style="list-style-type: none"> <li>• Press Releases &amp; Announcements</li> <li>• Presentations of Financial Results to financial journalists</li> </ul>

## S&B's contribution to the dialogue for Sustainable Development

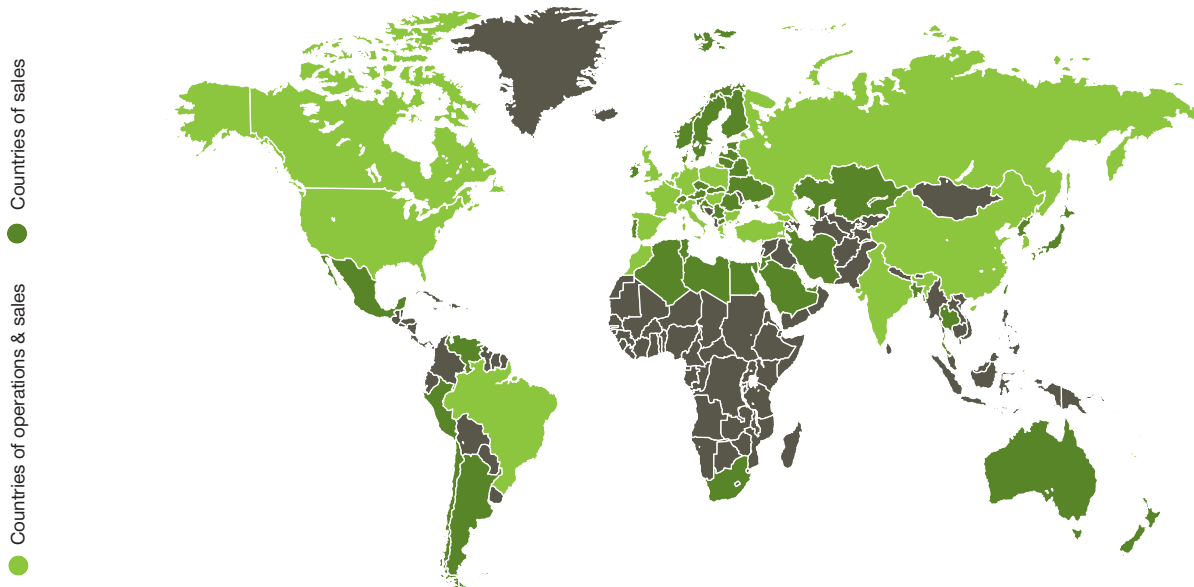
S&B promotes the public dialogue on Sustainable Development through its active participation in committees and working groups of international, European and national organizations and associations. At the same time, it supports and adopts principles of Corporate Social Responsibility and Sustainable Development and leads the way in initiatives aiming at the diffusion of such principles and their relevant practices in the business community. The graph below summarizes S&B's contribution to the dialogue towards Sustainable Development.



### Ad Hoc Group 10

In March 2007, within the framework of the E.U. initiative for the Competitiveness, Energy and the Environment (High Level Group), a special working group was formed, the Ad Hoc Group 10, to study the Access to Natural Resources and Secondary Raw Materials; S&B's CEO was a member of this Group. The Ad Hoc Group 10 submitted its conclusions and recommendations to the Commission in June 2007. Their work succeeded in alerting the Commission on the importance of the mining sector for the development and the long-term sustainability of the European industry in general, and has been influencing all E.U. policy initiatives thereafter.

# Economic Contribution



**26**  
mines

**79**  
installations and  
distribution  
centers

in **23**  
countries across  
**5** continents

sales in **69**  
countries

## Evolution through time

The S&B Group has a history of 74 years. It started with two mining companies, Bauxites Parnasse S.A. and Silver & Baryte Ores Mining Company S.A., and with the vision of its founders to develop the mineral wealth of Greece, particularly that of Milos and Fokida. Since then, building on its long-term continuous development, S&B has become a multinational Group, with more than 40 companies in 23 countries across 5 continents.

The expansion of its business activities has been the result of conscious strategic moves, partnerships as well as expansion into vertical integration, which started in the late 1980s and has been intensified in the last decade.

S&B started with the traditional mining activities, characterizing the longest part of its history. In the 1990s, S&B shifted its business model, focusing on gaining knowledge and experience about its products and the markets served by them. It also moved selectively towards vertical integration, in order to serve the end-use markets for some of its products.

Today, S&B's model is focused on acquiring knowledge and expertise about the end-use applications of its products. Thus, it can provide customized market-led industrial solutions based on industrial minerals, that add value to the product performance of its customers and improve their industrial processes.

## Naturally linked to Sustainable Development

S&B is active in a sector, that of industrial minerals, the significance of which is not apparent to most people. The extractive products, due to the fact that they are not often used in their natural form, are not recognizable even though they are absolutely necessary for the production of many products used in everyday life.

Industrial minerals and the non-energy extractive materials in general are the necessary raw materials for a series of other important industrial applications and products, thus having a direct and decisive impact on their competitiveness and sustainability. Moreover, industrial minerals can actively contribute to the protection of the environment, as they quite often replace other non-natural materials, the use of which is harmful for the environment. Furthermore, many minerals have friendly properties for the environment, which they also "lend" to the products they are ingredients of. The S&B Group, in particular, serves, with its products and services, more than 15 different industrial sectors worldwide (as shown in the related chart),

such as foundries, steel making, construction and building materials, metallurgy, horticulture, and others. Its more than 2,000 customized industrial solutions add value to the products and improve the industrial processes of its customers in all these sectors.

Also, in November 2007, an initiative was taken opening up an opportunity for the Group to develop into a new, environmentally friendly business activity, that of Geothermal Energy. More specifically, a Memorandum of Understanding was signed with the Public Power Corporation Renewables S.A., with the ultimate goal to jointly explore, operate and utilize the geothermal field of Milos. For the realization of this project, both parties believe that its acceptance by the local community of the island is a necessary prerequisite. Hence, before taking any final decisions, they have committed to holding an open and sincere dialogue aiming to inform the community of Milos about the important and varied benefits resulting from the exploitation of geothermal energy.

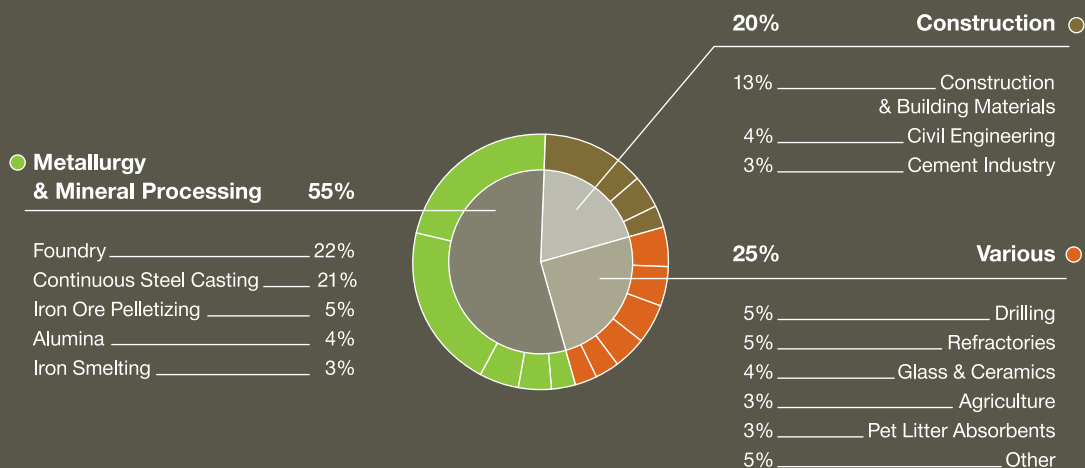
€9.6 million distributed to shareholders

€74.7 million to employees in compensation and various benefits

€371.6 million to suppliers of all kinds

€36.9 million for taxes, duties and social contributions

### 2007 Industrial Minerals Sales by Segment





## 2007 Economic Performance

For the S&B Group, 2007 was a strong year of economic development. The Industrial Minerals activities had solid organic growth in a robust market setting. Moreover, through acquisitions and further investments in the existing businesses, the Group was able to strengthen its competitive market positions in most mineral segments. In addition, work was initiated on new opportunities that will be addressed further in 2008.

Important 2007 business highlights include:

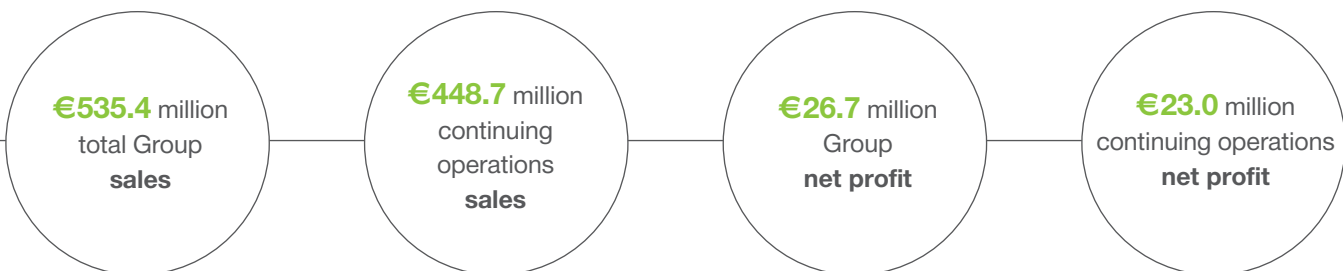
- 17.5% increase in sales revenue and 16.2% increase in net profits after minority interests.
- Acquisition of a 50% share of the Holland-based company CEBO International B.V.
- Acquisition of a downstream processing plant for white bentonite in Neuss, Germany.
- Acquisition of the bentonite and lustrous carbon processing activities of Hill & Griffith in the U.S.A.
- Control and temporary permit for operating a bauxite mine in the Alghero region of Sardinia, which is expected to be converted to a full, long-term

business activity, through the signing of a Memorandum of Understanding with PPC Renewables S.A. with the ultimate goal to exploit, operate and utilize the geothermal field of the Milos - Kimolos - Polyai-gos island complex.

- Carve-out of the commercial subsidiary MOTODYNAMICS S.A.

The total consolidated sales revenue of the S&B Group reached €535.4 million in 2007, higher by 17.5% versus 2006. The net profits reached €26.7 million, while after deducting minority rights they stood at €25.7%, increased by 16.2% from the previous financial year.

For the continuing operations (after the deconsolidation of Motodynamics), which form the basis of comparison for the future, the 2007 sales revenue was €448.7 million, increased by 19.8% from 2006, while profits after taxes and minority interests were €23.1 million, up by 18.4%. The Industrial Minerals activities comprise 94% of the continuing operations sales. Capital expenditures of the S&B Group within 2007 stood at €29.4 million, including additions to fixed assets, expenses for exploration, mine



concession for a total of 300 acre mining area.

- Preliminary agreement with Western Way Industrial Development Co. Ltd, for the supply of 1.1 million tons of Greek bauxite and for a total of 10 years to an alumina refinery under development, south of Jeddah in Saudi Arabia.
- Significant increase of productive capacity in the Stollberg Division, with a new spray dryer coming on stream mid-year in the German plant and decision to double the capacity of the plant in China.
- Potential entrance of the S&B Group to a new friendly to the environment

development, tunneling and stripping, while another €38.8 million were invested for the acquisitions concluded in 2007.

It is important to note that, for the continuing operations, the Group has achieved, over the last decade, compounded average annual growth rates in its basic financial figures as follows:

- 15.5% for sales
- 13.2% for EBITDA
- 14.9% for earnings per share

Looking to the future, S&B aims for further dynamic business development to new geographical areas, new specialty markets and new applications of its products worldwide. Its vision is to become one of the leading industrial minerals companies in the world, while at the same time investing in its responsible contribution to sustainable development.

# Human Resources

2007 was a year of further incorporation of the company human resource management systems and corporate procedures in the subsidiaries, and a year of implementation of an action plan following the Employee Commitment Survey conducted in 2006. Moreover, in 2007 the Purpose, Mission and Values of the Human Resources Department were revisited and re-aligned with the Corporate Vision, Values and Strategy.

## The people of S&B

The end of 2007 found the employees of S&B Industrial Minerals Activities counting 2,051 persons globally, 64% of which were employed outside of Greece, in 14 countries in Europe, Asia, North and South America as well as Africa. Moreover, more than 550 persons were indirectly employed in company activities as contractors' personnel, mainly in Greece, China and Bulgaria. Out of the total number employed in the Industrial Minerals Activities (which represent 89% of the total number of employees of the Group), 16% are management and professional executives, 25% administrative personnel and 58% technicians and workers.

Greece	732
Germany	436
Bulgaria	280
USA	144
Georgia	112
China	93
France	57
Brazil	52
Italy	46
India	45
Hungary	23
Spain	23
Morocco	4
Turkey	4
<b>Total in Industrial Minerals</b>	<b>2,051</b>

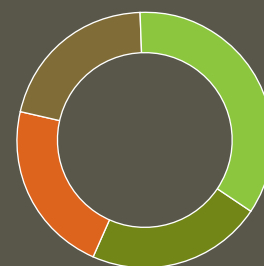
S&B supports the equal treatment and offering of equal opportunities for both sexes, in covering vacant positions and in planning the career development of its employees. In 2007, nearly 20% of its people were women, although the nature of the mining activities of the Company does not especially favour the employment of women. Furthermore, three out of the ten members of the top management team of S&B are women, and so are four of the members of the Board of Directors.

In 2007, the employee turnover rate of the Company remained relatively low at 3.4%.

## Personnel Distribution\*

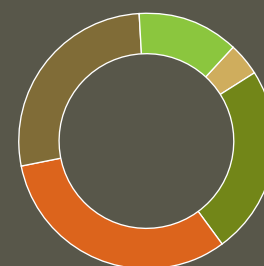
by Number of Years of Employment in the company

0-5 years	35%
6-10 years	21%
11-20 years	22%
over 21 years	22%



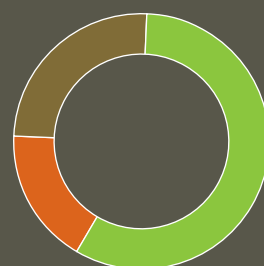
by Age

18-29 years old	13%
30-39 years old	27%
40-49 years old	32%
50-59 years old	24%
over 60 years old	4%



by Category

Technicians/Workers	58%
Administrative	25%
Executives	17%



\* Data refer to personnel of Industrial Minerals Activities



## Recruitment and Selection

The recruitment and selection of personnel is a significant process for S&B, as the Company places especially strong emphasis on matching the candidate with the job offered, so that both sides can be satisfied and their expectations fulfilled.

The Company has developed reliable selection tools, specially designed and tailored to the needs of S&B, while the candidates' applications are handled throughout all the steps of the process exclusively through the HRMS (Human Resources Management System) platform.

The employee selection process includes the evaluation of the candidates' competencies necessary for the attainment of the specific job requirements and of the strategic goals of the Company, and the evaluation of the candidates' capabilities to respond to the challenges of the business environment, along with their affinity to commit to the Company's values. This procedure includes the completion of personality questionnaires and capability tests which, together with structured interviews, provide a complete view of the candidates' profiles.

Furthermore, an induction program of the newly hired employees is conducted aiming at a smoother and more effective integration in their job and in the S&B family.

### New Employee Induction Program

The induction program is initiated before the employee's first day at work and is completed 4 months after his hiring. It includes the following steps:

#### Step 1: Preparation of Welcoming the New Employee

Meeting with the supervisor of the new hire in order to support and prepare the welcoming.

#### Step 2: Welcoming of the New Employee

Departmental induction according to a predefined program which includes indicatively the following:

1

Preparation of Welcoming the New Employee

2

Welcoming of the New Employee

3

Evaluation of the Induction Process

- Presentations of the organizational structure, the products and the scope of the Department
- Detailed discussion with the employee regarding his/her responsibilities in the new role and the performance expectations
- Meetings with colleagues and associates both inside and outside the organization
- Familiarization of the new employee with the human resources systems and policies through an interactive presentation.
- Visit of the new employee to the Group headquarters and to the Company's production facilities as well as lunch with the CEO.

#### Step 3: Evaluation of the Induction Process

Four months following the hire of the new employee, structured follow-up discussions are conducted between the new employee and the supervisor, and the new employee, the supervisor and the Human Resources department separately, in order to assess the integration of the employee.

Always seeking to create bonds with young people who have good academic background, S&B closely cooperates with renowned Greek and European Universities. The Company organizes internships and visits of university students at the Company's facilities, conducts company presentations and systematically participates in Career Events of academic or other institutions. Furthermore, S&B participates in business games i.e. the Global Management Challenge by sponsoring teams of students. The aforementioned practices offer to students the opportunity to familiarize themselves with the company activities and allow S&B to affiliate with young persons who might be part of its future human resources.

The Company does not aim to globally apply one uniform Human Resources Management System in all the regions where it is active. The approach to human resources management is certainly based on common Company principles, but it must also be adapted taking into account the local legal and institutional framework and the social conditions of each area.

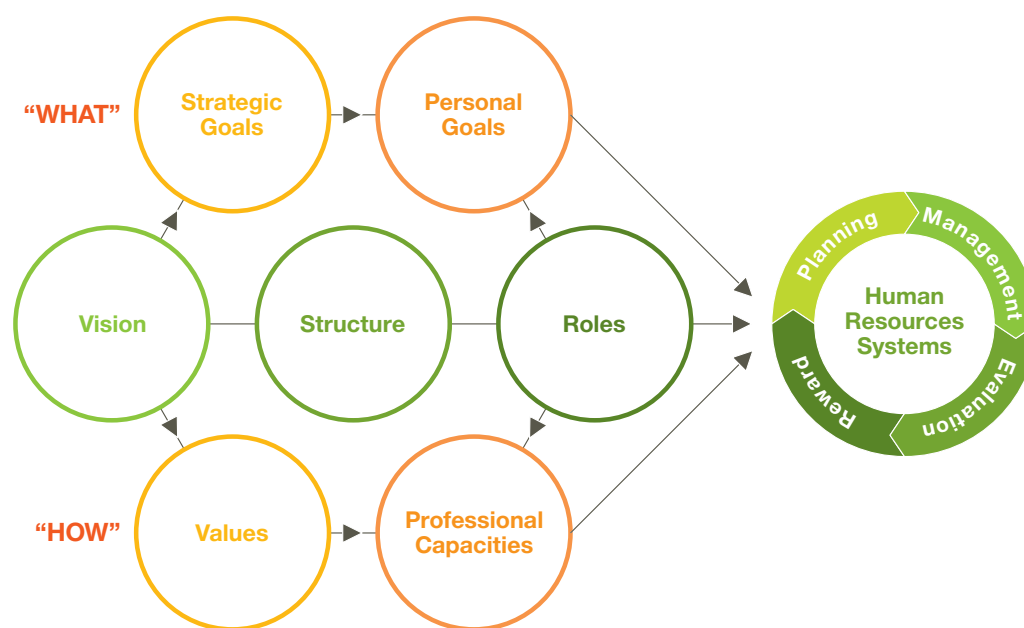
## Human Resources Systems

The geographical dispersion of S&B human resources, the different employee profiles in the various countries, in terms of educational level, specialization and type of work, the varying local cultures, as well as the specific labor and legal conditions and obligations prevailing in each country, require some flexibility in human resources management at Group level.

The comprehensive **Company Human Resources System**, including the job evaluation process, the performance appraisal and the com-

penetration and benefits systems is already being applied, apart from Greece where the corporate administration of the S&B Group is seated, in Germany, France and North America.

In the other geographical areas, an employment framework is progressively being set up, consistent with the Company's principles and practices, which clearly go beyond the standards set by legal requirements in each country, while respecting at the same time the local institutional or social conditions.



## Performance Appraisal

S&B has developed and applies an **Integrated Performance Appraisal System**, which is regularly reviewed and adapted in order to meet the changing needs of the Company and of the market in general.

This system, for which the Company was awarded a "Best Human Resources Initiative" prize - KPMG 2005, uses specific goals and competencies-behaviors, based on which the performance of employees is evaluated, their main achievements rewarded, their training needs diagnosed and their development plans determined.

## Outplacement Program

In times of organizational restructuring, the Company offers employees who may be made redundant outplacement programs, in cooperation with specialized consultants, in order to provide them with support during this transition period, as well as with potential professional opportunities outside S&B.

## Training and Development

The Company is committed to offer its employees training and development opportunities, with the belief that targeted training has a positive effect both on the motivation and the effectiveness of its employees.

In 2007, about 14,500 training hours were offered in Greece, Germany and N. America, corresponding to approximately 18.5 hours of training per employee. It should be noted that this year again various trainings were held for contractors' employees as well. During 2007 special emphasis was again given to environment, health & safety, foreign languages and to management issues.

For the management staff in particular, the diagnosis of their training needs and of their competencies and behaviors that need to be developed is achieved mainly through the integrated Performance Appraisal System used by the Company. Weaknesses are assessed and training needs are identified. These are discussed between the appraisee and his/her supervisor, and, with the assistance of the Human

Resources Department, individual as well as group training and development plans are designed accordingly. Training is offered either within the Company or through selected educational bodies outside the company.

Within the framework of its training policy, the Company also finances, under specific terms, long-term programs for professional development and specialization, such as under- and post-graduate studies in business related subjects.

In 2007, within the efforts made for the continuous development of employees, a series of training sessions on the company's human resources systems and labour issues in general were conducted in-house by company human resources executives. The trainings were interactive, with various role-plays and case studies, for the in-depth comprehension of the theories and principles presented. These trainings, which were evaluated by the participants as very successful, will be conducted at other company sites within 2008.

### Focused Training

In 2007, a two-day in-house training workshop with the participation of 35 S&B executives from Greece and Germany was conducted by Professor Ben P. Shapiro of Harvard Business School, USA, a distinguished academic specialized on marketing & sales strategies. The subject of the workshop was the successful pricing and the "Value to Customer" proposition. The workshop was very successful according to the feedback received by the participants.

## Compensation and Benefits

S&B's systems for the determination, management and development of appropriate pay levels are characterized by the highest possible transparency, objectivity and consistency. The Compensation System's basic objectives are to:

- assure internal consistency and meritocracy in the employees salaries,
- offer competitive remuneration packages in relation to the market,
- safeguard reliability and objectivity in salary administration and development.

Within the framework of S&B's comprehensive Human Resources Management Systems, three Local Reward Committees operate today in the Group: one in Greece, one in Germany and one in the U.S.A. These committees meet at least once per year.

In addition to the basic part of compensation, the Company has developed and grants its employees additional variable pay including:

- A yearly bonus directly linked to the achievement of individual and/or group goals, especially for the management staff.
- A productivity premium or other incentive pay for the administrative or technical staff.
- A profit-sharing scheme for S&B's personnel.
- A stock option program for senior staff, in place since 2001.

Moreover, in addition to the above various forms of monetary compensation, S&B offers its employees a series of additional benefits, such as:

- Additional Programs for in-patient, out-patient and medical-pharmaceutical insurance;
- Life/Accident/Loss of Income insurance;
- Company Pension Plan;
- Preventive medicine and check-up programs.

These benefits are implemented gradually to all company operations abroad (Germany, N. America, Bulgaria etc).

## Work-Life Balance Program

Moreover, S&B understands the importance of non-monetary fringe benefits for the satisfaction, motivation and effectiveness of its workforce and, thus, the company offers a series of benefits aiming at helping its employees for work-life balance.

**In fact, S&B was awarded with a “Best Human Resources Initiative Prize - KPMG 2007” for its initiatives in the category of Work-Life Balance practices.**

The various possibilities offered to employees through the Work-Life Balance Program touch on the following issues:

- Welfare Management & Development
- Flexible working arrangements
- Health & Fitness
- Family
- Daily Services

Some of these benefits have a long history at S&B, strengthening its social policy and creating an additional feeling of security and safety for the company employees.

Some other initiatives such as the payment of personal bills through a company employee, the Vocational Guidance offered to the children of employees, the installation of car-wash facilities, the modern equipped gym constitute more recent benefits aiming at reinforcing the feeling of security and at helping company employees save time from everyday tasks. These initiatives are still restricted to employees in Greece.

**Within the framework of promoting work-life balance, the Company encourages and supports employees to participate in athletic and cultural events. The Company’s participation in the 2007 European Corporate Games was once again noteworthy with 23 colleagues-athletes from Athens, Milos and Fokida competing in 3 events and winning the silver medal in table tennis. Worth mentioning is also S&B’s participation in two marathons during 2007: the Duisburg Marathon, in Germany and the Classical Athens Marathon, in Greece, where 13 and 5 colleagues participated respectively.**

## S&B Repatriation Model



## Expatriation Policy

The geographical expansion of S&B globally has created the need for the relocation of some managers abroad, often in faraway locations such as China or Brazil. The relocation of professionals who are able and willing to relocate to new geographic areas offers them the opportunity to expand their professional horizons and enrich their experiences, while for S&B it constitutes a necessary prerequisite for the speedier incorporation and integration of all the companies within the S&B Group and, also, for further expansion of the Company internationally. **It should be noted that in 2007 the number of expatriates in S&B came up to 14.**

The Expatriation Policy of S&B aims at determining for each expatriate, an appropriate package of remuneration and benefits that will help the expatriated employee and his/her family maintain their standard of living and their work-life balance.

Regarding the determination of the remuneration package, the Company cooperates closely with an internationally renowned consulting company, which offers all necessary information regarding each country of expatriation such as cost of living, special living conditions etc.

## Initiatives to Retain Talents: Mentoring & Interdepartmental Project Assignment

In 2007 S&B, within the continuous effort for the further development of its employees, launched the Mentoring and the Project Assignment initiatives.

The Mentoring initiative at S&B was based on the GROW model developed by John Whitmore. Hence, Mentoring was a structured and out of the reporting line relationship between the Mentee (employee) and the Mentor (Senior Manager from a different Division). Mentoring was a process driven by the Mentee, aiming at covering his/her specific development needs, while the Mentor provided knowledge, information and advice based on his/her experience. Mentoring did not replace the Supervisor-Subordinate relationship; however, it was a complementary and highly confidential process.

The aim of the Interdepartmental Project Assignment initiative was the participation of young executives in projects that lay outside the scope of their department in order to get a broader organization view, cope with new challenges, enrich their knowledge and expand their horizons outside their area of expertise.



## Employee Commitment Survey

2007 was the year of the communication and analysis of the Employee Commitment Survey results that took place in the Fall of 2006.

The main conclusion of the survey, in which more than 1,200 employees participated worldwide, is that S&B's overall employee commitment is ranked at the top 33% of the worldwide benchmark, which is comprised of 160 companies and more than 1.4 million respondents. This ranking reflects the high commitment and overall satisfaction of the employees.

More specifically, the results portrayed the positive image that employees have for the Company as a customer-oriented enterprise which provides high-quality products and services,



as an international player in industrial minerals highly committed to the health and safety of its employees and the protection of the environment.

In May 2007 the presentations of the results were completed in all 20 locations where the Survey was conducted, following the analysis that spotted the development areas in the various countries and the local sites and the determination of remedial actions that were decided by the Top Management Team. The presentations were made by the head in each location with the cooperation of HR executives, and they were followed by comments and discussions on the results. Out of the 25 remedial actions which were defined, 9 have been finalized while 16 are still in process with 50% of the work having been completed.

## Human Rights

Over 80% of the S&B people are employed in countries that endorse the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work (1998), having ratified the eight relevant "fundamental" conventions. In effect, this means that these countries have harmonized their legislation to the requirements of these ILO conventions. In countries of S&B operations, such as China and India, that have not harmonized their legislation accordingly, S&B Country Managers are responsible for ensuring that facilities

operate in line with Corporate Values, culture, commitments, standards, policies and practices, which are binding for all S&B employees, with no exceptions, and pertain to respect for fundamental human rights, as well as principles and rights at work. S&B's corporate culture has no tolerance for violations of basic human rights such as forced or compulsory labor, the right to exercise freedom of association or collective bargaining, or of child labor, neither has there been any such case in any of its operations.

# Health & Safety

For 2007, particularly important developments were the training and mobilizing of all people within the Group, in reporting Near Misses before they become accidents, and the launching of a special training program of “safe drive” for truck drivers.

The extraction of industrial minerals produced by S&B takes place mainly in open pit mines, while bauxite is mined underground at an ever increasing pace. Processing of the minerals is carried out in facilities close to the mines.

The nature of the extractive work as well as that of the minerals processing has inherent occupational hazards, which are identified and thoroughly evaluated in the course of developing and regularly revising the Occupational Risks Assessments for all company activities. The proper evaluation of the occupational hazards and the measures that need to be taken for their management are at the core of S&B’s safety system.

The principal hazards in surface and underground mining are associated with:

- the movement of heavy-duty and other vehicles - machinery,
- the fall of rocks from open pit slopes or the roof of underground drives,
- the use of explosives.

The usual hazards identified in minerals processing plants are similar to those occurring in all industrial installations, deriving from:

- work carried out at heights,
- uncovered moving mechanical parts of machinery,
- incorrect handling of tools and machinery.

The elimination or minimization of the various hazards in the work-place is of primary importance for all S&B people and is reflected in the corporate target for “**Zero Accidents**”.

The Corporate Policy on Quality, Environment and Health & Safety clearly states that Health & Safety is a non-negotiable value, dictating the primary challenges listed below:

- Safeguarding Health & Safety at work in all activities, from minerals’ extraction to their processing and transportation.
- Inspiring a work consciousness that places Health & Safety above anything else.

In order to achieve the above, the Company invests significantly in:

- Establishing, maintaining and constantly improving safe working conditions.
- Establishing, maintaining and constantly improving procedures, instructions and safe working methods.
- Continuous training of its employees on Health & Safety.

Beyond the above mentioned conventional ways of dealing with safety issues, in recent years the Company has introduced and applies additional new proactive methods and procedures, with the aim of:

- changing the attitude and behavior of employees towards safety issues at work.

## Aiming at the base of the pyramid

The target of the new approach towards **behavior-based safety** is to create a “climate” of safe behavior at work, utilizing innovative tools which at this stage are fully applied in all Group activities in Greece. Participation as well as the obligation to apply them is a uniform responsibility of all working for S&B, starting from the Chief Executive Officer and ending down to the lowest-grade employee. This additional initiative is part of the overall and unceasing effort made in the Health & Safety field, and is expected to complement and reinforce, over the mid-term, the target of minimizing and eliminating any incidents in the workplace. It aims at the bottom of the accidents’ “pyramid” (as shown in the adjacent drawing), with “correction” of unsafe conditions and improvement of behavior practices.

**Reporting near misses** –a level up from the very bottom of the pyramid– is another indicator of the mobilization and sensitization of workers in accident prevention. It is noteworthy that in 2007 there was an increase in reports of near misses by 115% (from 46 to 99).





## Performance in 2007

The data presented cover the Company's activities mainly in Greece, with partial reference to the activities and performance of the Group's subsidiaries.

### Work environment

#### Health & Safety investments

Total Health & Safety investments in 2007 (for Greece alone) amounted to €929 thousand, almost double the amount for 2006 of €475.5 thousand.

Milos 2007	In '000s €
Bentonite processing plants	216
Perlite processing plants	264
Personal protective equipment	60
Other expenditures	17
<b>Total</b>	<b>557</b>
Fokida 2007	In '000s €
Open pit mining works	102
Processing and loading facilities, Itea	205
Personal protective equipment	41
Other expenditures	24
<b>Total</b>	<b>372</b>
<b>GENERAL TOTAL</b>	<b>929</b>

### Monitoring of work environment

**Noise measurements:** From the measurements carried out in **Milos**, it was found that the actual exposure of workers to noise, with the use of Personal Protective Equipment, is lower than the instituted value (after the Presidential Decree 159/2006) of 87 dB(A) at all working places. Within the scheduled plan of further reducing noise levels, the fan ventilators at the Kannava drying plant were replaced with new ones and, also, the specifications for new machinery have been revised so as to comply with the legislation above.

In certain work positions in **Fokida** –particularly in operators of earth moving machinery– the noise levels imposed by legislation were found to be exceeded. To this end, noise measurements in the cabin of every vehicle undergoing repairs are planned to be made, both before and after the repair work, with the objective of measuring the effect of the maintenance work and evaluating the need for further measures.

In the Company's installations in **Germany**, noise levels were mapped and a relevant risk assessment was made for all plants of the Bentonite, Stollberg and Otavi divisions, that is at nine plants in total. It was found that in all instances there is no excess of the exposure limit, while in high noise-level work positions personal protective equipment is provided.

**Dust measurements:** In **Milos** facilities, the majority of measurements demonstrated substantial improvement, with the dust level standing at considerably lower levels than those specified by legislation. In the very few instances where deviations were observed, corrective technical measures were taken, resulting in complete conformance to the legislative requirements.

At the **Ritsona** perlite expansion plant, a series of measurements was carried out, showing improvement over past results. The majority of measurements was within the official limits and a new de-dusting system is planned to be installed in the course of 2008 (budget €80,000).

In **Germany**, measurements of inhalable and total dust were taken at all Company plants. The measurements were undertaken by the State BG. Results showed that in all cases inhalable dust is substantially below the levels specified by legislation, except for one bagging unit at the Stollberg plant (which is undergoing revamping) and one temporary position in a bentonite plant. The Stollberg plant is also planned to be equipped with a central de-dusting and floor cleaning equipment, at a cost of €120,000. Moreover, at the Neuss Otavi plant a de-dusting system was installed using air-vacuum (cost €25,000), while at the Essen plant a de-dusting system with water sprinklers will be installed (budget €50,000).

Dust measurements in the work environment were also taken at the **Sardinia** perlite plant, as well as at the bentonite plants in **Hungary** and **France**. At the Sardinian perlite plant, in some cases the dust concentration was found to be above limits and measurements are to be repeated and corrective measures will be taken. Dust measurements have been and continue to be carried out at the Company's installations in **Bulgaria**, where an investment program is being implemented for the improvement of the work environment.

**Vibration measurements:** The vibration measurement program with the inhouse instrumentation was initiated in 2007 in Fokida. In accordance with Presidential Decree 176/2005, 44 earth-moving heavy machinery were measured and measurements will continue through 2008. Most measurements were made on operators of heavy machinery and other vehicles operating in underground mines. 55% of the cases measured exceeded marginally the action-taking limit imposed by legislation, and mainly concerned old equipment. Given that there are factors in the methodology of the measuring procedure, which are considered to have negatively biased the measurements, the entire measurement procedure is planned to be re-examined on a representative sample of equipment. At the same time, the possibility of improving the seats of the old machinery / vehicles will be studied.

A relatively small number of measurements was carried out on Milos and, hence, the sample is considered insufficient for conclusions to be drawn. Most of the measurements are scheduled for 2008.

#### Measurements of adequate ventilation and of noxious gasses:

A total of 1,394 measurements of air-supply and noxious gasses were taken in the underground mines, compared to 914 in 2006, an increase, that is, of 52.5%. In 14% of the instances – where limits were exceeded – the supervisors intervened instantly so as to correct the conditions or stop work in the specific fronts.

#### Measurements of rock bolt's torsion:

In 2007 a program was initiated for measuring the torsion of rock bolts in underground bauxite mines and especially in rock formations of reduced stability and cohesion, with the aim to check the degree of bolt's anchoring and to increase the degree of safety of underground works. 65 measurements were carried out during 2007 and in 15% of the cases new bolts were required to be installed. For 2008, it is planned to double the number of measurements on a greater number of faces, re-evaluating and adjusting the bolting method used, in order to minimize any failures. It should be stressed that, despite the above mentioned failures found, the actual installation grid of rock bolts used guarantees in all circumstances sufficient roof support.

#### Measurements of geotechnical rock mass classification:

In the last three months of 2007, a geotechnical rock classification system was introduced, expected to assist in the difficult work of roof support in underground mines. This geotechnical classification system is based on an internationally accepted geotechnical method, adapted to the special characteristics of bauxite underground mines. A full year was devoted to the study for the adaptation of the standard method, with the involvement of underground mining engineers and foremen as well as of the central Health & Safety department.

#### Internal Health & Safety Audits

In 2007, as every year, internal audits were held, both by the safety engineers of Milos and Fokida and by the central Health & Safety department, with the purpose to ensure compliance, not only with relevant legislation but also with company procedures and work instructions. 60% of these inspections' findings, for which corrective actions were required, appropriate measures have already been taken; for the remainder, actions are scheduled for the immediate future.

## Safe Behavior

The new methodology towards behavior-based safety (presented in detail in the 2006 Social Report) takes into account the following tools:

- Management Safety Visits (MSV's)
- Safety Event Investigation using a specific methodology
- Safety Barometers for the quantification of safe/unsafe work practices

The fundamental prerequisite of the new methodology is the conscious participation and continuous involvement of all employees in Health & Safety issues, in order to identify unsafe work situations requiring correction or some organizational change and, subsequently, to plan the implementation of the respective actions that need to be taken.

On the basis of this specific methodology, in Milos and Fokida, in 2007 the following took place:

**238 Management Safety Visits** were paid to employees at their working positions in the shop-floor (versus 208 in 2006), in which 59% of the observations were attributed to unsafe practices, 25% to risky behavior and 17% to risky conditions.

In 2007, training was given and application was instituted for Management Safety Visits at the Ritsona perlite expansion plant as well.

Furthermore, the application of Safety Visits at the Company's facilities in Germany was evaluated and, in April 2008, the adoption thereof was decided to be effected in the course of 2008.

**1,751 Safety Barometers** (1,009 in Fokida and 742 in Milos) compared to 446 in 2006. The Safety Barometers record the degree of compliance with the crucial safety requirements specified for each work unit. Observation and recording of every crucial safety requirement permits the quantification of employees' compliance with safety instructions. Wherever this is found to be at a low level, after analysis of the causes, the necessary measures are implemented.

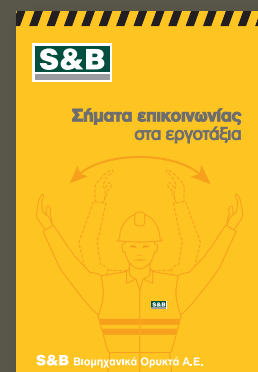
**20 Event Investigations** for identifying the root causes of incidents and the corrective measures that need to be applied. Some of the changes in procedures and of the measures taken following the action plan of these investigations are indicatively listed below:

- Institution of yearly safety goals for foremen as well
- Training of drivers – operators in handling emergency situations
- Procedure for unloading of trucks at dumping sites
- Safe driving seminar for transport drivers
- Procedure-instruction for handling emergency situations in underground mines, renewal of rescue equipment and appropriate training
- Procedure for fuel supply of heavy machinery in underground mines.

## Health & Safety booklets

The publication of new Health & Safety booklets continued in 2007, with a brief but important leaflet titled: “Care for your and your colleagues’ safety – Report Near Misses”. It was translated into 11 languages and was distributed to all Company employees around the world.

The publication of three new Health & Safety booklets is planned for 2008 concerning three risky activities in underground bauxite mines: scaling, transport and drilling-charging of explosives.



## Health & Safety Training

The Table below shows the training hours for Company personnel and contractors’ personnel, along with the main subjects covered.

Location	Man-hours	Subject
Milos	3,587	<ul style="list-style-type: none"> <li>- Safe work at heights</li> <li>- Load lifting (manual and mechanical)</li> <li>- Contractors’ work and safety</li> <li>- Truck unloading at crushing station feed silo</li> <li>- Work safely for sun field drying of bentonite</li> </ul>
Fokida	3,687	<ul style="list-style-type: none"> <li>- Truck loading in underground mines</li> <li>- Prevention of uncontrolled explosions during drilling-charging in underground mines</li> <li>- Industrial noise and noise protection</li> <li>- Training of electricians in cases of short-circuiting high-voltage cables</li> <li>- Safe handling of explosives</li> <li>- Instructions for safe scaling and use of explosives underground</li> <li>- Training in dealing with emergency situations, while using machinery underground</li> <li>- Correct explosives charging in open pit mines and use of appropriate PPE</li> <li>- Training of the team dealing with emergency situations, during holidays</li> <li>- Roof stability</li> <li>- Safe truck unloading at bauxite field stocks and feeding silos in Itea facilities</li> </ul>
Ritsona	41	- Training on forklift operation, personal protection equipment and management safety visits.
Central Office Athens	340	<ul style="list-style-type: none"> <li>- Fire drill</li> <li>- First aid training</li> </ul>

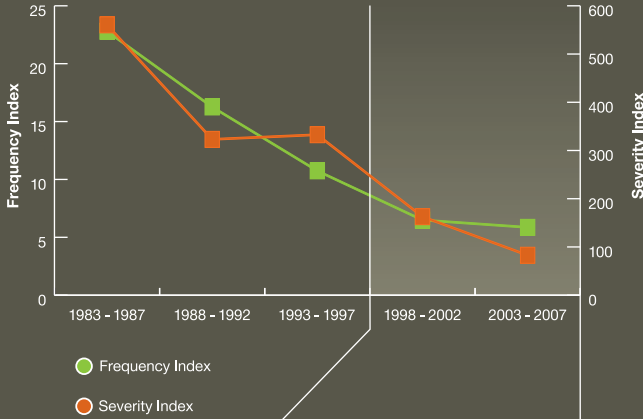
## “Safe Drive” training

In November 2006, a novel training program was introduced in Fokida, with the assistance of an external party, and the objective of safe driving. A start was made with 20 truck drivers transporting bauxite from the mines to Itea facilities. The practical part of the program comprises training using a simulator, where individual driving behavior is recorded, evalu-

ated and possible weaknesses are identified. The same training is repeated in a real road trip during working hours. In 2008 the program will be extended to all truck drivers in Fokida employed by S&B, while its application is also being planned for Milos.

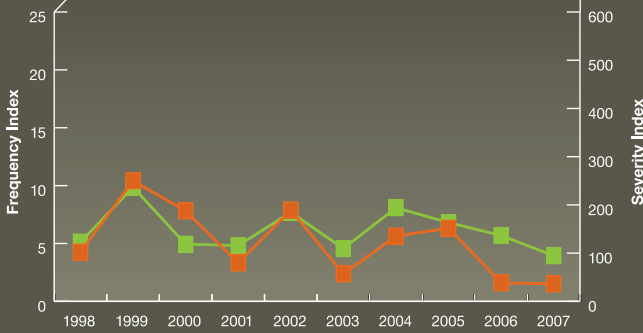
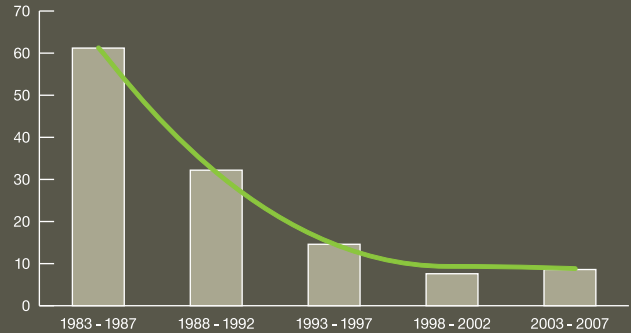
# Safety Performance Indicators

## Frequency and Severity Indices Milos, Fokida & Ritsona



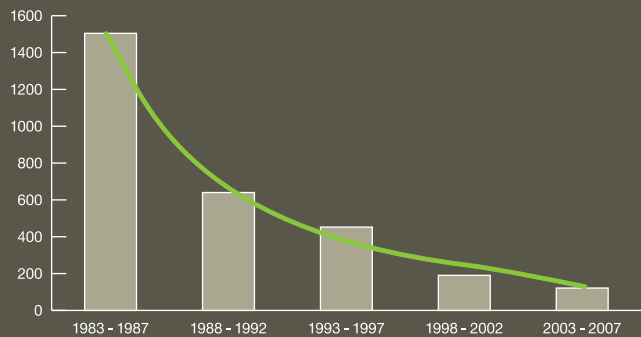
## Number of incidents Milos, Fokida & Ritsona

5-year average values



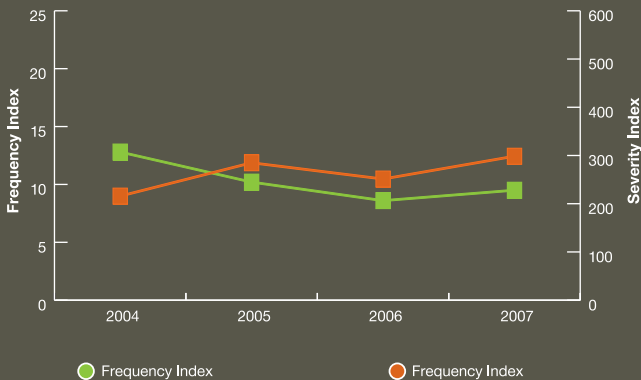
## Number of lost work days Milos, Fokida & Ritsona

5-year average values



**Frequency:** Number of accidents x10<sup>6</sup> / Total number of work hours  
**Severity:** Number of lost work days x10<sup>6</sup> / Total number of work hours

## S&B Group Frequency and Severity Indices



The above diagrams do not contain very grave injuries and fatal accidents. These are:

**Grave injuries:** 1 (1980), 2 (1982), 1 (1994)

**Fatal accidents:** 1 (1986), 2 (2003), 1(2007)

There also occurred 1 fatality (2005) to a worker of a contractor with own supervision, and 1 traffic accident (2005) involving a driver of a public utility truck.

## Safety indicators

In 2007, the Accident Frequency and Severity Indices reached their lowest levels in the last ten years. The Frequency Index was 3.1 and the Severity Index 36.1 (in comparison to 5.7 and 38.4 respectively, in 2006). The number of incidents was 6 (as opposed to 8, in 2006), and the total work days lost were 55 (as opposed to 54 in the previous year).

Nonetheless, despite constant improvement of the indicators, sadly we regret to report, one fatality that occurred to a contractor's employee, when his truck overturned during the phase of unloading at an abandoned bauxite open pit mine in Fokida. This occurrence, irrespective of the particular circumstances of the accident, is a distressing reminder of the dangers lurking and the unceasing, systematic and persistent effort demanded on the part of everyone, for the elimination of accidents at work.

The evolution over the years of accident frequency and severity is shown in the figures opposite. It should be noted that the indices shown cover Company employees, and employees of contractors, who do not have their own supervision. Additionally, the indices do not include very severe accidents and fatalities, which are reported separately.

At Group level, the recording of the same indicators in all installations of subsidiaries has continued, and the first preliminary relevant corporate data appear in a figure opposite. It should be mentioned, however, in this context that the differing manner of counting and recording, as well as dealing with accidents in the different countries, both by the worker and by the competent authorities, differentiate the numeric result of safety performance from country to country and thus, do not permit reliable direct comparisons.

## Social Dialogue Agreement for the Protection of Employees' Health through the Correct Management and Use of Crystalline Silica and the Products containing it.

As mentioned in the 2006 Social Report, the implementation of this Agreement at Group level by the S&B subsidiaries based in E.U. countries, was one of the three Corporate objectives set in the area of Environment – Health – Safety, the compliance being followed up and monitored directly by top Management. In 2007, all employees of subsidiaries in the E.U. were briefed on the contents of this voluntary Agreement, were trained on the risks of exposure to respirable crystalline silica dust and dust in general, and were urged for the use of personal protective equipment, as well as for the application of Good Practices, as foreseen by the Agreement.

In April 2008, all Company facilities in the E.U., including those not bound by the above Agreement, reported, as dictated in the Agreement, for their activities in 2007. The report was addressed to the 30-member Employers – Workers Board, supervising the implementation of the Agreement. It is noted, that a summary of the report is transmitted to the European Commission, to the Member States and to the National Health & Safety Institutes.

## REACH – Registration, Evaluation, Authorisation of Chemicals

The Company followed up the evolution of the Regulation up to its adoption in December 2006, and continues to monitor its development and finalization, with the objective of contributing to a functional Regulation. On the basis of its stipulations valid today, S&B has to “register” certain raw materials and chemicals it imports and trades and is planning their pre-registration until November 2008, in accordance with the Regulation. Beyond registration, it has no obligation to “classify” and “label” the products it manufactures, other than two of them which it

imports and trades. Furthermore, under currently valid provisions, the Company's products do not require “authorization”. It is emphasized, that since 2006 the Company is in communication with its Suppliers, to ensure that the materials purchased and used in the production process would be available and in compliance with the Regulation, providing also, where necessary, the required information for their inclusion in the risk assessment. At the same time, the company Safety Data Sheets are being updated as stipulated by the Regulation.

# Environment

2007 was marked by the effort for further integration of the environmental practices dictated by the Corporate Policy on Quality, Environment, and Health & Safety, as adopted in 2005 for the entire S&B Group.

## Challenges

S&B's fundamental principle for environmental protection is prevention. To this end, advanced environmental management practices and methods are applied, adopting state of the art technology across the entire spectrum of activities (mining, industrial processing and product transportation).

The primary environmental challenge for the Company is access to land and mineral resources, in combination with responsible and effective management thereof, in order to satisfy the mid- and long-term demand of customers and, at the same time, to ensure continuous improvement of the efficient exploitation and use of mineral resources.

The environmental issues, S&B is called upon to manage, concern:

- **management of the reserves of mineral resources, and management of the large quantities of materials excavated**
- **land reclamation of the areas affected by mining**
- **management of biodiversity in the mining site areas**
- **management of dust emissions from the processing of products**
- **energy and water management**
- **solid and liquid waste management**

## Environmental management

At Group level, 15 processing plants, where more than 85% of the Group's products are being produced, apply a certified system of environmental management according to ISO 14001:2004, the target being that all installations are eventually certified. The certification of the Stollberg plant in Brazil is already in progress.

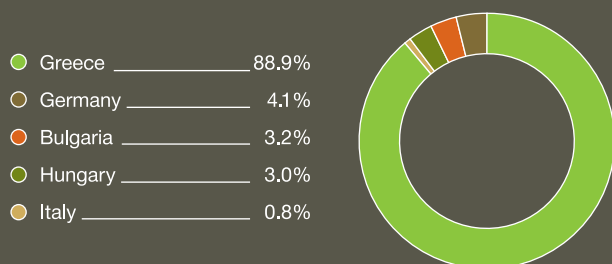
By collecting data for 54 indices covering the whole range of Group activities, the environmental performance of all subsidiaries is recorded, monitored and analyzed. On the basis of these data, areas requiring improvement are identified and evaluated.

## Land reclamation

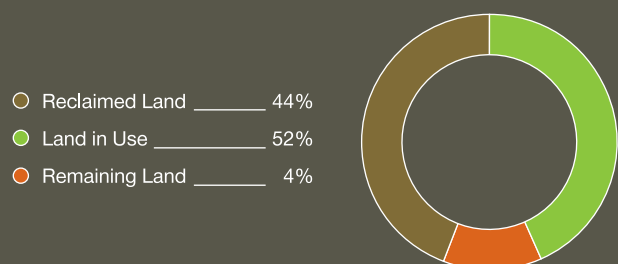
Land reclamation aims as much at minimizing visual disturbance, with the appropriate landscaping of the area, as at restoring a sustainable and self-supporting ecosystem over the long-term, in the areas reclaimed.

S&B's fundamental philosophy is the continuous upgrade of technology and methods used, for the reclamation of the areas where mining takes place.

**S&B Group - 2007 Mining area "in use"**



**Course of Land Reclamation in Greece**





Approximately 90% of the total surface “in use” for all mining activities of the Group is located in Greece (Milos and Fokida), where the most advanced technology and state of the art methods have been developed over the last 25 years.

As shown in the charts and the relevant table, in Milos and Fokida, already 44% of the total surface area affected by mining has been restored. Of the remaining 56%, 52% is “in use” for extraction operations. Hence, the percentage of affected surface area still remaining, and currently available for reclamation in Greece, is no more than 4%.

Land reclamation in the various other countries depends on the legal framework, the size of the specific mineral deposit, the status of ownership, as well as other factors of local nature that determine the reclamation process of the affected areas. In Germany, for instance, bentonite deposits are small in size, and hence their exploitation is completed in a relatively short time-span, immediately followed by reclamation. In Bulgaria, according to the national legal framework, reclamation of mines is not allowed before the complete depletion of the available deposits, regardless of the economic value of any remaining reserves.

#### Land reclamation of affected areas in the S&B Group

In 1,000 m<sup>2</sup>

	Milos & Fokida Greece	Landshut Germany	Kardjali Bulgaria	Egyhazaskeszto Hungary	Sardinia Italy
Total area affected (end of 2007)	5,532.0	254	198	50	190
New areas brought into use in 2007	71.5	0	0	10	0
Reclamation of affected areas in 2007	465.8	38	0	0	0
Reclamation of affected areas since the beginning of the activity	4,698.5	288	0	15	0

#### Land reclamation of affected areas in Greece

In 1,000 m<sup>2</sup>

	Total area affected up to 31/12/2007	Reclamation of affected areas in 2007	Reclamation of affected areas up to 31/12/2007
Milos	4,067.5	83.5	1,535.5
Fokida	6,583.0	382.3	3,163.0
<b>TOTAL</b>	<b>10,650.5</b>	<b>465.8</b>	<b>4,698.5</b>

- **Affected surface area** is defined as the area used or in use for mining (extraction) and disposal of overburden materials, irrespectively of the reclamation status.
- **Active or “in use” mining area** is the required area where either extraction or disposal of overburden material takes place.
- **Reclaimed surface area** is defined as the area where reclamation works have been completed or trees planted.



*Pyrus Amygdaliformis*



*Cistus creticus*

## Biodiversity management

A crucial parameter for the sustainable restoration of the ecosystem in the areas being reclaimed is the selection of suitable planting species. It is thus essential for reclamation techniques to be supported by appropriate scientific methods, in order to ensure optimum results.

Given that the major environmental footprint from the extractive activities of the S&B Group lies in Greece, particular emphasis is given to management and protection of the biodiversity in the areas of Fokida and Milos.

Over a number of years, research programs on the reproductive biology of plants that are currently being used or may be used in the future in reclamation works are carried out, in collaboration with reputable academic and research institutes. For many of the species studied, fundamental research on their reproductive process as well as on other elements of their biological cycle is being undertaken.

The ultimate goal of such research is the integration of the reclaimed areas in the surrounding environment, investigating at the same time appropriate mechanisms to ensure endurance of the ecosystem either to natural disasters (e.g. with the use of fire resistant plants) or to human related intervention (e.g. with the use of plants resistant to animal grazing) or to adverse climatic-territorial conditions (e.g. with the use of plants that do not require irrigation).

Important support on the experimentation and implementation of the previously mentioned research, is provided by the Company's own plant nurseries, operating in Fokida and Milos, led by two foresters. Apart from production of plants for the needs of reclamation works at those sites, they also act as "laboratories" for studying the improvement of the germinability and reproduction of endemic plant species. The Foki-

da plant nursery has been in operation for 20 years and the Milos one for 13 years. In 2007, 81 kg of seeds from local plants were collected by the Fokida plant nursery, while 1,050 kg of seeds by the plant nursery on Milos. The number of trees planted in 2007 at the Fokida and Milos reclamation works were 28,200 and 11,400 respectively.

**40 different species are currently being used in Fokida, for planting or hydro-seeding. Most of them are autochthonous, endemic in the Balkans, and some threatened or rare. 22 out of the 25 plants reproduced in the Fokida plant nursery are indigenous. In addition, 25 other species are currently being studied in research programs.**

**In Milos, 53 different plant species are used (trees, shrubs and mosses) out of which only two are not native and six are not found on Milos, but they are typical species of the "Aegean brushwood" habitat. All plants used today in S&B reclamation works on Milos island are produced by the Company's plant nursery.**

**In the continuously enriched list of species used for reclamation, the rare and protected species *Juniperus foetidissima* has been added, following its successful reproduction at the Fokida plant nursery. This plant is included in the 2003 IUCN Red List of Threatened Species. Four other rare native or endemic plants are reproduced in the Company's plant nurseries, these being: *Acer heldreichii*, *Marrubium velutinum*, *Iris*, *Pancreatium maritimum*, or sea lily.**

Based on the acquired know-how, the next target set is the substitution of the few non-indigenous plants used –mainly in the initial stages of vegetation installation– with native species.





*Juniperus macrocarpa*



*Juniperus phoenicea*

## Base studies

In order to minimize the environmental impact caused by mining activities, it is crucial, among other factors, to gain knowledge on the flora and fauna of the affected area. However, for the sites of the Company's main extractive activity (Fokida and Milos) sufficient, valid and updated data are lacking. In view of this deficiency, the Company has initiated the following base study projects:

### Ghiona Fauna Study

A two-year research program (2005-2007) was carried out by the Department of Agriculture, Crop Production and Rural Environment of the University of Thessaly, with the objective to systematically assess the fauna of the wider area of the Ghiona mountain, where the Company's bauxite mines are located. The observation of fauna (birds and mammals) very near to the mining sites, that have been in operation for many years, is a positive indication as to the actual repercussions of extractive activity on the regional fauna.

### Study of Flora at Milos and Fokida sites

The five-year research program (2005-2010) is carried out in cooperation with the Institute of Mediterranean Forest Ecosystems and Forest Products Technology and the University of Athens. It comprises: a) study of the reproductive biology of plant species in the Parnassos-Ghiona and Milos regions; b) restoration of vegetation in the pseudo-alpine region (Fokida) and under adverse hot-dry conditions (Milos); c) study of the growth performance during hydro-seeding of plant species of interest; d) study of specific type plant species resistant to animal grazing.

Both aforementioned projects have already contributed to the comprehension of the functioning mechanisms of the local environment (flora and fauna) and, hence, to optimizing the Company's reclamation activity. Such knowledge and data will also contribute to the upgrading (i.e. accuracy of assessments made) of the Environmental Impact Assessment Studies, undertaken for new mining projects in these areas.

The significance of the Company's research work towards conservation and management of biodiversity is demonstrated by the selection and invitation of S&B to present its work along with that of Rio Tinto –representing the European extractive industry, through Euromines– at a conference aiming to diffuse good biodiversity protection practices implemented by the mining industry.

The presentation was made during the work proceedings of the Rio Treaty Subsidiary Body on Scientific, Technical and Technological Advice (SBCTTA), on July 2–6, 2007 in Paris, hosted by UNESCO, under the auspices of the United Nations Environment Program (UNEP). It was organized by IUCN (International Union for the Conservation of Nature and Natural Resources), on the initiative of ICOMM (International Council on Minerals and Metals). S&B's presentation, titled "Conserving Biodiversity in Milos & Fokida", covered the positive results of the reclamation projects carried out by the Company, based on its extensive collaboration with reputable scientific and research institutions.

## Combating dust emissions

Combating dust emissions generated from raw materials handling and processing of products is a very important environmental issue for the S&B Group, as important as effective mine reclamation. For the elimination or minimization of such emissions, the Company applies all available and feasible modern de-dusting methods and constantly

invests in anti-pollution equipment, in personal protective equipment and in continuous training of its employees. For the purpose of documentation and evaluation of the effectiveness of such measures and the need for new ones, regular and systematic dust measurements are carried out (see chapter on Health & Safety).

In December 2007, the foundations were laid for the construction of a closed warehouse for bulk dry bentonite granules at the Company's installations on Milos, aiming to minimize dust emissions. The implementation of this project follows a promise made by the Company, its selection being made on the basis of the priorities the Company strives to determine in cooperation and in agreement with its employees and partners, its immediate neighbors and the island authorities. The project will involve an overall investment of about eight million euro and is foreseen to be completed in about 15 months.

## Management of raw and other materials

The S&B Group is active as a supplier of mineral raw materials and intermediate products to various industrial sectors. In upstream mining operations only soda ash is used for the activation of bentonite. Downstream operations incorporate a number of other raw materials in the formulation of products serving various industrial applications.

The primary concern for the S&B Group is the efficient management of its mineral resources and their effective use in the production processes. To this end, indicatively, the following measures can be mentioned:

- Optimizing the use of bentonite, perlite and bauxite reserves through rational mixing of various qualities, so as to avoid the "sacrifice" of the premium raw material qualities, wherever such qualities are not required.
- Continuous upgrading of the products' quality, resulting in reduction of specific consumption in various applications and consequently extending the lifetime of reserves.

- Optimization of the perlite production, resulting in the reduction of perlite "fine" rejects. In recent years the useful fraction generated during the perlite production process is continuously increasing, which means that exploitation of the raw material is continuously improving.
- Trial applications of the fine fraction of perlite collected in the de-dusting filters in various uses.
- Test trials for the use of overburden material.

The utilization and exploitation of wastes and by-products from other industries – fly ash, slag, glass waste etc. – for the production of new products is also worth noting for the Stollberg operations, in which case 10 out of the 45 ingredients used in the product formulation are based on such materials.

## Waste management - recycling

S&B's mineral waste is inert and mainly used for landfilling other excavations. With regard to other waste materials, the recycling methods used aim at the optimization of their handling and valorization of the non-reuseable ones.

The environmental performance data collected from all sites of the Group indicate that materials such as lead batteries, car tires, metal scrap, used lubricants and paper are effectively recycled and for some production activities the recycling ratio for some of the above materials surpasses 90%. In cases where discrepancies are observed, measures are taken to improve the recycling rate.

The great majority of the Company's products are sold in bulk and therefore the consumption of packaging materials is relatively minor. As a typical example, it can be mentioned that in 2007 the bentonite products sold packaged in the Greek market represented less than 2% of total sales, while the remaining approximately 98% was exported in bulk. For perlite, the equivalent percentage was less than 1%. Nevertheless, for the portion of production sold packaged, the Company, in compliance with the obligations arising from the European Directive 94/62/EK and Greek Law 2939/2001 relating to the recycling of packaging materials, has signed a contract with the Company authorized by the Ministry and pays the relevant fee.



S&B's facilities and open drying fields for bentonite, at Vouidia Bay, Milos

## Energy management

The S&B Group's activities are not energy intensive. The Group, however, is particularly sensitive to issues regarding energy consumption, as much in response to the problem of climate change, due to greenhouse gasses emissions, and because energy cost constitutes a significant portion of total production cost.

For these reasons, strenuous efforts are unceasingly devoted to energy saving.

A typical example of investment in 2007, that contributes to energy saving is the substitution of the rotary kiln at the Kannava site on Milos with a fluid bed drier, resulting in an energy saving of about 32%.

Significant energy saving is also achieved by exploiting Milos' climatic conditions for the natural sun-drying of bentonite in open fields, resulting in approximately 35% energy savings, compared to the energy that would be required if industrial drying was used instead.

## Water management

S&B's extraction activity, as well as its 'dry' processing of mineral products require minimal quantities of water. Water consumption is mainly necessary for sprinkling the roads used for transportation of the Company's products, in order to reduce dust emissions. Nonetheless, being aware of the importance of water conservation, data on water consumption per ton of product are collected from the Group's facilities.

Moreover, on Milos, where climatic-territorial conditions are difficult, due to limited rainfall unequally distributed over the year, with strong winds and dry summers, the plant species used in land reclamation have been carefully selected so as not to require irrigation. Furthermore, rainwater collected in bentonite quarries (due to bentonite's impermeability), as well as on roofs of the Company's building premises, is used for sprinkling the roads and for other purposes.

## Life-Cycle Analysis (LCA)

Through IMA–Europe, the Company contributes to and financially supports a study on the environmental impact (emissions to the atmosphere, to water and land receptors) of 15 industrial mineral products, taking into consideration all inputs of energy and materials. Within the framework of this study, 4 bentonite products will be evaluated with application in iron-ore pelletization, foundries, pet litter, and oil clarification. The results of the study, which is carried out by Ecobilan of PricewaterhouseCoopers, will be delivered to the European Commission for the establishment of a database (European Life Cycle

Data), with provision of information on the environmental impact of products, throughout their life-cycle. The study is foreseen to be completed in June 2008.

It is expected that the study will assist in the quantification of the estimated negligible impact of industrial minerals products throughout their life-cycle, in comparison to other synthetic materials. Moreover, further expansion-extension of this study will enable the Company to develop an LCA model for the analysis of its products and their various uses.

## Environmental expenditure 2000 - 2007

YEAR	ENVIRONMENTAL EXPENDITURE (in million euro)		ENVIRONMENTAL INVESTMENT (in million euro)	TOTAL (in million euro)
	For landscape reclamation	For other purposes		
2000	1.20	0.50	1.00	2.70
2001	1.15	0.52	1.20	2.87
2002	1.20	0.50	1.30	3.00
2003	1.05	0.30	1.00	2.35
2004	0.98	0.52	0.96	2.46
2005	1.17	0.43	0.39	1.99
2006	1.01	0.44	0.85	2.30
2007	1.12	0.34	1.28	2.74

## Judicial disputes

In June 2007, a decision was issued by the Council of State in favor of the Company, on petitions submitted before this Court. The petitions referred to the cessation of the Joint Ministerial Decree, issued by the Greek State, granting approval to the Environmental Impact Assessment Study for the exploitation of bauxite deposits covering an area of 9,244,000 m<sup>2</sup> in the mountain of Ghiona. The decision issued allows the continuation of exploitation of the Company's bauxite deposits, with the exception of certain, specifically designated, deposits.

In October 2007, by decision of the Ministry of Environment, Physical Planning and Public Works, a fine of € 392,000 was imposed for alleged environmental violations from the Company's activity at Milos. The Company believes that there is no legal basis for this fine and has appealed against the above decision before the competent Administrative Courts, claiming its annulment. The full documentation of the Company's position can be found in the Greek version of its website ([www.sandb.com](http://www.sandb.com)).

## Environmental applications of S&B products

Many applications of S&B products, based on the unique combination of physical properties of industrial minerals, as well as on the on-going effort to develop innovative new products and applications, actively contribute to the protection of the environment. Some typical examples are:

### **Bentonite**

Swelling, ion-exchange capacity and impermeability to water render bentonite an appropriate material for a series of environmental applications, such as: a) soil-sealing of Waste Landfills, ensuring long-term protection of ground water from pollution; b) in water and industrial effluents treatment, since it absorbs heavy metals;

c) in de-inking of recycled paper; d) because of its high plasticity, bentonite is also used as a protective casing around containers of radioactive material, preventing the application of high pressure and ensuring the stability and impermeability of containers.

One of the most important uses of bentonite is as binding material of moulding sand in foundries. The use of S&B's foundry products such as ANTRAPUR, POLYCARBON and PRIOCARBON has resulted in the reduction of organic emissions, a common environmental issue in foundries, with simultaneous improvement in casting efficiency.

In June 2007, the new innovative bentonite-based product with the name ENVI-BOND was launched, for use in casting moulds with no requirement for carbon addition. With the use of ENVIBOND, emissions of organic compounds originating from carbon are reduced and, moreover, because of ENVIBOND's composition, part of the volatile organic compounds generated from materials used as "cores" in the casting mould is also retained. Equally significant is its contribution to a cleaner work environment, since the foundry looks cleaner, with no smoke visible during casting and a lighter-colored molding sand.

### **Zeolite**

Similar properties to bentonite can be found in zeolite, which binds ammonium ions ( $\text{NH}_4^+$ ) and heavy metals contributing to the biological treatment and purification of waste.

### **Bauxite**

The use of bauxite in rockwool production is also one indirect environmental application, since this material has special insulation properties and a high melting-point temperature, rendering it a fireproof material.

### **Perlite**

Expanded perlite, due to its high porosity, chemical purity, stability and non-reactivity, as well as its capacity to retain water within its pores, is a perfect product to use for heat and sound insulation purposes. Also, its use as substratum in hydroponic cultivations contributes to reduction in water consumption as compared to conventional cultivation.

# Social Contribution

In 2007, S&B's pursuit for the development of institutionalized forms of engagement with the local communities where it operates, was marked by the signing together with the Milos Municipality of the charter of association for the establishment of the common development company "MILOS Initiative".

## Challenges

For S&B, the establishment of long-term relations and partnerships with the local communities is an integral part of the Group's efforts towards sustainable development. As demonstrated by the Company's track record –particularly in Greece where the Company was founded and where the largest part of its operations are located– S&B works closely with the communities of its interest, with utmost respect for their balanced development, their natural environment, their cultural heritage and their sustainability. The constant pursuit for social acceptance, i.e. for the so-called "social license" to operate, involves engaging in long-term community relations, based on mutual trust and respect, toward the common and collective benefit.

The S&B Group's rapid globalization, especially during the last decade, has posed an additional challenge for the Company, in dealing with issues of social investment and contribution. This challenge has many faces: the impact of subsidiary companies' activities around the world might not be as significant as that of the mother

Company's in Greece, either because some countries are very large relative to the size of the activity, or because the activity itself does not have as significant a local social impact (e.g. a distribution center does not affect the environment or the local community the same way as a mine does); on the other hand, some subsidiaries are based in developing countries, or in very poor areas, where any contribution (financial or other) on the part of the Company, may have a major positive impact to the local community.

S&B is continuously striving to gain the respect of the local communities of its interest, through its professional and responsible conduct, through continuous dialogue, systematic work and investments, in a model of cooperation and synergy with them, focused on:

- Promoting the sustainable and balanced development of these local communities.
- Ensuring the compatibility of S&B's activity with other local economic activities.

## Social Contribution in Greece

S&B's **social policy** is complementary to the relevant policies on human resources, on the environment and on health & safety at work.

Every year S&B, within the framework of its sponsoring policy, selects to support a series of organizations, activities and initiatives, after thorough and careful evaluation by the responsible executives, both at corporate as well as at local level, i.e. by the executives of the Corporate Social Responsibility & Communication Dept. and / or by the Heads of Local Affairs, respectively.

As has been repeatedly stated in the Social Reports of past years, the social activities developed in Greece are focused on the regions where the company's productive operations are mainly located, i.e. on Milos and Fokida. S&B participates actively in the economic, social and cultural life of these areas and supports their sustainable

development. More specifically, S&B's social contribution **strategy** is focused on the following directions:

- Creating and operating works of cultural infrastructure, like the Milos Mining Museum, the Milos Conference Center and the Vagonetto-Fokis Mining Park
- Providing financial, technical and other support to local organizations and initiatives of high interest and acceptance, as well as local infrastructure works
- Developing initiatives and activities that promote these regions and contribute to their balanced development
- Supporting the local populations with educational, cultural and other activities

## «MILOS Initiative»: A new form of partnership

In 2007, S&B Industrial Minerals S.A. and the Milos Municipality signed the charter of association for the establishment of a common development company under the name of «MILOS Initiative». This is the conclusion of a long course of discussions and deliberations between the two partners for institutionalizing their cooperation. The MILOS Initiative is a very important turning point for S&B's contribution to the promotion of sustainable development on the island, through transparent processes and formal structures of engagement with the local community. MILOS Initiative aims, among others, at identifying, prioritizing, planning and implementing projects needed for the improvement of Milos infrastructures, as well as at providing consulting services for planning and managing various programs of broader social welfare interest for the people of Milos. The first project undertaken by "MILOS Initiative" is the construction of a wastewater treatment plant, for which relevant actions are already underway and its foundations are expected to be laid soon. The project is foreseen to be completed before the end of 2008.

Within the framework of the institutionalized partnerships and infrastructure works that S&B operates on Milos and in Fokida, 2007 was another important year of action and progress, with the main highlights depicted in the following table.



**Milos Mining Museum**

- **8,000 visitors**
- Renewal of the first floor exhibition area
- New educational program: "Discover the Treasures of Milos"
- New environmental education program "With Colors & Scents" in cooperation with the Hellenic Society for the Protection of the Environment and Cultural Heritage
- Publication of an educational / informational brochure on "The Flora & Fauna of Milos"

[www.milosminingmuseum.gr](http://www.milosminingmuseum.gr)



**Milos Conference Center**  
George Eliopoulos

**Milos Conference Center**

- **5,600 participants**
- in 4 conferences, 6 day meetings and 22 other events
- Sponsoring of 2 "Milos Conferences"
- Screening of Al Gore's documentary film "An Inconvenient Truth" for the Senior High School pupils
- 3rd International Conference on the "Sustainable Development Indicators in the Minerals Industry, SDIMI 2007"
- Presentation of a study on "the Milos Geopark" by professor Michael Fytikas

[www.miloscenter.gr](http://www.miloscenter.gr)



**Fokis Mining Park - Vagonetto**

- **9,200 visitors**
- Inauguration of a modern digital system of guided tours (in 6 languages)

[www.vagonetto.gr](http://www.vagonetto.gr)



**Fokida Initiative**

- Participation in a series of exhibitions for the promotion of the Olive Tree, as well as the entire region of Fokida as a tourist destination:
  - Helexpo, Thessaloniki, May 2007,
  - Exhibit of the Fokis Chamber, Itea, June 2007
  - Anuga 2007, Köln, Germany, October 2007
  - Filoxenia, November 2007

[www.infokida.gr](http://www.infokida.gr)



### 1st European Minerals Day: “Discovering the World of Minerals”

S&B Industrial Minerals S.A. participated in the 1st European Minerals Day, organized by the Industrial Minerals Association (IMA-Europe) throughout Europe. Goal of the 88 events that took place in IMA members mining companies’ facilities in 16 European countries, was to acquaint the local communities with minerals, and especially the young people and the students in the areas where the companies are present. S&B opened up its facilities on Milos and in Fokida to welcome the young people to a “voyage of discovery in the World of Minerals”, on Friday 11th and Tuesday 15th of May 2007.

More specifically:

On **Milos**, the aim of the educational events organized by S&B

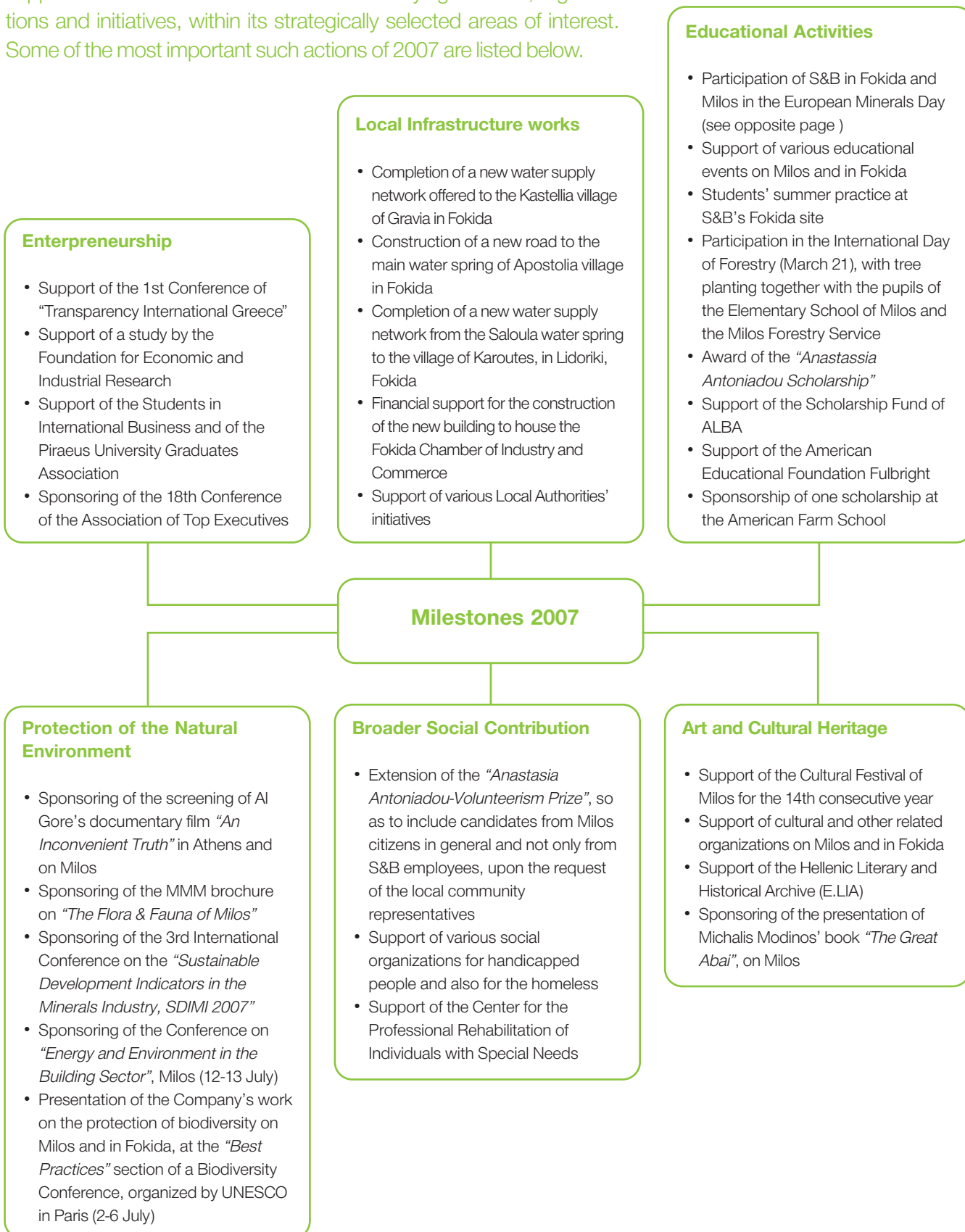
within the framework of the European Minerals Day was to open up the Company’s quarries and processing plants on the island for a tour of the High School and Senior High School students, the main theme being **“Getting to know the World of Industrial Minerals”**.

In **Fokida**, S&B organized an event under the title **“Getting to know the World of Bauxite”**. The program for this event, due to its special content, was organized in cooperation with the Prefecture’s Environmental Education Section. A total of about 150 pupils from the high schools of Itea, Amfissa, Lidoriki and Polydrosso visited the Company’s premises in the region on Friday, May 11th.





Beyond the institutionalized forms of cooperation and social contribution, S&B continued in 2007, as it does every year, its extensive program of support and contribution to numerous and varying activities, organizations and initiatives, within its strategically selected areas of interest. Some of the most important such actions of 2007 are listed below.





The S&B team at Olympia

### S&B in the aftermath of the 2007 fires

Last year's summer will remain in the mind of every Greek as the "black summer" of 2007, because of the devastating wildfires that hit large parts of the country. S&B responded to the State attempts for the alleviation of disaster and the recovery from the fires through a series of actions:

- In August 2007, S&B offered the amount of €500,000 to the Special Relief Account for Fire Victims, set up by the Ministry of National Economy and Finance. On top of that, the Company doubled the amount gathered from voluntary personal financial contributions of employees, and deposited the sum in the same aforementioned Account.
- As member of the Greek Network for Corporate Social Responsibility, S&B participated in the common project "Next Day", undertaken by the Network in cooperation with the NGO PRAKSIS, with the aim to relieve the fire-victims and to restore the natural environment in two of the afflicted areas (Heleia and Euboea).



- In February 2008, S&B contributed to the state attempts to restore the natural landscape of ancient Olympia, in view of the Olympic Flame-Lighting ceremony in March 2008, volunteering its specialized equipment, personnel and know-how in landscape restoration and hydro-seeding in particular. For this contribution, S&B was honored by the Minister of Culture Michalis Liapis at a special ceremony during the flame-lighting for the Olympic Year 2008.

Moreover, the Company offered its help locally for fire prevention and fire fighting during the summer of 2007.

- In Fokida, S&B provided water to neighboring villages, like Karoutes and Kastellia, and to local stock farmers as well. Also, it assisted in fighting several local fires, like those in Inohori of Gravia and those at Desphina. In addition, throughout the summer months, S&B kept its water-tank vehicles on stand-by, available for use by the Fokida Municipality for fire-fighting purposes in the region.
- On Milos, in a fire-prevention attempt, S&B cleaned the area surrounding its premises in Voudia from bushes and dry-shrubs.

### Support of Actionaid Hellas

For a third consecutive year, S&B, instead of offering Christmas corporate presents, supported the efforts of an international non-governmental organization, Actionaid, through its Greek branch. This well-known international organization is active in more than 40 countries, among which are countries where S&B is present, with the aim to eliminate poverty and inequality in the poorest countries of the world.

## Social contribution worldwide

S&B aims at expanding the Group's social policy throughout the various countries of its operations in a gradual and well organized manner, on the basis of criteria such as: (a) the size of the S&B activity in each country and especially in relation to the size of the country or of the specific region where its facilities are located; (b) the social impact of the Company's activity in the specific region; (c) the local social needs identified; (d) the level of social development of the specific local communities particularly in the poorer countries.

Already, several of the Group's subsidiaries, especially in the less developed areas, are doing quite a lot in terms of social contribution to their neighboring communities. Some of the most significant such activities are summarized below.

### Activities worldwide during 2007

#### Bulgaria: Kardjali

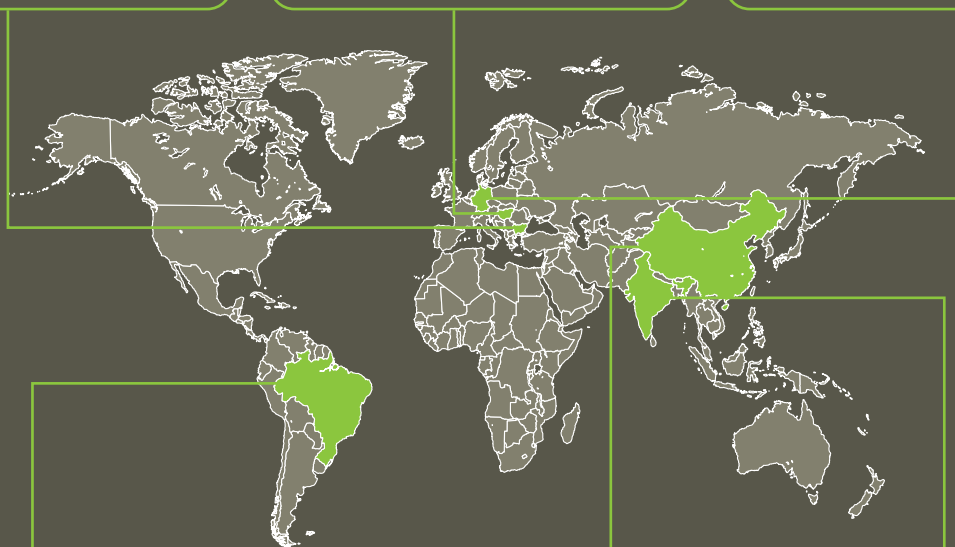
- Sponsored Bulgare festival that promotes Bulgarian folklore, history and traditions
- Sponsored Melpomena society, which organizes the traditional Perperikon theatrical festival
- Sponsored the 170-year anniversary of the death of the national hero, apostle of liberty, Vasil Levski, organized by the Governor of Kardjali

#### Hungary: Egyházaskászó

- Sponsored Christmas and Easter parties for the children in local villages
- Supported the local football team
- Supported various local community events – balls, village days
- Supported the local community with voluntary work of S&B Industrial Minerals Kft employees, and with equipment as needed in various community tasks (i.e. snow cleaning)

#### Germany: Marl

- Support to Red Noses Clowndoctors, who organize regular clown visits to patients, mainly children in hospital wards.
- Visits to plants from Bochum and Siegen Universities
- Student training on civil engineering applications from Bochum and Siegen Universities
- Annual Sponsor of Duisburg University Foundry Students Association
- Annual Sponsor of Clausthal University Foundry Engineering Support Circle



#### Brazil: Guaratinguet

- Donation of toys to various charity organizations that provide for underprivileged children, in support of annual Children's Day
- During the Company's Internal Week for Prevention of Working Accidents, company employees donated clothes and food in support of the Warm Clothing campaign (Campanha do Agasalho) organized by Lar São Miguel Arcanjo, in support of underprivileged people
- Christmas donation to "Guarda Mirim", a program developed by the local Mayor, aimed to help young apprentices (16 to 18 years old) to enter the work market
- Donations in kind to various organizations which help persons in need

#### China: Xinyang

- Contribution in kind to local government by transporting clay soil from the Company mine to the main road construction activity in the new industrial zone
- Contribution for the maintenance of water ditch in the Henan area
- Paid summer training for two university students

#### India: Durgapur

- Monetary help given to indigenous people
- Promotion of sports activities in the neighboring village
- Sponsoring of prizes in various local festivals
- "Green revolution" project, whereby through the workers' initiative a "green zone" has been created inside and around the factory. As a result, approximately 78% of the total plant area is full of greenery with more than 20,000 trees.
- Initiated program targeting at zero discharge of water from the factory, by recycling water discharges and using them for irrigating the "green zone" mentioned above

**We would appreciate your feedback and comments that will help shape the contents of our future reports.**

**Please contact us by sending your feedback to:**

Ms. Myrto Kontaxi  
Corporate Social Responsibility  
& Communication Division

15, A. Metaxa str.  
145 64 Kifissia, P.O. Box 51528  
tel. 210 6296293  
fax: 210 6296074  
e-mail: [csrcomm@sandb.com](mailto:csrcomm@sandb.com)

**This report is a publication of S&B Industrial Minerals S.A.**  
– Corporate Social Responsibility & Communication Department

Design by **3 in a box**

S&B's Social Report is printed on M-Real Tauro paper, composed of 100% prime fibers (pulp and internal recycling) produced in Germany. The timber for the pulp is taken from thinnings from local forest conservation programs of PEFC certified (Program for the Endorsement of Forest Certification schemes), sustainable forest management, as well as waste wood from regional saw mills. The natural product of chalk is used as filler. The production process is controlled by a management system certified according to DIN EN ISO 9001 and DIN EN ISO 14001. This paper is fully recyclable, with no harmful residue.

# Reporting Parameters

S&B's Social Report 2007 has been compiled according to the 3rd edition of the Global Reporting Initiative Sustainability Guidelines (2006), also taking into account the GRI Mining and Metals Sector Supplement, Pilot Version 1.0 (February 2005).

The S&B Group has been publishing a Social Report for the past six years. This report should be read in conjunction with the Annual Report of which it forms an integral part. The reader should read both 2007 Reports to form an accurate, balanced, fair and complete opinion about the Company's strategic and management approach to Sustainable Development issues, as well as the "S&B Principles of Corporate Governance" (3rd revision, 2007) and the Company's website ([www.sandb.com](http://www.sandb.com)) which is constantly updated with new information. S&B's Social Report is not externally assured by a third party.

The information and data included in the Social Report cover:

- All legal entities controlled or significantly influenced by the Group
- All entities the size or activity of which may have significant impact on issues, which S&B has identified as material in terms of Sustainable Development
- Those entities where integration of corporate policies and systems has made good progress. For example, new acquisitions of 2007, like CEBO (50% stake) and Hill & Griffith are not yet included in the policies and management systems for Environment, Health & Safety and Social impact.
- Data for which quality can be controlled, so as to ensure accurate, timely and clear information.


In all sections of the Social Report 2007, and in particular where data or performance indicators are reported, the basis of collection and calculation is mentioned, as well as any major changes or revisions from previous years.

In overview, it is worth noting that CSR related information and data is collected and evaluated by the Management and Policy-making bodies at Group level for CSR, as follows:

- Data for 54 indicators covering Environment, Health & Safety issues are collected in a uniform manner from all subsidiaries of the S&B Group since 2004.
- Data of the Corporate Human Resources System which, at least in Greece, is managed through an electronic platform.
- Social contribution activities which, for the first time in 2007, were reported at Group level using a systematic and harmonized method.

Careful evaluation of internal and external factors listed below is the key to assessing material issues and challenges for Sustainable Development at Group, or at local level:

- The Values, Vision and Purpose of the S&B Group
- The Corporate Policy on Quality, Environment, Health & Safety
- S&B Corporate Governance Principles
- All other corporate (Group level) or local (subsidiary level) policies and procedures in force
- The Group's strategy for Sustainable Development
- Sectoral commitments for Sustainable Development endorsed by S&B
- The opinion of stakeholders, as voiced and recorded systematically by the Company
- The priorities set by local communities where S&B is active

		2002 In Accordance	C	C+	B	B+	A	A+
Report Application Levels	Mandatory	Self Declared						
	Optional	Third Party Checked		Report Externally Assured		Report Externally Assured		Report Externally Assured
		GRI Checked						

**S&B Group - 2007**  
**G3 Content Index**

<b>STANDARD DISCLOSURES PART I: Profile Disclosures</b>				
Profile Disclosure	Description	Social Report 2007	Annual report 2007	Corporate Governance Principles (edition 2007)
<b>1. Strategy and Analysis</b>				
1.1	Statement from the most senior decision-maker of the organization	p.3	p.8	
1.2	Description of key impacts, risks, and opportunities.	p.5,12		
<b>2. Organizational Profile</b>				
2.1	Name of the organization.	throughout	throughout	
2.2	Primary brands, products, and/or services.	inside cover	p.6-7	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, - and joint ventures.	inside cover	inside back cover, p.33	
2.4	Location of organization's headquarters.	back cover	inside cover	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	p.11	p.4,33	
2.6	Nature of ownership and legal form.	p.9	inside back cover, p.33	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	p.12	inside cover, p.6-7	
2.8	Scale of the reporting organization.	p.13	p.2,3,33	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	inside back cover	p.10	
2.10	Awards received in the reporting period.	p.18, 38, 39		
<b>3. Report Parameters</b>				
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	p.3	p.8	
3.2	Date of most recent previous report (if any).	p.5		
3.3	Reporting cycle (annual, biennial, etc.)	p.5		
3.4	Contact point for questions regarding the report or its contents.	p.40		
3.5	Process for defining report content.	inside back cover		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	inside back cover		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	inside back cover		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	inside back cover		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	inside back cover		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	inside back cover		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	inside back cover		
3.12	Table identifying the location of the Standard Disclosures in the report.	inside back cover		
3.13	Policy and current practice with regard to seeking external assurance for the report.	inside back cover		
<b>4. Governance, Commitments, and Engagement</b>				
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	p.6,7	p.27-30	ch.2,5
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.		p.28	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.		p.28	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	p. 8,9	inside back cover	ch.6
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).			ch.2 (2.2,2.4)
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.			ch.2 (2.6,2.7)
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.			ch.2 (2.3)
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	p.2,6,10		throughout the edition ch.4
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	p.7		
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.		p.28	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	p.26		
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	p.6,10		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> <li>• Has positions in governance bodies;</li> <li>• Participates in projects or committees;</li> <li>• Provides substantive funding beyond routine membership dues; or</li> <li>• Views membership as strategic.</li> </ul>	p.9,10		
4.14	List of stakeholder groups engaged by the organization.	p.8,9		
4.15	Basis for identification and selection of stakeholders with whom to engage.	p.8,9		
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	p.8,9,10		
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	p.8,9,10,19		

STANDARD DISCLOSURES PART I: Profile Disclosures					
Profile Disclosure	Description	Social Report 2007	Annual report 2007	Corporate Governance Principles (edition 2007)	webpage www.sandb.com
DMA EC	Disclosure on Management Approach EC	p.4,5,11,12,13	p.30		
DMA EN	Disclosure on Management Approach EN	p.5,7,26		ch.7	Environment
DMA LA	Disclosure on Management Approach LA	p.7,14,16,17,20,22,23		ch.7	Health & Safety
DMA HR	Disclosure on Management Approach HR	p.19		ch.4,8	
DMA SO	Disclosure on Management Approach SO	p.7	p.27	ch.6, Appendix A	
DMA PR	Disclosure on Management Approach PR	p.8,12,33			Quality Assurance, Research & Development

STANDARD DISCLOSURES PART I: Profile Disclosures					
Profile Disclosure	Description	Social Report 2007	Annual report 2007	Corporate Governance Principles (edition 2007)	
<b>Economic</b>					
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.		p.12,13	p.2,3	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.		p.14,15,18		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.		p.12 & ch. social contribution		
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.		p.12,13		
<b>Environmental</b>					
EN2	Percentage of materials used that are recycled input materials.		p.30		
MM4	Percentage of products(s) derived from secondary materials.		p.30		
MM5	Describe policies for assessing the eco-efficiency and sustainability attributes of products (e.g., recyclability, material use, energy use, toxicity, etc.)		p.32		
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.		p.13,31		
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.		p.28,29		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.		p.26,27,30		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.		p.32		
EN30	Total environmental protection expenditures and investments by type.		p.32		
<b>Social: Labor Practices and Decent Work</b>					
LA1	Total workforce by employment type, employment contract, and region.		p.14		
LA2	Total number and rate of employee turnover by age group, gender, and region.		p.14		
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.		p.17		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.		p.24		
LA10	Average hours of training per year per employee by employee category.		p.17,23		
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		p.16,17		
LA12	Percentage of employees receiving regular performance and career development reviews.		p.16		
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.		p.7,14,17		
<b>Social: Human Rights</b>					
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.		p.19		
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.		p.19		
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.		p.19		
<b>Social: Society</b>					
SO5	Public policy positions and participation in public policy development and lobbying.		p.10		
<b>Social: Product Responsibility</b>					
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.		p.25,32		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.		p.25		



**S&B Industrial Minerals S.A.**

15, A. Metaxa str.  
145 64 Kifissia  
P.O. Box 51528  
Greece

tel. +30 210 6296000  
fax +30 210 6296100

[www.sandb.com](http://www.sandb.com)