

# sustainability report 2009





<b>01.</b>	Message from the Chairman	p. 4
<b>02.</b>	Information about the Sustainability Report	p. 6
<b>03.</b>	MYTILINEOS Group profile	p. 8
<b>04.</b>	Approach to Corporate Social Responsibility	p. 14
<b>05.</b>	Corporate governance	p. 20
<b>06.</b>	Stakeholders	p. 26
<b>07.</b>	The MYTILINEOS Group	p. 30
<b>08.</b>	Corporate Centre	p. 42
<b>09.</b>	Metallurgy & Mining Sector:	p. 50
	09.1 ALUMINIUM OF GREECE S.A.	p. 51
	09.2 DELPHI-DISTOMON S.A.	p. 68
<b>10.</b>	EPC Projects Sector METKA S.A.	p. 80
<b>11.</b>	Energy Sector ENDESA HELLAS S.A.	p. 96
<b>12.</b>	Vehicle Industry ELVO S.A.	p. 106
<b>13.</b>	MYTILINEOS Group - Aggregate Performance Summary	p. 114

# 01.

## Message from the Chairman



For us in the MYTILINEOS Group, the path to business excellence is a continuous process of conscious and responsible social activity and presence. This principle is the key guide for the realisation of our Vision, which is to become the leading independent Energy producer in Greece and a strong, competitive European Heavy Industry Group in the sectors of Metallurgy and EPC Projects. In taking every single business step we are accountable to society, to the environment and to our employees and shareholders, and remain engaged in the continuous assessment of our procedures and actions, aimed at improving our social footprint.

For the third year running we are sharing with you the constant efforts of our Group to pursue its vision of Sustainable Development through its commitment to Corporate Social Responsibility initiatives in our daily work. The present Sustainability Report 2009, oriented towards the GRI-G3 international reporting standard, records exactly these efforts.

During a year which saw the global financial crisis reach its peak, and with the outlook for 2010 heralding a year of harsh adjustment for Greece, we continued our unwavering support of our country's business and social fabric.

By adopting a strategy that was defensive as well as creative, we met the challenges of the past year not only effectively but also with positive results, as we have secured a financial robustness that allows our subsidiaries to carry out their investment plans and look to the future with confidence. In 2009 we established one more strategic alliance, this time with Motor Oil, a development that will allow us to enter the liquefied natural gas market. METKA remained on a growth and export-oriented course, continuing its successful efforts to globalise its business activity by securing projects in new markets. Aluminium of Greece and Delphi-Distomon gave priority to continuous cost improvements and increases in productivity, both of which are key prerequisites for sustainable dynamic growth.

In parallel, we made a crucial contribution to the development of "green" investments and to changing the energy landscape, by actively helping to combat climatic change and to address social issues. To us, the protection of the environment as an action line is not limited to counterbalancing the inevitable impact of our business activities, but extends beyond our formal obligations, as we are deeply aware of the importance of safeguarding our green legacy for the future generations. A typical example of our activities in this area is the entry into operation of the 2nd filter press in the Aluminium of Greece plant, a development that helps eliminate the disposal of bauxite residues in the Corinthian Gulf, in accordance with the company's approved environmental terms. At the same time, we took heed of the needs of our own people, as well as of those of the people in the local communities where our operations are based. In a financially precarious year, we ensured

the welfare of our personnel, we extended our support to local communities through substantial actions that were always aimed at their continuous development, and we took steps to secure the continuation of our successful course in the future and the creation of value for our shareholders.

## Outlook

Our goal is to safeguard the Group's potential for growth, so that we may continue to be a strong and competitive player at the business and as well at the social level.

Our priority is to ensure consolidate our strong positioning as the largest independent producer in the sector of Energy, and to make a crucial contribution to the actual liberalisation and harmonised operation of the energy and natural gas market in Greece – a goal towards which our first step has already been successful. In the sector of EPC Projects, our objective is to further strengthen and expand the export-oriented activities of METKA, while in the Metallurgy sector our efforts are focusing on maintaining stable and sustainable growth rates.

We like to think that our Group is one of those Greek businesses which are both capable and willing to play a key part in helping our country to find its way out of the crisis and our national economy to recover. To us, the crisis is not a dead-end but instead an opportunity to prove our strategic abilities and take advantage of the opportunities that will emerge, while remaining committed to the principles of Sustainable Development. We are moving forward with the firm belief and hope that the end of the economic recession will find us stronger as a business and wiser as a society.

I would like to thank again this year all our staff, associates and shareholders for their contribution and for their confidence in the MYTILINEOS Group, and I welcome you to our 3rd Sustainability Report.

**Evangelos G. Mytilineos**

**Chairman of the Board & CEO**

**MYTILINEOS Group of Companies**



# 02.

## Information about the Sustainability Report

The Sustainability Report 2009 of the MYTILINEOS Group, which is released and published annually, is the Group's Third independent publication regarding the treatment and management of Corporate Social Responsibility issues.

The information material presented in this Report, including the individual activities and performance data of the Group's subsidiaries,

refers to the period from 1st January to 31st December 2009 and is addressed to all social groups and to all natural and legal persons that the Group acknowledges as its core stakeholders: employees, shareholders, financial analysts, corporate clients, suppliers, business partners, government officials, the Media and the local communities where the Group deploys and develops its activities.

The Report makes short references to financial matters (which are discussed in detail in the Group's Financial Report 2009), and presents in detail the Group's approach to Corporate Social Responsibility and the environmental/social policies, initiatives and performance of its six subsidiaries ("MYTILINEOS HOLDINGS S.A.", "ALUMINIUM OF GREECE S.A.", "DELPHI-DISTOMON S.A.", "METKA S.A.", "Endesa Hellas S.A." and "ELVO S.A.") by sector of industrial activity in the Greek territory. The Report does not contain information on the Group's newly-established company "KORINTHOS Power S.A".

The structure of the Sustainability Report 2009 of the MYTILINEOS Group has been modified compared to the respective report for 2008, and the new structure was developed after the adoption of the guidelines of the Global Reporting Initiative (GRI - G3) - Level 3 international reporting standard.

The structure of the Report contains aggregated information about the Group's approach to Corporate Social Responsibility, and presents in detail the financial, environmental and social performance of the Group's individual companies by sector of activity (Metallurgy & Mining, Energy, EPC Projects and Vehicle Industry). The Report was not subject to the independent audit and assessment procedure, as the introduction of this procedure is planned for the next two to three years.

The data on working conditions and on the environmental performance of ALUMINIUM OF GREECE S.A., METKA S.A. and DELPHI-DISTOMON S.A. are checked and verified using the Occupational Health and Safety management systems in place, which comply with the OHSAS 18001 - ELOT 1801 Standard and the ISO 14001 Environmental Management Standard, respectively. Social data include the initiatives undertaken by each company individually, as well as the actions carried out by MYTILINEOS HOLDINGS S.A. which represents the entire Group.

The Sustainability Report 2009 of the MYTILINEOS Group was prepared through the collaboration of special-purpose teams formed by executives from all Group companies, under the coordination and guidance of the Communication and Corporate Social Responsibility (CSR) Department of MYTILINEOS HOLDINGS S.A. These teams were responsible for gathering the information and data required in connection with the various CSR action lines.

The establishment of the Report's structure, the guidance on data gathering, the screening and assessment of the data gathered and the compilation of the Report texts were carried out with the scientific support of our external associate MEDA Communication S.A.

- The terms "Corporate Centre", "Parent company", "MYTILINEOS Holdings" and the name "MYTILINEOS S.A." refer to the company under the business name "MYTILINEOS HOLDINGS S.A".
- The terms "Company", "Business" and the names "MYTILINEOS S.A.", "ALUMINIUM OF GREECE S.A.", "DELPHI-DISTOMON S.A.", "METKA S.A.", "Endesa Hellas S.A." and "ELVO S.A." refer to each company that represents the respective Group business area, and to that company's activities in Greece.
- The terms "Group" and "MYTILINEOS Group" refer to MYTILINEOS HOLDINGS S.A. and to its subsidiaries, all of which together make up the MYTILINEOS Group.

Acknowledging that the concept of Corporate Social Responsibility must be inextricably linked to its performance in all individual CSR areas, the MYTILINEOS Group takes particular care to create the conditions that will allow it to honour its commitment to Responsibility in its daily operations. Thus, the figures used for verification and monitoring purposes, as well as the publication of the information contained in the present Report, are important tools for the Group in its efforts to assess its performance and to present all its stakeholders with the opportunity to establish the extent to which the Group is keeping in line with its commitment to achieve sustainable development.

As already mentioned, the Group's key objective in publishing the Sustainability Report 2009 is to provide its stakeholders with direct access to information about its efforts, performance and future commitments regarding the integration of Corporate Social Responsibility in its operations. To this end, we would welcome all your comments on the areas of our business activity as well as on the present Report

Please send your views to:

**Sissy Alevropoulou**  
**Communication & CSR Manager**

**MYTILINEOS HOLDINGS S.A.**

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# 03.

## MYTILINEOS Group profile

MYTILINEOS HOLDINGS S.A. was established in 1990 and evolved from a family-run metallurgy business founded back in 1908 into one of the leading industrial Groups in Greece.

The MYTILINEOS Group holds a leading position in the Greek market and is active in several different industrial sectors of particular significance for the country's economic development, such as Metallurgy & Mining, Energy, EPC Projects and the Vehicle Industry. The Group also has considerable activities abroad.

## 03.1 MYTILINEOS Group - Structure



\* Note: On 17/3/2010 MYTILINEOS S.A. and ENDESA S.A., after relevant negotiations, reached an agreement for the acquisition by MYTILINEOS S.A. of 50.01% of the share capital held by ENDESA S.A. in the joint company ENDESA HELLAS S.A. Completion of the transaction is subject to the necessary approvals from the competent regulatory authorities. Upon completion of the acquisition, MYTILINEOS S.A. will become the sole shareholder of ENDESA HELLAS, and this change will be reflected in the Group's Sustainability Report for 2010

## 03.2 MYTILINEOS Group - Key Figures

The presence of the MYTILINEOS Group opens up long-term business prospects for the Greek market. The Group's key concern is to utilise the potential available in the country in terms of people, raw materials and technologies, in order to meet the needs of the domestic market and promote Greek industrial solutions and products in Europe and all over the world.

The MYTILINEOS Group is:

- The largest fully integrated Alumina and Aluminium producer in SE Europe.
- The second largest Bauxite producer in Greece and in Europe.
- The leading independent producer of electrical power in Greece, with a portfolio comprising 1.2 GW of power from thermal plants in operation by 2011, and more than 800 MW from RES projects already in operation or in various stages of development.
- Greece's top Group in EPC Projects, and one of the most highly specialised contractors for energy projects in Europe and the Middle East.

Turnover (in thousand €)	661.810
Net profit (in thousand €)	13.726
Total number of countries where the Group is present	5
Total number of production plants	10
Total number of employees*	2.599
Average annual production of Bauxite (tons)	800.000
Average annual production of Alumina (tons)	795.000
Average annual production of finished Aluminium (tons)	170.000
Portfolio of Thermal Plants in various stages of development (MW)	1.214
Portfolio of RES projects in various stages of development (MW)	800
Total number of shares	
– MYTILINEOS HOLDINGS S.A.	116.984.338
Share price – MYTILINEOS S.A. (at 31.12.2009) (€)	5,02
Total number of shares – METKA S.A.	51.950.600
Share price – METKA S.A. (at 31.12.2009) (€)	9,76

\* Includes employees of ENDESA HELLAS S.A. & ELVO S.A.

## Social Product

The MYTILINEOS Group invested around 25% of the total value of its social product in salaries, pensions and benefits, which extend beyond those strictly provided under the law.

The Group paid out €20,392,000 in dividends to its shareholders. Purchases from local suppliers and payments of taxes and insurance contributions to the Hellenic State stood at €181,070,137 and €10,461,000 respectively.

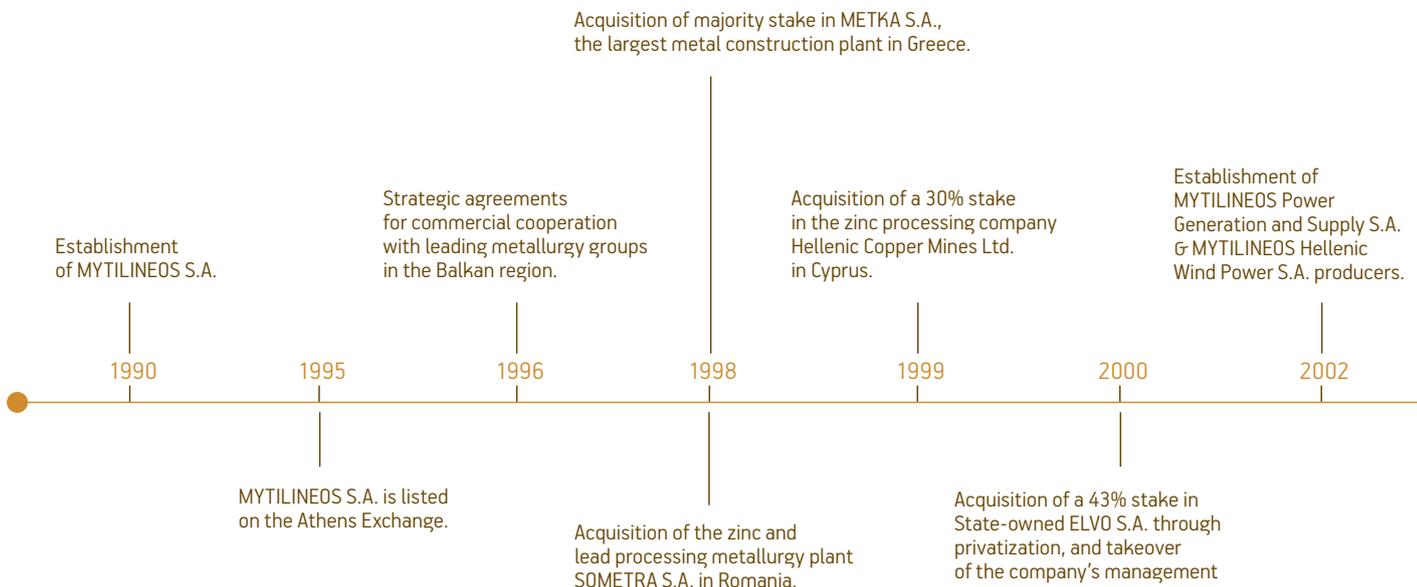
The Group placed €58,564,000 in investments, and allocated more than €7,335,000 as financial assistance for a broad range of social and environment-related activities.

Taxes (in thousand €)	10.461
Salaries & benefits to employees (in thousand €)	92.154
Investments (in thousand €)	58.654
Support to local communities (in thousand €)	1.396
Dividends to shareholders (in thousand €)	20.392
Environmental expenditure (in thousand €)	5.959
Outlays to local suppliers (in thousand €)	181.170

# 03.3 MYTILINEOS Group – Business & Social/Environmental Development

## Business Development

### Milestones in the Group's Evolution





Εξαγορά των Sprider Ενεργειακή Α.Ε. και Δέλτα Project Α.Ε. εταιρειών που δραστηριοποιούνται στην ανάπτυξη, κατασκευή και λειτουργία υδροηλεκτρικών σταθμών παραγωγής ενέργειας και αιολικών πάρκων.

Signature of a Strategic agreement with Motor Oil in the energy sector for construction and operation of a commercial power generation plant.

The MOTOR OIL and MYTILINEOS Groups announce the establishment of a joint company for the import and trading of Natural Gas in all its forms (LNG, CNG etc.).

Strategic partnership with Endesa. Establishment of Endesa Hellas, which aims to play a key part in the Greek energy market, along with its selective development in SE Europe

2005

2006

2007

2008

2009

Εξαγορά του 53% της Αλουμίνιου της Ελλάδος Β.Ε.Α.Ε. ενός εκ των μεγαλύτερων πλήρως καθετοποιημένων παραγωγών αλούμινας και αλουμινίου στην Ευρώπη.

Completion of the triple merger by absorption of ALUMINIUM OF GREECE and DELTA PROJECT with the MYTILINEOS Group.

Launch of commissioning period for the cogeneration plant. This 334MW plant is the first thermal plant of the MYTILINEOS Group to be connected to the national power grid.

# 03.3 MYTILINEOS Group – Business & Social/Environmental Development

## Business Development

### Milestones in the Group's Evolution

Pechiney award to ALUMINIUM OF GREECE for best safety results among all alumina and aluminium plants of the Pechiney Group.





ALUMINIUM OF GREECE obtains ELOT EN ISO 14001:2004 certification of its Environmental Management System.

2005

ALUMINIUM OF GREECE obtains ELOT 9001:2000 certification of its Quality Management System.

MYTILINEOS Group joins the Hellenic Network for Corporate Social Responsibility.

2006

ALUMINIUM OF GREECE launches operation of its 1st Filter Press for Bauxite Residues Utilisation.

METKA obtains ISO 9001:2000 certification of its Quality Management System.

METKA obtains ISO 14001:2004 certification of its Environmental Management System.

2007

METKA obtains OHSAS 18001:2007 certification of its Health & Safety Management System.

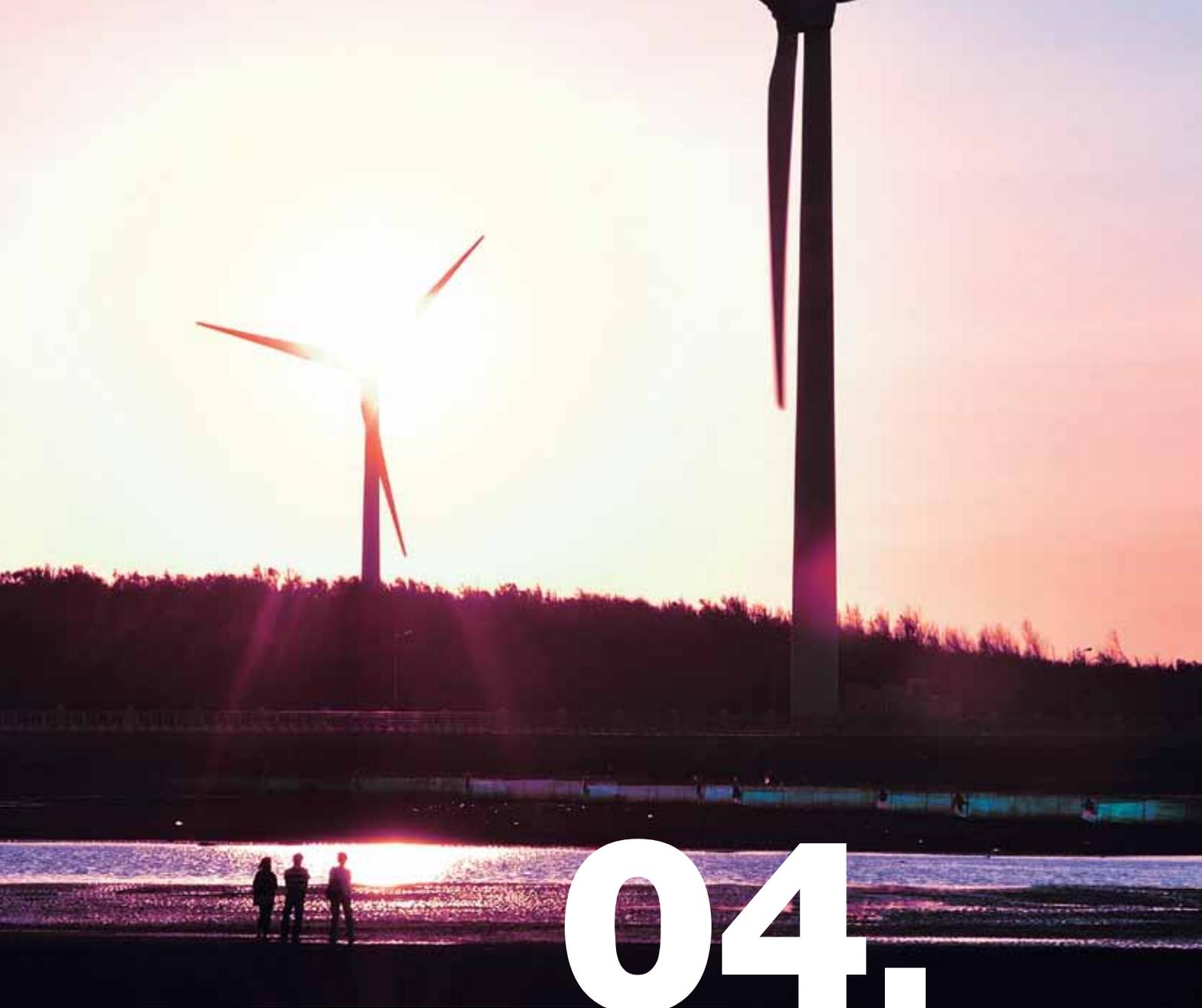
ALUMINIUM OF GREECE launches operation of its 2nd Filter Press for Bauxite Residues Utilisation.

2008

MYTILINEOS Group joins the United Nations Global Compact, a strategic initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption.

Implementation of Corporate Social Responsibility Mapping project in ALUMINIUM OF GREECE, METKA & DELPHI-DISTOMON.

2009



# 04.

## Approach to Corporate **Social** Responsibility

## 04.1 Our vision is...

...through our business excellence and growth,

...with respect to society, the environment and our people

...and through the creation of value for our clients, business partners and shareholders,

to become the leading independent Energy producer in Greece and a strong, competitive European Heavy Industry Group in the sectors of Energy, Metallurgy and Construction.

## 04.2 Corporate values

The Group's Performance Governance System relies on our corporate values and on rules of ethical and professional conduct, which ensure that it operates correctly and achieves the desired results.



# 04.3 Core CSR priorities & commitments

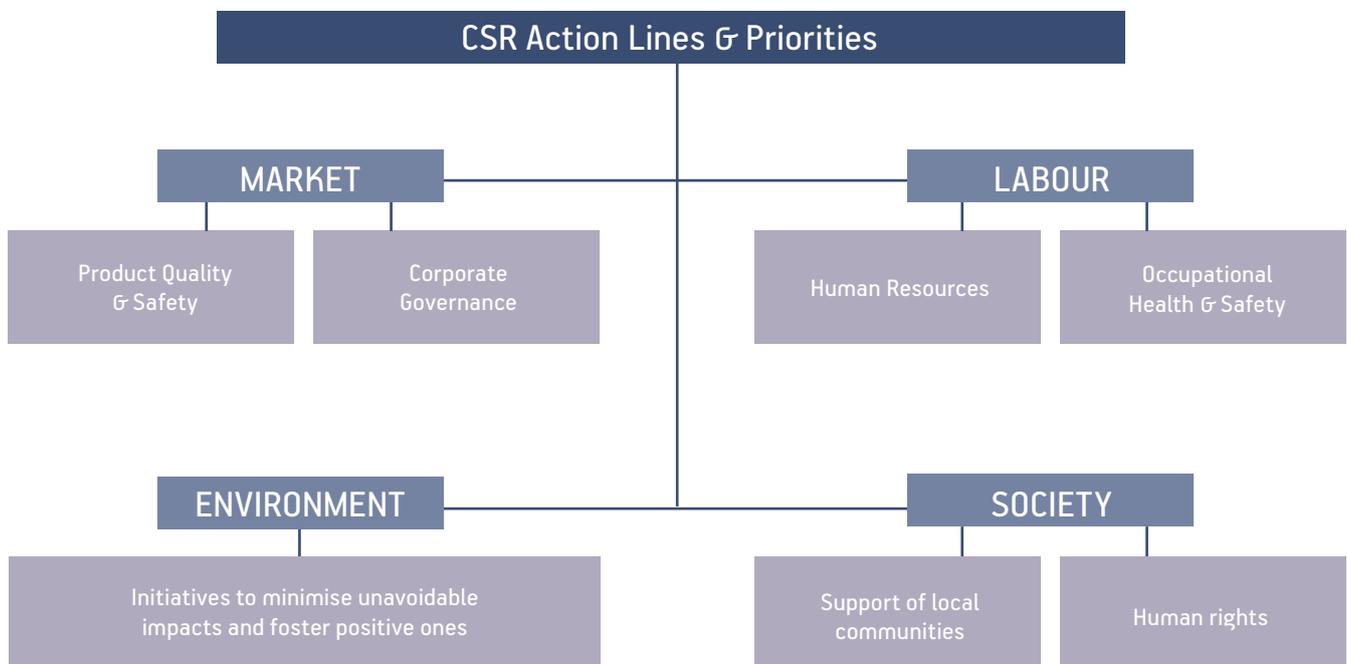
Our principal corporate goal is for all Stakeholder groups to perceive the MYTILINEOS Group as a responsible business Group that constantly seeks to improve its operations and enhance its positive impact, while also recognising the Group's ongoing and systematic efforts to minimise the unavoidable implications inevitably caused by the processing of materials and the delivery of its products.

We acknowledge that the path to achieving and sustaining these goals goes through, first and foremost, our relationships with shareholders, financial analysts, corporate clients, suppliers, business partners, government officials and the local communities

where the Group's operations are based, and is also influenced by the nature of our relationships with other groups which are affected to a lesser or greater extent by our operations.

Our approach to Corporate Social Responsibility is directly linked to our business operations and defines the way in which we choose each time to move forward gradually, taking steady steps towards achieving sustainable development.

The diagram below shows the Group's principal action lines and respective individual priorities in the domain of Corporate Social Responsibility to date.





## Corporate governance

Our dedication to safeguarding the interests of our shareholders and to creating value for all stakeholder groups, coupled with the continuous strengthening of our corporate culture which is characterised by integrity, ethos and transparency, reinforce our compliance with the institutional framework on corporate governance.

**Our goal:** To develop and maintain corporate governance to the highest possible level, through the application of internal practices over and above those provided by the law, such as the establishment of Corporate Social Responsibility and Occupational Health & Safety Committees at the level of the Board of Directors.

## Products

Since the very first day of our operation, ensuring and maintaining a high level of quality and safety in our products has remained inextricably linked to our activity as a responsible business partner.

**Our goal:** To increase our efforts for strategic investments in products and technologies, also taking into account social and environmental needs and parameters.

## Human resources

The Group's commitment to invest in the improvement of the climate at the workplace, showing confidence in the abilities of its employees and encouraging the development of their skills, promotes individual, team and corporate results.

**Our goal:** Recognising the value of the contribution of the human capital, we believe that by preserving industrial peace, developing performance reward and management systems, ensuring internal communication and evaluating individual performance, we are on the right course for achieving the Group's Vision and Strategic goals.

## Occupational Health & Safety

Implementation of policy for managing the Occupational Health & Safety in all workplaces and areas of activity is focusing on achieving a single target: "Zero Accidents".

**Our goal:** To ensure all conditions required to attain the above target, using modern methods, being on constant alert and providing appropriate education and training to employees of all levels involved in the production process across all Group companies.

Our principal corporate goal is for all Stakeholder groups to perceive the MYTILINEOS Group as a responsible business Group that constantly seeks to improve its operations and enhance its positive impact.



## Environment

Our assumption of the responsibility for the unavoidable impact of our operations on the natural environment, and the design and application of systematic special measures and principles for reducing this impact, are key to all our efforts to date for sustainable management of the environment.

**Our goal:** To monitor and apply systematically the Group's Environmental Measures and Principles across all Group companies, and to implement coordinated "green" actions or programmes for protecting the environment

## Local communities

Focusing on people, the MYTILINEOS Group aims to respond and to provide assistance for alleviating key social issues

**Our goal:** To record local needs and help address them, so that viable conditions for sustainable development of the local communities involved may be created, especially in areas where our operations are more visible.

## Human rights

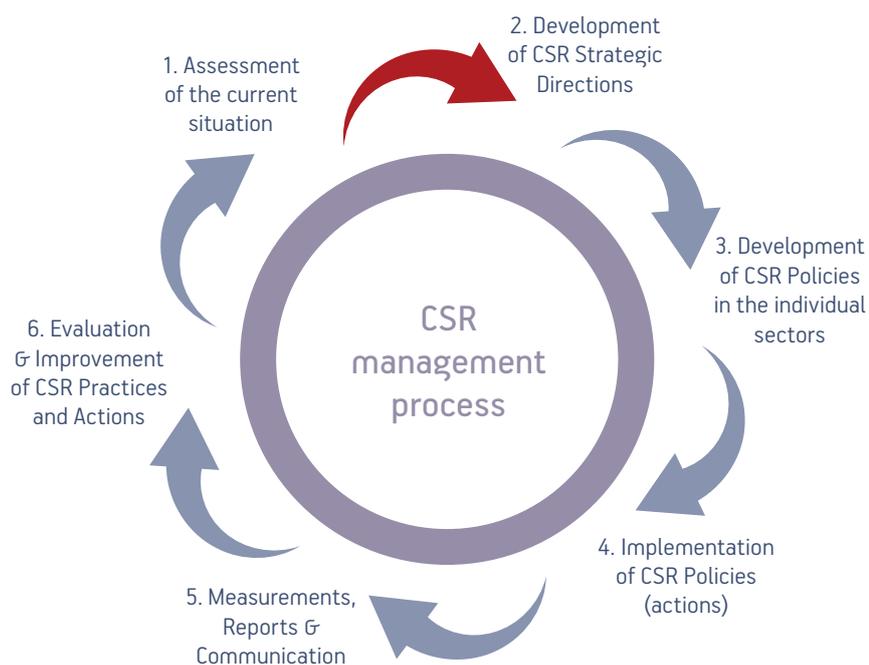
Since the very first day of its operation, the MYTILINEOS Group has exhibited an increased awareness and responsibility regarding human rights issues.

In an era when the violation of human rights has become a major social problem, our Group is explicitly committed and adheres fully to the principles of the United Nations Global Compact.

**Our goal:** To strive in an ongoing and concerted manner to establish procedures and methods that will define our actions, in order to keep in line with our commitment to the principles of the United Nations Global Compact regarding equality in work, the respect of the right to be different, the protection of the rights of people with a disability etc.

Our approach to Corporate Social Responsibility is directly linked to our business operations and defines the way in which we choose each time to move forward gradually, taking steady steps towards achieving sustainable development.

Our goal for the coming years is to adopt a more systematic management of the CSR function (as shown in the diagram below), giving top priority to communication and the exchange of views with our stakeholders, and to respecting their views in developing the CSR policies in the sectors where the Group has chosen to develop its activities.



During 2009 MYTILINEOS S.A. launched the implementation of the first stage of the CSR management process, by proceeding to map the CSR sectors in ALUMINIUM OF GREECE S.A., METKA S.A. and DELPHI-DISTOMON S.A. The aim of this Mapping project is to record the existing policies, actions and results in the individual CSR sectors, to assess them, to identify particular weaknesses and strengths, and to prioritise CSR activities both inside each company as well as in its external environment. Key results from this project have already been used to expand and supplement the data presented in the present Sustainability Report for the above-mentioned companies.



# 05.

## Corporate governance

To the MYTILINEOS Group, the adoption of Corporate Governance in accordance with the Greek laws in force and with international practices is synonym with transparency and responsibility in decision making for the benefit of the investing public, but also with safeguarding the interests of the shareholders and of all those connected with the operation of the Group's companies.

The Group's policy on Corporate Governance, the rights of shareholders and the provision of information to them, and the matters concerning internal audit, transparency and the management of financial risks, are presented in detail in the Group's "Financial Report 2009".

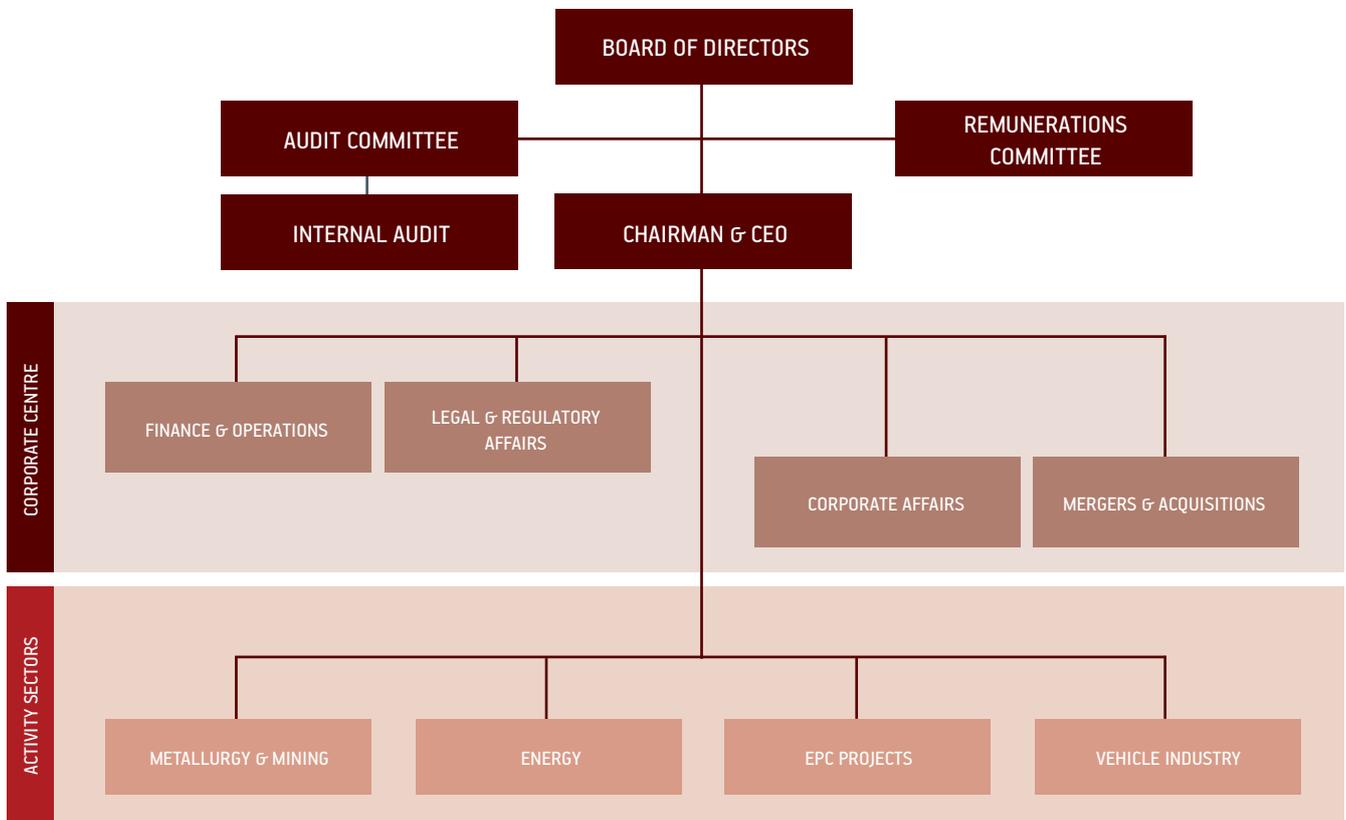
The purpose of this section is to provide information about the principal Corporate Governance responsibilities of MYTILINEOS HOLDINGS S.A. These principles, formulated by MYTILINEOS S.A., serve as key references for adoption and implementation by the Group's subsidiaries.

As the Group's Corporate Centre, MYTILINEOS S.A. formulates the Group's strategy and lays down the general directions, policies and principles that govern the Group's operations

# 05.1 Group governance structure

## Organisational structure

Group Governance structure, as expressed by MYTILINEOS HOLDINGS S.A



As the Group's Corporate Centre, MYTILINEOS S.A. formulates the Group's strategy and lays down the general directions, policies and principles that govern the Group's operations.

MYTILINEOS S.A. is managed by a nine-member Board of Directors elected for a term of five years and composed of two executive and seven non-executive members, five of which are independent. This composition ensures impartiality in the decision making of the Company's supreme administrative body.

The Internal Rules of Operation of MYTILINEOS S.A. lay down the powers, duties and obligations of each statutory body foreseen by the Company's Articles of Association and the applicable laws.

Key to the Group's Governance are also the ISO 9001 Quality Management Standard, the ISO 14001 Environmental Management Standard, and the OHSAS 18001 Health & Safety Management Standard.

## Composition of the Board of Directors

Composition of the Board of Directors, as elected and formed at the Extraordinary General Meeting of 30.05.2008, and formed again on 10.07.2009:

Title	Name	Executive / Non-Executive Members	Independent Members
Chairman & Chief Executive Officer	Evangelos Mytilineos	Executive	
Vice-Chairman	Ioannis Mytilineos	Non-Executive	
Executive Director	George-Fanourios Kontouzoglou	Executive	
Member	Nikolas Mousas	Non-Executive	
Member	Christos Diamantopoulos	Non-Executive	Independent
Member	Apostolos Georgiadis	Non-Executive	Independent
Member	Dimitrios Daskalopoulos	Non-Executive	Independent
Member	Christos Zerefos	Non-Executive	Independent
Member	Michael Handris	Non-Executive	Independent

## 05.2 Responsibilities

### Principal responsibilities of the Board of Directors

According to the Company's Internal Rules of Operation, as in force following the amendments introduced by the Board's decision of 26.03.2009, the Board of Directors is the body that manages the Company. It is tasked with managing (administering and investing) the company's assets and representing the Company, seeking to enhance its economic value and profitability and to safeguard corporate interests.

The principal responsibilities of the Board of Directors, in addition to those provided for by the law, are the following:

- Formulation of strategic directions..
- Adoption and implementation of the overall Company policy.
- Drafting of the Company's annual budget and business plan, setting and attainment of profitability targets, monitoring of the Company's course and control of large capital expenditures.
- Implementation of full and effective internal controls across all Company activities.
- Monitoring the effectiveness of the corporate governance principles that form the basis for the Company's operation, and introduction of changes, where necessary.
- Definition of the Company's business risk strategy.
- Selection, advancement and development of the Company's senior executives, and formulation of the policy on their remuneration.





## Principal responsibilities of the Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for the realisation of the Company's strategic goals and for the day-to-day management of its affairs. He takes steps to ensure and safeguard the smooth, coordinated and effective operation of the Company, and provides guidelines to its Directorates and Departments. Subject to the authorities of Committees and other Company bodies he is in charge of all Company Sectors and Departments and his responsibilities include the following:

- Strategic decision-making in connection with the development/ approval of business strategies and the recommendation/approval of large investments
- Determination of the Company's organisational structure.
- Ensuring the implementation of Company decisions and the provision to the Board of Directors of information updates on Company-related matters.
- Decision-making or participation in the respective decision-making process in connection with business decisions of major importance for the Company (relating to commercial operations, production, purchases, human resources, undertaking of projects etc.)
- Determination of risk management policies, assessment of risk and implementation of measures and procedures to address these effectively.
- Supervision and guidance of all Directorates and Departments.
- Setting of the budget goals, submission of proposals on the annual performance targets, and implementation of the targets of annual budgets.
- Supervision of the Company's financial administration and day-to-day monitoring of its financial position and of the progress of its business activities, control of cash flows and their requirements, and organisation of performance review meetings.

- Control of the efficiency of the Company's financial, technical and human resources.
- Ensuring timely publication of information or events which may cause considerable fluctuation in the Company's share price.
- Recruitment and guidance of the Company's top executives
- Formulation / definition of guidelines for performance evaluation, promotions and personnel development, and the system of rewards..
- Coordination and supervision of the Company's top executives, ensuring that their performance focuses on securing the smooth operation of the Company.

The Chief Executive Officer takes steps to ensure the smooth, coordinated and effective operation of the Company, and provides guidelines to its Directorates and Departments.

## 05.3 Committees

Two Committees have been established at the level of the Board of Directors: the Remunerations Committee and the Audit Committee. Their mandate is to ensure impartiality and exercise control over all actions of the executive power.

### Remunerations Committee

The Remunerations Committee, as established by the Board of Directors decision of 26.3.2008, is composed of three members of the Board of Directors, one of which is an executive member.

Remunerations Committee Members	Name	Executive / Non-Executive Members	Independent Members
Chairman	Evangelos Mytilineos	Executive	
Member	Christos Diamantopoulos	Non-Executive	Independent
Member	Dimitrios Daskalopoulos	Non-Executive	Independent

The Remunerations Committee has exclusive responsibility for matters concerning staffing, remunerations and incentives at the level of senior executives of the Company and of its subsidiaries.

The Remunerations Committee has exclusive responsibility for matters concerning staffing, remunerations, incentives at the level of senior executives of the Company and of its subsidiaries, and the submission of recommendations on the remunerations to apply for these executives, so that the Board of Directors may make informed decisions in order to grant its approval. In addition, the Remunerations Committee submits to the Board of Directors recommendations on the implementation of compensations and benefits systems, on organisational changes regarding the Company's senior executives, on the replacement of members of the Board of Directors when this is judged necessary on the basis of reasoned recommendations, and on the remunerations of the members of the Board of Directors. Furthermore, the Committee submits to the Board of Directors recommendations on possible changes of executives in the Company's organisational chart, on Performance Evaluation Systems for senior executives and on measures to support the professional advancement of executives, and is also supervising the procedure for filling key Company positions. Finally, the Remunerations Committee is tasked with recommending to the Board of Directors the "principles" to govern the Company's policy on human resources development.

The Remunerations Committee draws up an annual report of its activities, which is addressed to the Regular General Meeting of the Shareholders, in line with the requirement for obtaining approvals in accordance with as per the provisions of articles 23(a) and 24 of Codified Law (C.L.) 2190/1920.





## Audit Committee

The Audit Committee, as established by the Board of Directors decision of 26.3.2008, is composed of three members of the Board of Directors who do not exercise executive powers within the Company. The members of the Audit Committee are appointed for a term of office which corresponds to that of the Board of Directors, with Secretarial duties assigned to a Company executive from a department that is not directly monitored by the Committee.

Audit Committee Members	Name	Executive / Non-Executive Members	Independent Members
Chairman	Christos Diamantopoulos	Non-Executive	Independent
Member	Ioannis Mytilineos	Non-Executive	
Member	Nikolaos Mousas	Non-Executive	

The Audit Committee helps the Company operate more effectively and safeguard the principles of transparency and Corporate Governance.

According to the Company's Internal Rules of Operation in force, the Audit Committee reports through its Chairman to the Board of Directors, draws up regular or ad hoc reports and works closely with the Company's Internal Audit Department. The Audit Committee convenes at least four times a year, and its mandate is to help the Company operate more effectively and to safeguard the principles of transparency and Corporate Governance. The key responsibilities of the Audit Committee include the provision to the Internal Audit Department of general guidelines on the framework of its operation and of the Company activities to be audited, the evaluation and effectiveness of the Committee's activities, and the disclosure of information on a regular basis about the progress of its work. In addition, the Audit Committee has the right, whenever it considers this to be necessary, to request from the Internal Audit Department or from third parties any information which it deems necessary for carrying out its work properly.



# 06.

## Stakeholders

For us in the MYTILINEOS Group, the development and wise management of our Social Capital are essential prerequisites for the stability, continuity and dynamism of the relationships with our Stakeholders.

For us, the term "Social Capital" is of special importance, as it is linked to the way in which we operate in the local communities where our activities are based, Its serves as a point of reference for our people, so that they achieve the maximum results in whatever task they undertake, and promotes our business values, giving real meaning to them. Most of all, however, this particular term represents the strong relationship of trust between the Group and all its Stakeholders.

For the MYTILINEOS Group, investing in the term "Social Capital" means the following:

- Further development of the Group's social characteristics, whose direct recipients are our core Stakeholders.
- Dissemination of our corporate values and rules for sustainable development to all those doing business with us, and
- Constant efforts to achieve and maintain social trust, while remaining consistent with our commitments,

all of which are elements that facilitate the dialogue and cooperation with our Stakeholders on a mutually beneficial basis.

The term "Social Capital" is of special importance for us, as it is linked to the way in which we operate in the local communities where our activities are based. It serves as a point of reference for our people, so that they achieve the maximum results in whatever task they undertake, and promotes our business values, giving real meaning to them.

Taking steps to ensure the development of our Social Capital and the expansion of the groups of our partners in the ongoing dialogue on Corporate Social Responsibility, in the MYTILINEOS Group we have planned and launched a five-stage process, scheduled to be completed over the next three years, as follows:

- **Stage 1:** Determination of our Stakeholders
- **Stage 2:** Understanding of each Group company's individual motives for engaging in the dialogue with its Stakeholders.
- **Stage 3:** Planning the process of dialogue with Stakeholders.
- **Stage 4:** Implementation of the dialogue and undertaking of commitments to our Stakeholders.
- **Stage 5:** Adherence to our commitments to Stakeholders and continuation of the dialogue.

The key areas to be examined during this process include the identification and highlighting of the expectations of Stakeholders, the range and degree to which our current activities, in the context of the Group's efforts for Sustainable Development, meet the needs and expectations of Stakeholders, and the identification of methods to improve and strengthen the relationships of Stakeholders with the Group.

After Stage 1 of the above process was completed, in 2009 the we proceeded to determine the core Stakeholders for each one

of its companies. These core groups were derived for each Group company through a synthesis matrix using two key variables:

1. The examination and assessment of the degree to which each group of Stakeholders affects the operation of each company, and
2. The investigation of the level to which the operation of each company impacts on each group of Stakeholders.



The results of this process are presented in the table below, the core Stakeholders for each Group company:

Stakeholders	Company	MYTILINEOS S.A.	ALUMINIUM OF GREECE	METKA	ENDESA HELLAS	DELPHI-DISTOMON	ELVO
Employees		○	○	○	○	○	○
Corporate clients		○	○	○	○	○	○
Suppliers		○	○	○	○	○	○
Local communities		○	○	○	○	○	○
Press & Media		○	○	○	○		○
Public bodies		○	○	○	○		○
Volunteer organisations		○	○	○	○		
Shareholders/ Investors		○		○			
Local Authorities		○	○	○	○		
Financial Institutions		○		○	○		
Business partners		○		○	○		
Professional Associations		○	○	○	○	○	○



# 07.

## The MYTILINEOS Group



## 07.1 Key financial figures

Economic value table 2009 (amounts in €)		
661.810.000 Revenues	592.052.000 Operating costs	118.996.000 Gross profits
13.726.000 Net profits	92.154.000 Employee salaries and benefits	10.461.000 Payments to Government bodies (taxes)
20.392.000 Payments to capital providers	58.654.000 New investments	1.396.513 Investments in local communities
181.170.137 Outlays to local suppliers		

## 07.2 Human resources

The corporate culture of the MYTILINEOS Group is an essential element that ensures cohesion and consensus in achieving the Group's vision. This culture, which is present across all levels of our workforce, from the top management down to the production line, is synonymous with investing in our people who drive our business success and future growth. In line with this approach, the Group has created a work environment where its 2,599 full-

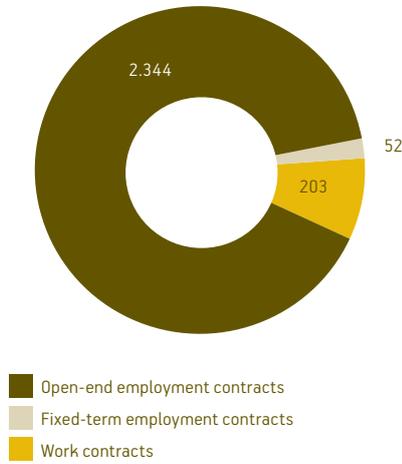
time employees from all Group companies enjoy security, equal treatment, stability, a high level of professional satisfaction, loyalty and commitment to corporate values.

To the MYTILINEOS Group, the respect of the rights and of the dignity of employees is a core commitment, which rules out all likelihood of forced or child labour in the Group's companies.

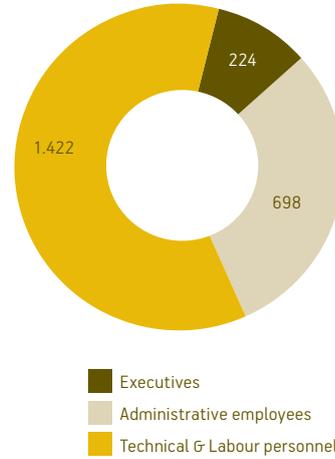
## Workforce

MYTILINEOS Group  
Workforce breakdown by type of employment contract

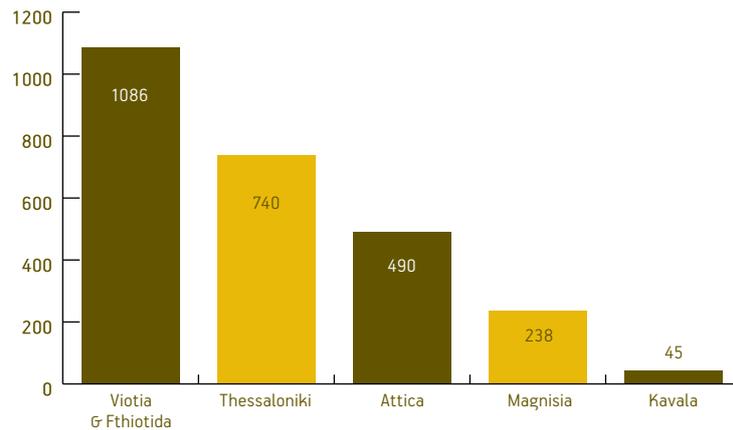
Total workforce: 2,599



MYTILINEOS Group  
Personnel with open-end employment contracts  
by employment position



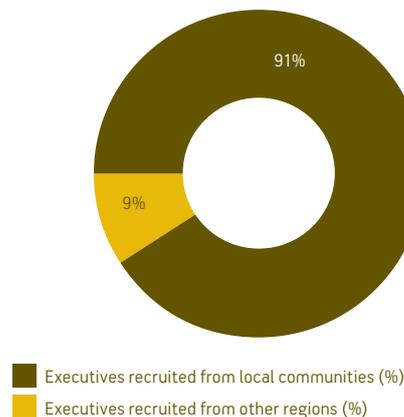
MYTILINEOS Group  
Workforce breakdown by geographical region



## Recruitment from local communities

In all geographical regions where the Group is present, the majority of our human resources come from the local population. In addition, the Group's practice of including local people in the management teams of its companies results in financial benefits for the local community concerned and enhances our understanding of local needs.

MYTILINEOS Group  
Total Senior Executives: 172



## Occupational Health & Safety

In the MYTILINEOS Group, the protection of the employees in all our companies from workplace hazards to their physical integrity is a top priority of our day-to-day operation. We work tirelessly in order to achieve the only target which is acceptable to us, that of "ZERO ACCIDENTS", which also represents the key current challenge for industry.

The elimination of all accidents from the workplace, especially in our production plants, is a key concern for the Group. Our goal is to maintain the high safety standards in all our facilities, and to continue with our significant efforts to apply action plans and specific programmes for protecting and improving the quality of life.

Our policy in this sensitive area is implemented through the continuous improvement of an Occupational Health and Safety management system in accordance with the OHSAS 18001 international standard and the ELOT 1801 Greek standard. This system, which is gradually adopted in all Group companies, is characterised by the following:

- Full compliance with the provisions of the laws and with the applicable standards and internal regulations.
- Continuous identification and assessment of hazards and adoption of the measures required to address them.
- Operation of a Health & Safety Office in the Group's large production plants and central offices.
- Enrolment of personnel in specific training programmes on Occupational Health & Safety.
- Open and transparent communication regarding all Health & Safety issues.
- Regular inspection of the Health & Safety organisation and procedures in place to ensure full adherence to work safety regulations in all Group companies, seeking to ensure the safety of clients, partners and other citizens visiting their facilities.

In addition, every year, based on the workplace accidents analysis results, we take steps to ensure the highest possible specialisation and improvement of our training programmes regarding protection against accidents and occupational diseases.

### Implementation of Health & Safety Standards in the MYTILINEOS Group Companies

Companies	Occupational Health & Safety Standards	Comments
«MYTILINEOS HOLDINGS»	-	
«ALUMINIUM OF GREECE»	OHSAS 18001	
«METKA»	OHSAS 18001: 2007	
«DELPHI-DISTOMON»	OHSAS 18001: 2007	
«ENDESA HELLAS»	-	
«ELVO»	-	

Occupational Health & Safety data 2009	2009
Total workforce	2.599
Total days worked by workforce	686.607
Total hours worked by workforce	4.951.385
Total accidents*	66
Total work-related fatalities	0
Total occupational disease cases	23
Total days lost	990
Total absenteeism (days)	19.967

\* Does not include incidents involving very light injuries and subcontractors.

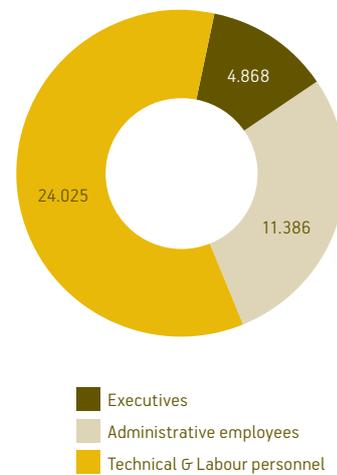


## Education and training

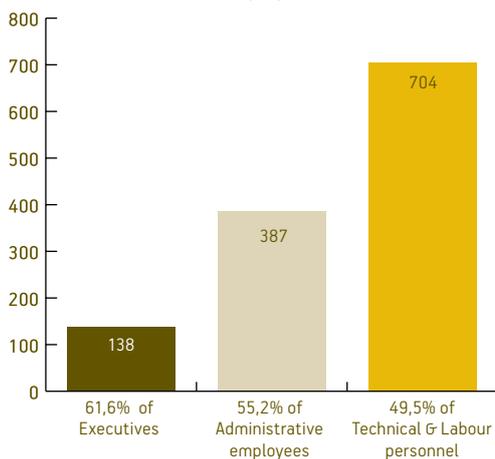
For the MYTILINEOS Group, the continuous education and training of our people is one of the core principles in which we invest, aiming to provide tools and know-how that accommodate day-to-day work and offer innovative solutions to the challenges that arise in the ever-changing business environment, as well as ways to improve employee and company productivity and efficiency.

The Group's education and training programme for 2009 comprised 17 training subjects, which corresponded to 40,279 person-hours (including in-house and out-of-house training) and were attended by 52.3% of our full-time personnel. The Group's total expenditure for training stood at €340,397 (excluding the salaries of trainees and internal trainers involved in in-house training).

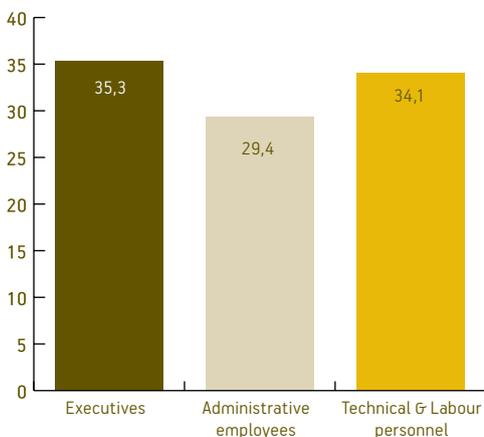
MYTILINEOS Group  
Workforce training hours by category of employment



MYTILINEOS Group  
Workforce members trained by category of employment



MYTILINEOS Group  
Average training hours by category of employment



For the MYTILINEOS Group, the continuous education and training of our people is one of the core principles in which we invest, aiming to provide tools and know-how that accommodate day-to-day work and offer innovative solutions to the challenges that arise in the ever-changing business environment.

Training categories & corresponding training hours	2009
Technical training	25.515
Occupational Health & Safety	4.136
Foreign languages	2.216
Information Technology	1.753
General education	1.162
Skills development	972
Management-Administration-Leadership	942
Quality	907
Continuous progress	625
Environment	553
Finance-Accounting	431
Energy-related matters	152
Communication	146
Internal audit	70
Logistics	56
IFRS	48,5
Human resources	7

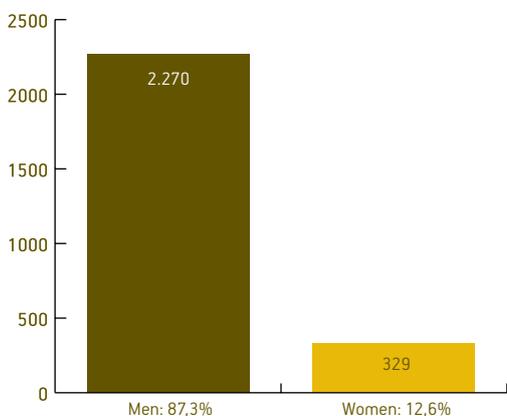


## Equal opportunities and diversity

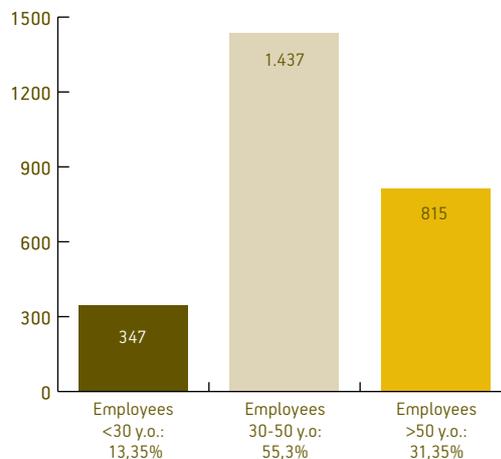
The indicators of diversity that we use for promoting equal opportunities and the respect of the individuality of every employee in each one of the Group's companies are determined by the particular nature and needs of the respective business activity sectors of the Group, especially in the sections involved in production.

With a heightened sense of the respect due to every individual's personality, we monitor and gather data on gender, age, ethnic origin and cases involving special needs of our workforce, aiming to guarantee that we respond appropriately to all our people who require special treatment or support. It should be pointed out that during 2009 no incidents involving discrimination in the industrial facilities or administrative work premises of the Group's companies were reported.

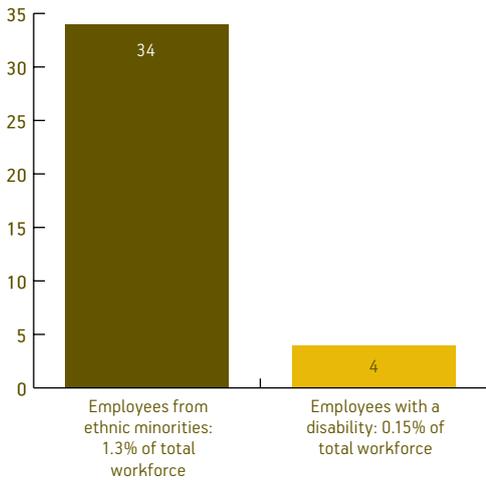
MYTILINEOS Group  
Workforce breakdown by gender



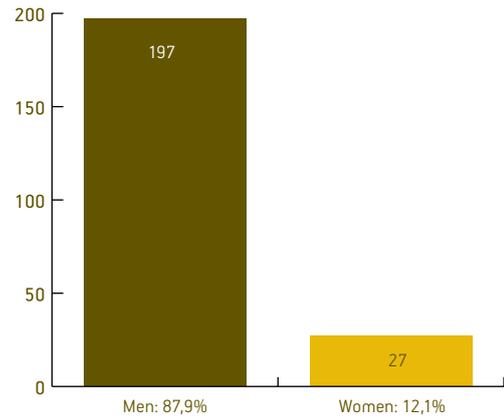
MYTILINEOS Group  
Workforce breakdown by age group



MYTILINEOS Group  
Workforce breakdown according to special indicators  
of diversity

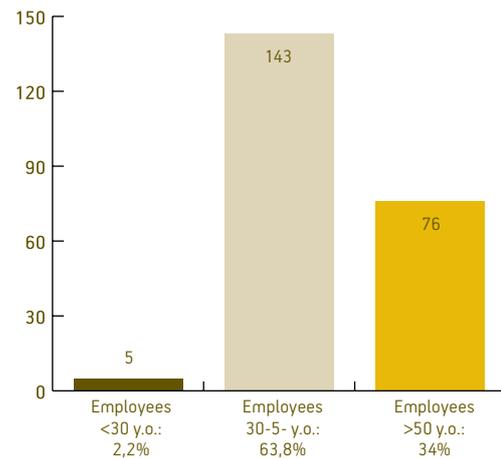


MYTILINEOS Group  
Personnel in positions with extended responsibilities – breakdown  
by gender



With a heightened sense of the respect due to every individual's personality, we monitor and gather data on gender, age, ethnic origin and cases involving special needs of our workforce.

MYTILINEOS Group  
Personnel in positions with extended  
responsibilities – breakdown by age group



## Voluntary benefits

The policy of the MYTILINEOS Group, as a large and responsible employer, also extends to a series of benefits and facilitations offered to its personnel over and above the strict requirements of the law. These benefits and facilitations correspond to the needs of the particular business sector where each Group company is active, as well as to the specific profile of its workforce in terms of gender, level of responsibility, scope of activities and performance.

In line with its goal to improve its competitive position as an employer and to attract qualified professionals, the Group has established specific policies and criteria based on which it offers number of benefits such as healthcare and medical care, stock option plans, use of company cars, use of parking places, reimbursement of car fuel, laptops, education and training, personnel housing facilities, personnel transport etc. These benefits vary between Group companies and are described in the corresponding sections of this Report. Their purpose is to help our employees balance their professional and family obligations, to reward them for their contribution to the Group's success, and to confirm to them that they are regarded as valuable members of the MYTILINEOS Group family.

## 07.3 Environment

The management of natural resources (energy, water and fuel), greenhouse gas emissions, the utilisation of residues (such as bauxite residues), air quality control and the restoration of the natural landscape are the key environmental challenges faced by the MYTILINEOS Group in its various activity sectors.

Having as our main concern the minimisation of the negative impacts of the activities of all our companies on the natural environment, we implement policies for the protection of the environment and the control of industrial hazards. These policies form the basis of a comprehensive and effective set of rules that make up our Environmental Management System, which we plan to integrate gradually into our business activities and into the procedures that define the day-to-day operations of all Group companies. During 2009, no sanctions were imposed on the Group by administrative authorities or by the Courts for non-compliance with environmental regulations and with the relevant applicable laws.

Our environmental policy is not simply limited to implementing the necessary regulations and arrangements and to adopting appropriate measures as needed, but is also expressed by the Group's self-commitment to conduct regular audits of its activities, both in its industrial plants and in the central facilities of its companies, with a view to securing their certification in accordance with the ISO 14001 Environmental Standard.

To this end, we have set as a reference for our efforts towards sustainable management of the environment the adoption of a series of measures and principles that include the following:

### Measures and principles adopted by the Group for the protection of the environment

- Adherence to agreements and commitments undertaken by the Group, over and above its legal obligations.
  - Assessment of the environmental impact of the activities of the Group's companies, identification of risks, assessment of the risk for serious accidents due to past, present and future activities, and use of these estimates in our long-term programmes and new plans.
  - Control and continuous decrease of solid, liquid and gas waste.
  - Improvements in the management of residues, by promoting recycling or utilisation processes.
  - Control of the consumption of raw materials and energy.
  - Prevention of all types of pollution risk, whether accidental or as a result of other greater accidents (preparation, testing and implementation of emergency response procedures).
  - Study, updating and further development of appropriate prevention and suppression measures, especially in connection with the modification of facilities modification.
  - Correction of all deviations detected, by introducing and carrying out corrective and preventive action plans.
  - Training, sensitising and informing our workforce, using methods adapted to the needs of each individual employee.
  - Encouragement of associates (contractors, suppliers, clients)
- to comply with the same environmental and industrial safety requirements as we do.
- Implementation of regular internal and external audits to assess the performance of the Environmental Management System, the attainment of targets and the implementation of regulations and principles.

#### Implementation of environmental standards in the MYTILINEOS Group companies

Companies	Environmental Standards	Comments
«MYTILINEOS HOLDINGS»	-	
«ALUMINIUM OF GREECE»	EN ISO-14001	
«METKA»	ISO 14001: 2004	
«DELPHI-DISTOMON»	ISO 14001: 2008	
«ENDESA HELLAS»*	ISO 14001: 2004	
«ELVO»	New ISO 9001:2008	Certification of the Company's Quality Assurance system, which includes terms for environmental management, expected by the end of 2010.

\* At the level of new power generation plants.

## Energy consumption

During 2009, the consumption of electric power as a result of the Group's activities stood at 7,379,364.7 GJ, down 19.3% from 2008. This decrease is due to the implementation of comprehensive programmes for curtailing electric power consumption in our production plants, coupled with specific actions carried out in non-industrial premises, such as for example the installation of automated lighting and air conditioning systems, the reduction of lighting periods in auxiliary areas, made possible by the installation of photoelectric cells, motion detectors and time switches, etc. These practices are adopted by the Group companies and are indicative of the change in attitudes and behaviours, which are now geared to the highest possible savings in electric power.

Total energy consumption	2009
Indirect energy consumption (electric power) (GJ)	7.379.364,7

## Water consumption

Overall, during 2009 the Group consumed more than 5.1 million cubic metres of water. The largest part of this quantity was consumed in industrial production, with the rest used for normal everyday uses and for environment restoration activities. Of the total quantity of water consumed in 2009, 92% was drawn from groundwater reserves and 8% came from the Public Water Supply Company

Total water consumption	2009
Water consumption (m <sup>3</sup> )	5.138.060,2

## Waste disposal

As part of its environmental policy, the Group continues to honour its commitment regarding proper collection and utilisation of the waste produced by its activities, by adopting waste management and disposal practices on a large scale. Of the total quantity of waste produced by all Group companies during 2009, which stood at over 104,503 tons, 78.2% was utilised, 19.7% was disposed to landfills and 1.8% was recycled either by the companies themselves or by third-party licensed networks.

The detailed quantities of waste produced by the Group, grouped by disposal method, are shown below:

WASTE UTILISATION	2009
Non-productive decalcification (t)	40.000
Bauxite residues (t)	37.400
Furnace skimmings (t)	3.020
Iron & steel scrap (t)	1.055
Cathode electrodes (t)	286
Paper (t)	6
Solid mud (t)	3,9

WASTE RECYCLING*	2009
Firebricks (t)	910
Scrap (t)	705,1
Oil (t)**	160,3
Paper (t)	26,1
Paper (m <sup>3</sup> )	54
Wood (t)	25,6
Aluminium (t)	22
Plastic (t)*	6,09
Tyres (t)	6
Batteries (t)	5,73
Urban waste (t)	4,4
Urban waste (m <sup>3</sup> )	53
Filters - Rags (t)	4
Accumulators (t)	1,6
Light bulbs (t)	0,06
Printer consumables (toner cartridges etc.) (pcs)	259

\* Waste materials are collected and removed by a specialised licensed contractor.

\*\* Includes Mineral Oils, Lubricating Oils, Wash Oils and burnt oils.

As part of its environmental policy, the Group continues to honour its commitment regarding proper collection and utilisation of the waste produced by its activities, by adopting waste management and disposal practices on a large scale.

WASTE REUSE	2009
Iron clippings (t)	99
Iron dust (t)	8,4
Aluminium dust (t)	1,2
Brass (t)	0,3

WASTE DISPOSAL IN LANDFILLS	2009
Permanent disposal of hazardous waste (t)*	12.662
Permanent disposal of non-hazardous waste (t)*	7.920
Mixed waste (t)	174

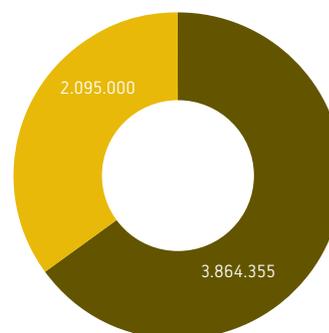
\* Waste is collected and removed in accordance with the laws in force on disposal by type of waste. The quantity of each type of waste is checked by weighing outgoing waste. Hazardous waste includes mainly sodium and fluoride products; non-hazardous waste includes wood, paper, tyres, powders, bricks and lime.

WASTE RECOVERY	2009
Solvents (lt)	770

## Environmental expenditure

In 2009, the MYTILINEOS Group invested nearly €6 million in actions to protect the environment. The main investments by Group companies in this area refer to processing of gas emissions, certification and improvement of Environmental Management Systems, disposal of waste and restoration of the natural landscape, and also include investments in R&D activities aimed at installing more "clean" technologies.

MYTILINEOS Group  
Environmental expenditure breakdown 2009  
(Total: €5,959,355)



■ Waste disposal, processing of gas emissions & restoration  
■ Pollution prevention & environmental management

Expenditure for waste disposal, processing of gas emissions & restoration	2009
Processing of gas emissions (€)	2.928.000
Waste processing and discharge (€)	931.755
Purchase and use of gas emission certificates (€)	1.600
Study for Solvents Management Plan (€)	3.000

Expenditure for pollution prevention and environmental management	2009
Additional expenditure for installing "clean" technologies (R&D) (€)	1.165.000
Personnel for general Environmental Management activities (€)	510.000
Restoration of natural landscape (€)	255.000
Outsourced Environmental Management services (€)	128.000
Improvements to the Environmental Management System (€)	25.000
Independent certification of Environmental Management Systems (€)	12.000



# 07.4 Society

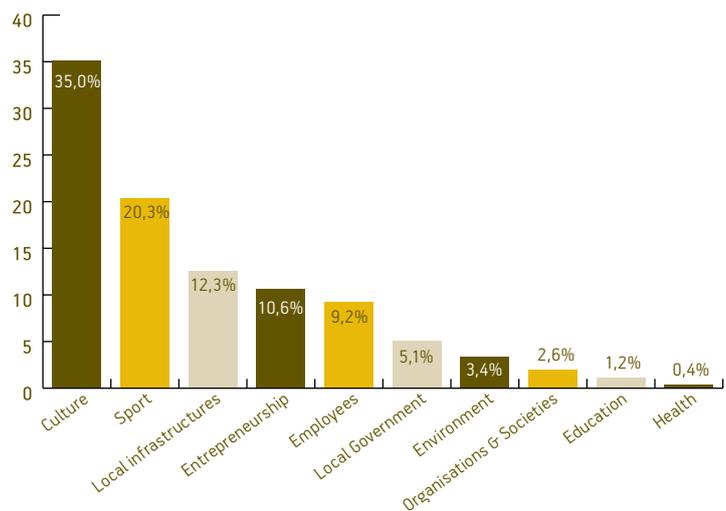
In addition to contributing to the economic growth of the local communities where our operations are based, we actively and consciously support the local cultural and social life, seeking in this way to act as a «responsible corporate citizen». The Group's actions in this area during 2009 focused on significant social initiatives which addressed the needs of important social sectors and are presented in the company-specific sections that follow. Furthermore, the Group's social policy is also expressed, in addition to its standing policy of supporting Culture, Sports and Entrepreneurship, by concerted actions involving the provision of financial and technical assistance on matters regarding local

infrastructures. Indicative such examples include the granting of land areas for covering local needs, the development of a design for the restoration of a school building, the construction and reinstatement of road surfaces, and the configuration of spaces for storm water accommodation in specific settlements where Group operations are located.

In terms of expenditure, the Group's total social contribution during 2009 stood close to €1.4 million. Finally, with respect to our adherence to the regulatory provisions across all our business activity sectors, during 2009 no fines were imposed on the Group for non-compliance with the applicable laws and regulations.

We actively and consciously support cultural and social life in the local communities where our operations are based, seeking in this way to act as a "responsible corporate citizen".

MYTILINEOS Group  
Expenditure by social activity sector 2009 (Total: €1,396,513)



# 07.5 Market

A core commitment and principle of our philosophy, which governs our activities in all the markets where we are present as well as our ethical and professional conduct in all our operations, is to avoid all unfair associations with potential competitors which may lead to anti-competitive behaviours or practices. From the very first day of its operation to this date, the Group has never been the subject of any petitions before the Courts under national or international laws for anti-competitive conduct or practices creating trusts or monopolies.

## Health & Safety of products

Our continuous and concerted efforts to enhance the quality of our end products, services and projects and to take measures to guarantee their health and safety characteristics, have a crucial contribution to the Group's growth in the current business environment which is constantly changing.

Core initiatives, such as:

- The strict implementation of the procedures under the EN ISO 9001 Quality Management System;
- The development of a Hazard & Operability (HAZOP) Study for analysing operational risk;
- The staffing of the Quality Control Departments with experienced staff who are provided with continuous training;
- Our strict adherence to the laws and regulations governing the manufacture of products (operating licenses, compliance with approved Environmental Terms etc.);
- The application of the principle that no product is signed off to the next production stage unless the quality criteria of the current stage have been met;
- The maintenance and safeguarding of the quality characteristics and conditions in all stages of product or project delivery; and
- Our care to ensure full compliance of the product/project with the stated requirements of the client,

are fundamental aspects of specific policies on product quality and safety, which the Group companies apply depending on their specific activity sector. In this way, the Group not only achieves high customer satisfaction, but also eliminates all likelihood of incidents and, consequently, of fines for non-compliance with the laws and regulations on the use, health and safety of its products and services.

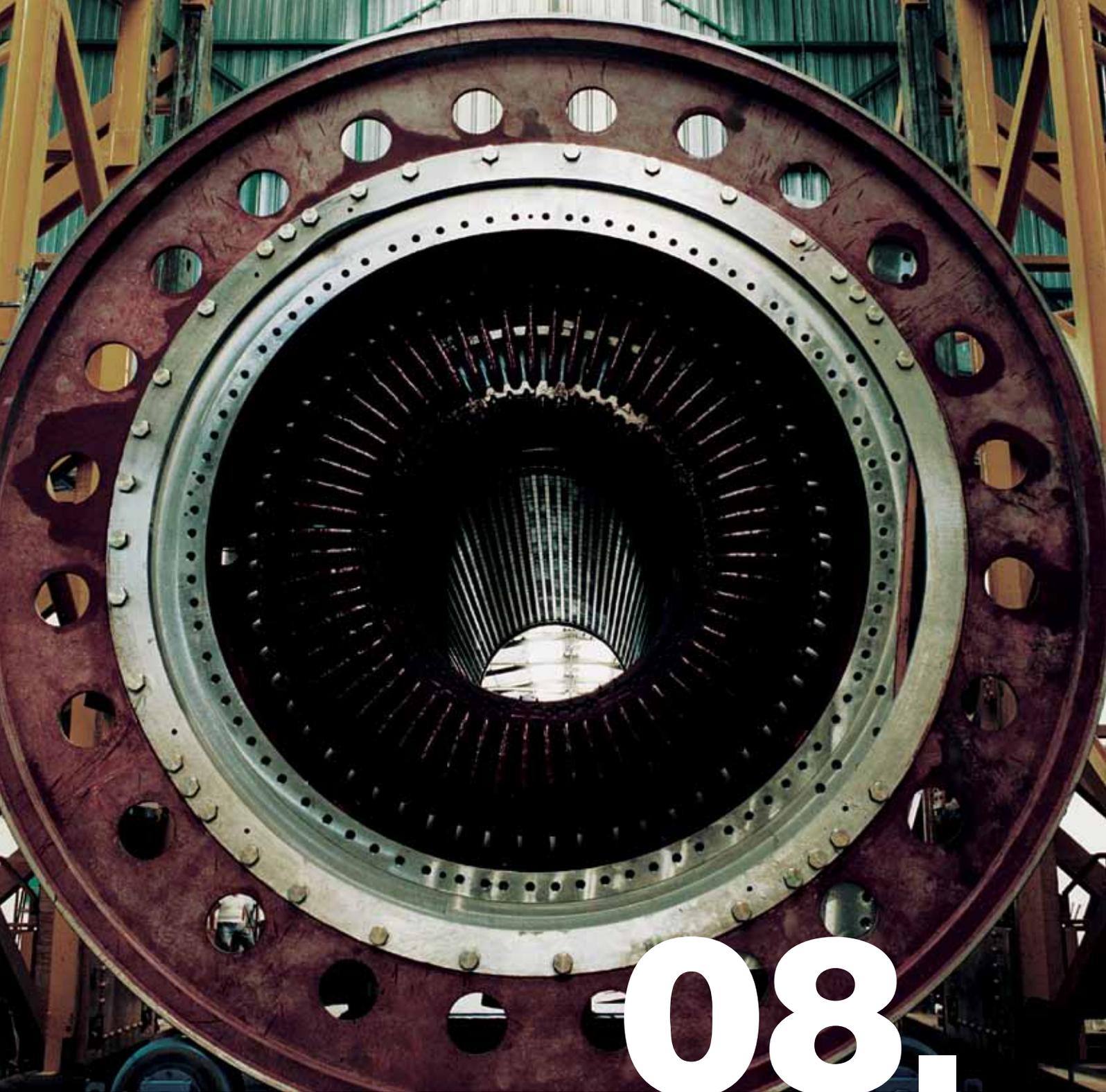
## Management of local suppliers

The development and maintenance of good relationships with the supply chain actors is a commitment in which we invest and continue to invest through permanent associations at the national as well as at the local level. In doing so, the Group has made possible the manufacture in Greece of a broad range of specialised materials and of simple and tailor-made products that serve the needs of its Companies.

For the MYTILINEOS Group, the term "local supplier", although varying slightly between the different activity sectors of its companies, refers generally to providers of materials, products or services, both industrial and otherwise, who are located within the geographical region where the Group's companies are based and within their sphere of influence, which frequently extends to the entire Greek territory. Because of this specific particularity, it is not possible to determine accurately the share of our total budget for purchases which is used in outlays to local suppliers at the major locations of the Group's activities. We plan to provide an estimate of these amounts in future Sustainability Reports.

To select their suppliers, the Group companies follow simple procedures characterised by meritocracy and transparency. The key parameters affecting supplier selection, in addition to geographical location, are the following:

- The quality of the products and services offered
- Customer service
- Pricing policy
- Solvency
- Punctuality in the delivery of products and services
- Compliance with the Group's key environmental and safety principles
- Availability of suitable production equipment to meet the specific needs of Group companies, and
- Experience.



# 08.

## Corporate Centre

MYTILINEOS HOLDINGS S.A. was established in 1990 and is headquartered in Athens. It is active as a holding company and its key services include participation in the share capital of other companies, the establishment of subsidiaries of all legal forms, the control and administration of these subsidiaries and the sale of these participations.

The most important change in the Company's size, structure or property during 2009 was the establishment, in collaboration with MOTOR OIL, of KORINTHOS POWER S.A., for the joint construction, operation and exploitation of a natural gas fired combined cycle power station. MYTILINEOS HOLDINGS holds 65% of the new company's share capital, with the remaining 35% held by MOTOR OIL.

## 08.1 Key financial figures

Economic value table 2009 (amounts in €)		
19.512.000 Revenues	19.498.000 Operating costs	- Gross profits
-941.000 Net profits	7.264.000 Employee salaries and benefits	1.113.000 Payments to Government bodies (taxes)
10.019.000 Payments to capital providers	597.000 New investments	734.379 Investments in local communities
264.609 Outlays to local suppliers		

## 08.2 Corporate governance

The corporate governance of MYTILINEOS S.A. is described in detail in Section 5 of the Sustainability Report.

## 08.3 Human resources

The proper development and management of human resources is at the core of the business practice of MYTILINEOS HOLDINGS, and has its roots in the full respect of the rights of all its employees. To this end, the Company has integrated into its operation meritocratic systems for the development of its human resources, which include equal opportunities practices, performance evaluation systems, continuous training, talent management and procedures to ensure the health and safety of its employees at the workplace.

In line with the above practices, the Company does not engage in activities which are perceived to involve the risk of child or forced labour, nor have any such incidents been reported in connection with its operation to date.

The proper development and management of human resources is at the core of the business practice of MYTILINEOS HOLDINGS, and has its roots in the full respect of the rights of all its employees.

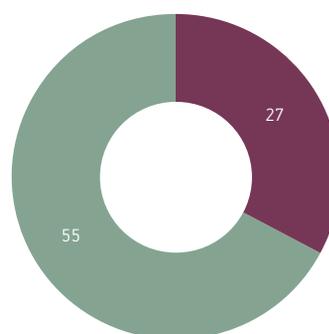
### Workforce

Workforce by type of employment & employment contract	2009
Total workforce	87
Full-time employees	86
Part-time employees	1
Open-end employment contracts	82
Fixed-term employment contracts	5

Workforce breakdown by geographical region	2009
Workforce from the Attica region	87

MYTILINEOS Corporate Centre  
Personnel with open-end employment contracts by  
employment position

Total workforce with open-end employment contract: 82



Executives  
Administrative employees



## Recruitment from local communities

MYTILINEOS HOLDINGS gives priority to recruiting employees from the local community where its activities are based. In parallel, as the Group's Corporate Centre, it encourages the other subsidiaries to develop this particular practice in their local environments. All MYTILINEOS HOLDINGS employees come from the local community where the Company is based.

### Company Management\* Executives recruited the local community 2009

Recruitment from the Attica region:	100%
-------------------------------------	------

\* The term "Company Management" includes all executives of the Company.

## Occupational Health & Safety

Although the Company's activities are taking place in office premises and, as such, the likelihood of accidents is low, the protection of all employees at its work premises against hazards to their physical and mental health is a daily concern for MYTILINEOS HOLDINGS.

### Occupational Health & Safety data 2009

Total workforce	87
Total days worked by workforce	4.2261,5
Total hours worked by workforce	338.092
Total accidents *	0
Total work-related fatalities	0
Total occupational disease cases	0
Total days lost	0
Total absenteeism (days)	180

\* Does not include incidents involving very light injuries..

## Education and training

The continuous education and training of its workforce is one of the core principles in which MYTILINEOS HOLDINGS invests, aiming to provide tools and know-how that accommodate day-to-day work and offer innovative solutions to the challenges that arise in the ever-changing business environment, as well as ways to improve employee and company productivity and efficiency.

During 2009, the education and training programmes carried out by the Company consisted of 436.5 hours and was attended by 24.1% of its total personnel. The Company's total expenditure in this area in 2009 stood at €13,406.

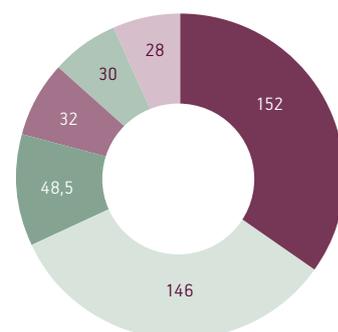
### Trained workforce with open-end employment contracts by employment position 2009

Executives	9
Share of total Executives (%)	33,3
Administrative employees	12
Share of total Administrative employees (%)	20

### Workforce training hours by employment position 2009

Executives (training person-hours)	206
Average training hours per person	22,9
Administrative personnel (training person-hours)	230,5
Average training hours per person	19,2

Corporate Centre: MYTILINEOS HOLDINGS  
Training categories & corresponding training hours



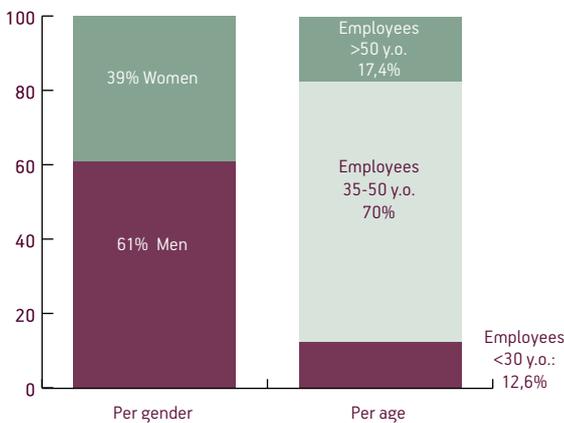
- Energy-related matters
- Communication
- IFRS
- Information systems
- Internal audit plans
- Public sector accounting & tax advice

## Equal opportunities and diversity

MYTILINEOS HOLDINGS respects the individuality of each employee irrespective of gender and age group, which are the two key indicators of diversity that the Company uses in connection with the management of its human resources, and, consequently, irrespective of religion, origin and ideology. During 2009, special emphasis was given to improving the share of women in positions with extended responsibilities compared to 2008. In addition, during 2009 no incidents involving discrimination in the Company's work premises were reported.

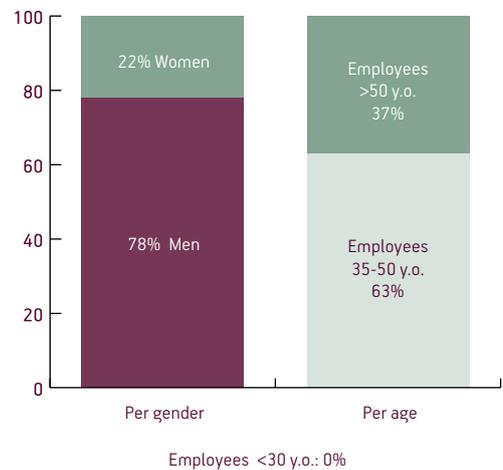
Corporate Center: MYTILINEOS HOLDINGS  
Workforce breakdown according to special indicators of diversity

Total workforce: 87



Corporate Center: MYTILINEOS HOLDINGS  
Personnel in positions with extended responsibilities

Executives: 27



## Voluntary benefits

The policy of MYTILINEOS HOLDINGS extends to a series of benefits and facilitations offered to its personnel over and above the strict requirements of the law, which correspond to the needs of the particular business activities, as well as to the specific composition its workforce.

Their purpose is to help our employees balance their professional and family obligations, reward their performance and help them improve their competitive position in the workplace. In addition to the various types of pecuniary remunerations, the Company also offers to its people a healthcare and medical plan, a stock option plan, use of company cars, parking places, reimbursement of car fuel, laptops etc., to reward them for their contribution to its growth, and to confirm to them that they are valuable members of its corporate family.

In addition to the various types of pecuniary remunerations, the Company also offers to its people a healthcare and medical plan, a stock option plan, use of company cars etc.

## 08.4 Environment

Given that the Company's activities are mainly carried out in its office premises, the effort to mitigate the environmental impact of its operation focuses on energy consumption, water consumption and the disposal of its waste.

### Energy consumption

The only important secondary source of energy purchased and consumed by MYTILINEOS HOLDINGS from non-renewable sources is electric power. In 2009, total consumption of electric power in the Company's offices stood at 1,850 GJ, down 4.07% from 2008.

Total energy consumption	2009
Indirect energy consumption (electric power) (GJ)	1.850,4

### Water consumption

Water consumption by MYTILINEOS HOLDINGS during 2009 stood at 1,300.2 cubic metres, down 10.4% from the corresponding consumption in 2008. This quantity, which was used to cover the various needs of the Company building, came from the Public Water Supply Company.

Total water consumption	2009
Water consumption (m <sup>3</sup> )	1.300,2

### Waste disposal

The waste produced by the Company is predominantly office waste, which comprises small dry batteries, paper, ink (toner cartridges), electrical and electronic equipment and urban waste. The Company has in place mechanisms for measurement and disposal of the quantities of batteries and paper, and plans to gradually expand these mechanisms, starting in 2010, to include the other types of waste.

Waste is recycled by licensed companies according to type:

- Batteries (recycling company: POLYECO S.A.)
- Paper (recycling company: ECOELASTICA)

WASTE RECYCLING	2009
Dry batteries (kg)*	23
Paper (t)	2,16

\* Waste is collected and removed by a specialised licensed contractor.



# 08.5 Society

MYTILINEOS HOLDINGS is fully meeting its legal and regulatory obligations regarding its business role. The fact that no sanctions have been imposed on the Company by administrative authorities or by the Courts for non-compliance with the applicable laws and regulations is proof of its success in this area.

The broader social contribution of MYTILINEOS HOLDINGS, which expresses to a great extent the social profile of the Group, Takes place through a variety of initiatives and actions whose primary recipients are social bodies in the local as well as in the broader community within which the Company deploys its business activities.

## Support of the local community

MYTILINEOS HOLDINGS contributes on an annual basis to support actions and initiatives aimed at social cohesion at the central as well as at the local level. During 2009, the Company made available €734,397 for initiatives that supported Art and Culture, Entrepreneurship and Sports, and to actions directly related to the development of local communities, the support of the work of Non-Governmental Organisations (NGOs) and local societies, and the promotion of Education. The key recipients of the Company's initiatives are Cultural and Artistic Societies, Educational Institutions, Municipalities, Charities, Voluntary organisations and NGOs.

Activity area	Actions	Total expenditure in 2009
Arts & Culture	Financial support of theatre shows & painting exhibitions. Financial assistance to local cultural societies.	460.947 €
Support of Entrepreneurship	Sponsorship of business conferences.	122.000 €
Local Government	Improvement of local infrastructures.	55.000 €
Environment	Financial assistance for studies on the impact of climatic change on Greek society.	47.500 €
Social bodies & organisations	Support of the work of volunteer organisations and social bodies.	20.950 €
Sports	Coverage of the cost of uniforms and equipment for 191 athletes of six local sports clubs.	16.000 €
Education	Scholarships.	12.000 €

## Membership of Greek and international organisations on CSR

MYTILINEOS HOLDINGS seeks to establish and develop associations with Greek and international organisations in order to promote the principles of CSR, exchange views and improve the Company's social and environmental contribution. The Company's policies are aligned with the Principles of the United Nations' Universal Declaration of Human Rights. The Company is a member of:

- The Hellenic Network for Corporate Social Responsibility 
- The Council for Sustainable Development of the Hellenic Federation of Enterprises (SEV) 
- The UN Global Compact Network 
- The Greek Mining Enterprises Association (SME) 
- The Hellenic Federation of Enterprises (SEV) 

# «MYTILINEOS HOLDINGS S.A.»: GRI Performance Summary

GRI Code	Description	Reported	Page
<b>Organisational Profile</b>			
2.1	Name of the organisation	Full coverage	43
2.2	Primary brands, products and/or services	Full coverage	43
2.3	Operational structure of the organisation	Full coverage	21
2.4	Location of organisation's headquarters	Full coverage	43
2.5	Number of countries where the organisation operates	Full coverage	7
2.6	Nature of ownership and legal form	Full coverage	8-9
2.7	Markets served	Full coverage	43
2.8	Scale of the reporting organisation	Full coverage	43
2.9	Significant changes regarding size, structure or ownership	Full coverage	43
2.10	Awards received in the reporting period	None	
<b>Governance, Commitments &amp; Engagement</b>			
4.1	Governance structure of the organisation, including committees under the highest governance body responsive for specific tasks, such as setting strategy or organisational oversight	Full coverage	21-25
4.2	Role and responsibilities of the Chairman of the Board of Directors	Full coverage	23
4.3	Independent and/or non-executive members of the Board of Directors	Partial coverage	22
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	None	
<b>Stakeholder Engagement</b>			
4.14	List of stakeholder groups engages by the organisation	Full coverage	29
4.15	Basis for identification and selection of stakeholders with whom to engage	Full coverage	28
<b>Economic Performance</b>			
EEC1 (C)	Direct economic value	Full coverage	43
EC7 (C)	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Full coverage	45
<b>Environmental Performance</b>			
EN4 (C)	Indirect energy consumption by primary source	Partial coverage	47
EN5 (C)	Energy saved due to conservation and efficiency improvements	Full coverage	47
EN8 (K)	Total water withdrawal by source	Full coverage	47
EN22 (C)	Total weight of waste by type and disposal method	Full coverage	47
EN28 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	No fines imposed during 2009	
<b>Labour Practices and Decent Work</b>			
LA1 (C)	Total workforce by employment type, employment contract, and region.	Full coverage	44
LA3 (A)	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Full coverage	46
LA7 (C)	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Full coverage	45
LA10 (C)	Average hours of training per year per employee by employee category.	Full coverage	45
LA13 (C)	Composition of governance bodies and breakdown of employees by category according to gender, age group, minority group membership, and other indicators of diversity.	Full coverage	46
<b>Human Rights</b>			
HR4 (C)	Total number of incidents of discrimination and actions taken.	Full coverage	46
HR6 (C)	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Full coverage	44
HR7 (C)	Operations identifying as having significant risk of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	Full coverage	44
<b>Society</b>			
S07 (A)	Total number of legal actions for anti-competitive behaviour, anti-trust and anti-monopoly practices and their outcomes.	No petitions against the Company during 2009	
S08 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Full coverage	48
<b>Product Responsibility</b>			
PR9 (C)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	No fines imposed during 2009	

(C): Core Indicator, (A): Additional Indicator



# 09

## Metallurgy & Mining Sector

Over the past years, the MYTILINEOS Group has developed significant business activities in the sector of basic metals mining and processing, and now holds a leading position in aluminium production and trade in the Balkans.

The Group's total energy, industrial and environmental investments in Agjos Nikolaos, Viotia, where the industrial plant of ALUMINIUM OF GREECE is located, were the largest private-sector investments carried out in Greece during the three-year period from 2005 to 2007.

These investments play a major part in:

Helping the development of the region the creation of new jobs.

Facilitating the penetration of natural gas in Greece while reducing the country's dependence on oil.

Substituting 300 MW of lignite-based power production, thus contributing to the potential reduction of carbon dioxide emissions by about 1.5 million tons per year, in line with the Greece's national objective to contain the increase of domestic production of CO<sub>2</sub> emissions to no more than 25% from their level in 1990.

In parallel with its investment plan, the Group develops cost curtailment methods and takes advantage of the possibilities offered by sophisticated risk-hedging tools and techniques in order to optimise its financial performance in the next years.

The Group's strategy in the mining and metallurgy sector focuses on the following:

- Providing optimal products and solutions to its clients rather than merely supplying commodities.

- Seeking new projects geared towards vertical integration or expansion, to strengthen its position in the sector.
- Increasing its competitiveness through investments and the adoption of risk-hedging methods.

In the mining and metallurgy sector, the MYTILINEOS Group is active through its subsidiaries ALUMINIUM OF GREECE S.A. and DELPHI-DISTOMON S.A.

## 09.1 ALUMINIUM OF GREECE S.A.

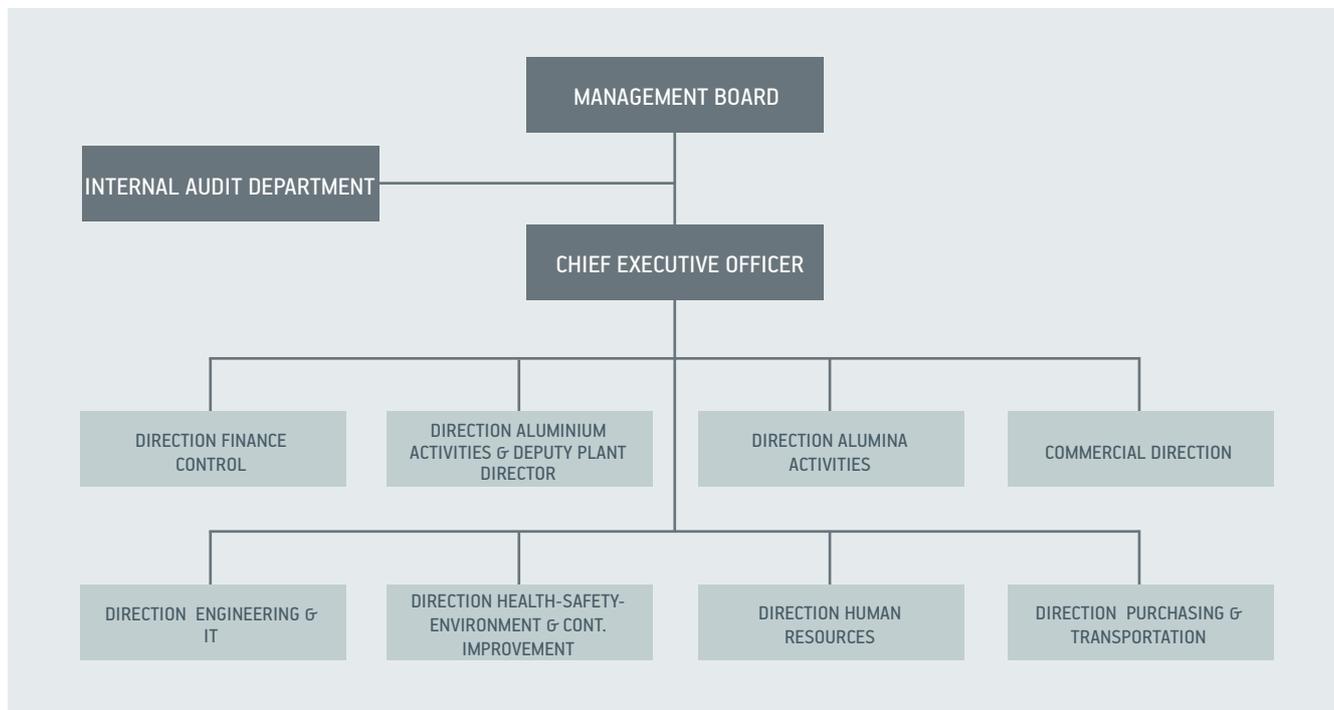
ALUMINIUM OF GREECE S.A. was established in 1960 and today is Europe's most modern vertically integrated alumina and aluminium production and trading plant. With an annual production capacity reaching 795,000 tons of alumina, 165,000 tons of primary-cast aluminium (electrolysis) and 170,000 tons of finished aluminium (end-product), the Company is the largest Alumina and Aluminium producer in SE Europe. Its facilities cover a total area of around 770,000 m<sup>2</sup> and are located in Agios Nikolaos, on the coast of Distomon, Viotia.

### 09.1.1 Key financial figures

Economic value table 2009 (amounts in €)		
427.348.000 Revenues	388.694.000 Operating costs	51.075.000 Gross profits
34.350.000 Net profits	58.828.000 Employee salaries and benefits	3.877.000 Payments to Government bodies (taxes)
- Payments to capital providers	26.500.000 New investments	267.600 Investments in local communities
54.518.734 Outlays to local suppliers	The MYTILINEOS Group holds a leading position in aluminium production and trade in the Balkans.	

# 09.1.2 Governance structure

## Organisational structure



## Composition of the Board of Directors

Composition of the Board of Directors, as elected by the Extraordinary General Meeting of 02.04.2009 and formed on 19.09.2009:

**Chairman:** Iason Stratos

**Vice-Chairman:** Evangelos Mytilineos

**Managing Director:** Dimitrios Stefanidis

**Member:** Spyridon Kasdas

**Member:** Georgios Lymberakis

## Functioning and responsibilities of the Board of Directors and of its Members

According to the Company's Internal Regulation, as in force pursuant to the Board of Directors decision of 16.02.2006, the Company is managed by a Board of Directors, currently composed of five members, which exercises its responsibilities while safeguarding corporate interests, in compliance with the provisions of the laws on companies and of the Company's Articles of Association.

The members of the Board of Directors deal with current matters concerning the management of the Company and the overall direction its operation, as these matters are specified in detail in the relevant decisions of the Board of Directors of the Company. Within the Board of Directors, the Members of the Board are responsible for advancing all corporate matters coming under the Board's competence.

## Role and responsibilities of the Managing Director

The Managing Director and General Manager of the Company exercises the responsibilities assigned to him by the Company's Board of Directors.

More specifically, according to the law and the Company's Articles of Association, by the Board's decision of 31.12.2008 and under the specific reservations stated in that decision, all authorities of the Board of Directors are transferred to the Managing Director. The Managing Director acts as the Company's legal representative

in its relations to natural or legal persons of private or public law and before authorities, institutions, Courts and judicial authorities, administers the Company's property and undertakes all types of obligations binding the Company by placing his signature under the Company's name, proceeds to all actions regarding the Company's employees and labour personnel, represents the Company on matters related to human resources, and carries out all financial and other transactions of the Company with any Bank or Credit Institution and with the Greek Tax and Customs Authorities. The Managing Director & General Manager reports to the Board of Directors of the Company.

## Mechanisms for representation of employees and shareholders in the Board of Directors

Other than the relevant provisions of Codified Law (C.L.) 2190/1920, no other specific formal procedure exists for representation of the employees and shareholders in the Company's Board of Directors, either under Collective Labour Agreements or Arbitration rulings or agreements.

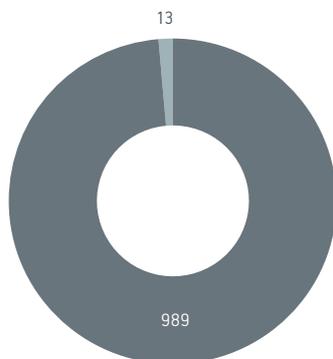
# 09.1.3 Human resources

Recognising the important part that its human resources have played in its steady growth until now, ALUMINIUM OF GREECE has adopted a coherent framework of policies, on which the systematic utilisation and the development of all its people are based. The Company's constant efforts for substantial improvements to its work environment, the special benefits offered, the training opportunities and the Company's commitment to the principles of equality and equal opportunities, create a stable and secure environment for all employees, where discrimination or child and forced labour have no place whatsoever.

## Workforce

Workforce by type of employment & employment contract	2009
Total workforce	1002
Full-time employees	1002
Open-end employment contracts	960
Fixed-term employment contracts	42

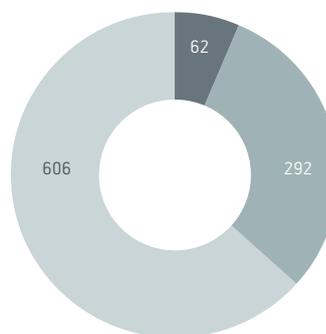
ALUMINIUM OF GREECE  
Workforce breakdown by geographical region



■ Workforce from the region of Viotia  
■ Workforce from the region of Attica

ALUMINIUM OF GREECE  
Personnel with open-end employment contracts  
by employment position

Personnel with open-end employment contracts: 960



■ Executives  
■ Administrative employees  
■ Technical & Labour personnel

## Recruitment from local communities

As its principal activities are located in the Greek periphery, ALUMINIUM OF GREECE gives priority to recruiting labour personnel as well as senior managers from communities in the regions where its activities are located (Viotia, Fokida and neighbouring Prefectures). Recruitment from outside these communities is only initiated in cases where the requirements of Company involve specialisations that are not available in the local communities and therefore cannot be sourced from them. The largest part of the Company's recruitment during the last ten years came from the local communities.

In 2009, the Company sourced 86% of its newly-recruited personnel from neighbouring Prefectures. More specifically, 26 people came from Viotia, 4 from Fthiotida, and 9 from Fokida.

Company Management Executives* recruited from the local community (%)	2009
Recruitment from the Viotia and Fthiotida regions	10%

*\*The term "Senior Management" refers to the Company's Plant Steering Committee, composed of ten (10) persons.*



## Occupational Health & Safety

Occupational Health & Safety are always a top priority for ALUMINIUM OF GREECE. Despite the significant reduction of the number of accidents and occupational diseases in recent years, the Company is continuing its efforts to achieve its ultimate goal of "ZERO ACCIDENTS AND ZERO OCCUPATIONAL DISEASES".

The development and continuous improvement of the corporate Occupational Health & Safety Management System in accordance with the OHSAS 18001 International Standard and the EL0T 1801 Greek Standard, affirms the Company's commitment to the continuous improvement of work conditions and to taking preventive action in order to ensure its position as one of the world's top performers in this area.

The following are core elements of the Company's policy on Occupational Health & Safety:

- Identification and assessment of hazards under normal and, especially, under exceptional conditions of operation, and adoption of measures to contain them
- Compliance with the provisions of the laws and with the applicable standards and internal guidelines.
- Open and transparent communication regarding all Occupational Health & Safety issues.
- Regular measurement and evaluation of exposure levels to harmful factors, systematic efforts to reduce these levels and continuous monitoring of the health of employees.
- Regular inspection of the processes, organisation and procedures in place, to ensure that the workforce is continuously updated and increasingly aware of the issues involved, and to guarantee adherence to the regulations and achievement of targets.

## The Company's regular actions in this specific area comprise the following:

### 1. Quality / effectiveness of the Company's daily actions

- Improvement of the quality of Management Safety Visits (MSV), by:
  - a. Promoting quality preventive actions.
  - b. Improving the identification and control of hazards by the operators involved.
  - c. Inviting proposals by the operators.
  - d. Monitoring the MSV quality indicator on the basis of activities.
  - e. Reporting on the MSVs carried out during the last two years.
- Improvement of the supervision function in the production plant through the review, development and implementation of an action plan based on the results of the MSVs conducted.
- Improvements in the implementation of "Green Light Committee" procedure.

### 2. Occupational hazards

- Ensuring the implementation of the six top-priority guidelines (lockdown / lifting of lockdown of facilities, subcontracting, confined spaces, moving machinery and circulation, lifting equipment and working at heights), by:
  - a. Conducting inspections and special-purpose MSVs
  - b. Developing and executing of an action plan to ensure adherence to the practices to result from the work of the "Working at Heights" Committee.
  - c. Conducting a two-hour "Don't forget the basics" seminar for all personnel working in industrial facilities.
- Inspection of the implementation of the "Scaffoldings and Modifications" procedure.
- Strict compliance with the provisions of the applicable laws.
- Reassessment of hazards & risks after the actions foreseen have been carried out (written assessment of hazards & risks ), and continuation of the approach relying on the written assessment of hazards & risks for underestimated circumstances through the Hazards & Risks Assessment Councils (HRAC) within the framework of implementing the OHSAS 18001:2007 International Standard and the EL0T 1801:2002 Greek Standard.

### 3. Behaviours

- Adherence by all personnel to the "hazard identification" principle prior to taking any action in their daily activities. Introduction of hazard identification in the personal targets forming part of the professional progress evaluation.
- Development and monitoring of at least one safety indicator regarding the identification of hazards in every Functional Organisational Unit.

Occupational Health & Safety are always a top priority for ALUMINIUM OF GREECE. Despite the significant reduction of the number of accidents and occupational diseases in recent years, the Company is continuing its efforts to achieve its ultimate goal of "ZERO ACCIDENTS AND ZERO OCCUPATIONAL DISEASES".

## 4. Health / Hygiene

- Continuation of the programme for measuring exposure levels and presentation of the results to all interested personnel.
- Introduction of vibration/shock measurements in the work conditions measurement programme.
- Preparations for implementation of the smoking ban in work premises.
- Actions to deal with dust and noise.
- Sensitisation of the personnel (including personnel of subcontractors) to mass dining conditions and improvement of these conditions.
- Compilation of a Safety Data Sheet for all chemical products that have not yet been recorded.
- Organisation of two voluntary blood donation days / sensitisation of personnel.

In ALUMINIUM OF GREECE, the Plant Health & Safety Committee (PHSC) represents all personnel in the meetings held with the Management. The PHSC has extended responsibilities and its members participate in all key procedures, committees or working groups. More specifically, the PHSC members participate in:

- The "Green Light Committees" for new works and major modifications of the facilities.

Occupational Health & Safety data	2009
Total workforce	1002
Total days worked by workforce	268.696
Total hours worked by workforce	1.781.606
Total accidents *	33
Total work-related fatalities	0
Total occupational disease cases	5
Total days lost	671
Total absenteeism (days)	14.252

\* Does not include incidents involving very light injuries and subcontractors.

- The analyses of accidents and incidents, carried out in accordance with the "Cause Tree Analysis" method.
- The working groups established for the written assessment of occupational hazards and risks, and
- The Occupational Health & Safety visits scheduled with the Occupational Physician and the Safety Officer.



## Education and training

The education and training policy of ALUMINIUM OF GREECE concerns the provision of training to its personnel and the development of their skills. Training is based on existing needs, is aligned with the corporate objectives and is developed depending on the respective annual budget made available by the Management.

More specifically, personnel training activities are grouped into General Training, under the responsibility of the Training Section, and On-the-Job (or In-House) Training, the responsibility for which rests with the individual Activities / Departments of the Company.

The Company has in place a special-purpose "TRAINING REGULATION", which covers the following procedures:

- Organisation, types, rooms and resources allocated to training.
- Responsibilities of the Training Section, which cover the entire range of the training process.
- Investigation and definition of training needs, taking into account the directions given by the Group and the Human Resources Department, to ensure that training is aligned with the Company's objectives and contributes to their attainment.

- Scheduling of training seminars for In-House Training (or Training within the plant facility), and Inter-Company Training (or Training outside the plant facility).
- Preparation and delivery of the seminars within the plant facility.
- Evaluation of seminars.
- Keeping of training records with relevant statistics, and of an archive of trained personnel.
- Implementation of subsidised training programmes.
- Special training subjects and activities, such as seminars on Information technology, safety, quality, technical subjects and continuous professional development, induction days for newly-recruited personnel, foreign languages teaching, and training of management executives.

During 2009, ALUMINIUM OF GREECE provided a total of 33,955 training hours, of which 11,167 hours involved out-of-house training and 22,788 hours involved in-house training. The Company's training plan gave priority to Occupational Health & Safety issues and to technical subjects, and was attended by all of its personnel. The training expenditure stood at €167,876 and concerned out-of-house training hours (does not include the salaries of trainees and internal trainers involved in in-house training).

### Trained workforce with open-end employment contracts 2009 by employment position

Executives	50
Share of total Executives (%)	80,6
Administrative employees	231
Share of total Administrative employees (%)	79,1
Technical and Labour personnel	578
Share of total Technical and Labour personnel (%)	89,2

### Workforce with open-end employment contracts - Training hours by employment position 2009

Executives (training person-hours)	3.220
Average training hours per person	64,4
Administrative personnel (training person-hours)	8.089
Average training hours per person	35
Technical and Labour personnel	22.647
Average training hours per person	39,18

### ALUMINIUM OF GREECE Training categories & corresponding training hours

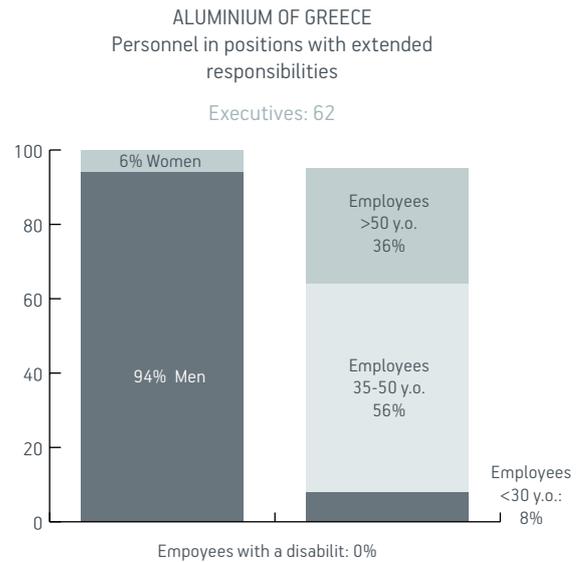
Training categories & corresponding training hours	2009
Safety	2.404
General training	1.162
Logistics	28
Management-Administration-Leadership	856
Foreign languages	886
Finance	90
IT	792
Quality	822
Fire protection - Environment	146
Personal skills	880
Continuous progress	625
Technical training	25.123*

\* Includes 22,647 hours of in-house technical training

## Equal opportunities and diversity

ALUMINIUM OF GREECE promotes equal opportunities and respects the individuality of each employee, irrespective of gender, age, religion and ideology. By ensuring that every employee is offered the same work conditions together with appropriate training, education and professional development, the Company implements, to the extent required by the conditions under which it operates, diversity in its work environment. Although, due to the nature of the Company's activities,

its workforce is predominantly male, the Company, in line with its efforts to strengthen equal opportunities, promotes the participation of women in its activities, where practicable. All stages of the recruitment process are carried out with full transparency and meritocracy, with personal data treated as confidential. The Company also recruits people with a disability and applies a structured evaluation and advancement system for all personnel. No incidents involving discrimination in the Company's industrial or administrative work premises have been reported to date.



## Voluntary benefits

The policy of ALUMINIUM OF GREECE, since its establishment, has been to invest in its human resources and in their development. To this end, the Company offers to its personnel, over and above the strict requirements of the law, a number of voluntary benefits and facilitations. This policy aims to reward the professional contribution of employees and to attract qualified professionals, as well as to secure their long-term association with the Company. The voluntary benefits offered by the Company include a life insurance plan, healthcare and medical insurance, training programmes, use of company cars, personnel housing facilitations etc..



All stages of the recruitment process are carried out with full transparency and meritocracy, with personal data treated as confidential. No incidents involving discrimination in the Company's industrial or administrative work premises have been reported to date.

## 09.1.4 Environment

ALUMINIUM OF GREECE is committed to “the correction of all environmental deviations identified, through the introduction and implementation of corrective and preventive action plans” in order to protect the environment. This commitment stems from the Company’s Environmental Management System, which has been certified in accordance with the ISO 14001 International Standard. To identify deviations and decide on corrective action, the Company implements internal controls in the form of Internal Inspections as defined under ISO 14001, accompanied by the additional mechanism of Management Environment Visits.

With respect to its obligations under the environmental or other legislation, the Company keeps an updated list of applicable provisions (copies of the Government Gazette, European Union Decisions, Regulations and Directives, Approval Decisions regarding Environmental Terms, Licensing/Authorisation Decisions etc.), in accordance with the procedure specified under its ISO14001-certified Environmental Management System.

Additionally, the Company conducts an annual evaluation of its compliance with environmental requirements, whose results are used by the top Management to establish the new targets.

During 2009, no sanctions were imposed on the Company by administrative authorities or by the Courts for non-compliance with environmental regulations.



### Energy consumption

The setting of annual targets for controlling and reducing the consumption of energy in its production sections is a key priority for the Company. Additionally, regarding consumption in peripheral sections (not directly involved in production), the Company’s approach relies on the sensitisation of employees to issues regarding rational management of light sources and electrical equipment.

The Company’s regular activities in this area include the following:

- Measurement of consumption levels at the plant’s individual facilities, setting of consumption limits, implementation of the special action plans prepared for reducing the consumption of energy and raw materials, and determination of new consumption limit.
- Regarding the alumina production line (electrolysis basins), which, together with the lime production section, are the plant’s major consumers of electric power, the Company has adopted the following action lines in order to achieve energy savings:

- Controls of work quality.
- Controls (daily and weekly) of the quality of alumina.
- Mobilisation-sensitisation of personnel, to the extent that they are involved in the respective processes.
- Optimisation of parameters.
- Swift identification of problem-prone basins.
- Improvements in equipment and methods (studies - experimentation).
- Regarding thermal energy, efforts in the production plant focus on the quality of combustion in the furnace burners, which has been set by following the standards for driving the respective installations.
- Regarding the consumption of electric power in peripheral facilities (workshops, offices, dining halls, meeting rooms etc.), the corresponding efforts focus on sensitising personnel through information campaigns.

More specifically, personnel is regularly reminded of the methods available to achieve energy savings at the workplace, such as:

- Shutting down computers and switching off the lights and air conditioning units at the end of the working day.
- Savings in paper (and, consequently, in the energy used to manufacture it).

- Re-examination of lighting arrangements in areas with excessive lighting, incandescence light bulbs or lighting units in poor condition.
- Regulating thermostat settings (at 21°C for heating in the winter and at 28°C for cooling in the summer).

## Water consumption

The Company's environmental policy also extends to the rational management of groundwater, given that the Company's plant is the major consumer of water in the region.

The water required for the production process, as well as for human activities in the surrounding housing settlements, is obtained through drillings in the broader region around the plant, in strict compliance with the provisions of the relevant Decision of the Water Resources Management Directorate of the Sterea Regional Administration.

Management of the drilling installations and of the water supply network (withdrawal quantities, distribution, quality control, maintenance of equipment, arrangements with the consumers) is under the responsibility of ALUMINIUM OF GREECE and, more specifically, of its Water Resources Management Department, which employs a total of five people.

The Company's actions in this area focus on the following: Effective management (zero loss-leakage) and savings (through recycling and/or limiting the use of water, when necessary). To this end:

Total energy consumption	2009
Indirect energy consumption (electric power) (GJ)	7.344.000
Indirect consumption of natural gas (t)	220.000
Indirect energy consumption (fuel oil) (t)	129.000

- The Company sets annual targets for water consumption by production line (alumina or aluminium) and also takes special measures to address drought, if necessary.
- Daily inspections are conducted to check compliance with regulations, such as for example with the prohibition on the use of water for industrial cleaning (in cases where the use of mechanical means is practicable) and for car washing. During 2009 the Company consumed more than 5.044 million cubic metres of water.

Water consumption by the Company during 2009 stood at 5,044,000 cubic metres, down 11% from the corresponding consumption in 2008. Of this total quantity, 92.8% was drawn from groundwater reserves and the rest came from the Public Water Supply Company.

Total water consumption	2009
Water consumption (m <sup>3</sup> )	5.044.000



ALUMINIUM OF GREECE is committed to “the prevention of all hazards of permanent or accidental pollution or other large-scale accidents, and to the development, testing and implementation of procedures for emergency response in extraordinary circumstances”.



## Pollution management and prevention

ALUMINIUM OF GREECE is committed to “the prevention of all hazards of permanent or accidental pollution or other large-scale accidents, and to the development, testing and implementation of procedures for emergency response in extraordinary circumstances”. Additionally, in compliance with the requirements of Directive 2008/1/EC concerning Integrated Pollution Prevention and Control (“IPPC Directive”), the Company is committed to apply Best Available Techniques, as the activities taking place in its facilities are included in the list of the aforementioned Directive.

The Company’s actions in this specific area include the following:

- Management of infrastructures - Best Available Techniques (electric filters, sack filters, primary processing of industrial waste, biological treatment of industrial wastewater, safety oil basins, sewerage oil traps, measurement devices for tank contents, measurement devices for waste quality, waterproof waste disposal areas, transport specifications etc.), in application of the requirements of the Approval Decision regarding the Environmental Terms of the plant.
- Monthly monitoring of emissions (with timely implementation of corrective actions), in order to ensure that the annual carbon dioxide emissions are below the level allocated by the law.
- Carbon dioxide equivalent: Microprocessor-driven adjustment of the operation of each electrolysis basin, with provision for instructing the automated response of the basin to stop the production of PFCs or otherwise the progress of the anodic effect (accident status).
- Recording as environmental incident of any loss-leakage of material, non-isolated intermediate product or even pollutant from point and diffused sources. All similar incidents are analysed thoroughly, prevention measures are decided and a relevant action plan is developed.

- Pre-emptive consideration of scenarios involving incidents to be addressed. At the level of scenarios and through the Safety Study (in accordance with the requirements of the SEVESO II Directive), the causes which could lead to potential incidents have been identified (risk assessment) and the necessary measures were taken. In addition, scheduled drills are carried out on the basis of the scenarios, in order to check and improve the existing response plans.
- Critical points are checked through preventive maintenance of the operation and control equipment (critical equipment). In parallel, leakage prevention practices and infrastructures are implemented, such as:
  - Safety basins with adequate capacity around tanks or other storage means for liquid substances (fuel, chemicals, lubricants etc.).
  - Safety basins with adequate capacity for equipment containing lubricants (transformers, capacitors etc.).
  - Maintenance of liquid waste network to drain not only washing effluents or cooling liquids (foreseen activities) but also liquids that result from accidents in the operation of the facilities.
  - Indicative performance measurements regarding fumes suction and the operation of sack filters, and monitoring of their condition over time.
  - Continuous monitoring of the operational characteristics of electric filters (voltage – electric current density).
  - Twin equipment configuration (mechanical and analogue) for measuring the level of contents in the main fuel oil tanks.
  - Annual check by the Non-Destructive Risk Control Department of the Company, of the condition of the flexible pipes used to collect fuel oil and of the metallic pipe used to collect caustic soda in the port facilities, and issue of a fitness certificate which is also addressed to the local Port Police.

- With respect to its readiness to respond to potential sea pollution incidents, the Company has available a broad range of resources for containment and fighting of sea pollution (two floating dams, absorbers, skimming nets, emulsifier spraying pumps etc.). This equipment is inspected annually by the Antikyra Port Police Station. No major or medium gravity incidents took place involving environmental pollution or the leakage of hazardous substances to the environment.

In what concerns the aggregate total of direct and indirect CO<sub>2</sub> emissions for 2009, these stood at 1,354,000 tons, and are broken down as follows

Direct CO <sub>2</sub> emissions	2009
From combustion (tn)	400.000
From processes	255.000
Carbon Dioxide Equivalent (PFCs) (tn)***	34.000
Carbon Dioxide coming under the provisions for Trading Air Pollutants (tn)	80.000

Indirect CO <sub>2</sub> emissions	2009
From electric power consumption (tn)	665.000

\*\*\*Down by 39,000 tn from the respective levels in 2008.

ALUMINIUM OF GREECE took the initiative to secure its supply with high-pressure steam from the new 334 MW natural gas fired Cogeneration Station, a development that led to the abolition of the Company's Energy Section, which had served this purpose until now. In energy terms, this initiative means a reduction of the annual consumption of fuel oil by 150,000 tons. A further positive impact of this decision is the fact that the electric power which the Station also supplies to the national grid, is now used to substitute the power which under the previous conditions would be generated from lignite combustion. On the basis of the data presented in the Environmental Impacts Study for the Station, it is estimated that this will lead to reduced carbon dioxide emissions at the national level.

## Waste disposal

For ALUMINIUM OF GREECE, the management of solid waste is one of the major environmental issues faced by the Company, which is committed to "the control and, to the extent allowed by our technological and financial capabilities, the continuous reduction of solid and liquid waste and waste gas, and the improvement of the management of residues through the promotion of recycling or utilisation processes."

The Company's efforts in this area focus on actions to minimise waste production and disposal.

The following practices are followed in order to manage the quantities of waste produced:

- Use of network of collection means (with suitable signage and numbering) that covers all installations within the Company's plant facility.

- Training and updating personnel on the methods of use and collection points by category of waste.
- Weighing of waste and utilisation of quantitative results.
- Optimisation of the operation of industrial installations in order to reduce the leakage of materials that are regarded as waste (bauxite grinding mills etc.).
- Removal of waste quantities for utilisation or recycling (through third parties). For the quantities for which utilisation is not possible, ALUMINIUM OF GREECE operates premises for the permanent disposal of waste (hazardous, inert and non-hazardous) in the Ag. Athanasios area. These premises serve as the plant's Landfills for separated Disposal of Hazardous and Non-Hazardous Waste, and are operated in accordance with the licensing acts of the Sterea Regional Administration and the Viotia Prefectural Administration, respectively.

With respect to managing bauxite residues, the Company has launched the following actions, most of which have been completed:

- Permanent discontinuation of the discharge of bauxite residues to the sea from 2010 onwards.
- Installation by the end of 2001 of three dehydration facilities (two of which have already been installed and are in operation).
- Research on the possibilities for using this material in a variety of applications, such as cement production, road works and roof-tile and brick production, and as a component for soil enrichment and improvement (the list refers to completed research carried out in collaboration with Greek Universities).
- Activities to attract interest from new users, as the current trend is to declassify this material from the "waste" category and designate it as a "by-product" of the process for producing bauxite from alumina.

WASTE DISPOSAL IN LANDFILLS*	2009
Permanent disposal of hazardous waste (t)	12.662
Permanent disposal of non-hazardous waste (t)	7.920

\* Waste is collected and removed in accordance with the laws in force on disposal by type of waste. The quantity of each type of waste is checked by weighing outgoing waste.

WASTE UTILISATION	2009
Bauxite residues (t)	37.400
Non-productive decalcification (t)	40.000
Cathode electrodes (t)	286
Furnace skimmings (t)	3.020
Iron & steel scrap (t)	1.055
Paper (t)	6

WASTE RECYCLING	2009
Aluminium (t)	22
Oil (t)	123
Batteries (t)	3
Firebricks (t)	910

## Environmental expenditure

ALUMINIUM OF GREECE is committed to "the adherence of legal requirements and of the agreements and commitments that it has undertaken voluntarily". The Company's policy in this area is to secure the annual funds that will allow it to implement its policies on the protection of the environment and ensure the desired performance of all actions under them.

The priorities for allocating the environmental expenditure are determined by the Company's top Management, taking into account the key reference points for evaluating environmental performance and impact, such as the requirements resulting from all legal provisions governing the activities of the Company's plant and the requirements of the licensing decisions and opinions issued by the competent public authorities. The environmental expenditures listed below serve as indicative examples of the Company's activities in this area:

The Company's policy in this area is to secure the annual funds that will allow it to implement its policies on the protection of the environment and ensure the desired performance of all actions under them.



With respect to controlling air pollution:

- Purchase/installation/operation of continuously operated dust counting and analysis devices in six chimneys (control of waste gas).
- Purchase/installation/operation of an air quality measurement station in the Osios Loukas area.

With respect to managing solid waste:

- Installation of two units for dehydration of bauxite residues.
- Configuration of the area used for the disposal of bauxite residues.
- Rehabilitation of the area used for the disposal of inert and non-hazardous waste.
- Construction of area for the disposal of inert waste.
- Extension of the area used for the disposal of hazardous waste and gradual rehabilitation of the Landfill for Disposal of Hazardous Waste.
- Removal of equipment containing PCBs (delivery to third parties for destruction).

With respect to preventing industrial hazards:

- Implementation of the investments and technical interventions recommended by experts on industrial hazards.
- Continuation of the operation of a Non-Destructive Test Department to assess the condition of critical equipment and take timely preventive action.
- Construction and maintenance of infrastructures (e.g. safety tank for collecting liquid waste with PH > 9.5), to eliminate all likelihood of soil and/or sea pollution.
- Contracts with waste removal contractors.

The Company's total environmental expenditure for 2009 stood at €5,645,000 and is broken down as follows:

Environmental expenditure 2009 (€)	2009
Processing of gas emissions	2.928.000
R&D and Additional expenditure for installing "clean" technologies	1.165.000
Waste treatment and discharge	902.000
Personnel for general Environmental Management activities	510.000
Outsourced Environmental Management services	128.000
Independent certification of Environmental Management Systems	12.000



## 09.1.5 Society

ALUMINIUM OF GREECE is an integral part of society and has been demonstrating this in practice through its long-standing support of efforts to meet basic social needs, expressed by the provision of financial or technical assistance or the supply of materials and equipment. With a multifaceted social presence that ranges from caring for the family life of its people to supporting the local community and society-at-large, the Company focuses on local particularities and chooses to adopt actions that contribute to social cohesion.

ALUMINIUM OF GREECE is fully committed to its compliance with the applicable laws across all its business activity sectors, as shown . As proof of its successful record in this area, during 2009 no fines were imposed on the Group for non-compliance with the applicable laws and regulations .

ALUMINIUM OF GREECE is an integral part of society and has been demonstrating this in practice through its long-standing support of efforts to meet basic social needs, expressed by the provision of financial or technical assistance or the supply of materials and equipment.

### Support of the local community

As a responsible corporate citizen, ALUMINIUM OF GREECE acknowledges its role and its commitment to supporting the cultural, sporting and social life of the local community whose member it has been for the last 50 years. More specifically, in addition to contributing to economic development, the Company is also committed to assisting all initiatives aimed at addressing local social problems. The Company's social contribution during 2009 stood at €267,600 and included the following key actions:

Activity area	Actions	Total expenditure in 2009
Employees	Financial assistance to the Employees Union.	128.000 €
Sports	Sports Financial assistance to meet the needs of local sports clubs.	53.500 €
Local Government	Financial assistance to meet the needs of local communities.	52.500 €
Culture	Financial assistance of local culture societies.	13.200 €
Entrepreneurship	Sponsorship of a business conference.	10.000 €
Volunteer organisations	Financial assistance to meet the needs of volunteer societies and organisations, local school parents' associations and national institutions.	8.400 €
Education	Financial assistance to scholarship fund.	2.000 €

## 09.1.6 Market

The policy of ALUMINIUM OF GREECE is to avoid all unfair associations with potential competitors which may lead to price fixing, concerted submissions to tenders, creation of market or production restrictions, allocation of clients and any other action or practice leading to anti-competitive behaviour. To this end, the provision of information on the latest developments in the legislation and the application of proven practices regarding especially "below-the-line" promotion of the Company's products, as well as the corporate sponsoring policy of the Company are implemented in such a way as to ensure the Company's commitment to responsible marketing and responsible communication in general and its compliance with these principles.

### Health & Safety of products

ALUMINIUM OF GREECE is committed to ensuring the ongoing satisfaction of the needs and expectations of its clients, by providing them with products (alumina and primary cast aluminium) and associated services that meet quality requirements. To achieve this goal, the Company is managing proactively the processes and resources related to the quality of products and services and seeks to exploit all opportunities for improving its performance<sup>1</sup> in this particular area.

To this end, the Company takes the necessary steps to secure the ISO 9001 Quality Certificate, while its quality control laboratory has been accredited by Hellenic Accreditation System S.A. (ESYD S.A.) in accordance with the requirements of the ISO 17025:2005 International Standard, for the chemical analysis of bauxite, alumina (both hydrated and anhydrous), and aluminium and its alloys. This accreditation concerns the Quality Management System of the Laboratory and the technical skills and adequacy of the Laboratory for carrying out tests in the areas for which it has been accredited. As a result of the above, no incidents have been reported in the Company and, consequently, no substantial fines have been imposed for non-compliance with the laws and regulations on the use, health and safety of its products and services.

<sup>1</sup>The impact of the Company's primary products on health and safety are related to the end use of the secondary products to be produced by its manufacturing clients. Therefore, requirements are expressed in terms of the specifications imposed by these clients. The Company's stated policy allowing these requirements to be met is its quality policy.

### Management of local suppliers

For ALUMINIUM OF GREECE, the term "local supplier" refers to the Company's suppliers and associates who are located in the geographical region within which the Company exercises its business activity and which, depending on the Company's needs, gradually extends to the entire Greek territory.

The policy of ALUMINIUM OF GREECE is to source all its supplies from the Greek market to the extent that this is possible, by ensuring that the procedures and practices applied in the selection of its suppliers are characterised by transparency and meritocracy. The criteria that the Company uses to select its suppliers include product quality, customer service, pricing policy and the overall market status of each associate.

A multitude of spare parts, including machine-processed, cast iron and cast steel spares and components, as well as elastic products, are manufactured in Greece to meet the needs of the Company.

# «ALUMINIUM OF GREECE S.A.»: GRI Performance Summary

GRI Code	Description	Reported	Page
<b>Organisational Profile</b>			
2.1	Name of the organisation	Full coverage	51
2.2	Primary brands, products and/or services	Full coverage	51
2.3	Operational structure of the organisation	Full coverage	52
2.4	Location of organisation's headquarters	Full coverage	7
2.5	Number of countries where the organisation operates	Full coverage	51
2.6	Nature of ownership and legal form	Full coverage	9
2.7	Markets served	Full coverage	51
2.8	Scale of the reporting organisation	Full coverage	51
2.9	Significant changes regarding size, structure or ownership	None	
2.10	Awards received in the reporting period	None	
<b>Governance, Commitments &amp; Engagement</b>			
4.1	Governance structure of the organisation, including committees under the highest governance body responsive for specific tasks, such as setting strategy or organisational oversight	Full coverage	52-53
4.2	Role and responsibilities of the Chairman of the Board of Directors	Full coverage	53
4.3	Independent and/or non-executive members of the Board of Directors	Partial coverage	52
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	None	
<b>Stakeholder Engagement</b>			
4.14	List of stakeholder groups engages by the organisation	Full coverage	29
4.15	Basis for identification and selection of stakeholders with whom to engage	Full coverage	28
<b>Economic Performance</b>			
EC1 (C)	Direct economic value	Full coverage	51
EC6 (C)	EC6 (C) Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation	Full coverage	66
EC7 (C)	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Full coverage	54
<b>Environmental Performance</b>			
EN3 (C)	Direct energy consumption by primary energy source	Partial coverage	59
EN4 (C)	Indirect energy consumption by primary source	Partial coverage	59
EN5 (Σ)	Energy saved due to conservation and efficiency improvements	Full coverage	59
EN8 (K)	Total water withdrawal by source	Full coverage	60
EN22 (C)	Total weight of waste by type and disposal method	Full coverage	62
EN28 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Full coverage	59
EN30 (A)	Total environmental protection expenditures and investments by type	Full coverage	63
<b>Labour Practices and Decent Work</b>			
LA1 (C)	Total workforce by employment type, employment contract, and region.	Full coverage	53
LA3 (A)	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Full coverage	58
LA6 (A)	Percentage of total workforce represented in formal joint Management–Workers' Health & Safety Committees that help monitor and advise on occupational health and safety programmes	Partial coverage	56
LA7 (C)	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Full coverage	54
LA10 (C)	Average hours of training per year per employee by employee category.	Full coverage	57
LA13 (C)	Composition of governance bodies and breakdown of employees by category according to gender, age group, minority group membership, and other indicators of diversity.	Full coverage	58
<b>Human Rights</b>			
HR4 (C)	Total number of incidents of discrimination and actions taken.	Full coverage	58
HR6 (C)	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Full coverage	53
HR7 (C)	Operations identifying as having significant risk of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	Full coverage	53
<b>Society</b>			
S07 (A)	Total number of legal actions for anti-competitive behaviour, anti-trust and anti-monopoly practices and their outcomes.	No petitions against the Company during 2009	66
S08 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Full coverage	65
<b>Product Responsibility</b>			
PR2 (A)	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their lifecycle, by type of outcomes.	Full coverage	66
PR9 (C)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Full coverage	66

(C): Core Indicator, (A): Additional Indicator



## 09.2 DELPHI-DISTOMON S.A.

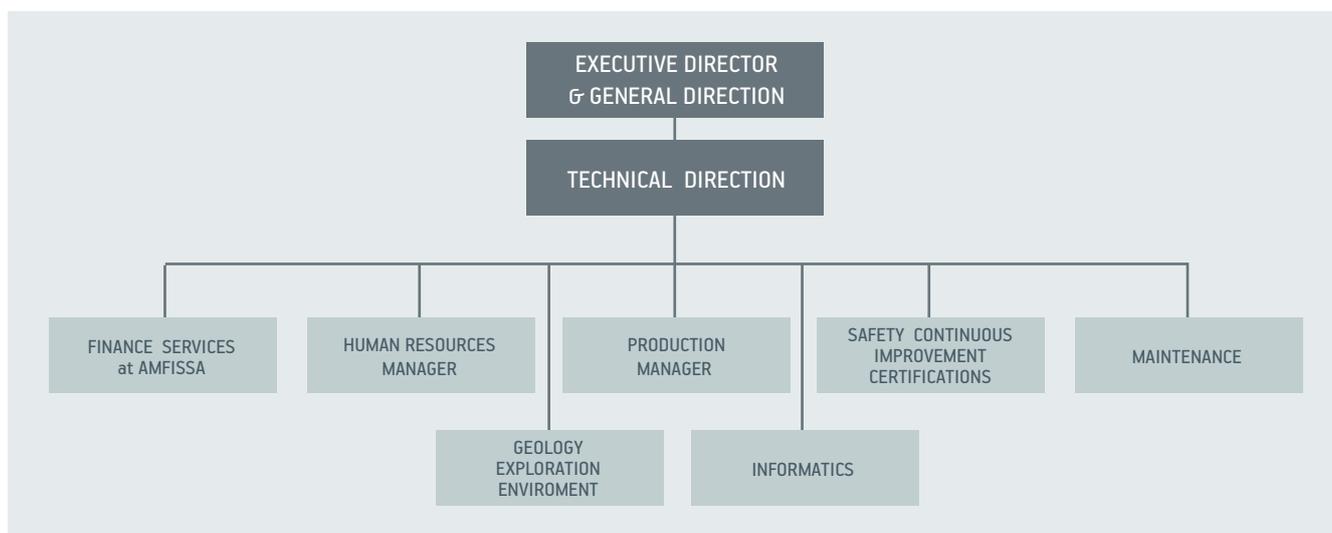
DELPHI-DISTOMON S.A. is the second largest bauxite producer in Greece and in Europe, with an annual output of more than 800,000 tons exclusively from underground sites. These sites are located in the areas of Distomon and Amfissa, while the Company's Technical Department, responsible for supervising production and research, is located in the area of Ano Kounouklia, Eleonas, in the Prefecture of Fokida.

## 09.2.1 Key financial figures

Economic value table 2009 (amounts in €)		
17.261.000 Revenues	15.430.000 Operating costs	3.601.000 Gross profits
1.465.000 Net profits	4.764.000 Employee salaries and benefits	72.000 Payments to Government bodies (taxes)
- Payments to capital providers	2.955.000 New investments	31.850 Investments in local communities
10.361.749 Outlays to local suppliers	DELPHI-DISTOMON S.A. is the second largest bauxite producer in Greece and in Europe.	

## 09.2.2 Governance structure

### Organisational structure



## Composition of the Board of Directors

**Chairman:** Spyridon Kasdas

**Vice-Chairman:** : Ματθαίος Κωνσταντινίδης

**Member:** Dimitrios Bountros

**Member:** Apostolos Mitsovoleas

**Member:** Ioannis Dimou\*

*\*Represents the MYTILINEOS Group in the Company's Board of Directors.*



### Functioning and responsibilities of the Board of Directors

The Board of Directors manages and represents the Company, administers its property and decides on all matters concerning the Company within the scope of the Company's business objects, with the exception of matters which according to the law and to the Articles of Incorporation are the exclusive responsibility of the General Meeting of the Shareholders or have already been decided on by the Meeting in conformity with the law.

In discharging all its duties and responsibilities the Board of Directors acts collectively, but may also delegate, pursuant to a relevant Board decision, the representation of the Company and such tasks, duties or rights –other than those requiring collective action– in their entirety or in part, in connection with a specific action or for a specific region, to one or more of its members or to third persons who are not members of the Board of Directors.

### Role and responsibilities of the Managing Director

The Managing Director is responsible for managing the affairs of the Company. He supervises, directs and guides its Departments and coordinates the activities of Sections in order to facilitate their collaboration for the achievement of the best possible results. He ensures the best possible operation of the Departments and the smooth, orderly and effective operation of the overall Company.

The Board of Directors has delegated to the Managing Director its authority to direct and manage all Company operations and affairs, and to represent the Company and act in a binding capacity for it in its relations with all third parties, including natural or legal persons, in connection with all actions provided for by the law and the Articles of Incorporation and before all Courts of any degree and jurisdiction.

### Mechanisms for representation of employees and shareholders in the Board of Directors

Other than the relevant provisions of Codified Law (C.L.) 2190/1920, no other specific formal procedure exists for representation of the employees and shareholders in the Company's Board of Directors, either under Collective Labour Agreements or Arbitration rulings or agreements.

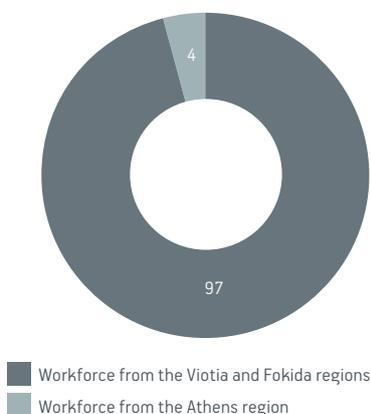
## 09.2.3 Human resources

DELPHI-DISTOMON ensures that its operations comply with the applicable laws on matters regarding the absence of all types of discrimination (on grounds of race, gender, age, personality etc.). The philosophy of the Company is to engage its people in the commitment to respect the fundamental human rights, and to treat all cases of child or forced labour as both unthinkable and unacceptable. During 2009, no incidents involving discrimination against Company employees were reported.

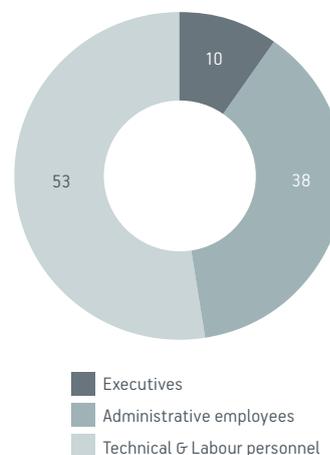
### Workforce

Workforce by type of employment & employment contract	2009
Open-end employment contracts	101
Contractors	122
Full-time employees	101
Fixed-term employment contracts	101

DELPHI-DISTOMON  
Workforce breakdown by geographical region



DELPHI-DISTOMON  
Personnel with open-end employment contracts  
by employment position  
Personnel with open-end employment contracts: 101



The philosophy of the Company is to engage its people in the commitment to respect the fundamental human rights, and to treat all cases of child or forced labour as both unthinkable and unacceptable.

## Recruitment from local communities

As a company active in the Greek periphery, DELPHI-DISTOMON gives top priority to recruiting people from its local community, thus creating jobs and contributing to local development.

Every year, the Company seeks to fill all its job vacancies from the local community, unless the respective requirements involve specialisations that are not available –and, therefore, cannot be sourced– locally.

Company Management Executives* recruited from the local community (%)	2009
Recruitment from the Viotia and Fokida regions	40%

\* The term "Management Executives" includes all middle and senior Management Executives of the Company.

## Occupational Health & Safety

Because of the size and nature of its activity (bauxite mining), Occupational Health & Safety is a key issue in which DELPHI-DISTOMON takes an active interest. The Company gives top priority to ensuring that the conditions in place in all its facilities offer the level of health & safety required for its personnel. Although considerable progress has been made in this area, as demonstrated by the significant reduction of the number of accidents over the last years, the Company remains firmly committed to the continuous improvement of its performance, striving towards the ultimate goal of "ZERO ACCIDENTS AND ZERO OCCUPATIONAL DISEASES".

As a result, the Company is ranked today among the world's top performers in the area of Occupational Health & Safety.

The Company's core commitments are the following:

- The identification and assessment of hazards under normal and, especially, under exceptional conditions of operation, and the adoption of measures to eliminate or mitigate them.
- The compliance with the provisions of the laws on Occupational Health & Safety and with the applicable standards and internal procedures and guidelines.
- The open and transparent communication regarding all Occupational Health & Safety issues.
- The regular measurement and evaluation of the levels of exposure to harmful factors, the systematic efforts to reduce these levels, and the continuous monitoring of the health of employees.
- The consistent and regular inspection of the processes, organisation and guidelines in place, with the aim of ensuring their continuous updating and improvement and the adherence to the regulations, in order to achieve the targets set each time.

The Company's activities in this specific area include:

- Certification by TUV HELLAS of the Company's Health & Safety Management System in accordance with the OHSAS 18001:2007 International Standard.
- Training of all personnel and associates on safety-related issues (three 3-hour seminars were held in 2009).
- Training of our Company's engineers and foremen to act as Internal Auditors under the Health & Safety Management System (16 hours).
- Review of the Occupational Hazards & Risks Written Assessment (in progress).
- Implementation of a system for reporting accident statistics: Each event is recorded on a special accident or incident (near-accident) form, analysed (using the Cause Tree Analysis method), and discussed in the safety meeting held with the participation of Management Executives and Foremen. Accidents are also reported to the South Greece Division of the Greek Inspectorate of Mines, to which regular quarterly incident reports are also submitted.

Occupational Health & Safety data	2009
Total workforce	101
Total contractors	122
Total days worked by workforce	51.549
Total hours worked by workforce	412.072
Total accidents *	1
Total work-related fatalities	0
Total occupational disease cases	0
Total days lost	65
Total absenteeism (days)	296

\* Does not include incidents involving very light injuries.

## Education and training

For DELPHI-DISTOMON, the provision of training to its employees, although mandatory by law, is one of its core commitments. To this end, the Company plans and prepares annual corporate training programmes, delivered during working hours and aimed at meeting the current training needs of all employees and thus help the Company achieve the best possible operation. The principal training method used involves the delivery of training with the physical presence and active involvement of the trainees.

To this end:

- Health & Safety issues are given top priority.
- In-house training is always a priority choice.

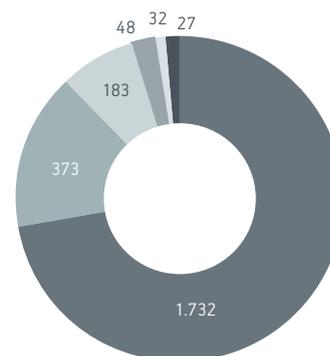
- The Company provides transport for its employees and ensures the availability of training materials and equipment.
- Records of the training activities are kept and used to obtain training statistics.

During 2009, DELPHI-DISTOMON implemented a total of six training programmes with a total duration of 2,395 hours, focused primarily on Health & Safety issues and attended by all Company staff and by the personnel of subcontractors. The training expenditure stood at €18,000, excluding the fees of trainers (Company executives) and the participation cost of trainees (delivery of the training took place during Company working hours).

Trained workforce by employment position	2009
Executives	10
Share of total Executives (%)	100
Administrative employees	38
Share of total Administrative employees (%)	100
Technical and Labour personnel	53
Share of total Technical and Labour personnel (%)	100
Contractors	122
Share of total Contractors (%)	100

Workforce training hours by employment position	2009
Executives (training person-hours)	406
Average training hours per person	40,6
Administrative personnel (training person-hours)	1075
Average training hours per person	28,3
Technical and Labour personnel	462
Average training hours per person	8,7
Contractors (training person-hours)	452
Average training hours per person	3,7

DELPHI-DISTOMON  
Training categories & corresponding training hours 2009



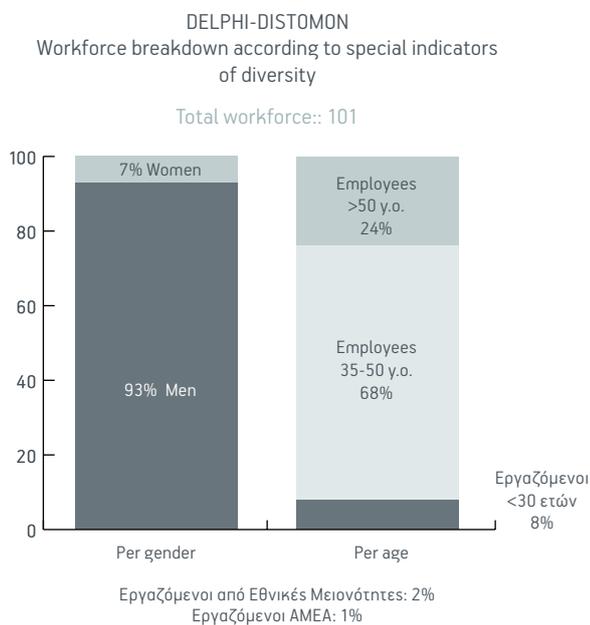
Every year, the Company seeks to fill all its job vacancies from the local community, unless the respective requirements involve specialisations that are not available locally.

## Equal opportunities and diversity

DELPHI-DISTOMON promotes the equitable and impartial treatment of all its employees, irrespective of their gender, age, origin or religion, and the creation of conditions that encourage and respect individuality and ensure dignity at the Company's workplace as well as in the broader local community where the Company is active. In line with the above, the Company guarantees equal opportunities to all its employees, to the extent that its specific activity allows it to do so. For example, activities in underground tunnels require strong physical effort, something that places restrictions on several specialisations.

The Company's actions in this area include:

- Women are offered the opportunity to compete for and hold Company positions with extender responsibilities.
- The Company recruits people from minorities and different religions.
- The Company recruits people with a disability.
- Communication (language, writing etc.) is facilitated.
- Employees of different religions are facilitated in the performance of their religious duties.



DELPHI-DISTOMON promotes the equitable and impartial treatment of all its employees, irrespective of their gender, age, origin or religion, and the creation of conditions that encourage and respect individuality.

## Voluntary benefits

A key concern of DELPHI-DISTOMON is to provide to all its personnel voluntary benefits over and above the Company's statutory obligations, such as: Life insurance, healthcare and medical insurance, personnel transport, and housing assistance for personnel relocating from other areas.

The purpose of these benefits is to help employees balance their professional and family obligations, recognise their contribution and ensure their long-term association with the Company.

## 09.2.4 Environment

According to the corporate Environmental Policy, as specified by the Company's ISO 14001:2004-certified Environmental Management System, the adherence to and compliance with all regulations and requirements that refer to environmental issues and concern its operations is a core commitment for DELPHI-DISTOMON.

The Company's strict adherence to the applicable laws (operating licenses, approved Environmental Terms etc.), its implementation

of an environmental legislation revision and updating procedure, and its application of all relevant rules and regulations on corporate activities, have resulted in the absence of any fines or other sanctions for non-compliance with environmental provisions. Furthermore, in the context of the ad hoc checks and inspections conducted by the Environmental Inspectors Service, no remarks were made and no violations of environmental rules and regulations were established in the Company.

### Energy consumption

Energy consumption in DELPHI-DISTOMON is due mainly to the purchase and consumption by the Company of secondary power from non-renewable sources and, more specifically, from the consumption of electric power.

Total energy consumption	2009
Indirect energy consumption (electric power) (GJ)	14.849,7
Direct energy consumption (diesel oil for vehicles) (lt)	1.030.040
Direct energy consumption (fuel oil) (lt)	68.354
Direct energy consumption (petrol) (lt)	33.654



### Water consumption

The policy of DELPHI-DISTOMON in this area involves systematic efforts to monitor and improve the efficient use of drinking water. To this end, the activities of the Company focus on minimising the consumption of water resources and on systematic reuse and recycling, to the extent allowed by its operations.

The Company's actions in this area include the following:

- Collection and use of stagnating waters in underground sites..
- Collection and utilisation of storm water.
- Use of water from natural separation in site workshops for irrigating restored areas (measurements in approved laboratories have shown that water is suitable for irrigation)..

The total quantity of water used in Company activities during 2009 stood at 43,261 cubic meters, down 9.71% from 2008, due mainly to the reduced production.

The total quantity of water recycled/reused by the Company was approximately 2,000 m<sup>3</sup>, was obtained through natural separation in site workshops and was used in landscape restoration. As a share of total water consumption, reused water represents 4.65%. The total quantity of water drawn from the Company's drillings and sources stood at 20,852 m<sup>3</sup>.

Total water consumption	2009
Water consumption (m <sup>3</sup> )	43.126

## Waste disposal

The policy of DELPHI-DISTOMON is to improve waste management by dispatching waste to certified waste management contractors and Landfills. Twelve different types of waste are collected at the source and managed by certified contractors. These include paper, plastic, wet cell batteries, dry cell batteries, burnt oils, filters-rags and elastic pipes, iron, aluminium, electronic equipment, old tyres, wood packaging materials, and household waste. From these, only burnt oils and batteries are considered hazardous.

Despite the Company's reduced production compared to 2008, the quantities of waste collected for recycling were increased. This demonstrates the increased sensitisation of the Company's personnel and associates to environmental issues.

Recycling of waste takes place through licensed contractors for each type of waste, as follows:

- Batteries (companies: Recycling of Portable Batteries S.A. [AFIS S.A.], System for Alternative Management of Batteries S.A. [SYDESIS.A.]
- Burnt oils (company: ELTEPE)
- Tyres (company: ECOELASTICA)
- Filters, rags, and elastic pipes (ALUMINIUM OF GREECE Landfill)
- Household waste (disposal in the Uncontrolled Landfill of the Municipality of Amfissa)

Despite the Company's reduced production compared to 2008, the quantities of waste collected for recycling were increased. This demonstrates the increased sensitisation of the Company's personnel and associates to environmental issues.

WASTE RECYCLING	2009
Wet cell batteries (t)	2,56
Dry cell batteries (kg)	79
Burnt oils (t)	10
Paper (t)*	11,6
Household waste (t)	4,4
Plastic (t)*	6,09
Iron & steel scrap (t)*	8,1
Tyres (t)	6
Filters-rags (t)	4

\* Waste materials are collected and removed by a specialised licensed contractor.

## Environmental expenditure

The Company's commitment to the continuous improvement of its environmental performance establishes the framework for the approval of expenditure items aimed at protecting of the environment and focusing on preventing, mitigating, controlling and documenting the Company's environmental activities, impacts and related risks.

The Company's regular actions in this area include the following:

- Budgeting and approval by the Management of expenditure items at the drafting stage of the annual budget.

- Expenditure for landscape restoration
- Expenditure for waste management.
- Expenditure for improvements to the Company's Environmental Management System.

The Company's total approved environmental expenditure in 2009 stood at €290,000, broken down as follows:

Environmental expenditure (€)	2009
Landscape restoration (€)	255.000
Waste management (€)	20.000
Environmental Management System improvements (€)	15.000

## 09.2.5 Society

To DELPHI-DISTOMON, compliance with the law is a core value. Although the Company understands this as its minimum obligation, it adopts and follows a policy that allows it to function in a way which ensures that all industrial viability issues (environment, health & safety etc.) in connection with its particular activity sector are fully consistent with the latest provisions of the laws and even surpass them, in the cases where the Company has adopted stricter standards.

In order to meet the requirements of the law, the Company takes initiatives such as subscription to legal journals and databanks, and has permanent collaborations with legal advisers. Furthermore it fosters a culture that promotes compliance and prevents the infringement of the provisions in force, by establishing incident response policies in the sites and checking the adherence to them. As a result, during 2009 no fines were imposed on the Company for non-compliance with the applicable laws and regulations.

### Support of the local community

The policy of DELPHI-DISTOMON as a corporate citizen is to remain steadily oriented to acknowledging, assessing and satisfying the needs of its local community, thus strengthening its social role and the continuation and support of local development.

The Company's regular actions in this area have led to the development of good relationships with the Local Authorities, have helped reduce substantially any objections expressed by local bodies in connection with environmental and employment issues, and have promoted the Company's good corporate reputation.

These actions include the following:

- Close collaboration with Local Authorities of the First and Second Degree. Indicative Company actions in this area include the donation of water tanks and water wagons for use in forest fire protection activities, the construction of fencing for municipal

sports facilities, the opening, maintenance and cleaning of rural and forest roads, and the donation of inert materials.

- Financial assistance to Local Districts.
- Provision of equipment and materials in response to corresponding requests, after evaluation (such as earthworks machinery and snowploughs in response to relevant requests from local bodies, depending on their needs).
- Provision of know-how in the form of specialised maps to local Technical Departments or design firms carrying out related studies/designs.
- Honesty and openness in the provision of corporate data to local Media and organisations and to all other social bodies upon request.
- Involvement in seeking solutions to local problems and in matters of local interest.

The policy of DELPHI-DISTOMON as a corporate citizen is to remain steadily oriented to acknowledging, assessing and satisfying the needs of its local community.

Activity area	Actions	Total expenditure in 2009
Local Government	Providing for the needs of local bodies	18.150 €
Sports	Financial assistance to local sports clubs	7.700 €
Education	Financial assistance to educational bodies	2.500 €
Volunteer societies and organisations	Financial assistance	3.500 €



## 09.2.6 Market

### Management of local suppliers

The policy of DELPHI-DISTOMON is to ensure practices and procedures characterised by transparency and meritocracy in the selection of all its suppliers, and to integrate its local suppliers (contractors) into its corporate systems and values.

The Company has 150 permanent associates (suppliers and contractors) who are actively involved in the implementation of the Company's plans and the achievement of its goals, as the detailed annual production plan is implemented for the most part by subcontractor teams. The Company seeks to foster a climate of cooperation and trust, promoting team spirit and helping the development of environmental awareness through training, inspections and penalties in cases of violations.

The Company's regular actions in this area include the following:

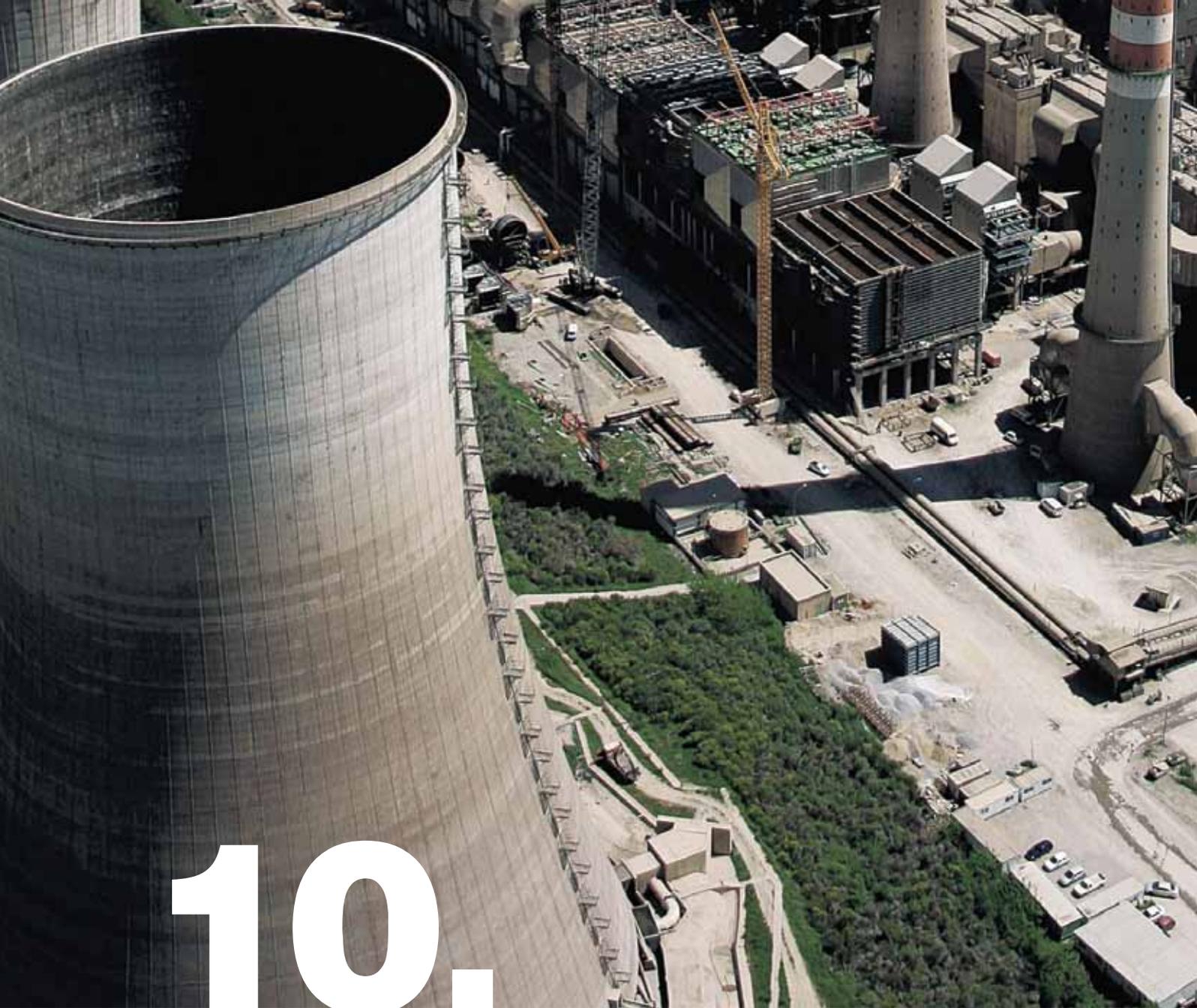
- Regular training of contractors (for a token fee).

- Provision of Personal Protective Equipment (at a charge).
- Possibility for medical exams (for a token fee)
- Organisation of social events to strengthen relationships.
- Application of a procedure promoting permanent associations. The competent Supervisor submits to the Management a documented recommendation proposing the continuation or suspension of the Company's association with each contractor or supplier.

The Company considers as its local suppliers and associates all providers of materials, products and services who come from the regions of Viotia and Fokida. Outlays to suppliers from these two regions account for 62% of the Company's total purchases budget. The factors affecting the Company's selection of suppliers, in addition to geographical location, are: (a) the cost, and (b) the social acceptability of the mining activity.

# DELPHI-DISTOMON S.A.: GRI Performance Summary

GRI Code	Description	Reported	Page
<b>Organisational Profile</b>			
2.1	Name of the organisation	Full coverage	68
2.2	Primary brands, products and/or services	Full coverage	68
2.3	Operational structure of the organisation	Full coverage	69
2.4	Location of organisation's headquarters	Full coverage	9
2.5	Number of countries where the organisation operates	Full coverage	7
2.6	Nature of ownership and legal form	Full coverage	9
2.7	Markets served	Full coverage	68
2.8	Scale of the reporting organisation	Full coverage	69
2.9	Significant changes regarding size, structure or ownership	None	
2.10	Awards received in the reporting period	None	
<b>Governance, Commitments &amp; Engagement</b>			
4.1	Governance structure of the organisation, including committees under the highest governance body responsive for specific tasks, such as setting strategy or organisational oversight	Full coverage, No committees exist	69-70
4.2	Role and responsibilities of the Chairman of the Board of Directors	Full coverage	70
4.3	Independent and/or non-executive members of the Board of Directors	Partial coverage	70
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	None	
<b>Stakeholder Engagement</b>			
4.14	List of stakeholder groups engages by the organisation	Full coverage	29
4.15	Basis for identification and selection of stakeholders with whom to engage	Full coverage	28
<b>Economic Performance</b>			
EC1 (C)	Direct economic value	Full coverage	69
EC6 (C)	EC6 (C) Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation	Full coverage	78
EC7 (C)	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Full coverage	72
EC8 (C)	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement	Partial coverage	77
<b>Environmental Performance</b>			
EN3 (C)	Direct energy consumption by primary energy source	Partial coverage	75
EN4 (C)	Indirect energy consumption by primary source	Partial coverage	75
EN8 (C)	Total water withdrawal by source	Full coverage	75
EN10 (C)	Percentage and total volume of water recycled and reused	Full coverage	75
EN22 (C)	Total weight of waste by type and disposal method	Full coverage	76
EN28 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Full coverage	75
EN30 (A)	Total environmental protection expenditures and investments by type	Full coverage	76
<b>Labour Practices and Decent Work</b>			
LA1 (C)	Total workforce by employment type, employment contract, and region.	Full coverage	71
LA3 (A)	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Full coverage	74
LA7 (C)	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Full coverage	72
LA10 (C)	Average hours of training per year per employee by employee category.	Full coverage	73
LA13 (C)	Composition of governance bodies and breakdown of employees by category according to gender, age group, minority group membership, and other indicators of diversity.	Full coverage	74
<b>Human Rights</b>			
HR4 (C)	Total number of incidents of discrimination and actions taken.	Full coverage	71
HR6 (C)	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Full coverage	71
HR7 (C)	Operations identifying as having significant risk of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	Full coverage	71
<b>Society</b>			
S07 (C)	Total number of legal actions for anti-competitive behaviour, anti-trust and anti-monopoly practices and their outcomes.	No petitions against the Company during 2009	
S08 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Full coverage	77
<b>Product Responsibility</b>			
PR9 (C)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	No fines imposed during 2009	



# 10.

## EPC Projects Sector

### METKA S.A.

In the sector of large-scale energy and environmental projects, infrastructure works and defence equipment manufacturing, the MYTILINEOS Group is active through METKA S.A.

The Company's strategy in the above sectors has the following key goals:

- To maintain its leading role in SE Europe, further expanding its activities abroad.
- To utilize the significant industrial know-how and infrastructure developed during the past years in the Company's industrial facilities.
- To invest on the continuous training of its highly specialised scientific personnel.

METKA was established in 1962 in Nea Ionia, Volos, and the operation of its plant was launched in 1964. Today its headquarters are located in Athens, and METKA has evolved into the leading EPC contractor in Greece and one of Europe's most highly specialised EOC contractors. The Company's industrial production is structured in a way that enables it to respond successfully to highly demanding technology-driven Energy, Defence and Infrastructure applications, thus reflecting the Group's capability and stated goal to exploit synergies between its subsidiaries.

In the Energy sector, METKA specialises in delivering complete power generation plants and implements turn-key projects involving the complete range of Engineering, Procurement and Construction ("EPC") activities for combined-cycle as well as conventional thermal and hydropower plants. The diversification and expansion of the Company's list of clients, together with its strong international orientation, are the solid foundations that ensure its further growth.

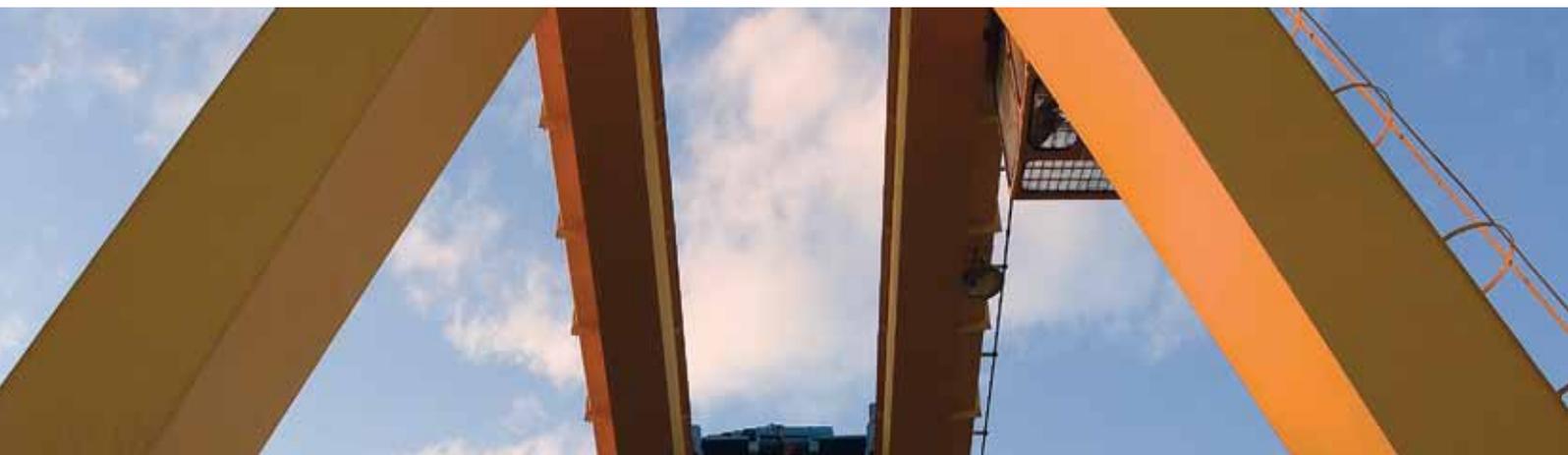
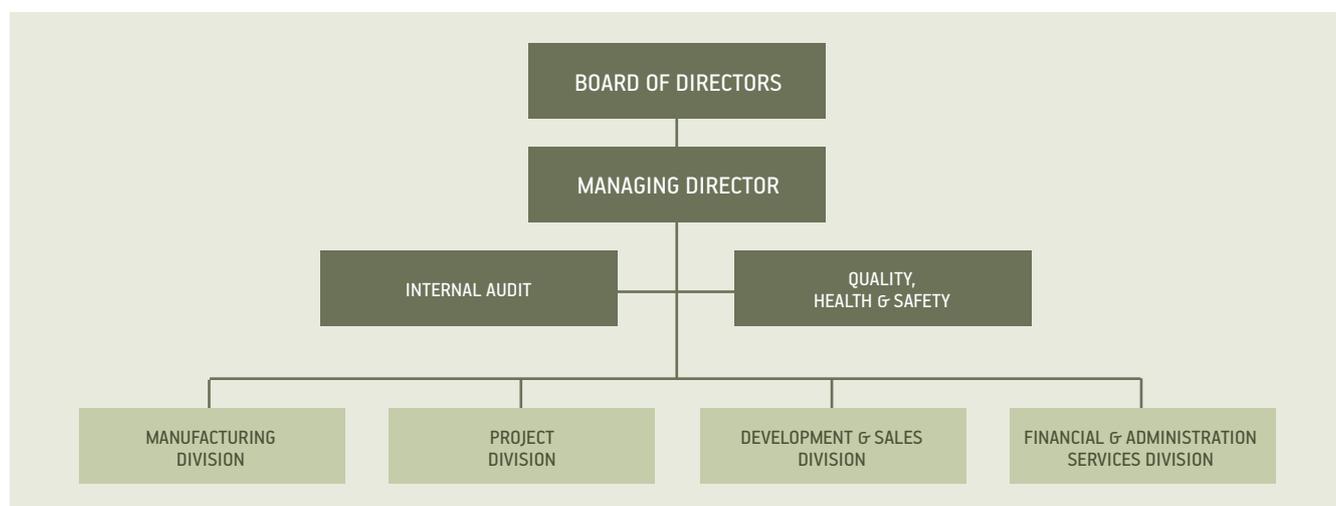
The Company's largest plant is located in Volos and covers an area of 80,000 m<sup>2</sup>, of which 25,000 m<sup>2</sup> are covered spaces. Through its subsidiaries, METKA is also operating plants in various locations across Greece (Volos, Thessaloniki, Kavala etc.) with a total area 141,290 m<sup>2</sup>.

## 10.1 Key financial figures

Economic value table (€) 2009		
339.390.008 Revenues	283.596.277 Operating costs	78.076.798 Gross profits
35.235.574 Net profits	19.723.882 Employee salaries and benefits	4.861.228 Payments to Government bodies (taxes)
21.897.327 Payments to capital providers	2.589.740 New investments	161.950 Investments in local communities
98.410.900 Outlays to local suppliers	The diversification and expansion of the Company's list of clients, together with its strong international orientation, are the solid foundations that ensure its further growth.	

# 10.2 Governance structure

## Organisational structure



## Composition of the Board of Directors

Composition of the Board of Directors, as elected by the Extraordinary General Meeting and formed on 30.5.2008 and as formed again on 10.07.2009:

Title	Name	Executive / Non-Executive Members	Independent Members
Chairman & Managing Director	Ioannis Mytilineos	Executive	
Vice-Chairman	George Pallas	Non-Executive	
Member	George Ikonomou	Executive	
Member	Filippos Zotos	Executive	
Member	Panagiotis Gardelinos	Executive	
Member	Iosif Avagianos	Non-Executive	Independent
Member	Nikolaos Bakirtzoglou	Non-Executive	Independent

## Functioning and responsibilities of the Board of Directors and of its Members

The Board of Directors has been established and is acting in compliance with the provisions of the law and of the Company's Articles of Incorporation. The responsibilities of its executive members are specified and described in detail in the relevant Minutes of the Board. Non-executive members are charged with supervising corporate activities. They are selected among established professionals from the business and academic community with experience of operations in Greece and abroad.

The Board of Directors has the following key responsibilities:

- To formulate strategic directions, including the sale or otherwise disposal of Company shares, the acquisition of any business or the recommendation for a merger of the Company with another business.
- To manage the Company's property and to represent the Company before the Courts and in out-of-Court arrangements.

## Role and responsibilities of the Managing Director

The Managing Director reports to the Board of Directors of the Company. He guides strategic choices and approves the key Company and Group decisions. He is responsible for ensuring the smooth, orderly and effective operation of the Company in accordance with the strategic goals, the business plans and the action plan, as these are specified by the resolutions of the Board of Directors and of the General Meeting of the Company's Shareholders.

He heads all Company Divisions and is responsible, inter alia, for the following::

- Strategic decision-making in connection with the development/ approval of business strategies and the recommendation/approval of large investments.
- Determination of the Company's organisational plans.
- Ensuring the implementation of Company decisions and providing the Board of Directors with information updates on Company-related matters.
- Decision-making or participation in the respective decision-making process in connection with business decisions of major

- To draft the Company's annual budget and business plan, to set and achieve profitability targets, to monitor the Company's progress and to control large capital expenditure items.
- To ensure full and effective internal controls across all Company activities.
- To monitor the effectiveness of the corporate governance principles that form the basis for the Company's operations, and to introduce changes where if required.
- To monitor and settle instances of conflict of interest, if any, between the Management, the Members of the Board of Directors and the shareholders, including cases involving mismanagement of corporate property and abuse in transactions of associated persons.
- To determine the Company's business risk management strategy.
- To select, use and develop the Company's top management team.

importance for the Company (relating to production, purchases, human resources, undertaking of projects etc.).

- Determination of risk management policies, assessment of risks and implementation of measures and procedures to address these effectively.
- Setting of the budget goals, submission of proposals on the annual performance targets, and implementation of the targets of annual budgets.
- Supervision of the Company's financial administration..
- Organisation of performance review meetings.
- Ensuring the procedure for the achievement of targets and results.
- Recruitment and guidance of the Company's top executives.
- Formulation/definition of guidelines for performance evaluation, promotions and development of executives, and for the corresponding system of rewards.

## Mechanisms for representation of employees and shareholders in the Board of Directors

Other than the relevant provisions of Codified Law (C.L.) 2190/1920, no other specific formal procedure exists for representation of the employees and shareholders in the Company's Board of Directors, either under Collective Labour Agreements or Arbitration rulings or agreements.

METKA has been systematically investing in the establishment of a flexible and effective framework for the management of its human resources, with the aim of providing professional and personal satisfaction and development to its people.

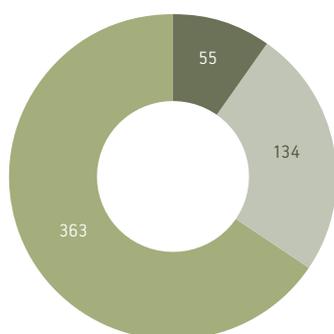
# 10.3 Human resources

METKA has been systematically investing in the establishment of a flexible and effective framework for the management of its human resources, with the aim of providing professional and personal satisfaction and development to its people. Recognising its human resources as the key driver of its continuous evolution and growth, the Company ensures that its human resources management policy is consistent and aligned with the principles and values of the MYTILINEOS Group. For METKA, the respect of the rights and of the dignity of employees is a core commitment, and as such rules out all likelihood of forced or child labour in all its activity sectors.

## Workforce

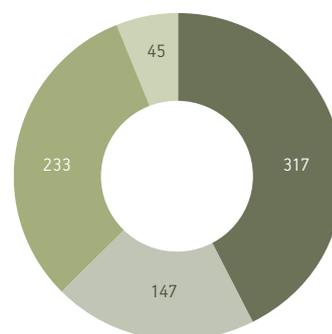
Workforce by type of employment & employment contract	2009
Total workforce	755
Full-time employees	755
Open-end employment contracts	552
Fixed-term employment contracts	2
Work contracts	201

METKA  
Personnel with open-end employment contract  
by employment position  
Personnel with open-end employment contracts: 552



- Executives
- Administrative employees
- Technical & Labour personnel

METKA  
Workforce breakdown by geographical region



- Workforce from the Attica region
- Workforce from the Thessaloniki region
- Workforce from the Volos region
- Workforce from the Kavala region

## Recruitment from local communities

As a company located and operating in the Greek periphery, METKA strives to ensure that the largest part of its planned recruitment is sourced from the local communities where the Company is present, thus strengthening its presence as a corporate employer with close ties to the local population.

Management Executives* from the local community at the key Company locations.	2009
Recruitment from the Attica region	100%
Recruitment from the Thessaloniki region	100%
Recruitment from the Volos region	100%
Recruitment from the Kavala region	100%

\* The term "Management Executives" refers to all middle- and senior-management executives other than the persons sitting in Boards of Directors.



## Occupational Health & Safety

METKA is committed to carrying out all actions required to improve Occupational Health & Safety conditions and the Company's performance in this area, in order to ensure the protection of the life and health of its employees, but also of suppliers, subcontractors, clients and visitors, at the Company's facilities and sites, in accordance with the provisions of the applicable Greek and Community laws.

The following are core elements of the Company's policy on Occupational Health & Safety:

- Identification of hazards and adoption of the necessary measures to contain them.
- Development of preventive action plans and of plans to improve work conditions.
- Maintenance and monitoring of the safe operation of resources and facilities.
- Compliance with the provisions of the laws and with the applicable standards and internal guidelines.

- Open and transparent communication regarding all Health & Safety issues, and provision of continuous appropriate Health & Safety training.
- Regular inspection of the processes, organisation and procedures in place, to ensure adherence to the regulations and the achievement of targets.

For METKA, the ultimate goal is for all operations to be carried out under optimal quality and time requirements and without any accident or incident that could be detrimental to human health.

The Company's strategy for mitigating the hazardousness of its activities relies on the prevention of hazardous situations from arising, on the identification and prompt elimination of such hazardous situations, on the avoidance of undesirable events from occurring while a hazardous situation persists, and on containing the loss and damage created by undesirable events.

The Company's regular actions in this specific area include the following:

1. Commitment to the application of the principles of the OHSAS 18001:2007 Occupational Health & Safety Management System.
2. Development of a "HSE Manual" laying down for implementation a specific framework of Occupational Health & Safety guidelines for every project undertaken by the Company. In connection with this point, the key elements of the "HSE Manual" are the following:
  - **Design:** This procedure involves a number of actions, including the identification of the hazards and risks related to all types of work, the definition of the obligations of personnel, the setting of targets etc.
  - **Risk Assessment:** This is a structured procedure for identifying and specifying all types of risk in every Company project, together with the respective safety measures required in order to eliminate or isolate or minimise these risks.
  - **Implementation of Controls:** Refers to a procedure for implementation of specific controls (administrative, engineering or combined) which essentially will facilitate the implementation of the Occupational Health & Safety policy of every Company project.
  - **Application and Operation:** Involves the definition of the Company's responsibilities in terms of Occupational Health & Safety, in its capacity as main contractor of the projects it undertakes, accompanied by the definition of the respective responsibilities of subcontractors, the appointment of a Safety Coordinator with specific authorities for the area where the project is implemented, and the preparation of plans to respond to unforeseen situations or emergencies which may arise during the implementation of the project.
  - **Accident Control:** Refers to the procedure for recording and dealing with accidents or incidents which may occur during the project carried out by the Company.
3. Regular training of the personnel involved in the implementation of every Company project, as well as of visitors, on Health & Safety issues. Where unforeseen or new hazards and risks arise in connection with a particular task, all employees are promptly informed about the necessary protective measures.
4. Effective internal communication, ensuring the secure and timely flow of information about Occupational Health & Safety matters across the entire Company.
5. Conduct of inspections on a series of matters related to Occupational Health & Safety. These inspections function as an effective means to identify and address problems or increased occupational hazards and risks before any accident occurs.
6. Results assessment procedures and actions for introducing further improvements, seeking to prevent effectively all conditions that could jeopardise Health & Safety at the Company's work premises but also in the corresponding project sites.

Occupational Health & Safety data	2009
Total workforce	755
Total days worked by workforce	186.657
Total hours worked by workforce	1.383.150
Total accidents	15
Total work-related fatalities	0
Total occupational disease cases	1
Total days lost	132
Total absenteeism (days)	774

METKA is committed to carrying out all actions required to improve Occupational Health & Safety conditions and the Company's performance in this area, in order to ensure the protection of the life and health of its employees, but also of suppliers, subcontractors, clients and visitors, at the Company's facilities and sites.

## Education and training

For METKA, the policy on the education and training of its people aims to ensure that they are able to meet in the best possible way the challenges in the Company's modern work environment while also developing their personal skills. Training needs are approved by the Company's General Management and are derived primarily from the respective evaluation procedures, the extraordinary requirements for staffing sections, and the installation of new technologies. To this end, training needs are grouped by the Company's Human Resources Section using the following criteria: the development of technical or managerial skills, the development of basic or advanced skills, and by category of training.

This grouping aims to help the preparation of the training schedule and the list of participants. The final list and schedule are drawn up by the Human Resources Section in consultation with the Section/ Division Heads. METKA seeks to design training programmes that cover the needs of its employees so that these are able to fulfil their assigned duties. The Company's policy is to provide its employees with training on, inter alia, subjects covered by the Company's Corporate Operations System, such as quality, the environment, and Health & Safety.

The Company's regular activities in this specific area include the following:

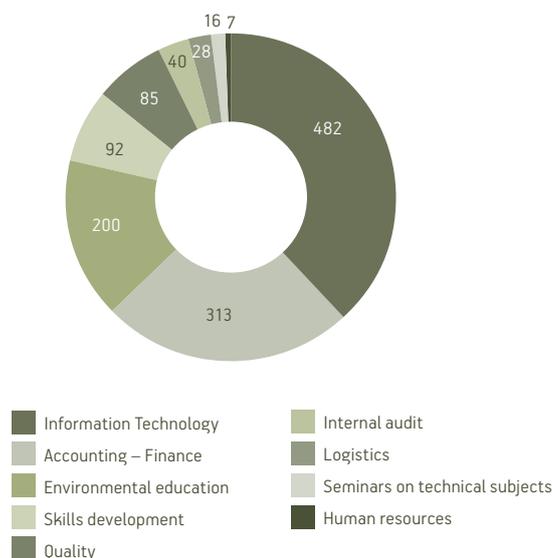
1. Implementation of training seminars by external training organisations, focusing on the continuous training of personnel (administrative employees and management executives) and the development of their skills.
2. Implementation of training seminars for by external technical training organisations , for production personnel.
3. Implementation of in-house training seminars for personnel, delivered by employee trainers.
4. Financial assistance to Company personnel for obtaining postgraduate-level professional qualification titles.
5. Procedure for the evaluation of training results.

During 2009, METKA implemented a total of 32 training programmes with a total duration of 1,263 hours, attended by approximately 22% of its total workforce and external associates. The total cost of the Company's annual training programme stood at €56,662.

Trained workforce with open-end employment contracts by employment position 2009	
Executives	8
Share of total Executives (%)	15
Administrative employees	26
Share of total Administrative employees (%)	19
Technical and Labour personnel	58
Share of total Technical and Labour personnel (%)	16
Employees with work contracts	72
Share of total employees with work contracts (%)	36

Workforce training hours by employment position 2009	
Executives (training person-hours)	187
Average training hours per person	3,5
Administrative personnel (training person-hours)	389
Average training hours per person	2,9
Technical and Labour personnel	304
Average training hours per person	0,83
Employees with work contracts (training person-hours)	374
Average training hours per person	1,9

METKA  
Training categories & corresponding training hours



## Equal opportunities and diversity

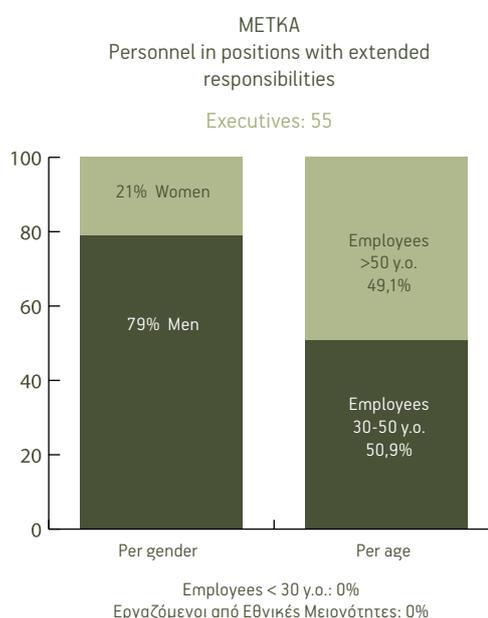
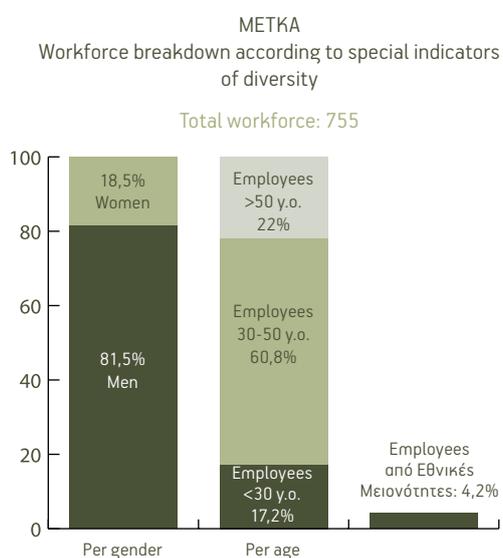
A key priority for METKA is to take initiatives to encourage equal opportunities at all levels (selection, recruitment, advancement and training of personnel), and the provision of a work environment free from all discrimination.

The Company's goal is to ensure that all employees, irrespective of their position in the hierarchy, are treated with dignity, respect and equality regardless of social origin, gender, colour, religion, financial and social status, political beliefs, age, physical disability or sexual orientation.

As a result, no incidents involving discrimination in the Company's work premises have been reported to date.

The Company's regular actions in this specific area include the following:

1. Recruitment of persons of different nationalities and origin.
2. Recruitment of persons irrespective of gender (e.g. women engineers are recruited and work in sites).
3. Recruitment of persons irrespective of age (e.g. selection of young persons with no professional experience record, recruitment of persons over 50).
4. Participation of women in Managerial positions.
5. Equal wages for Men and Women.



## Voluntary benefits

As a large and responsible employer, METKA offers a varied plan of employee benefits and facilitations over and above its strict obligations under the law, with the aim of improving the standard of living of its people and of helping them balance their professional and family obligations and maintain their competitive position in the labour market.

These benefits are adapted depending on the capabilities and level of responsibility of each employee and include, inter alia, group insurance plans, medical and healthcare insurance, reimbursement of petrol used for transport, use of mobile phones, laptops, company cars etc.

A key priority for METKA is to take initiatives to encourage equal opportunities at all levels (selection, recruitment, advancement and training of personnel), and the provision of a work environment free from all discrimination.



## 10.4 Environment

According to the corporate Environmental Policy, as specified by the Company's ISO 14001:2004-certified Environmental Management System, the adherence to and compliance with all regulations and requirements that refer to environmental issues and concern its operations is a core commitment for METKA.

The Company's strict compliance with the applicable laws (operating licenses, approved Environmental Terms etc.), its implementation of an environmental legislation revision and updating procedure, and its application of all relevant rules and regulations on corporate activities, have resulted in the absence of any fines or other sanctions for non-compliance with environmental regulations.

### Energy consumption

According to the Company's Environmental Policy, its efforts in this area focus on taking significant initiatives aimed at the rational management of energy consumption.

The Company's regular activities in this area include the following:

1. Replacement of plant-workshop floors with translucent panels to increase natural light and reduce the usage periods of light bulbs.
2. Replacement of incandescent light bulbs with fluorescent lamps for reducing energy consumption.
3. Replacement of company cars every three or four years with new vehicles with anti-polluting technology and low fuel consumption.
4. Continuous regular maintenance of the Group's vehicles and machinery.
5. Placement of reflective membranes on the window panes of the Company's main building, to reduce the use of air conditioning during the summer months.
6. Replacement of the cladding of the Company's main building with special insulating material to reduce heat loss.

7. Programme for the replacement of Plant Equipment with newer technology, reduced consumption modern equipment.
8. Use of software applications for correspondence and electronic exchange of documents, reducing printouts and photocopies.
9. Use of "energy saver" technology photocopiers and other machines.
10. Replacement of fuel oil with natural gas for heating, as natural gas is more environment-friendly.
11. Use of re-filling services for ink containers and toner cartridges.
12. Collaboration with companies and suppliers which have in place an environmental policy or implement related programmes.
13. Selection, during the design stage, of recyclable materials in the projects that METKA carries out as EPC Contractor.

Total energy consumption	2009
Indirect energy consumption (electric power) (GJ)	18.056
Direct energy consumption (natural gas) (GJ)	18.370
Direct energy consumption (diesel) (GJ)	1.641

*The use of petrol or natural gas concerns only heating/transport and not production activities.*

## Water consumption

According to the Company's Environmental Policy, its efforts in this area focus on systematic efforts for rational consumption of drinking water. The total quantity of water used by the Company during 2009 and drawn from the public water utilities was reduced by 10.5% compared to the previous year.

For METKA, the continuous supervision and guidance of its personnel in order to reduce water consumption is a standing practice in the Company's operation. Total water consumption per person for 2009 stood at 15.65 m<sup>3</sup>, down 19% from 2008.

Total water consumption	2009
Water consumption (m <sup>3</sup> )	11.391

## Pollution management and prevention

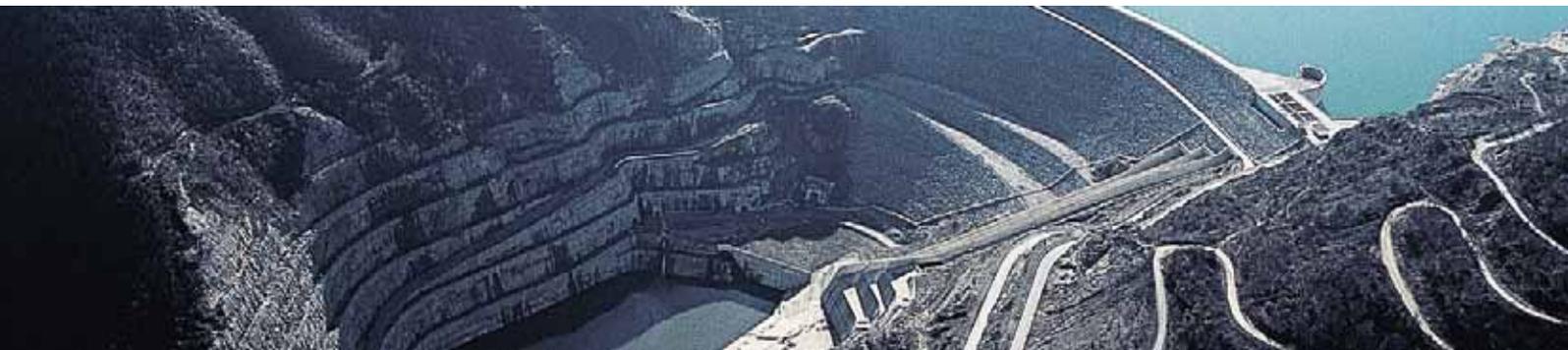
The policy of METKA focuses on preventing and reducing the pollution caused by its overall activities, and to limit noise, shocks and other disturbances through an integrated implementation plan for every project to be carried out.

The Company's regular actions in this specific area include the following:

1. Actions to prevent water pollution.
2. Actions to control and reduce gas emissions.
3. Regular training of all personnel involved in the implementation of every Company project, as well as of visitors, on the environmental pollution prevention.
4. Effective internal communication, ensuring the secure and timely flow of information about environmental pollution prevention across the entire Company.

5. Conduct of inspections to prevent environmental pollution. These inspections function as an effective means to identify and address problems or increased pollution hazards and risks before any accident occurs.
6. Results assessment procedures and actions for introducing further improvements, seeking to prevent effectively all conditions that could result in environmental pollution at the Company's work premises but also in the corresponding project sites.

In total, the impact on the environment from the Company's activities is minimal and well within the limits set by the law. With respect to the satisfactory adherence to the requirements of the Company's ISO 14001:2004-certified Environmental Management System, this is proven by the relevant Audit Report of the independent auditor (Bureau Veritas 9/12/2009).



## Waste disposal

METKA follows a policy of correct management of the waste produced by its activities, which gives priority to separation/selection at the source, recycling and final disposal, and aims to conserve natural resources.

The Company's regular actions in this specific area include the following:

1. Creation of a Site Waste Management Plan (SWMP) for every project carried out by the Company.  
The SWMP, which is developed prior to the commencement of all construction activities, aims to minimise the project's waste production and to examine ways to reuse or recycle this waste.
2. Definition of waste types, categories and quantities, so that they can be classified either for reuse or for recycling or otherwise disposal:

### Urban wastewater

With regard to urban wastewater, chemical toilets are used or a sealed cesspit is constructed.

### Non-hazardous waste

- Areas for disposal of non-hazardous waste are designated, and appropriate signage of these areas is put up.
- Waste is grouped by type (metals, wood, paper, inert materials, household waste etc.), with the aim of increasing recycling levels using the infrastructures available locally.
- All contractors are informed about the locations for the disposal of materials.
- Waste is collected in disposal areas or bins and, in case waste management is not carried out by the Project Owner, are made available to certified removal companies for recycling or final disposal.

### Hazardous waste

- Used mineral oils, accumulators and equipment and vehicle tyres remain in the workshop where their replacement takes place or are carried outside the Project site by the crew carrying out the replacement for final management.
- Tanks with appropriate signage are installed for mineral oils or accumulators or other hazardous waste which may be collected within the unit.

- For chemical waste, a file with all Material Safety Data Sheets (MSDS) is kept, with information on the method for their discharge and in their characteristics, and on the method to deal with leakages.
- Where waste management is not carried out by the Project Owner, this waste are delivered to licensed removal companies.
- All Company employees and contractors are informed about the locations for the disposal of materials and about the waste management methods in accordance with the MSDS.

WASTE RECYCLING	2009
Batteries (kg)	75
Light bulbs (kg)	60
Paper (m <sup>2</sup> )	54
Urban waste (m <sup>3</sup> )	53
Printer consumables (toner cartridges etc.) (pcs)	259
Iron and steel scrap) (t)	697
Mineral oils (t)	3,1
Wash oils (t)	22

Recycling of waste is carried out by licensed companies for each type of waste, at no direct cost to the Company:

- Batteries (companies: Recycling of Portable Batteries S.A. [AFIS S.A.], System for Alternative Management of Batteries S.A. [SYDESIS.A.]
- Toner cartridges, Ink Containers (company: Mr. Print)
- Paper (company: S. Tsiloglou)
- Light bulbs (company: Appliances Recycling S.A.)
- Electrical and Electronic equipment (company: Appliances Recycling S.A.)

Urban waste is collected in the special recycling bins installed by each Municipality.

Used mineral and wash oils are made available by the Company's plants to a licensed company for further treatment/recycling, and scrap quantities are sold and made available to the steel industry for recycling.

For METKA, the continuous supervision and guidance of its personnel in order to reduce water consumption is a standing practice in the Company's operation.

## Environmental expenditure

The Company's policy is to secure on an annual basis the funds required to monitor its policies on the protection on the environment and to ensure the continuous improvement of its environmental performance. The Company's key environmental actions refer to its environmental certification, the training of its personnel, the management of waste and the improvements to its Environmental Management System.

Disposal and restoration of waste is carried out at no cost to the Company. The Company's total environmental management cost, comprising the costs of personnel hired for education and training purposes, outsourced environmental management services, and independent certification of the Company's Environmental Management System, is approximately €10,000.

## 10.5 Society

METKA is actively committed to the respect of the legal order and of the environment, to safe working conditions, to the satisfaction of its customers, and in general to its strict compliance with the standards and laws governing its business activity sector. In line with the above, the Company is taking a number of initiatives that comprise the following:

(a) following closely all developments in the legislation that governs its business activities; (b) bearing the cost (pecuniary or

organisational) for fulfilling all its obligations under the applicable laws; (c) collaborating with auditing mechanisms of the Public Administration; and (d) using specialised external services (legal, technical, certification etc.), where required. As a result, no sanctions have been imposed on the Company by administrative authorities or by the Courts for non-compliance with the applicable laws and regulations.

### Support of the local community

METKA supports the local communities by providing assistance to social actions in the local communities of N. Iraklion, Attica, and Magnisia, and in several cases lends its support to local communities located near the sites of the Company's projects.

The Company's sponsorship and social activities cover (a) Sports, (b) Culture, and (c) General social activities (participation in programmes to enhance the services provided to the citizens). The key recipients of the Company's initiatives are Schools, Municipal Authorities, Sport Clubs, Charities, Voluntary organisations, NGOs and Employee Unions. The Company's total social expenditure during 2009 stood at €161,950, broken down as follows:

Activity area	Actions	Total expenditure in 2009
Sports	Financial assistance to Federations and major sport events	151.000 €
Support of Entrepreneurship	Financial assistance for events organised by business associations	5.950 €
Health	Financial assistance to association for children with a disability	5.000 €

# 10.6 Market

A key pillar of the corporate philosophy of METKA is to avoid all unfair associations with potential competitors which may lead to price fixing, concerted submissions to tenders, creation of market or production restrictions, allocation of clients and any other action or practice leading to anti-competitive behaviour. As a result of this policy, the Company has never been the subject of any petitions before the Courts under national or international laws for anti-competitive conduct or infringement of the law in connection with incidents involving the Company.

## Client satisfaction

The policy of METKA is to monitor continuously and to improve client satisfaction, incorporating the results of this procedure into its operations. Furthermore, the Company seeks to satisfy its clients and its other stakeholders, in terms of the quality and reliability of its products (materials-services) and the protection of the environment and the safety of employees.

The Company's regular actions in this specific area include the following:

- Progress and results evaluation for every project after its completion. The Project Officer completes a relevant questionnaire and provides comments on key points (financial, environmental, quality-related etc.) concerning the project.

- At the next step, the information collected is transformed to numeric values and an aggregate client satisfaction indicator is obtained .
- improve client satisfaction, the Company also adopts actions such as the establishment of objectives, internal audits, data analysis, preventive and corrective actions etc.

As a result of the above policy and initiatives, no fines or other sanctions have been imposed on the Company for non-compliance with matters concerning client satisfaction.

## Health & safety of products

The policy of METKA is to monitor the quality, safety and health measurements and characteristics of its end-products or projects, in order to ensure that the client's stated requirements are met. This is carried out at appropriate stages during the implementation of the product or project in accordance with the respective activity schedule. An additional target is to ensure that the materials/products to be incorporated which do not comply with the stated quality, safety & health requirements will be checked and identified as such, so as to avoid their intentional use or delivery.

The Company's regular actions in this specific area include the following:

1. Design/planning Stage: The international applicable European Directives on the design of such projects, such as the non-use of prohibited materials such as asbestos, ATEX (Appareils destines

a etre utilise en ATmospheres Explosibles) Directive, PED (Pressure Equipment Directive) etc., are taken into account, and relevant studies are produced, such as the Hazard and Operability study (HAZOP).

2. Stage of procurement and manufacturing of incorporated materials: Subcontractors are inspected to confirm the application of the design and of the European Directives (pressure equipment-machinery-low voltage- CE marking), the compliance with the health and safety regulations, and the implementation of the manufacturing Inspection and Testing Plan (ITP).
3. Construction Stage: Implementation of the Health, Safety and Environmental Plan, keeping of the Material Safety Data Sheets (MSDS) file for the management of hazardous materials, application of the design/study and of the European Directives, implementation of the construction Inspection and Testing Plan (ITP).

4. Implementation, under the responsibility of the Company's Quality Division, of an Inspection and Testing Plan (ITP) both for the materials due for incorporation and for the construction activities. The purpose of this plan is to coordinate measurement/control and product/project monitoring activities.
5. Issue, under the responsibility of the Company's Quality Division, of a Health, Safety and Environmental Plan for the construction activities.
6. Strict adherence to the applicable laws (operating licenses, approved Environmental Terms etc.).
7. Keeping of a file with the results of the monitoring and measurements processes as hard evidence of the product's/ project's compliance with the stated requirements, with copies delivered to the client.
8. Adoption of measures for eliminating non-compliance of material due for incorporation.
9. Approval of the use, acceptance or sign-off of material due for incorporation, with the consent of the relevant competent authority and, where required, of the client.
10. Adoption of measures to rule out the use or application of non-compliant material for the purposes originally intended.
11. When a non-compliant material due for incorporation is subject to corrective action, this material is checked again to confirm that it complies with the requirements.
12. When a non-compliant material due for incorporation is identified after it has been delivered or used, the action taken by the Company depends on the consequences of such non-compliance.
13. The nature of non-compliance incidents and the adoption of the respective measures are recorded and kept on file.
14. Delivery to the client of the equipment operation and maintenance instructions.
15. Forwarding to the client of the Health & Safety File, which the client will keep and use during the operation of the project.

As a result of the above policy and initiatives, no project has gone through the final delivery stage to a client of METKA without first ensuring that all statutory Health & Safety requirements (as specified by the contract, the applicable laws and the project specifications) have been met. Additionally, no sanctions have been imposed on the Company by administrative authorities or by the Courts for non-compliance with the applicable laws and regulations on the sale and use of its products and services.



The policy of METKA is to monitor the quality, safety and health measurements and characteristics of its end-products or projects, in order to ensure that the client's stated requirements are met.

## Management of local suppliers

METKA sources the composite products incorporated in its projects primarily from specialised suppliers located in economically developed countries. The products sourced by the Company for its construction sites and offices in the local market comprise mainly office consumables (paper, stationery etc.), energy, water, lubricants and paints. The cost of these products as a share of the Company's total purchases is very low.

The management/selection of all the Company's suppliers takes place on the basis of their solvency, reliability in terms of quality, and punctuality in terms of delivery, and their capability to ensure the quantities required, combined with their compliance to the key environmental and safety principles. The term "local supplier" is defined as a function of the region where each project is carried out (e.g. offices and construction sites in Greece, Pakistan, Romania, Syria, Turkey), progressively extending to cover the entire territory of each country.

# METKA S.A.: GRI Performance Summary

GRI Code	Description	Reported	Page
<b>Organisational Profile</b>			
2.1	Name of the organisation	Full coverage	81
2.2	Primary brands, products and/or services	Full coverage	81
2.3	Operational structure of the organisation	Full coverage	82
2.4	Location of organisation's headquarters	Full coverage	9
2.5	Number of countries where the organisation operates	Full coverage	7
2.6	Nature of ownership and legal form	Full coverage	9
2.7	Markets served	Full coverage	81
2.8	Scale of the reporting organisation	Full coverage	81
2.9	Significant changes regarding size, structure or ownership	Full coverage	
2.10	Awards received in the reporting period	Full coverage	
<b>Governance, Commitments &amp; Engagement</b>			
4.1	Governance structure of the organisation, including committees under the highest governance body responsive for specific tasks, such as setting strategy or organisational oversight	Full coverage, no committees exist	82-84
4.2	Role and responsibilities of the Chairman of the Board of Directors	Full coverage	83
4.3	Independent and/or non-executive members of the Board of Directors	Partial coverage	83
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Partial coverage	84
<b>Stakeholder Engagement</b>			
4.14	List of stakeholder groups engages by the organisation	Full coverage	29
4.15	Basis for identification and selection of stakeholders with whom to engage	Full coverage	28
<b>Economic Performance</b>			
EC1 (C)	Direct economic value	Full coverage	81
EC6 (C)	EC6 (C) Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation	Full coverage	94
EC7 (C)	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Full coverage	85
<b>Environmental Performance</b>			
EN3 (C)	Direct energy consumption by primary energy source	Partial coverage	89
EN4 (C)	Indirect energy consumption by primary source	Partial coverage	89
EN8 (C)	Total water withdrawal by source	Full coverage	90
EN22 (C)	Total weight of waste by type and disposal method	Full coverage	91
EN28 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Full coverage	89
EN30 (A)	Total environmental protection expenditures and investments by type	Full coverage	92
<b>Labour Practices and Decent Work</b>			
LA1 (C)	Total workforce by employment type, employment contract, and region.	Full coverage	84
LA3 (A)	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Full coverage	88
LA7 (C)	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Full coverage	85
LA10 (C)	Average hours of training per year per employee by employee category.	Full coverage	87
LA13 (C)	Composition of governance bodies and breakdown of employees by category according to gender, age group, minority group membership, and other indicators of diversity.	Full coverage	88
<b>Human Rights</b>			
HR4 (C)	Total number of incidents of discrimination and actions taken.	Full coverage	88
HR6 (C)	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Full coverage	84
HR7 (C)	Operations identifying as having significant risk of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	Full coverage	84
<b>Society</b>			
S07 (A)	Total number of legal actions for anti-competitive behaviour, anti-trust and anti-monopoly practices and their outcomes.	Full coverage	93
S08 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Full coverage	92
<b>Product Responsibility</b>			
PR2 (A)	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their lifecycle, by type of outcomes.	Full coverage	94
PR9 (C)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Full coverage	94



# 11.

## Energy sector

**ENDESA HELLAS S.A.**

The MYTILINEOS Group is active in the Energy sector either independently or through its participation in Joint Ventures, such as ENDESA HELLAS S.A., established in association with Endesa Europa, and KORINTHOS POWER\*, established in association with MOTOR OIL.

Today the Group manages a significant energy portfolio composed of thermal and RES-based power plants in operation or under construction

The 334 MW cogeneration station, one of the most modern plants of its kind in Europe, is already in operation since April 2009, delivering considerable quantities of electric power to the national grid. In addition, two more natural gas fired power stations (CCGT) with a total power generation capacity of 800 MW are under construction in Viotia and Korinthos, expected to enter commercial operation in 2010 and 2011, respectively.

The Group is also actively involved in the sector of Renewable Energy Sources (RES), with 45 MW of installed capacity in full operation, with an additional 26 MW under construction and another 800 MW in various licensing and implementation stages. All the above bring the Group closer to its vision of becoming the largest independent producer of electric power in Greece.

\* KORINTHOS POWER S.A. being a newly-established Group company, information on this company is not included in the present Sustainability Report

## ENDESA HELLAS S.A.

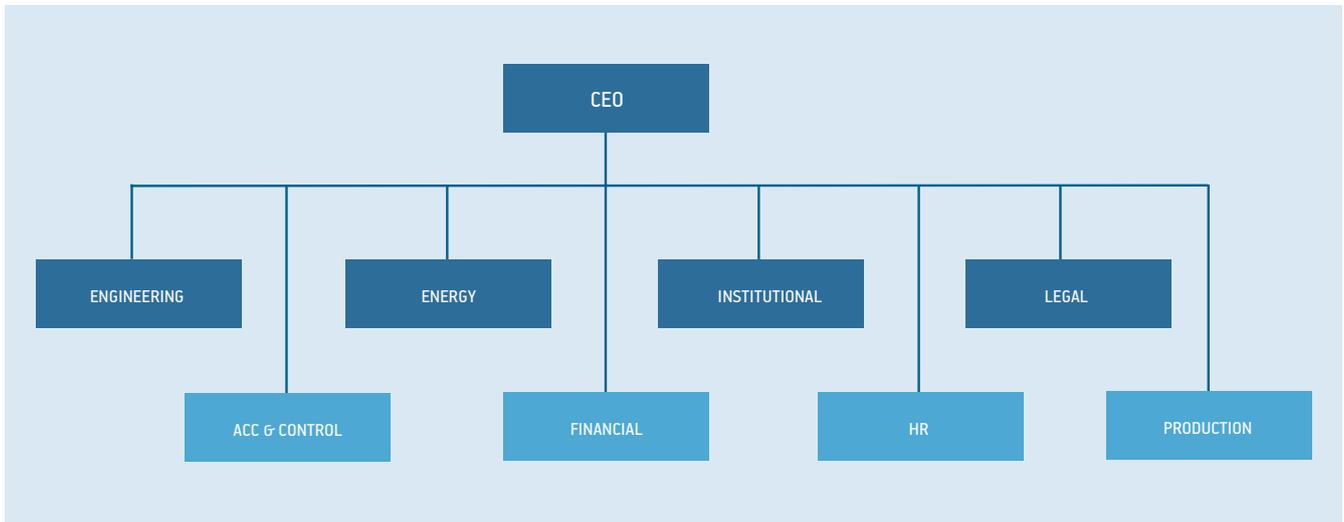
ENDESA HELLAS S.A. was established in 2007 with €1.2 billion of initial capital, and its headquarters are located in Athens. The Company's goal is to become the largest independent energy producer in Greece, with potential for expansion into other SE European markets. The implementation of the Group's ambitious investment plan ensures a balanced mix of thermal and renewable energy sources, with clear priority and orientation to further investments in renewable "green" energy sources.

# 11.1 Key financial figures

Economic value table 2009 (amounts in €)		
11.861.894 Revenues	10.936.329 Operating costs	4.010.382 Gross profits
-5.251.643 Net profits	4.131.573 Employee salaries and benefits	2.277.109 Payments to Government bodies (taxes)
304.500 Payments to capital providers	60.171.737 New investments	200.716 Investments in local communities
933.785 Outlays to local suppliers	The implementation of the Group's ambitious investment plan ensures a balanced mix of thermal and renewable energy sources.	

# 11.2 Governance structure

## Organisational structure



## Composition of the Board of Directors

Composition of the Board of Directors, as elected by the General Meeting of 17.09.2008 and formed on 02.12.2009:

**Chairman:** Dinos Benroubi

**Vice-Chairman:** Joaquin Rodriguez Jadraque

**Chief Executive Officer (CEO):** Manuel Pedro Lopez

**Member:** Ioannis Desypris

**Member:** Ioannis Dimou

**Member:** Joaquin Valcarcel Martinez

**Member:** Fernando Prieto Plaza

**Board Secretary:** Tatiana Tsirakopoulou

## Role and responsibilities of the Board of Directors

The Board of Directors convenes whenever deemed necessary and has the following key responsibilities:

1. To ensure the sound management of the Company's property.
2. To represent the Company before all Judicial Authorities.
3. To approve contracts.
4. To establish, expand or cancel the operation of industrial plants, businesses, establishments, branches or warehouses, and to specify the terms for their operation.
5. To appoint and relieve of their duties the Company's Managers and personnel.
6. To approve the Company's risk management policy.
7. To submit recommendations to the General Meeting of the Shareholders.

## Role and responsibilities of the Chief Executive Officer (CEO)

1. The CEO has been assigned the exercise of all authorities and responsibilities of the Board of Directors concerning the management of the Company's affairs and the representation of the Company towards third parties, with the authority to delegate the aforementioned authorities to third persons.

2. Matters for which the signature of the Vice-Chairman is additionally required: Transactions whose financial scope exceeds six million Euro (€6,000,000) require the participation and signature of the Vice-Chairman of the Board of Directors in addition to that of the CEO.

## Composition and responsibilities of Committees

### Chief Officers' Committee

**CEO:** Manuel Pedro Lopez Rodriguez

**Chief Regulation, Institutional Relations & Communication Officer:** Ioannis Desypris

**Chief Financial Officer:** Ioannis Antonopoulos

**Chief Human Resources Officer:** Constantine Passos

**Chief Legal Officer:** Tatiana Tsirakopoulou

**Chief Administration, Planning & Control Officer:** Carlos Corrales

**Chief Engineering Officer:** Jose Antonio Blasco Manteca

**Chief Energy Management Officer:** Sergio Celoria

This Committee has the following responsibilities:

- To develop and implement the corporate strategy in order to ensure achievement of the investment goals of the Company and of its subsidiaries.
- To create, control and implement the corporate structure and corporate processes in order to ensure the most effective possible implementation of the Company's strategic plan, enhancing the efficiency of human resources and the management of financial resources.
- To ensure the most effective possible collaboration between the Company's departments and the submission of information updates to the Management.

### Risk Management Committee

**CEO:** Manuel Pedro Lopez Rodriguez

**Chief Energy Management Officer:** Sergio Celoria

**Chief Financial Officer:** Ioannis Antonopoulos

**Chief Regulation, Institutional Relations & Communication Officer:** Ioannis Desypris

**Chief Legal Officer:** Tatiana Tsirakopoulou

**Chief Administration, Planning & Control Officer:** Carlos Corrales

**Secretary:** Tatiana Tsirakopoulou

This Committee has the following responsibilities:

- To determine and assess the risk management policy of the Company and of its subsidiaries.
- To examine and approve the risk parameters, methodology, analysis, measures and limits for all types of risk.
- To take special measures in case of extraordinary risks.

### Thermal Plants Committee (Viotia Committee and Volos Committee)

**CEO:** Manuel Pedro Lopez Rodriguez

**Chief Regulation, Institutional Relations & Communication Officer:** Ioannis Desypris

**Chief Engineering Officer:** Jose Antonio Blasco Manteca

**Project Officer:** Manolis Potamianakis

**Chief Legal Officer:** Tatiana Tsirakopoulou

**Secretary:** Tatiana Tsirakopoulou

The key responsibilities of this Committee comprise project progress monitoring and the assessment and handling of related matters..

### RES Committee

**CEO:** Manuel Pedro Lopez Rodriguez

**Chief Regulation, Institutional Relations & Communication Officer:** Ioannis Desypris

**Chief Engineering Officer:** Jose Antonio Blasco Manteca

**RES Section Head:** Zachos Spendos

**Chief Legal Officer:** Tatiana Tsirakopoulou

**Secretary:** Tatiana Tsirakopoulou

The key responsibilities of this Committee comprise project progress monitoring and the assessment and handling of related matters.

### Regulatory Committee

**CEO:** Manuel Pedro Lopez Rodriguez

**Chief Regulation, Institutional Relations & Communication Officer:** Ioannis Desypris

**Chief Engineering Officer:** Jose Antonio Blasco Manteca

**Chief Energy Management Officer:** Sergio Celoria

**Chief Legal Officer:** Tatiana Tsirakopoulou

**Secretary:** Tatiana Tsirakopoulou

The key responsibility of this Committee is to monitor and keep abreast of all developments in the Greek regulatory framework in force.

ENDESA HELLAS considers its human resources to be the most important of all its Stakeholder groups. This is why proper management, development and use of every employee are key parameters that determine the Company's position and the attainment of its business goals.

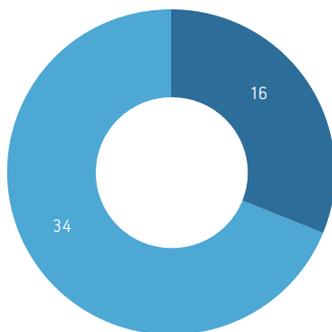
# 11.3 Human resources

ENDESA HELLAS gives particular emphasis to the management of its human resources, who share the Company's vision and contribute to its orientation. ENDESA HELLAS considers its people to be the most important of all its Stakeholder groups. This is why proper management, development and use of every employee are key parameters that determine the Company's position and the attainment of its business goals. ENDESA HELLAS places emphasis on its strict compliance with the applicable laws, ruling out all likelihood of forced labour in its activity sectors, while as of their nature none of its activities involve the risk of child labour.

## Workforce

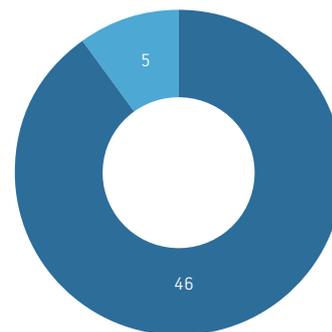
Workforce by type of employment & employment contract	2009
Total workforce	51
Full-time employees	51
Open-end employment contracts	50
Fixed-term employment contracts	1

ENDESA HELLAS  
Personnel with open-end employment contracts  
by employment position  
Personnel with open-end employment contracts: 50



■ Executives  
■ Administrative employees

ENDESA HELLAS  
Workforce breakdown by geographical region



■ Workforce from the region of Attica  
■ Workforce from other regions except Attica



## Occupational Health & Safety

ENDESA HELLAS gives particular emphasis to occupational health and safety, as part of its efforts to enhance the Company's work environment and the work conditions in its individual facilities.

Occupational Health & Safety data	2009
Total workforce	51
Total days worked by workforce	11.279
Total hours worked by workforce	90.228
Total accidents*	0
Total work-related fatalities	0
Total occupational disease cases	0
Total days lost	0
Total absenteeism (days)	321

\* Does not include incidents involving very light injuries.

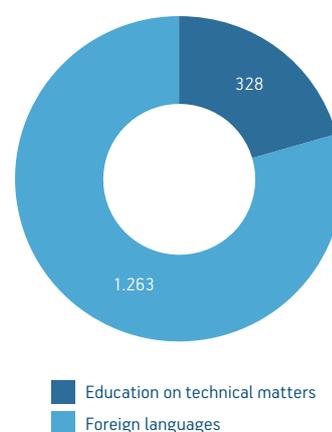
## Education and training

During 2009 ENDESA HELLAS carried out two key training programmes which covered a total of 1,591 hours and were attended by all its personnel. The Company's training expenditure for 2009 stood at €54,113.

Trained workforce by employment position	2009
Executives	16
Share of total Executives (%)	100
Administrative employees	35
Share of total Administrative employees (%)	100

Workforce training hours by employment position	2009
Executives (training person-hours)	849
Average training hours per person	53,06
Administrative personnel (training person-hours)	742
Average training hours per person	21,2

ENDESA HELLAS  
Training categories & corresponding training hours

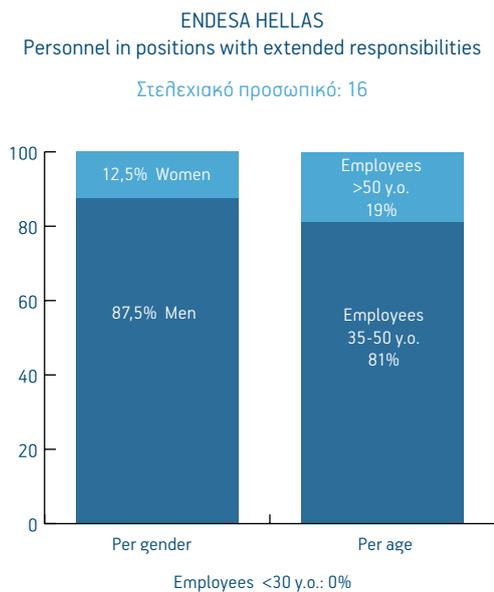
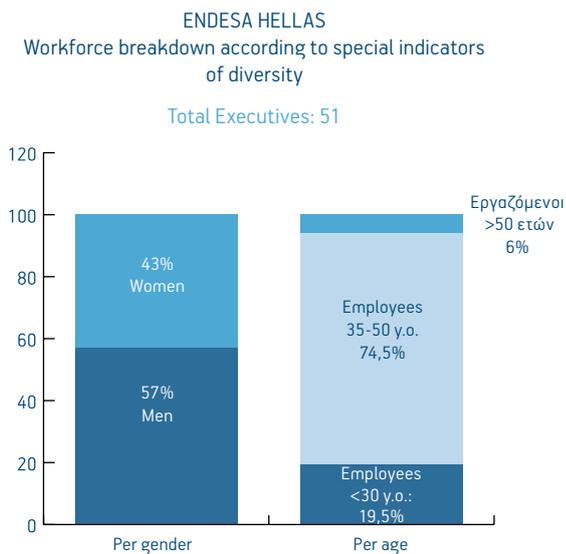


## Equal opportunities and diversity

As a new business, ENDESA HELLAS adopts an equal opportunities policy towards all its employees, taking care to ensure the absence of any incidents of discrimination on the grounds of gender or age group across the entire range of the Company's activities, from recruitment through to the professional advancement of employees within the Company. No persons with a disability or

persons from ethnic minorities are working for the Company, as it has been in operation for two years only.

Although it has not an official policy in place, ENDESA HELLAS tries to recruit management executives from the local communities where the Company is present. Thus, 100% of the Company's senior management executives (i.e. executives holding Managerial positions) come from the local communities where the Company's activities are based.



## Voluntary benefits

Seeking to help its people balance their professional and family obligations and improve their position in the work environment, ENDESA HELLAS has been consistently offering a programme of voluntary benefits over and above its strict obligations under the law, which includes such benefits as life insurance, health and medical insurance, insurance against disability/incapacitation, training etc. This programme concerns all of the Company's people, as all members of its workforce are full-time employees.

## 11.4 Environment

ENDESA HELLAS is actively concerned about its environmental footprint, an attitude that reflects the Company's commitment to sustainable development. This means that a proper risk management system must be in place to ensure the protection of the environment. The achievement of this goal requires proactive management of and approach to environmental risks, as part of a comprehensive framework of preventive measurements, systematic monitoring, assessment and regular inspections.

The environment-related goals at the level of new conventional fuel fired power plants are the following:

- Implementation of the ISO EN 14001:2004 International Standard and certification of the Environmental Management System.
- Strict application of the laws on the environment and observance of the limits for gas pollutant emissions.
- Internal audits and audits by independent officially certified bodies after certification.

As already mentioned, the Company's key concern is to ensure its compliance with the environmental laws and regulations. The Company's success in this area is demonstrated by the fact no sanctions have been imposed on it by administrative authorities or by the Courts for non-compliance with the aforementioned laws and regulations.

## Energy consumption

Energy consumption in ENDESA HELLAS refers to the consumption of secondary energy from non-renewable sources and, more specifically, to the consumption of electric power.

Total energy consumption	2009
Indirect energy consumption (Electric power) (Gj)	3,79

## Water consumption

The total quantity of water used in the Company's activities during 2009 and drawn from the public water utilities stood at 1,343 cubic metres, up 42,11% from the respective consumption level in 2008.

Total water consumption	2009
Water consumption (m <sup>3</sup> )	1.343

## Waste disposal

The activities of ENDESA HELLAS during 2009 resulted in a significant quantity of used paper, up 35% from the respective quantity in 2008. This quantity was collected and forwarded for recycling. In order to reduce the use of paper, the Company is promoting electronic mail (e-mail) as the solution to the Company's internal communication needs.

WASTE RECYCLING*	2009
Paper (t)	2,44

\* Waste is collected and removed by a specialised licensed contractor.

# 11.5 Society

To ENDESA HELLAS, its commitment to the compliance with the applicable laws and regulations governing its business activity sectors is a fundamental principle and a key component of its mission. The Company believes that its social policy can be exercised effectively only by acting as a responsible corporate citizen. Consequently, no sanctions by administrative authorities or by the Courts have been imposed on the Company for non-compliance with the applicable laws and regulations.

The social policy of ENDESA HELLAS is exercised based on the Company's values and visions, and aims to expand and strengthen

its social role through specific actions that help address the needs of the local communities where its activities are based

## Support of the local community

The Company's total social expenditure during 2009 stood at €200,716 and was allocated to actions to improve the infrastructures in specific Municipalities and housing settlements and to promote entrepreneurship, culture and sports.

Activity area (Local Communities)	Actions	Total expenditure in 2009
Municipality of Opountion (Prefecture of Fthiotida)	Preliminary design for the restoration of the building of the Syngros Trust old primary school.	24.040 €
Municipality of Opountion (Prefecture of Fthiotida)	Construction of 700m road surfacing substructure for a settlement expansion road.	53.100 €
Argyri Settlement (Prefecture of Karditsa)	Restoration of road surface, landscaping, configuration of storm water drainage, offset works in the settlement.	40.000 €
Various local bodies	Donations to local bodies.	3.286 €

Activity area (Social Bodies)	Actions	Total expenditure in 2009
Entrepreneurship	Sponsorship of business conferences.	10.000 €
Sports	Sport development projects and financial assistance to local sports clubs.	55.290 €
Arts and culture	Financial assistance for painting exhibitions.	15.000 €

# ENDESA HELLAS S.A.: GRI Performance Summary

GRI Code	Description	Reported	Page
<b>Organisational Profile</b>			
2.1	Name of the organisation	Full coverage	97
2.2	Primary brands, products and/or services	Full coverage	97
2.3	Operational structure of the organisation	Full coverage	98
2.4	Location of organisation's headquarters	Full coverage	9
2.5	Number of countries where the organisation operates	Full coverage	7
2.6	Nature of ownership and legal form	Full coverage	9
2.7	Markets served	Full coverage	97
2.8	Scale of the reporting organisation	Full coverage	97
2.9	Significant changes regarding size, structure or ownership	Full coverage	
2.10	Awards received in the reporting period	None	
<b>Governance, Commitments &amp; Engagement</b>			
4.1	Governance structure of the organisation, including committees under the highest governance body responsive for specific tasks, such as setting strategy or organisational oversight	Full coverage	98-100
4.2	Role and responsibilities of the Chairman of the Board of Directors	Full coverage	99
4.3	Independent and/or non-executive members of the Board of Directors	Partial coverage	98
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	None	
<b>Stakeholder Engagement</b>			
4.14	List of stakeholder groups engages by the organisation	Full coverage	29
4.15	Basis for identification and selection of stakeholders with whom to engage	Full coverage	28
<b>Economic Performance</b>			
EC1 (C)	Direct economic value	Full coverage	97
EC7 (C)	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Full coverage	102
EC8 (C)	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement	Full coverage	104
<b>Environmental Performance</b>			
EN4 (C)	Indirect energy consumption by primary source	Partial coverage	104
EN8 (C)	Total water withdrawal by source	Full coverage	104
EN22 (C)	Total weight of waste by type and disposal method	Full coverage	104
EN28 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Full coverage	103
<b>Labour Practices and Decent Work</b>			
LA1 (C)	Total workforce by employment type, employment contract, and region.	Full coverage	101
LA3 (A)	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Full coverage	103
LA7 (C)	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Full coverage	102
LA10 (C)	Average hours of training per year per employee by employee category.	Full coverage	102
LA13 (C)	Composition of governance bodies and breakdown of employees by category according to gender, age group, minority group membership, and other indicators of diversity.	Full coverage	102
<b>Human Rights</b>			
HR4 (C)	Total number of incidents of discrimination and actions taken.	Full coverage	102
HR6 (C)	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Full coverage	101
HR7 (C)	Operations identifying as having significant risk of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	Full coverage	101
<b>Society</b>			
S07 (A)	Total number of legal actions for anti-competitive behaviour, anti-trust and anti-monopoly practices and their outcomes.	No petitions against the Company during 2009	
S08 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Full coverage	104
<b>Product Responsibility</b>			
PR9 (C)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	No fines imposed	

(C): Core Indicator, (A): Additional Indicator



# 12.

## Vehicle Industry

### ELVO S.A.

In 2000 the MYTILINEOS Group made a dynamic entry in the Vehicle and Defence Industry by acquiring a 43% stake in ELVO S.A., with the Hellenic State retaining 53% of the Company's share capital.

Building on its significant know-how and expertise, in 2006 the Company succeeded in undertaking the manufacture in Greece of the ultramodern LEOPARD 2HEL armoured tank, in the facilities of METKA in Volos and of ELVO in Thessaloniki.

Based in Thessaloniki, ELVO S.A. was established in 1972 under the name "STEYR HELLAS S.A." and has since then been Greece's largest manufacturer of specialty vehicles. The products of ELVO cover a wide range of vehicles for civil use, such as Buses and Trucks, and military use. ELVO is the main supplier of Military

Vehicles to the Hellenic Armed Forces. The Company's facilities are located in the Thessaloniki Industrial Area, covering a total area of 270,000 m<sup>2</sup>, of which 60,000 m<sup>2</sup> of covered spaces.

## 12.1 Key financial figures

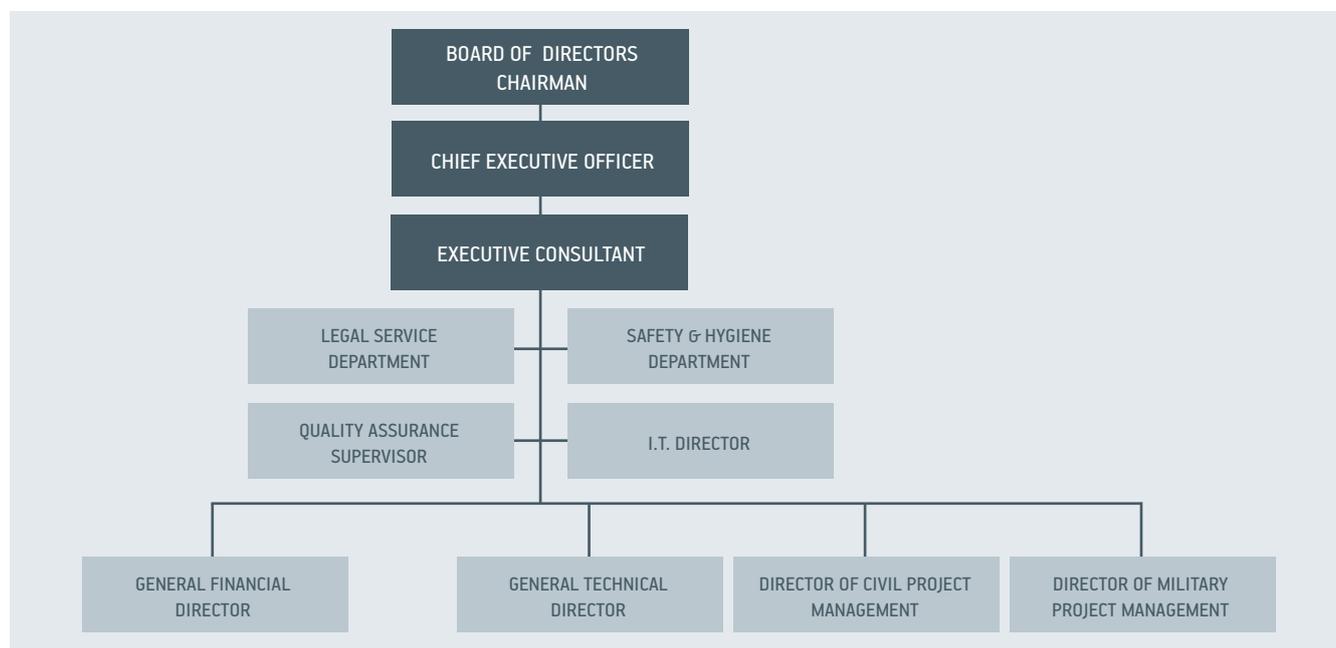
Economic value table 2009 (amounts in €)		
40.094.217 Revenues	36.827.103 Operating costs	- 7.034.548 Gross profits
- 20.727.439 Net profits	23.606.566 Employee salaries and benefits	0 Payments to Government bodies (taxes)
- Payments to capital providers	223.002 New investments	- Investments in local communities
16.680.359 Outlays to local suppliers		

The products of ELVO cover a wide range of vehicles for civil use, such as Buses and Trucks, and military use.



# 12.2 Governance structure

## Organisational structure



## Composition of the Board of Directors

Composition of the Board of Directors as elected by the Extraordinary General Meeting of 02.04.2009 and formed on 18.09.2009:

**Chairman of the Board:** Athanasios Galinos

**First Vice-Chairman:** Vasiliios Giannakopoulos

**Second Vice-Chairman:** Stamatios Prassas

**Managing Director:** Fotios Spyarakos

**Member:** Dimitrios Gagalis

**Member:** Nikolaos Papadopoulos

**Member:** Ilias Perperidis

**Member:** Georgios Ikonomou

**Member:** Kyriaki Mavropoulou

## Role and responsibilities of the Board of Directors

The Board of Directors is the body that exercises the overall management and administration of the Company. Its key duties include decision-making and the responsibility for exercising full and effective control of all corporate activities. The Board of Directors decides on all cases concerning the management or administration of the Company's property, with the exception of the decisions which under the law and the according to the law and to the Company's Articles of Incorporation are the exclusive responsibility of the General Meeting of the Shareholders.

## Role and responsibilities of the Managing Director

The Board of Directors has assigned to the Managing Director the exercise of its responsibilities in accordance with the law and the Company's Articles of Incorporation, other than those for which a relevant decision of the Board is required.

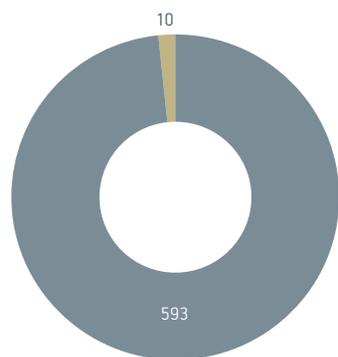
## Mechanisms for representation of employees and shareholders in the Board of Directors

Other than the relevant provisions of Codified Law (C.L.) 2190/1920, no other specific formal procedure exists for representation of the employees and shareholders in the Company's Board of Directors, either under Collective Labour Agreements or Arbitration rulings or agreements.

# 12.3 Human resources

The human capital of ELVO is the Company's most valuable asset both for its dynamic growth and for the achievement of its business goals. The Company handles all matters pertaining to human resources with consistency and sincerity. In line with these efforts, and in accordance with its philosophy and with its commitment to the adherence to the applicable laws, the Company precludes all likelihood of forced or child labour in its activity sectors. Furthermore, by ensuring the application and communication to all its people of its internal regulation, the Company has succeeded in eliminating from its workplace all incidents involving discrimination.

ELVO  
Workforce breakdown by geographical region



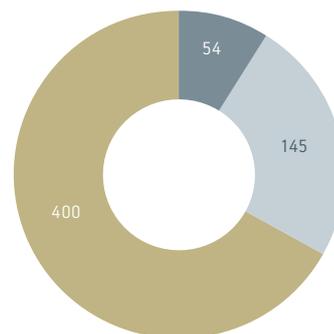
■ Workforce from the region of Thessaloniki  
■ Workforce from the region of Attica

## Workforce

Workforce by type of employment & employment contract	2009
Total workforce	603
Full-time employees	603
Open-end employment contracts	599
Fixed-term employment contracts	2
Work contracts	2

ELVO  
Personnel with open-end employment contracts  
by employment position

Personnel with open-end employment contracts: 599



■ Executives  
■ Administrative employees  
■ Technical & Labour personnel

## Occupational Health & Safety

For ELVO, Occupational Health & Safety is a key indicator for assessing its success in ensuring the morale and productivity of its personnel. In this context, the practices adopted in the management of Occupational Health & Safety result in the reduction of accidents in the workplace. Due to the absence of serious incidents, the number of accidents given below comprises only incidents involving minor injuries, while the number of days lost given refers to calendar days calculated starting from the day after the accident. Accidents are reported to the Company's Personnel office for further action, including reporting to the Labour Inspectorate where required, and are also recorded by the Personnel office which also keeps tables with the statistics required.

Occupational Health & Safety data	2009
Total workforce	603
Total days worked by workforce	126.165
Total hours worked by workforce	946.237
Total accidents	17
Total work-related fatalities	0
Total occupational disease cases	17
Total days lost	122
Total absenteeism (days)	4.144

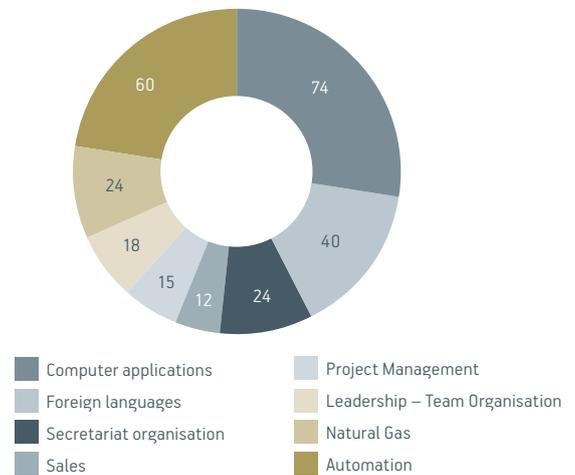
## Education and training

During 2009, ELVO carried out a total of eight training seminars which covered 267 hours and were attended by approximately 10% of its total workforce. The Company's training expenditure for 2009 stood at €30,340.

Trained workforce by employment position	2009
Executives	45
Share of total Executives (%)	31
Technical and Labour personnel	15
Share of total Technical and Labour personnel (%)	3,7

Workforce training hours by employment position	2009
Executives (training person-hours)	860
Average training hours per person	19,11
Technical and Labour personnel (training person-hours)	612
Average training hours per person	40,8

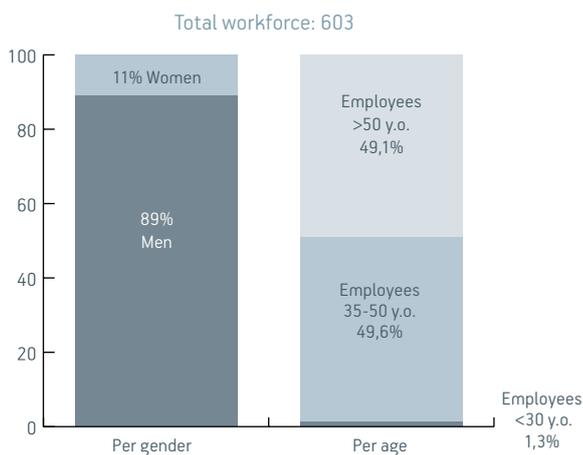
ELVO  
Training categories & corresponding training hours



## Equal opportunities and diversity

ELVO supports the equal treatment of men and women and the provision of equal opportunities in its recruitment policy as well as in the professional development of its employees. Women represent around 11% of the Company's personnel, although the nature of its activities does not especially favour the employment of women. Additionally, a standard practice of ELVO is to recruit management executives from its local community. Thus, 100% of senior management executives come from the Thessaloniki region, where the Company's activities are based.

ELVO  
Workforce breakdown according to special indicators of diversity



ELVO  
Personnel in positions with extended responsibilities



## Voluntary benefits

Seeking to help its people balance their professional and family obligations and improve their position in the work environment, ELVO has been consistently offering a programme of voluntary benefits over and above its strict obligations under the law, which

includes such benefits as life insurance, health and medical insurance, insurance against disability/incapacitation etc. This programme concerns all of the Company's people, as all members of its workforce are full-time employees.

# 12.4 Environment

For ELVO, its efforts to improve its environmental footprint focus on the management of energy and water consumption and on the disposal of the waste from the Company's activities.

The Company's policy gives priority to its compliance with the environmental laws and regulations. As a result, no sanctions have been imposed on the Company by administrative authorities or by the Courts for non-compliance of these laws and regulations.

## Energy consumption

Energy consumption in ELVO comes from non-renewable sources and, more specifically, from the consumption of natural gas.

Total energy consumption	2009
Indirect energy consumption (Electric power) (GJ)	13.017,6
Direct energy consumption (Natural gas) (GJ)	40.660,4



## Energy savings

In order to achieve savings in energy, ELVO has taken the following two actions: the control of cooling and heating in its office areas, and the control of lighting in the areas of the Company's plant. The total savings of electric power made possible by the corresponding change in the behaviour of Company personnel stands at 604.8 GJ.

Total energy savings	2009
Electric power (GJ)	604,8
Natural gas (GJ)	275,91

## Waste disposal

During 2009, total waste production from the Company's activities stood at over 318 tons.

The Company's hazardous waste stood at a total of 7.7 tons and included lubricating oils, accumulators, solid mud and 770 litres of solvents.

The Company's non-hazardous waste stood at 310.4 tons.

The reduction of the quantity and the rational management of this waste is a key concern in the Company's operation, and will directly reduce its overall environmental footprint.

The practices adopted in the management of the Company's waste include reuse (34%), recycling (9.8%), recovery and utilisation (1.5%) and disposal in landfills (54.7%). In detail:

## Water consumption

The total quantity of water consumed in Company activities during 2009 and drawn from municipal reserves or from other public water supply utilities stood at 36.900 m<sup>3</sup>

Total water consumption	2009
Water consumption (m <sup>3</sup> )	36.900

WASTE REUSE*	2009
Iron clippings (t)	99
Iron dust (t)	8,4
Aluminium dust *(t)	1,2
Brass (t)	0,3

\* Also includes accumulation from previous years.

WASTE RECYCLING*	2009
Lubricating oils (t)	2,2
Accumulators (t)	1,6
Wood pallets (t)	25,6
Paper packaging (t)	1,9

\* Waste is collected and removed by a specialised licensed contractor

WASTE RECOVERY*	2009
Solvents (lt)	770

\* Waste is collected and removed by a specialised licensed contractor.

WASTE DISPOSAL IN LANDFILLS *	2009
Mixed waste (t)	174

\* Waste is collected and removed by a specialised licensed contractor.

WASTE UTILISATION*	2009
Solid mud (t)	3,9

\* Waste is collected and removed by a specialised licensed contractor.



## Environmental expenditure

The Company's total expenditure for the protection of the environment during 2009 stood at €14,355 and involved waste disposal and gas emission processing costs.

These expenditure items aim to assist the Company's efforts to prevent, mitigate and control its environmental activities, impacts and related risks. In detail:

Environmental expenditure	2009
Waste processing and discharge (€)	9.755
Purchase and use of gas emission certificates (€)	1.600
Study for Solvents Management Plan (€)	3.000

## 12.5 Market

### Management of local suppliers

The term "local suppliers" is used to designate the suppliers of materials, products and services to ELVO which come from the same geographical market in which the Company is also active, i.e. primarily from the broader region of Northern Greece.

ELVO does not apply a specific policy regarding the selection of its local suppliers, and as a result is associated with suppliers from various Greek regions.

In 2009, the Company's outlays to its suppliers stood at €16,680,359.16. In addition to geographical location, the criteria used by the Company in the selection of suppliers are the following: (a) cost, (b) availability of appropriate production equipment, (c) experience, (d) quality, and (e) delivery time.

### Quality of products

The Quality Management System of ELBO has been certified by TUV Hellas and is fully aligned with the requirements of the ELOT EN ISO 9001:2000 European Standard. All Company activities regarding the design, development and manufacturing of vehicles, the operation of departments, of procurement and sales, of spare parts, and of technical service workshops and customer care have been incorporated into the certified Quality Management System.

As a result of the implementation and monitoring of this system, no sanctions have been imposed on the Company by administrative authorities or by the Courts for non-compliance with the applicable laws and regulations, including international declarations / agreements / treaties, as well as with the national, regional and local regulations on the sale and use of its products and services.

# ELVO S.A.: GRI Performance Summary

GRI Code	Description	Reported	Page
<b>Organisational Profile</b>			
2.1	Name of the organisation	Full coverage	106
2.2	Primary brands, products and/or services	Full coverage	106
2.3	Operational structure of the organisation	Full coverage	108
2.4	Location of organisation's headquarters	Full coverage	9
2.5	Number of countries where the organisation operates	Full coverage	7
2.6	Nature of ownership and legal form	Full coverage	9
2.7	Markets served	Full coverage	106
2.8	Scale of the reporting organisation	Full coverage	107
2.9	Significant changes regarding size, structure or ownership	Full coverage	
2.10	Awards received in the reporting period	None	
<b>Governance, Commitments &amp; Engagemen</b>			
4.1	Governance structure of the organisation, including committees under the highest governance body responsive for specific tasks, such as setting strategy or organisational oversight	Full coverage	108
4.2	Role and responsibilities of the Chairman of the Board of Directors	Full coverage	108
4.3	Independent and/or non-executive members of the Board of Directors	Partial coverage	108
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	None	
<b>Stakeholder Engagement</b>			
4.14	List of stakeholder groups engages by the organisation	Full coverage	29
4.15	Basis for identification and selection of stakeholders with whom to engage	Full coverage	
<b>Economic Performance</b>			
EC1 (C)	Direct economic value	Full coverage	107
EC6 (C)	EC6 (C) Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation	Full coverage	112
EC7 (C)	Procedures for local hiring and proportion of senior management hired form the local community at locations of significant operation	Full coverage	110
<b>Environmental Performance</b>			
EN3 (C)	Direct energy consumption by primary energy source	Partial coverage	111
EN4 (C)	Indirect energy consumption by primary source	Partial coverage	111
EN5 (C)	Energy saved due to conservation and efficiency improvements	Full coverage	
EN8 (C)	Total water withdrawal by source	Full coverage	111
EN22 (C)	Total weight of waste by type and disposal method	Full coverage	111
EN28 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Full coverage	111
EN30 (A)	Total environmental protection expenditures and investments by type	Full coverage	112
<b>Labour Practices and Decent Work</b>			
LA1 (C)	Total workforce by employment type, employment contract, and region.	Full coverage	109
LA3 (A)	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Full coverage	110
LA7 (C)	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Full coverage	109
LA10 (C)	Average hours of training per year per employee by employee category.	Full coverage	110
LA13 (C)	Composition of governance bodies and breakdown of employees by category according to gender, age group, minority group membership, and other indicators of diversity.	Full coverage	110
<b>Human Rights</b>			
HR4 (C)	Total number of incidents of discrimination and actions taken.	Full coverage	109
HR6 (C)	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Full coverage	109
HR7 (C)	Operations identifying as having significant risk of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	Full coverage	109
<b>Society</b>			
S07 (A)	Total number of legal actions for anti-competitive behaviour, anti-trust and anti-monopoly practices and their outcomes.	No petitions against the Company during 2009	
S08 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	No fines impose during 2009	
<b>Product Responsibility</b>			
PR9 (C)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Full coverage	112

(C): Core Indicator, (A): Additional Indicator



MYTILINEOS Group  
**Aggregate  
Performance  
Summary**



# 1.a MYTILINEOS Group: Triple Bottom Line Performance

For the MYTILINEOS Group, Corporate Social Responsibility is the means through which all Group companies can actively contribute to the efforts to develop social cohesion and protect the natural environment.

To this end, we are committed to the «Triple Bottom Line» concept, which recognises that CSR is the modern business administration method and that overall company performance of should be assessed based on a company's combined contribution to **Economy**, to the **Environment** and to **Society**.

MYTILINEOS GROUP	2009
<b>Economic performance</b>	
Turnover (in thousand €)	661.810
Gross profits (in thousand €)	118.996
Net profits (in thousand €)	13.726
Total outlays for new investments (in thousand €)	58.654
Total outlays for dividends to shareholders (in thousand €)	20.392
Total outlays for employee salaries and benefits (in thousand €)	92.154
Total outlays for tax obligations (in thousand €)	10.461
Total outlays for purchases from local suppliers (in thousand €)	181.170

MYTILINEOS GROUP	2009
<b>Environmental performance</b>	
Total consumption of electric power (million GJ)	7,37
Total consumption of water (million m <sup>3</sup> )	5,13
Total waste recycled or utilised (in thousand €)	104,5
Total expenditure for the protection of the environment (in thousand €)	5.959
Total number of Environmental Training hours	553

MYTILINEOS GROUP	2009
<b>Social performance</b>	
Total workforce	2.599
Total number of women in positions with extended responsibilities	27
Share of Management Executives recruited from local communities	91,2%
Total number of employees from ethnic minorities	34
Total number of employees with a disability	4
Total accidents	66
Total work-related fatalities	0
Total days lost due to accidents	990
Total number of employees having attended Education & Training programmes	1.229
Average training hours per employee	32,8
Total Occupational Health & Safety training hours	4.136
Total expenditure for actions promoting social cohesion (in thousand €)	1.396
Total expenditure for addressing pressing needs of local communities (in thousand €)	172

# 1.b MYTILINEOS GROUP: GRI Performance Summary

GRI Code	Description	Reported	Page
<b>Organisational Profile</b>			
2.1	Name of the organisation	Full coverage	7, 43
2.2	Primary brands, products and/or services	Full coverage	8-9
2.3	Operational structure of the organisation	Full coverage	21
2.4	Location of organisation's headquarters	Full coverage	43
2.5	Number of countries where the organisation operates	Full coverage	7
2.6	Nature of ownership and legal form	Full coverage	9
2.7	Markets served	Full coverage	8-9
2.8	Scale of the reporting organisation	Full coverage	31
2.9	Significant changes regarding size, structure or ownership	Full coverage	43
2.10	Awards received in the reporting period	None	
<b>Report Parameters</b>			
3.1	Reporting period for information provided	Full coverage	6
3.2	Date of most recent previous report (if any)	First report in accordance with the GRI-G3 framework	
3.3	Reporting cycle (annual, biennial etc.)	Full coverage	6
3.4	Contact point for questions regarding the report or its contents	Full coverage	7
<b>Report Scope &amp; Boundary</b>			
3.5	Process for defining report content	Full coverage	7
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	Full coverage	7
3.7	State any specific limitations on the scope or boundary of the report	Full coverage	7
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations	Full coverage	7
3.9	Data measurement techniques and the bases of calculations	Full coverage	7
3.10	10 Explanation of the effect of any re-statements of information provided in earlier reports and the reasons for such re-statement	First report in accordance with the GRI-G3 framework	
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	First report in accordance with the GRI-G3 framework	
3.12	Table identifying the location of the Standard Disclosures in the report	Full coverage	116
3.13	Policy and current practice with regard to seeking external assurance for the report	Full coverage	7
<b>Governance, Commitments &amp; Engagement</b>			
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight	Full coverage	21-25
4.2	Role and responsibilities of the Chairman of the Board of Directors	Full coverage	23
4.3	Independent and/or non-executive members of the Board of Directors	Partial coverage	22
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	None	
<b>Stakeholder Engagement</b>			
4.14	List of stakeholder groups engages by the organisation	Full coverage	29
4.15	Basis for identification and selection of stakeholders with whom to engage	Full coverage	28
<b>Economic Performance</b>			
EC1 (C)	Direct economic value	Full coverage	31
EC6 (C)	EC6 (C) Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation	Full coverage	41
EC7 (C)	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	Full coverage	32
EC8 (C)	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement	Full coverage	40
<b>Environmental Performance</b>			
EN4 (C)	Indirect energy consumption by primary source	Partial coverage	38
EN8 (K)	Total water withdrawal by source	Full coverage	38
EN22 (C)	Total weight of waste by type and disposal method	Full coverage	38, 39
EN28 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Full coverage	37
EN30 (A)	Total environmental protection expenditures and investments by type	Full coverage	39

Labour Practices and Decent Work			
LA1 (C)	Total workforce by employment type, employment contract, and region.	Full coverage	32
LA3 (A)	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Full coverage	36
LA7 (C)	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Full coverage	33
LA10 (C)	Average hours of training per year per employee by employee category.	Full coverage	34
LA13 (C)	Composition of governance bodies and breakdown of employees by category according to gender, age group, minority group membership, and other indicators of diversity.	Full coverage	35
Human Rights			
HR4 (C)	Total number of incidents of discrimination and actions taken.	Full coverage	35
HR6 (C)	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Full coverage	31
HR7 (C)	Operations identifying as having significant risk of forced or compulsory labour, and measures taken to contribute to the elimination of forced or compulsory labour.	Full coverage	31
Society			
S07 (A)	Total number of legal actions for anti-competitive behaviour, anti-trust and anti-monopoly practices and their outcomes.	Full coverage	41
S08 (C)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Full coverage	40
Product Responsibility			
PR2 (A)	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their lifecycle, by type of outcomes.	Full coverage	41
PR9 (C)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Full coverage	41

(C): Core Indicator, (A): Additional Indicator

## 1.c Application of the GRI Reporting Framework requirements

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

# 1.d Compatibility with the UN Global Compact

MYTILINEOS HOLDINGS S.A. has joined and co-signed the UN Global Compact since 2008. At that time, the Group's Chairman and CEO had expressed the Group's commitment in these words: *"... With this letter we are expressing our intention to uphold and promote the Principles of the UN Global Compact within our sphere of influence. We pledge to make the Global Compact and its Principles a part of our strategy, culture and daily activity, and to communicate clearly this commitment of ours to our employees, associates and clients and to the general public...»*, and this commitment continues to apply today. The Group's commitment to Corporate Social Responsibility is expressed by the disclosure of information on its actions and results in the areas of the environment, of society and of people. This information is contained in the annual Sustainability Report of the Group, which not only reiterates the Company's commitment to the Global Compact but also provides descriptions of its practices and results in relation to the Compact's Ten Principles.

	United Nations Global Compact Principles	Relevant GRI Indicators	Reference in Report
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	HR4	Page 35
	Principle 2: and make sure that they are not complicit in human rights abuses.		Δεν αναφέρονται
Labour Standards	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	LA3	Page 36
	Principle 4: the elimination of all forms of forced and compulsory labour;	HR7	Page 31
	Principle 5: the effective abolition of child labour;	HR6	Page 31
	Principle 6: and the elimination of discrimination in respect of employment and occupation.	HR4, LA10	Pages 34, 35
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges	EN4, EN8, EN22, EN28, EN30	Pages 37-39
	Principle 8: undertake initiatives to promote greater environmental responsibility;	EN4, EN8, EN22, EN28, EN30	Pages 37-39
	Principle 9: and encourage the development and diffusion of environmentally friendly technologies.	EN4, EN8, EN22, EN28, EN30	Pages 37-39
Anti-Corruption	Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.	S07, S08	Pages 40, 41

# MYTILINEOS Group Sustainability Report – Evaluation Questionnaire

We would be honoured if you could take the time to help our Group's efforts to improve its Sustainability Report, by answering the following six questions.

## 1. To which stakeholder category of the MYTILINEOS Group do you belong?

- Employee
- Journalist/Media
- Business organisation
- Client
- Local Government
- Financial analyst
- Supplier
- NGO
- Other .....

## 2. Having read the Sustainability Report of the MYTILINEOS Group, which of the Group's activity areas did you find particularly interesting?

- Metallurgy & Mining
- Energy
- EPC Projects
- Vehicle Industry

## 3. What is your impression of each one of the following sections of the Sustainability Report of the MYTILINEOS Group?

	Very interesting	Of little interest	Not at all interesting
Corporate Governance			
Financial Information			
Human Resources			
Environment			
Society			
Market			

## 4. How much would you agree that the Sustainability Report of the MYTILINEOS Group...:

	I fully agree	I rather agree	I rather disagree	I fully disagree
...is easy to understand				
...contains issues that interest me				
...documents the information presented in a manner that conveys honesty and transparency				
...presents values and principles clearly				

## 5. Are there any sections which, in your opinion, should be treated more thoroughly by the MYTILINEOS Group?

.....

.....

## 6. Would you like to make comments or suggest improvements?

.....

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Thank you for your interest and feedback. Please provide your personal information (optional) and return the completed questionnaire by mail to MYTILINEOS S.A., Communication & CSR Department, 5-7 Patroklou Street, 151 25 Maroussi, or by fax to ++30 210 6877400.

HOLDINGS   
**MYTILINEOS**

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