



2014
Sustainability
Report

HOLDINGS 
MYTILINEOS



2014

A year full of value
to the society and our
employees

CONTENTS

1.	Message from the Chairman	2
2.	Sustainability Report Parameters	4
3.	Materiality analysis of sustainability issues	5
4.	Mytilineos Group summary profile	10
4.1	Activity sectors and geographical activity map	12
4.2	Strategy & Key Economic Value Data	14
4.3	Key figures for 2014 & Outlook for 2015	15
4.4	Supply Chain	18
5.	Corporate Social Responsibility in MYTILINEOS Group	20
5.1	Corporate Responsibility Framework in MYTILINEOS Group	22
5.2	Performance versus 2014 targets	24
5.3	Stakeholder Engagement	25
6.	ENVIRONMENTAL PERFORMANCE	32
6.1	Environmental compliance	34
6.2	Raw & Other Materials	34
6.3	Energy	36
6.4	Emissions	38
6.5	Lubricant spills	39
6.6	Management of solid and liquid waste	40
6.7	Water	44
7.	SOCIAL PERFORMANCE	46
7.1	Employment	48
7.2	Work Conditions	51
7.3	Management – Employee relations	51
7.4	Occupational Health & Safety	52
7.5	Training & Development	57
7.6	Equal Opportunities & Diversity	60
7.7	Social Contribution	61
7.8	Actions to Strengthen Transparency	64
7.9	Child & Forced Labour	65
7.10	Compliance	66
7.11	Product Quality and Safety	66
7.12	Customer satisfaction	69
7.13	Responsible communication and marketing	70
8.	CORPORATE GOVERNANCE	72
8.1	Governance Structures	75
8.2	CSR Governance	78
8.3	Risk Management	80
9.	UN Global Compact progress report (Advanced Level)	82

1. Message from the Chairman



Taking steady steps, guided by our vision for the future, we support the Greek economy and remain true to our non-negotiable commitment to Continuous Responsible Development.

In a period of time during which the words "crisis" and "insecurity" have become part of our daily life, it is important to meet the demanding challenges that face us not merely adequately but, first and foremost, in a way that balances economic growth with social and environmental performance. In this sense, it is with particular pride that I welcome you to the Sustainability Report of MYTILINEOS Group for 2014, which has been upgraded to the GRI-G4 Sustainability Reporting Guidelines and presents our overall approach to responsible entrepreneurship, together with our performance and targets on individual sustainability issues. These targets are fully aligned with the Principles of the Group and are driven by our vision and strategy, both in the short and in the long term.

MYTILINEOS Group, fully aware of its role as one of the world's leading EPC contractors for energy projects, as Greece's largest independent energy producer and the very first private supplier of natural gas, and as the largest vertically integrated alumina and aluminium producer in Europe, seeks to return, in terms of sustainability, added value to society and to contribute to growth in the best way possible.

For the Greek economy, the previous year was characterised by fluctuations that were also significantly affected by political developments. During 2014, Greece posted positive rates of economic growth for the first time after six years in recession. However, after October the economic and investment sentiment in the country deteriorated significantly on the back of the political instability, hindering economic recovery. Nevertheless, despite the adverse conditions in the economy, which dampen prospects across the board, MYTILINEOS Group, by applying its strict and consistent strategy, remained on a positive course of growth.

Taking steady steps, guided by our vision for the future, we support the Greek economy and remain true to our non-negotiable commitment to Continuous Responsible Development, ensured through specific actions that support the Greek society, protect the natural environment and promote good practices in our companies' work environment.

The value of the Group's "social product" for 2014 stood in excess of €260 million and was allocated to a number of business, social and environmental investments, employee benefits and compensations, payment of taxes and capital refund to shareholders. In fact, in the period from 2010 to 2014 MYTILINEOS Group has already contributed more than €4.7 million to social support initiatives, as well as to projects aiming to meet needs in local infrastructures. At the same time, it has offered more than €45 million to activities concerning environmental prevention and the maintenance of the environmental management system of its subsidiaries.

Having our people as our first priority, we succeeded in maintaining all of the Group's 2,500 direct and many more indirect jobs, in a period of prolonged and strong economic recession in Greece, focusing on supporting our local communities, from which originates 88% of our employees. We also maintain a supply chain numbering nearly 4,940 individual suppliers. Demonstrating our high sensitisation to the acute problem of unemployment, 40% out of the 370 total new personnel hired during 2014 were young people below 30. In parallel, we launched initiatives in support of young graduates starting out on their career, such as the innovative programme "ENGINEERS IN ACTION".

Additionally, we continued to implement initiatives in a transparent, responsible and - above all - effective way, seeking to ensure the involvement of all our Stakeholders in them. With this in mind, the Group continued with its Stakeholder engagement process, which was introduced for the first time in 2010 and relies on two-way communication in order to incorporate the outcome of the dialogue process into the Group's activities and business strategy and, at the same time, disseminate best practices across the entire Group. In 2014, a local Dialogue Forum was held in METKA's Volos plant for the fifth consecutive year, and the electronic consultation process was adopted for the first time by PROTERGIA and ALUMINIUM OF GREECE.

Finally, we take pride in the fact the MYTILINEOS Group was one of the first 10 Greek companies to sign onto the UN Global

Compact "Call for Action" appeal against corruption and bribery, as transparency and the protection of human rights are both key pillars of the Group's corporate social responsibility policy.

For MYTILINEOS Group, Corporate Social Responsibility is not a mere obligation imposed by national standards and international regulations. It is a strategic choice whose philosophy we are approaching with consistency and we implement using innovative methods.

Our intention is to move forward using the same methodical and effective approach, setting ourselves specific targets for the next three years: To remain committed to the target of zero accidents and occupational diseases and attain the "zero accidents" target; to increase our response to the needs of local communities in terms of infrastructures; to establish a comprehensive policy on the protection of human rights, supported by relevant procedures; to ensure the commitment of our key suppliers and business partners to the Group's Code of Conduct; to stabilise and reduce emissions and waste discharges, especially in our metallurgy activities, focusing on the conservation of the natural resources; and, finally, to enhance our corporate governance processes.

In essence, by making the most of all the opportunities offered and upholding the principles that maintain unbroken our alliance with society, with our people and with the environment, we are forging ahead with renewed dynamism and the aim to turn challenges into opportunities that will benefit society, linking business activity with the society's true needs. G4-1

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



2. Sustainability Report Parameters

In response to the expectations of its Stakeholders and in line with its commitment to continuous improvement, MYTILINEOS Group is releasing its 7th annual Sustainability Report (hereafter "CSR Report" or simply "Report"), which is declared as "In accordance Core" for GRI (G4) Guidelines levels and as "Advanced" level Communication on Progress according to U.N. Global Compact criteria. (G4-32)

Group's approach to defining the content of the Sustainability Report for 2014 was based on monitoring and identifying key topics considered in the Stakeholder engagement process. The Report covers issues whose disclosure was of significant importance both for stakeholders and for the Group itself in the reporting year. The present publication follows the structure introduced, for the first time, in the Sustainability Report 2013, reflecting the Group's intention to present concise and complete information on its ESG (Environmental - Social - Governance) performance, for its Corporate Centre as well as for subsidiaries. (G4-18)

In most cases, the quantitative information presented in the Report is consolidated at the Group level, while percentage breakdowns of these consolidated figures are provided in order to reflect the individual performance of MYTILINEOS Group subsidiaries (with the exception of M&M GAS S.A.) as reported in the Group Annual Report 2014. (G4-17) www.mytilineos.gr/Uploads/ETHSIA_DELTIA/Mytilineos_Group_Annual_Report_2014_gr.pdf (p.8).

The completeness of the information contained in the Report is supported by the specific Corporate Social Responsibility section of the MYTILINEOS Group website (www.mytilineos.gr/en-us/corporate-social-responsibility/of-mytilineos-group) as well as by references, where required, to the Group's Annual Report 2014. Moreover, in preparing its Sustainability Report and in line with its standard practice, the Group has voluntarily incorporated the principles of international standards and guidelines such as:

- The GRI Sustainability Reporting guidelines, based on the Mining and Metals Sector Supplement (March 2010), which serve as a key pillar of the Group's performance in the broader context of sustainability.
- The seven fundamental principles of Corporate Social Responsibility, as defined by the ISO 26000 Social Responsibility Interna-

tional Standard. For the Group's incorporation of the CSR Principles under ISO 26000, you may consult the correspondence table available from: www.mytilineos.gr/en-us/memberships-initiatives-and-standards/about-corporate-social-responsibility#tab-iso-2006-international-standards.

- The 10 Principles of the UN Global Compact, and
- The OECD Guidelines to multinational enterprises on responsible business conduct.

The content of this Report focuses on the sustainability issues which are material to the achievement of the strategic goals of MYTILINEOS Group and to the establishment of its future prospects as a Group, with a long-term horizon, that it takes care to ensure that its activities create shared value, for itself, its stakeholders and for the society in which it belongs and operates.

Views, comments or suggestions which, in your opinion, the Group should take into consideration in the preparation process of its annual Sustainability Report, are most welcome. You can make them using our online questionnaire, available from the following address: www.mytilineos.gr/el-gr/survey/survey-about-mytilineos

For more details or clarifications, please contact: (G4-31)

Vivian Bouzali
MYTILINEOS Group Communication Director
5-7 Patroklou Street, 151 25 Maroussi
Website: www.mytilineos.gr

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." and "PROTERGIA S.A." refer to each company that represents the respective activity sector of the Group and to that company's activities in Greece, unless otherwise indicated.

The terms "Group" and "MYTILINEOS Group" refer to MYTILINEOS HOLDINGS S.A. and to its subsidiaries, all of which together make up MYTILINEOS Group.



3. Materiality analysis of sustainability issues (G4-1)

MYTILINEOS Group seeks to reflect in its practices the principle of Corporate Responsibility. Since 2010, the Group has developed a process for defining the materiality of sustainability issues, which combines the principles of the GRI international standard with the procedures that govern the Group's application of the precautionary principle in the framework of its operation. In 2014, the Group adapted this process to the methodology of the new

GRI-G4 Sustainability Reporting Guidelines, allowing a more effective identification of these issues, as well as the description of their impacts and the latter's boundaries, taking also into account the expectations of the Group's key Stakeholders.

More specifically, the Materiality analysis process was implemented in three stages: (G4-18) (G4-26)

Stage A:

Identification of Materiality issues

Sustainability context

Work in this stage adhered to the Principle of the Sustainability context, according to which the issues composing the CSR framework of MYTILINEOS Group are thoroughly investigated and identified. This investigation was carried out based on the current practices and future trends that relate to the Group's long-term strategy, taking into account the restrictions and requirements imposed by environmental or social parameters per activity sector, on the national, regional or local level. In line with the above, the following activities were carried out:

- Internal meetings to determine environmental and social impacts, with the participation of the individual CSR teams and top executives of the three subsidiaries of MYTILINEOS Group.
- Examination of official corporate documents and procedures such as: The Group's CSR strategic directions, its specific CSR policies, the Group's Principles and Values, its fundamental commitments in the CSR framework, its Professional Ethics Code and the results from the sustainability risk analysis and assessment procedures in place.
- Incorporation of international standards and guidelines such as: The list of GRI-G4 aspects, the additional requirements of the GRI Organisation for the Mining and Metals sector, the guidance provided by the ISO 26000 Social Responsibility International Standard and the Principles of the UN Global Compact.
- Overview of the competitive environment of the Group's subsidiaries in terms of sustainability issues.

Stakeholder participation

The participation of the key Stakeholder groups, in this stage, took place with the integration of their expectations and issues of interest raised during the Group's annual Engagement process, implemented through its subsidiaries on the local level (local dialogue forum and use of the electronic consultation method).

Results

As a result of the synthesis of the above actions, **44 Materiality issues** were initially identified and recorded.

In detail:

- STRATEGY/GOVERNANCE: 7
- LABOUR PRACTICES: 8
- ENVIRONMENT: 9
- HUMAN RIGHTS: 8
- SOCIETY: 6
- MARKET: 6

Stage B:

Evaluation of Materiality issues and determination of their impact

The purpose of this stage was the adaptation to the criteria under the Materiality Principle, as foreseen by the GRI-G4 Sustainability Reporting Guidelines, in order to ensure that the present Report addresses all issues in connection with the challenges which concern the Group's activity, together with the corresponding issues which could materially affect the estimates and decisions made by its key Stakeholder groups. In this context:

- Materiality**
- MYTILINEOS S.A. designed and sent out to the Group's three subsidiaries **the materiality evaluation forms** (based on a rating scale of 1 to 5) for each sustainability issue (according to Stage A results), with precise clarifications on the determination of their impact boundaries both within and outside the subsidiaries' corporate environment.
 - Special working meetings were organised between the Group's CSR Supervisor and the CSR teams of the Group's companies, to ensure the fullest possible completion of the questionnaires.

Stakeholder participation

An evaluation questionnaire was also developed, for the same issues, based on a rating scale of 1 to 5 (each issue could be assigned a rating ranging from "not important" to "extremely important"). This questionnaire was e-mailed in electronic form to key Stakeholder groups. The Stakeholders were invited to rate the importance of each issue, using as key criterion the degree of the issue's impact on their relation with the Group's companies (105 completed questionnaires were returned).

Following the synthesis of the results of the above initiatives, the issues identified were mapped in the first draft of the Group's Materiality Issues table. After the implementation of this stage, the number of issues was reduced from 44 to 30.

- Results**
- In detail:
- STRATEGY/GOVERNANCE: 1
 - LABOUR PRACTICES: 7
 - ENVIRONMENT: 9
 - HUMAN RIGHTS: 4
 - SOCIETY: 4
 - MARKET: 5

Stage C:

Validation of Materiality issues

All significant actions and initiatives covered by the Sustainability Report 2014 refer to the environmental and social performance of MYTILINEOS S.A. and of its three key subsidiaries in which it is the sole shareholder (ALUMINIUM of GREECE and PROTERGIA) or the majority shareholder (METKA S.A.), with a primary geographical focus on Greece and including also the construction sites operated by METKA S.A. abroad, in Algeria, Turkey, Syria, Iraq and Jordan. (G4-17) Furthermore, this information is complemented by corresponding data on supervised employees and on Group's key suppliers and business partners, presented in specific sections of the Report, such as the section on Occupational Health & Safety.

Completeness

The completeness of the issues has been determined based on the capability of the Group's Stakeholders to evaluate the significance and impact of the Materiality issues, without any withholding of data or information which could affect their opinion or their decisions in the context of their relation with the Group.

The final list of Materiality issues was validated during this third stage, after final control and approval by the Management of the Group's subsidiaries. The outcome of this procedure was a list of 24 issues, which are shown in the final Materiality Issues table given below and, at the same time, determine the key contents of the Sustainability Report of MYTILINEOS Group for 2014. (G4-18) (G4-26)

- Results**
- In detail:
- STRATEGY/GOVERNANCE: 1
 - LABOUR PRACTICES: 6
 - ENVIRONMENT: 7
 - HUMAN RIGHTS: 3
 - SOCIETY: 3
 - MARKET: 4

Materiality Issues table (definition of impact boundaries)



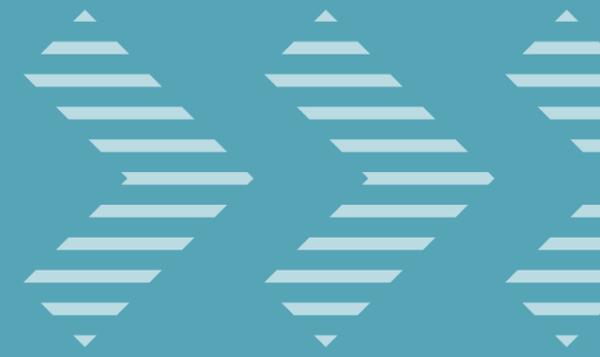
Materiality Issues (G4-19)	Impact within the Group (G4-20)		Impact outside the Group (G4-21)	
	ALUMINIUM OF GREECE	METKA	ALUMINIUM OF GREECE	METKA
1. Environmental compliance	●	●	●	●
Elements determining the materiality of the issue outside the Group	<p>Metallurgy & Mining Sector: Impacts on the reduction of the environmental footprint of ALUMINIUM OF GREECE (land, sea, air, underground water masses in the plant's wider area), as well as on the company's image and the acceptance of its role by the local communities.</p> <p>EPC Projects Sector: Avoidance of sanctions / fines, strengthening of the policy on the protection of the environment and safeguarding of the corporate reputation.</p> <p>Energy Sector: Impact of a Legal, Production and Environmental Nature: For PROTERGIA, compliance with the approved environmental terms is a prerequisite for the operation of the company's power plants in accordance with their respective operating licenses.</p>			
2. Strategy, investments & economic performance	●	●	●	●
Elements determining the materiality of the issue outside the Group	<p>EPC Projects Sector: Impacts on the company's sustainability, its relations with investors, its support of supplier growth and, by extension, on its contribution to GDP growth.</p> <p>Energy Sector: Impacts on the capacity to secure the company's competitive advantage, in terms of the deployment of resources in a changing environment, in order to respond to market needs and meet the expectations of its key Stakeholder groups. Creation of value for the Stakeholder groups. Impacts on business growth and the leveraging of effective and efficient synergies. Through its operation, PROTERGIA ensures that significant amounts are returned to society, such as in the form of purchases from its suppliers, of taxes paid to the State and of salaries and social security contributions paid to and for its employees.</p>			
3. Occupational Health & Safety	●	●	●	●
Elements determining the materiality of the issue outside the Group	<p>EPC Projects Sector: Safeguarding of the corporate reputation of METKA S.A.</p> <p>Metallurgy & Mining Sector: Impact on the company's image and on the acceptance of its role by the local communities.</p>			

Materiality Issues (G4-19)

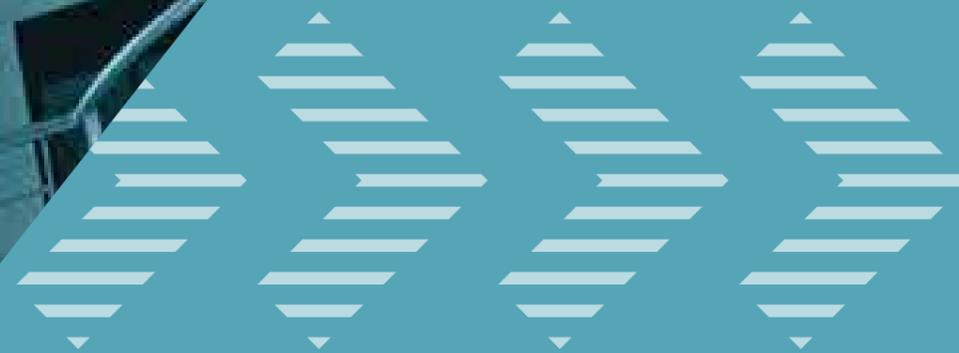
Materiality Issues (G4-19)	Impact within the Group (G4-20)		Impact outside the Group (G4-21)			
	ALUMINIUM OF GREECE	METKA	protergia	ALUMINIUM OF GREECE	METKA	protergia
The boundaries of MYTILINEOS Group are defined by the respective boundaries of operation of its subsidiaries and their business units.						
4. Compliance with the laws	●	●	●	●	●	●
<p>Elements determining the materiality of the issue outside the Group Metallurgy & Mining Sector: Strict and full application of the legislation is non-negotiable in connection with all issues. Failure to do so may result in economic and other impacts and to significant damage to corporate reputation. EPC Projects Sector: Economic impact, through the avoidance of fines and litigations. Emphasis on maintaining harmonious relations with the competent authorities. Energy Sector: Impacts on the capacity to secure the orderly operation of the company.</p>						
5. Bolstering employment	●	●	●	●	●	●
<p>Elements determining the materiality of the issue outside the Group Metallurgy & Mining Sector: Because of the size of ALUMINIUM OF GREECE and the high unemployment rate in the country, employment is one of the most important issues, with enormous social impact. EPC Projects Sector: Impacts on the support and development of the local community, the creation of jobs and the training of employees in other countries in modern practices. Energy Sector: Impacts on the support to local communities through the contribution of the PROTERGIA in reducing unemployment, as well as on the establishment of its reputation.</p>						
6. Management – Employee relations	●	●	●			
7. Actions to strengthen transparency	●	●	●	●	●	●
<p>Elements determining the materiality of the issue outside the Group EPC Projects Sector: Impacts on the actions to strengthen transparency and on the ties of METKA S.A. with its Stakeholders and particularly with its supply chain. Energy Sector: Impacts on PROTERGIA's relations with all its Stakeholder Groups.</p>						
8. Management of solid and liquid waste	●		●	●	●	●
<p>Elements determining the materiality of the issue outside the Group Metallurgy & Mining Sector: Economic impacts, mainly from bauxite waste management. Increased interest from the local community and the wider region. EPC Projects Sector: Impacts on the prevention of soil and water pollution.</p>						
9. Customer satisfaction	●	●	●	●	●	●
<p>Elements determining the materiality of the issue outside the Group Metallurgy & Mining Sector: Impacts on the financial results, sustainability and enhancement of the reputation of ALUMINIUM OF GREECE. EPC Projects Sector: Impacts on the further development and promotion of a customer-centred business culture and on METKA's self-evaluation and improvement procedures. Energy Sector: Impacts on the understanding of consumer needs and wants, as well as on the efforts to build lasting relations with customers.</p>						
10. Energy consumption	●		●	●	●	●
<p>Elements determining the materiality of the issue outside the Group EPC Projects Sector: Impacts on the efforts to address Climate Change and to reduce the use of natural resources. Energy Sector: Economic and Production Impact: With regard to direct energy consumption, the responsible management of natural gas is directly linked to the production process, as natural gas is the primary fuel for the electricity production process. Significant impact for the company's profitability, as well as for the customer (the Independent Power Transmission Operator - ADMIE), who is the recipient of the product. With regard to indirect energy consumption, the impact is limited and concerns the company's operating costs.</p>						
11. Work conditions	●	●	●			
12. Training and Development of employees	●	●	●			
13. Responsible Communication & Marketing			●	●	●	●
<p>Elements determining the materiality of the issue outside the Group All Group activity sectors: Impacts on the image and credibility of each company. Indirect impacts on the acceptance of all Group subsidiaries by their local communities and other Stakeholders groups.</p>						
14. Management of raw & other materials	●	●	●	●		
<p>Elements determining the materiality of the issue outside the Group Metallurgy & Mining Sector: Impacts on customers' protection (ensuring product quality) and the rational management of natural resources. Impacts on the reduction of the company's environmental footprint and the acceptance of its operation by the local communities.</p>						
15. Support of local communities			●	●	●	●
<p>Elements determining the materiality of the issue outside the Group All Group activity sectors: Impacts on the improvement of living conditions and quality of life in the local communities, as well as on the actions to strengthen relations with them, to alleviate problems that become more acute due to the economic crisis and to respect the needs of local communities affected by the activity of each Group subsidiary.</p>						

Materiality Issues (G4-19)

Materiality Issues (G4-19)	Impact within the Group (G4-20)		Impact outside the Group (G4-21)			
	ALUMINIUM OF GREECE	METKA	protergia	ALUMINIUM OF GREECE	METKA	protergia
The boundaries of MYTILINEOS Group are defined by the respective boundaries of operation of its subsidiaries and their business units.						
16. Management of suppliers				●	●	●
<p>Elements determining the materiality of the issue outside the Group All Group activity sectors: Overall impact on the improvement of relations with the supply chain actors. Impact on the compliance of supply chain actors with specific criteria regarding sustainability risks prevention, to be taken into account in the supplier selection process in each Group subsidiary. Impact on the efforts to build proper relations with suppliers, which will lead to fair and competitive prices and improved service quality.</p>						
17. Promoting equal opportunities	●	●	●	●	●	●
<p>Elements determining the materiality of the issue outside the Group Metallurgy & Mining Sector: Impacts on the overall image of ALUMINIUM OF GREECE, as well as on the low number of employed women, which is mainly due to the nature of the company's activity. EPC Projects Sector: Impacts on the provision of equal opportunities in connection with the recruitment and advancement of employees, especially in foreign countries where the company is present. Energy Sector: Impacts on the recruitment process, by ensuring equal opportunities for all candidate employees, contributing to the support of local communities and to the establishment of PROTERGIA's reputation.</p>						
18. Product Quality & Safety		●		●	●	●
<p>Elements determining the materiality of the issue outside the Group Metallurgy & Mining Sector: Impacts on the corporate image of ALUMINIUM OF GREECE. EPC Projects Sector: Impacts on the corporate image and market position of METKA S.A., through the avoidance of sanctions/fines for related violations. Energy Sector: Impacts on the corporate reputation of PROTERGIA and on the assurance of product quality criteria.</p>						
19. Management of spills in the soil and in water	●	●	●	●	●	●
<p>Elements determining the materiality of the issue outside the Group All Group activity sectors: Impacts on the corporate image of the subsidiaries and on the policy on the prevention of soil and water pollution.</p>						
20. Child Labour	●	●	●	●	●	●
<p>Elements determining the materiality of the issue outside the Group EPC Projects Sector: Impacts on the corporate reputation of METKA S.A. and on the efforts to enhance the protection of Human Rights, mainly in foreign countries where the company is present. Energy Sector: Impacts on the company's reputation, through its participation in efforts to eliminate Human Rights violations involving child labour; positive impact on society.</p>						
21. Forced Labour.	●	●	●	●	●	●
<p>Elements determining the materiality of the issue outside the Group EPC Projects Sector: Impacts on the corporate reputation of METKA S.A. and on the efforts to enhance the protection of Human Rights, mainly in foreign countries where the company is present. Energy Sector: Impacts on the company's reputation, through its participation in efforts to eliminate Human Rights violations involving forced labour. Enhanced positive impact on society.</p>						
22. Greenhouse gas emissions	●		●	●	●	●
<p>Elements determining the materiality of the issue outside the Group EPC Projects Sector: Impacts on the contribution to the efforts to address climate change and to reduce the overall environmental footprint of METKA S.A. Metallurgy & Mining Sector: Impacts on the environmental footprint of ALUMINIUM OF GREECE, as well as on the company's image and the acceptance of its activity by the local communities.</p>						
23. Employee satisfaction	●	●	●			
24. Water consumption	●	●	●	●		
<p>Elements determining the materiality of the issue outside the Group Metallurgy & Mining Sector: Impacts on the environmental footprint of ALUMINIUM OF GREECE (land, sea, air, underground water masses in the plant's wider area), as well as on the company's image and the acceptance of its role by the local communities.</p>						
<p>The issues shown in the Materiality Issues Table which are not covered in the Sustainability Report, are the following:</p> <ul style="list-style-type: none"> 25 Evaluation of suppliers using criteria relating to environmental practices 26 Evaluation of suppliers using criteria relating to labour practices 27 Management of biodiversity 28 Freedom of Association 29 Corporate volunteerism 30 Collaboration with volunteer organisations and NGOs 						
<p>Information on issues 27 & 28 is given in the GRI-G4 Disclosures table, available from: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014</p>						

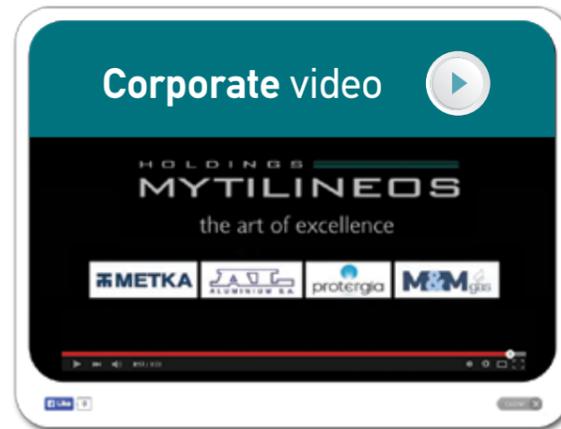


4. MYTILINEOS Group summary profile



4.1 Activity sectors and geographical activity map (G4-4) (G4-8)

MYTILINEOS Group is one of Greece's leading industrial groups whose operation has marked the country's development. The Group owns a dynamic and flexible business portfolio in Metallurgy & Mining, EPC (Engineering – Procurement – Construction) Projects, and Energy. As a responsible industrial Group, MYTILINEOS Group strives for constant business excellence and for ensuring the application of best practices, balancing economic growth with the protection of the environment and with social responsibility. It establishes the products of the Greek metallurgical industry around the globe, excels in the construction of large-scale EPC energy projects in rapidly growing markets abroad, and carries out pioneering investments that pave the way for Greece's energy future and open up prospects for society, businesses and the environment.



METALLURGY & MINING SECTOR

In this sector, MYTILINEOS Group is active through its subsidiary ALUMINIUM OF GREECE (AoG), one of the strong pillars of Greek industry and a driving force for the growth of the Greek economy and the development of the Greek periphery, with an annual production capacity that exceeds 170,000 tons of aluminium and 815,000 tons of alumina. AoG and its subsidiary DELPHI-DISTOMON apply production and trade processes on a par with those of the world's top metallurgical industries and are today Europe's largest vertically integrated alumina and aluminium producer and the second largest bauxite producer in Greece, with an annual production of 650,000 tons.



EPC PROJECTS SECTOR

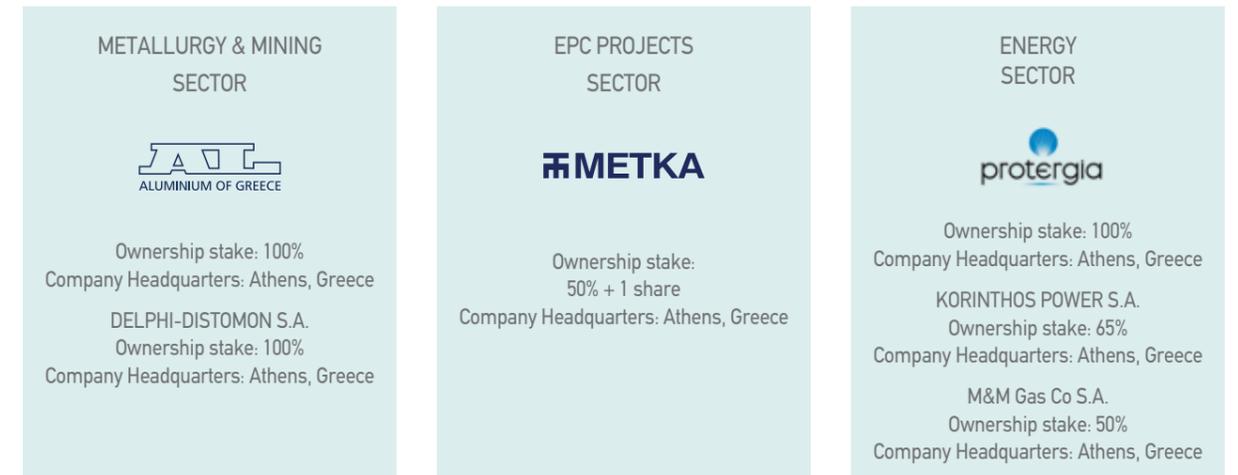
METKA S.A., MYTILINEOS Group company, is today a leading Greek exporting company and one of the top Greek businesses in the construction sector. It competes on an equal footing with global giants and has been established as one of the strongest players in the global market for EPC projects (i.e. the implementation of large-scale turnkey projects, providing the complete range of Design, Procurement and Construction services). In the EPC Projects Sector, METKA S.A. is focusing on foreign markets and is successfully competing and securing large projects for the construction of power plants in Europe, the Middle East and Africa, specialising in high-efficiency gas-driven power plants. In parallel, its strong industrial production base allows it to manufacture custom mechanical parts and to have a strong presence as a specialist contractor for Infrastructure and Defence projects. In addition, by obtaining a 7th Class Contractor's Certificate, METKA S.A. has expanded the prospects for its participation in a broad range of public works in the Greek market.



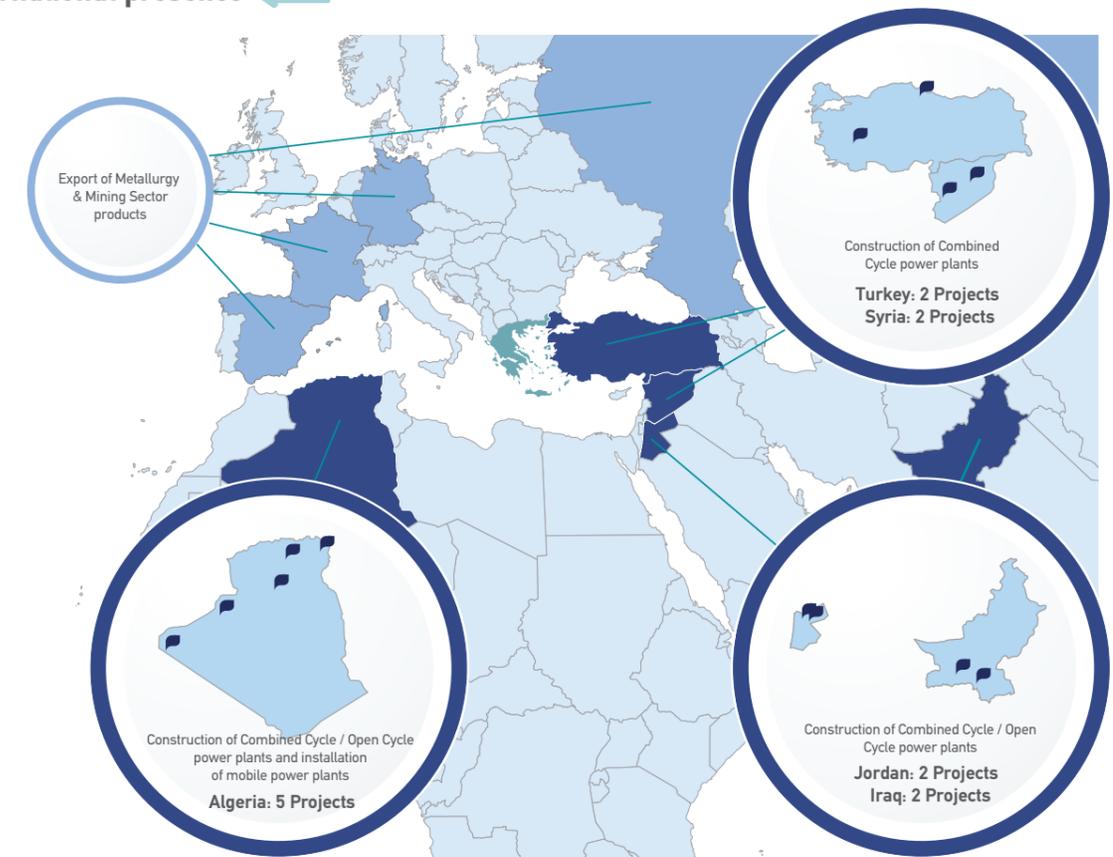
ENERGY SECTOR

Through PROTERGIA, MYTILINEOS Group is Greece's largest independent electricity producer. The company manages an energy portfolio with an installed capacity in excess of 1,200 MW, which accounts for more than 10% of the country's total electricity production. In parallel, through private, environment-friendly investments in hi-tech power plants, it makes a significant contribution to the Greek economy and to employment. The strategy of PROTERGIA focuses on the acquisition and/or management of a dynamic and balanced portfolio of power generation assets, with emphasis on gas-driven thermal plants and RES-based plants, which responds successfully to the ever-changing landscape of the Greek energy market and meets the requirements of the EU's energy policies. In addition, the company is active in the wholesale and retail electricity markets and in the market for CO₂ emissions trading, with plans for future expansion, to neighbouring countries with growing energy demand.

MYTILINEOS Group Structure (G4-7)



International presence (G4-6)



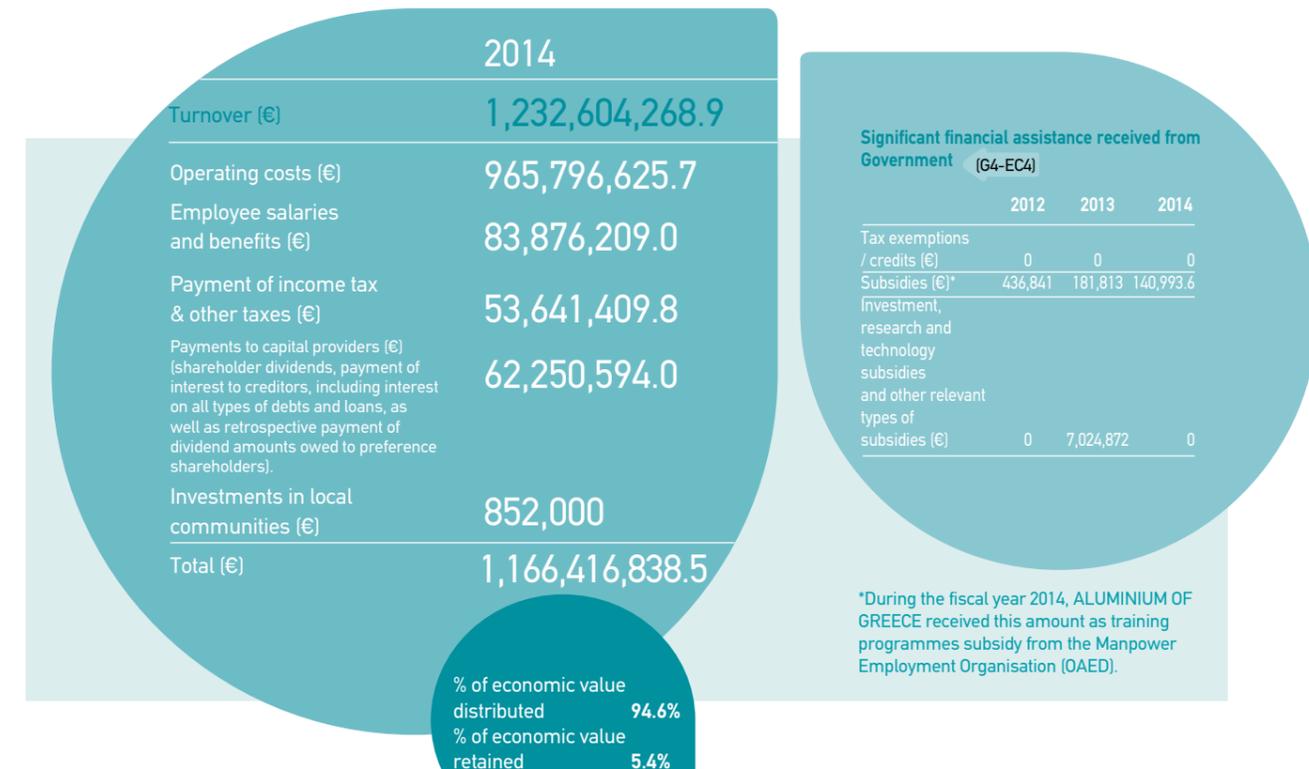
4.2 Strategy & Key Economic Value Data (G4-1)

Driven by its commitment to continuous development and progress and seeking to always be at the forefront of developments in each one of its activity sectors MYTILINEOS Group consistently pursues its vision to become a strong and competitive European heavy industry group. Drawing on its highly qualified human resources, significant assets and financial robustness, the Group aims to achieve steady organic growth

in the wider region of SE Europe, Africa and the Middle East and to consolidate the significant synergies available between its core activity sectors, seeking in this way to ensure their balanced development. In parallel with its investment plan, it develops methods to curtail costs and exploits the capabilities of sophisticated risk-hedging tools and techniques to optimise its economic performance in the coming years.



Economic Value Table (G4-EC1)



4.3 Key figures for 2014 & Outlook for 2015 (G4-1) (G4-8)

MYTILINEOS Group in 2014 posted a consolidated turnover of €1,232.6 million against €1,403 million in 2013, a decline attributed exclusively to the regulatory changes in the operation of the energy market. Earnings before interest, tax, depreciation and amortisation (EBITDA) grew to €253.9 million from €225.3 million in 2013, driven mainly by the improved performance of the Metallurgy & Mining Sector and the sustained strong performance of the EPC Projects Sector. Net profit after tax and minority rights stood at €64.9 million, against €19.1 million for the previous year.

Overall, during the six-year recession in the Greek economy, MYTILINEOS Group managed to successfully complete its large-scale Energy investment plan and proceed with investments in its industrial activities, thus recovering the competitiveness of its Metallurgy Sector, while at the same time gradually expanding to new EPC markets abroad. The success of this strategy is reflected in the Group's strong financial performance for 2014 and the steadily declining net borrowing levels, which dropped by more than €370 million in the course of the last two years, and is also demonstrated by the fact that the Group has maintained the 2,500 direct and indirect jobs it provides.

Metallurgy & Mining

The Group's Metallurgy and Mining Sector posted the strongest improvement relative to the previous year, with a turnover of €470.8 million, against €435.9 million in 2013. The year 2014 was a turning point for the sector, as the successful completion of the "MELLON" competitiveness recovery programme and the drastic cost reductions it made possible, were combined from the second half of the year onwards with favourable developments in the international markets, such as the strengthened performance of the US Dollar against the Euro and the decline in oil prices, as well as the stabilisation of the "all-in" aluminium prices at higher levels.

The rate of growth of global aluminium demand is expected to remain strong during 2015. Aluminium prices currently stand at levels that pose significant challenges for producers and thus create conditions for a further drop in aluminium stocks, which have been steadily declining since early 2013. The developments regarding the market fundamentals, the performance of emerging economies and especially of the Chinese economy, the energy costs and the evolution of the Euro/USD parity, together with the monetary policy to be adopted by the Central Banks, are expected to be the key factors that will determine the developments in the sector in the months ahead. In this international environment, MYTILINEOS Group, relying primarily on its strict control of production costs, focuses on further strengthening the competitiveness of its Metallurgy & Mining Sector, expecting it to post a strong financial performance in 2015.

Construction & EPC Projects

The EPC Projects Sector remained on a positive course for yet another year. METKA S.A. posted a turnover of €609.3 million, against €606.5 million in 2013, managing to sustain its strong financial performance at particularly high levels, despite the unstable environment in Middle East markets.

Despite the continuing uncertainties in the domestic and international environment, METKA S.A. is expected to continue on a positive course in 2015. The company will maintain its focus on the construction of large-scale energy projects, placing particular emphasis on penetrating markets with strong energy needs. At the same time, it will continue to pursue the expansion of its portfolio of projects in Greece, capitalising on the competitive advantages it has gained through the successful execution of demanding international projects, even in areas with an unstable political and institutional environment. METKA S.A. will continue to be driven by the strategy of dynamic and extrovert growth, which it has been successfully implementing during the previous years, through the joint efforts of its Management and employees. At the same time, the company will remain focused on its repositioning in the domestic market, mainly in public infrastructure works.

Energy

The Energy Sector posted a turnover of €168.5 million, down from €369.1 million in 2013, as a result of the reduced demand and the regulatory changes in the operation of the market.

PROTERGIA operates in a constantly changing environment, in terms of both the country's economy and the electricity market. Despite that, and given the fact that gas-fired combined cycled plants are necessary to ensure the country's adequate supply with electricity, prospects in the medium-to-long term remain positive. The decrease in the pipeline Natural Gas prices due to the respective decrease in oil prices in the international markets, coupled with the possibility to source Liquefied Natural Gas (LNG) from MYTILINEOS Group, are expected to enhance the role of the gas-driven power plants compared to 2014. The three (3) wind farms under construction by the company are expected to enter into operation during 2015. PROTERGIA has been firmly established as the largest independent energy producer in Greece and, in this context, the company has already launched and will be stepping up activities in the retail electricity market, aiming to supply electricity to commercial customers and households, offering competitive prices and reliable services.

New Investments 2015-2016

MYTILINEOS Group is expanding its activity sectors with the aim of supporting the Greek industry, economy and society, through the new business investments of its subsidiaries and through its robust, long-term and consistent investment work. This systematic work involves investments in the quality and modernisation of infrastructures and in the reliability of production, made with the aim of driving the Group's further growth in the domestic market as well as consolidating its position as one of Europe's leading Heavy Industry Groups in Energy, Metallurgy and Construction.

€33
(million)
of investments

In the Metallurgy and Mining Sector, for enhancing productivity and creating 136 new jobs.

€6
(million)
of investments

In the EPC Projects Sector, for acquiring new mechanical equipment to enhance production and create new jobs.

€200
(million)
of investments

In the sector of Renewable Energy Sources, for constructing 130 MW of additional production assets.

Key Figures 2014 (G4-9)





4.4 Supply Chain (G4-12) (G4-EC9)

Developing and maintaining an efficient, high-quality supply chain is a commitment in which the Group has invested and is continuing to invest through permanent associations on the national and local level. In this direction, the role of the Group key business partners and suppliers is very essential, as they are an integral part of this effort.

The Group's supply chain, taking into account the Group's three subsidiaries in their individual activity sectors, numbers more than 4,900 suppliers, of which 63.6% are based in Greece. In 2014, the Group spent more than €292.3 million as outlays to its domestic suppliers, thus benefiting significantly the local communities and contributing, in an indirect way, to the efforts to maintain jobs and create income.



MYTILINEOS GROUP SUPPLY CHAIN BASIC DESCRIPTION

METALLURGY & MINING SECTOR

Activities requiring services or products from the supply chain

- Production & Maintenance of the alumina chemical industry and the primary-cast aluminium metallurgy
- Transport
- Studies-Investments
- Administrative & Financial Services

Total number of suppliers
1,390
(Key suppliers: 140)

Geographical distribution of suppliers

- Greece: 76%
- Abroad: 24%

Supplier categories:

• Manufacturers: 16.4%	• Consultants: 4.3%
• Distributors: 15.7%	• Freight forwarders: 4.3%
• Producers of Raw Materials: 15.0%	• Independent contractors: 3.6%
• Subcontractors: 12.9%	• Brokers: 2.9%
• Wholesalers: 12.1%	• Design engineers: 1.4%
• Producers of Ancillary Materials: 10.7%	

Outlays to suppliers 2014
€159 million

In Greece: €93 million	Abroad: €66 million
---------------------------	------------------------

EPC PROJECTS SECTOR

Activities requiring services or products from the supply chain

- Plant Production Department, regarding the purchase of raw or other materials
- Construction Department, regarding the purchase of equipment for carrying out EPC projects
- Logistics Department, regarding the delivery methods and times for goods in various countries

Total number of suppliers
2,891
(Key suppliers: 81)

Geographical distribution of suppliers

- Greece: 35%
- Abroad: 65%

Supplier categories:

• Producers of Raw Materials: 40%
• Subcontractors: 25%
• Consultants: 5%
• Other Suppliers: 30%

Outlays to suppliers 2014
€480 million

In Greece: €170 million	Abroad: €310 million
----------------------------	-------------------------

ENERGY SECTOR

Activities requiring services or products from the supply chain

- Energy production
- Construction of wind farms
- Maintenance of production facilities
- Spare parts

Total number of suppliers
660

Geographical distribution of suppliers

- Greece: 80%
- Abroad: 20%

Supplier categories:

• Spare parts: 63%
• Services/Studies: 23%
• Contracting: 14%

Outlays to suppliers 2014
€31.2 million

In Greece: €29.3 million	Abroad: €1.8 million
-----------------------------	-------------------------

MYTILINEOS MEMBERS



5. Corporate Social Responsibility in MYTILINEOS Group



5.1 Corporate Responsibility Framework in MYTILINEOS Group (G4-1)

For MYTILINEOS Group, Corporate Social Responsibility (CSR) is a key strategic choice which over the last 10 years has been gaining increasing significance for developing and sustaining its competitiveness. The Group's primary objective is to introduce and implement related initiatives, which guarantee the existence of ethical operation criteria, respect for people and the protection of the natural environment in all its business initiatives and activity sectors. For the Group, CSR Governance

is a multifaceted and complex process characterised by its conscious self-commitment to the achievement of Continuous Responsible Development, guided by its vision and values.

The vision, goal and pledge of MYTILINEOS Group is to continue to be a driving force for growth and progress in the Greek economy and society.



Group Vision (G4-56)

Our principle is to ensure that the business excellence and growth of our Group are guided by the moral principles and the values that keep unbroken our alliance with society, with our people and with the environment. Our duty is to create value for our clients, business partners and shareholders. Our goal is to maintain our position as the dominant independent Energy producer in Greece and a strong, competitive European Heavy Industry Group in the sectors of Energy, Metallurgy and Construction.

Group Corporate Values

Business Excellence

- "We are pursuing the continuous improvement of our performance in order to achieve optimal business results"
- Financial soundness / High profitability
 - High efficiency / Excellent result
 - Competitive advantage
 - Continuous progress / Innovation
 - High Safety & Quality standards

Human Capital

- "Our Business success is based on our people"
- Team Spirit
 - Integrity
 - Communication
 - Professional attitude
 - Health & Safety at the Workplace

Society & Environment

- "We elevate our corporate social responsibility to a daily practice"
- Socially responsible development
 - Gaining the trust of the society around us
 - Respect towards the environment
 - Safety & Environmental Conscience

Key reasons for the development of CSR

- Implementation of corporate values
- Identification and limitation of the negative impacts of the business activity
- Key Stakeholder groups' expectations
- Domestic and international trends in CSR
- Increased interest by investors and shareholders in supporting responsible practices
- Local community needs in terms of employment and economic growth

Key anticipated benefits

- Improved management of sustainability risks
- Reduction of environmental and social footprint
- Development of mutual collaboration relations with Stakeholders
- Identification of opportunities and access to novel ideas
- Efficient relations with supply chain actors
- Maintaining and strengthening the competitiveness of the Group's subsidiaries
- Attracting investor interest

CSR Definition:

"Corporate Social Responsibility is a conscious self-commitment of MYTILINEOS Group to the achievement of 'Continuous Responsible Growth', expressed by a structured strategic approach to preventing and addressing risks, as well as to exploiting opportunities, in connection with the economic, environmental and social issues that arise as a result of its collaboration and, by extension, its relations with Stakeholders, in the context of its efforts to achieve its business goals."

CSR Governance system

- Established Stakeholder Engagement process
- Group CSR Committee
- Group Legal & Regulatory Affairs Division
- Executive Management and CSR Teams of the Group's subsidiaries
- Group Communication Department, staffed with specialist CSR Executives.
- Code of Ethics / Code of Conduct
- Accountability policy (Annual Sustainability Report)

Strategic CSR Directions

- Adherence to the law across all hierarchical levels and activities of the Group
- Ongoing consultation and collaboration with Stakeholders
- Respect and care for employees
- Taking of initiatives to reduce the environmental footprint
- Implementation of best practices that enhance harmonious coexistence with the local communities
- Maintaining transparency and strengthening the CSR Governance system, creating value for all Stakeholders
- Promotion of CSR in the Group's sphere of influence
- Membership in international CSR indicators and standards, with the aim of continuously improving and increasing the value added by the Group's subsidiaries

Key CSR action lines

- Climate Change and protection of the environment
- Occupational Health & Safety
- Labour practices
- Safeguarding of Human Rights
- Local Communities
- Supply Chain Management
- Market Practices
- Corporate Governance
- Strengthening Transparency

Memberships in international CSR initiatives

- UN Global Compact
- Global Reporting Initiative (GRI)
- ISO 26000 - Social Responsibility International Standard
- OECD Guidelines
- ISO 14001 & ISO 14064 Environmental Standards
- OHSAS 18001 Occupational Health & Safety Standard
- Corporate Governance Code of the Hellenic Federation of Enterprises (SEV)
- Code of Sustainable Development Principles of the Greek Mining Enterprises Association (SME)
- Participation in the Bloomberg Environmental-Social-Governance (ESG) Survey

Strategic CSR Initiatives in 2014

- Launch of in-house programme for training and redefinition of the role of the CSR teams of the Group's subsidiaries
- Implementation, for the 5th consecutive year, of the Stakeholder Engagement process
- Publication of the Sustainability Report 2014 in accordance with the GRI-G4 Sustainability Reporting Guidelines
- Maintaining the Differentiation Level "Advanced" for the Group's Communication on Progress (COP) under the UN Global Compact
- Participation in the Bloomberg Environmental-Social-Governance (ESG) Survey
- Participation in the Sustainable Greece 2020 initiative
- Participation in the UN Global Compact initiative "Call to Action" against corruption

5.2 Performance versus 2014 targets

SOCIAL TARGETS	Targets 2014	Performance in 2014	Progress	Targets 2015	Targets 2016
Total work-related fatalities	0	✓		0	
Total accidents	0	X		0	
Total incidents related to occupational diseases	0	✓		0	
Total incidents of discrimination	0	✓		0	
Total incidents of forced labour	0	✓		0	
Total incidents of corruption and bribery	0	✓		0	
Percentage of employees who received formal performance evaluation reviews		✓	▲	>80	>90%
Training hours per year and per employee		25	▲	>30	>35
Percentage of the Group's major suppliers and business partners who commit themselves to the Suppliers & Business Partners Code of Conduct					55% - 60%
Improvement of the policies and procedures adopted by the Group's subsidiaries for increasing Transparency					50%
Improvement of the policies and procedures adopted by the Group's subsidiaries for the protection of Human Rights			▲	33%	100%
Coverage of the needs of local communities in terms of infrastructures, as a percentage (%) of total social expenditures				10%	15%
ENVIRONMENTAL TARGETS	Targets 2014	Performance in 2014	Progress	Targets 2015	Targets 2016
Fluorine emissions (kg/t Al) ¹	<1.5	✓		<1.4	
Carbon tetrafluoride emissions (kgCF4/tAl) ¹	<0.04	X		<0.04	
Solid waste sorting ratio ²			▲	>90%	
Generation of unclassified basin waste (kg/basin AB) ²	< 20	✓		<20	<20
Final waste disposal for the Alumina production line (kg/tAH) ²	<8	✓		<7	
Total water withdrawal (industrial use & drinking, m ³ / day) ³	< 14,500	✓		<14,000	<14,000
Application of ISO 14064 in the Group subsidiaries					66%
Measurement of greenhouse gas emissions (scope 3) in the Group subsidiaries					66%
Total incidents involving spills of hazardous substances in the soil or in the water					<55
Conduct of two studies on the protection of biodiversity in the Metallurgy & Mining Sector					100%

TARGETS SPECIFIC TO THE METALLURGY & MINING SECTOR THAT HELP: 1 REDUCE EMISSIONS, 2 REDUCE SOLID WASTE, 3 CONSERVE NATURAL RESOURCES

5.3 Stakeholder Engagement (G4-24) (G4-26) (G4-27) (G4-37) (G4-45)

The Stakeholder Engagement process expresses in a systematic way, the long-standing principle of MYTILINEOS Group which refers to the ongoing and honest dialogue with the social groups that affect its activity and are affected by it, in the context of its responsible operation. This

initiative, which today has been established as an institution within the Group, is continuing with consistency and is subject to self-evaluation and self-improvement procedures.

MYTILINEOS Group Stakeholder Engagement process



The effectiveness and transparency of this process is assured through the Group's CSR Governance system, under which the individual CSR teams of the subsidiaries have been tasked with recording and evaluating all Stakeholder proposals, ideas and concerns related to

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

MYTILINEOS Group's engagement & collaboration methods by Stakeholder group (G4-26)

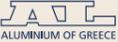
Key Stakeholder groups	Engagement & collaboration methods
Employees	<ul style="list-style-type: none"> Stakeholder Engagement process Participation of employees in the first- and second-degree evaluation boards Annual employee performance review Disclosure of policies Regular and ad hoc meetings between the Management and representatives of Employees' Unions
Suppliers & Business Partners	<ul style="list-style-type: none"> Stakeholder Engagement process
Local Government	<ul style="list-style-type: none"> Stakeholder Engagement process Individual meetings Participation in events
Business organisations and Regulators	<ul style="list-style-type: none"> Stakeholder Engagement process Participation in events
Shareholders – Investors	<ul style="list-style-type: none"> Regular and Extraordinary Shareholders' Meetings. Presentations of financial results
Large customers	<ul style="list-style-type: none"> Stakeholder Engagement process
Academic Community	<ul style="list-style-type: none"> Stakeholder Engagement process
Press & Media	<ul style="list-style-type: none"> Stakeholder Engagement process Participation in events.
Volunteer Organisations	<ul style="list-style-type: none"> Requests to the Company for support. Stakeholder Engagement

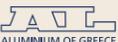
The following tables present the implementation and the results of the Engagement process for 2014, together with the response of the Group's subsidiaries to the key expectations and issues raised by the Stakeholders in the Engagement process for 2013.

Engagement process 2014

Implementation methods	Objectives & Procedure	Quantitative results
<p>METKA</p> <p>Local dialogue forum held at the company's plant in Volos.</p> <p>A dialogue was held between the Management of METKA S.A. and its Stakeholder groups on sustainability issues.</p> <p>A tour of the plant's facilities also took place during the forum.</p>	<p>BRIEFING</p> <p>Procedure: Briefing of the Stakeholder groups on the key initiatives and performance of the Group companies for 2014, covering nearly all Corporate Social Responsibility areas.</p>	<p>Number of Stakeholders briefed 263</p> <p>Broken down into the following 8 key groups:</p> <ul style="list-style-type: none"> Employees Suppliers & Business partners Large customers Business Organisations Local Government Press & Media Academic Community NGOs, Associations & Societies <p>Stakeholder response percentage 58%</p> <p>Results of the evaluation of CSR initiatives and actions:</p> <ul style="list-style-type: none"> Very satisfactory: 60% Quite satisfactory: 28% Satisfactory: 12% <p>Percentage of Stakeholder active participation 35%</p> <p>47 proposals submitted</p> <ul style="list-style-type: none"> Environmental: 11 Social contribution: 10 Health & Safety: 6 Support of education: 6 Equal opportunities: 4 Supply chain: 4 Support of employment: 3 Labour issues: 3
<p>ALUMINIUM OF GREECE</p> <p>Implementation of electronic consultation, by developing a custom questionnaire on the company's website.</p>	<p>EVALUATION</p> <p>Procedure: All Stakeholder groups were given the opportunity to evaluate, using custom questionnaires, the specific initiatives and performance on which they were briefed during the engagement process.</p>	
<p>protergia</p> <p>Implementation of electronic consultation, by developing a custom questionnaire on the company's website.</p>	<p>PARTICIPATION</p> <p>Procedure: The key objective was to invite the active participation of Stakeholders through the submission of proposals, expectations and views, which the Group assesses, incorporating the most noteworthy and relevant among them in its business strategy.</p>	

In detail, the key issues raised in the Engagement process for 2014, by Stakeholder group and Group subsidiary, are presented in the table below: (G4-27)

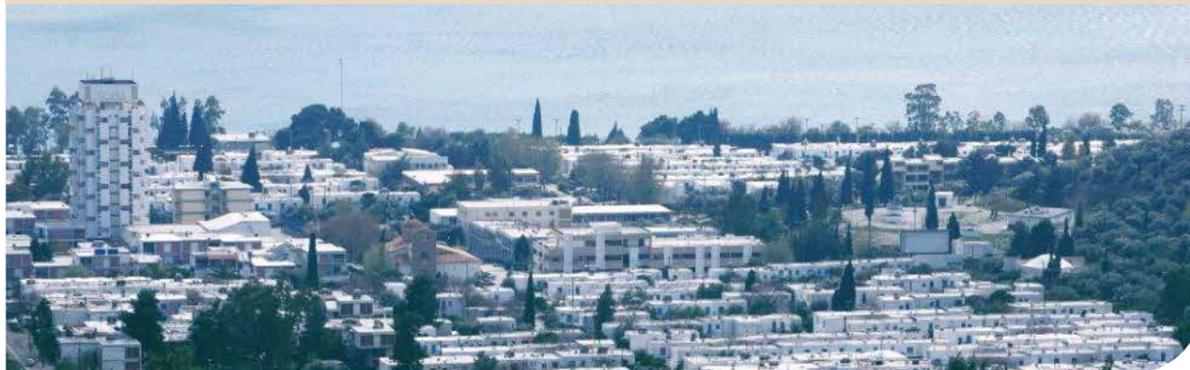
Stakeholder groups	Stakeholder expectations
1. Employees	Key proposals
	<ul style="list-style-type: none"> Publication of PROTERGIA's Suppliers Code of Conduct. The importance of supporting initiatives of a social nature, by providing assistance to organisations such as "Medécins Sans Frontières", as well as to the organisation of meals for the homeless with the participation of the company's employees, was pointed out. It was also proposed to the company to examine the possibility of supplying electricity to social groups living on the verge of poverty.
2. Suppliers / Business Partners	Key proposals
	<ul style="list-style-type: none"> Greater efforts regarding the utilisation of red mud (refers to bauxite residues) as a by-product. Seeing to the increase of the women's employment rate in the company. Establishment of scholarships for post-graduate studies in subjects of interest to ALUMINIUM OF GREECE and linking them with the possibility of full employment in the company after their completion. Ensuring improved cleaning for the public road section used to transport bauxite residues, especially in autumn and winter.
	<ul style="list-style-type: none"> Proposal for the company to become involved in actions in support of young entrepreneurs. Proposal for the company to further develop activities in the RES sector. Proposal for the establishment of collaborations with Greek research and academic institutions, investing in knowledge and education. Proposal for better communication to the local communities of PROTERGIA's social contribution activities. Extension of the financial assistance to socially vulnerable groups in need of immediate help.
3. Local Government	Key proposals
	<ul style="list-style-type: none"> Proposal for the implementation of a teleheating system as an important project for the wider area.
	<ul style="list-style-type: none"> Proposal for collaboration with the Municipality of Loutraki, to establish organisations that will develop the natural resources of the wider area.
	<ul style="list-style-type: none"> The Vice-Mayor of Volos responsible for Social Welfare expressed his hope of an increase in the scope of social policy initiatives by METKA S.A. in the area.
4. Business Organisations and Regulators	Key proposals
	<ul style="list-style-type: none"> Proposal for financial assistance to the Museum of Old Professions of the Levadia Traders Association. Proposal for collaboration with the Levadia Traders Association to increase the share of expenditures to local suppliers.
	<ul style="list-style-type: none"> It was suggested to the company to offer to customers (natural and legal persons) services (incentives) for increasing energy efficiency and, sometime in the near future, to also offer ESCO (Energy Service Company) services. Proposal for the company to become involved in smart grid, energy storage and electric mobility activities.
	<ul style="list-style-type: none"> Two questions were submitted by the representative of the Hellenic Federation of Enterprises (SEV) concerning the performance of METKA S.A.: The first question was whether or not this very good performance was achieved in combination with State aid and the second concerned the manner in which the policies of METKA S.A. are implemented in the local communities abroad, where the company is active, at the level of the specific projects it undertakes.

Stakeholder groups	Stakeholder expectations
5. Press & Media	Key proposals
	<ul style="list-style-type: none"> Proposal for the rehabilitation of the land areas used by the mining activity. In particular, the proposal was made to the company to investigate the possibilities for development, where feasible, of the specific land areas by opening footpaths and creating recreation areas with information displayed about the mining activity and its contribution to local and overall prosperity. Proposal for placing emphasis on the promotion and disclosure not only of the individual expenditures in the local communities, but also of the company's overall contribution to society and to the economy, as this will benefit the image of the company itself and will help "decriminalise" entrepreneurship. A recommendation was made to the company to continue its strict adherence to safety rules and regulations. The need to provide assistance, in the case of an accident, to the employee involved, even after the relevant formalities are concluded, was stressed. Proposals for the improvement of Management - Employee relations: 1. Linkage of employee compensation and productivity. 2. Employee representation in the company's Board of Directors. 3. Granting a part of the company's shares to its employees.
	<ul style="list-style-type: none"> Proposal for investigating the possibility to increase the share of RES in the company's total portfolio of energy production assets.
6. Academic community	Key proposals
	<ul style="list-style-type: none"> Proposal for collaboration with the Ministry of Labour in the implementation of special work stress management programmes for groups of employees working at an intensive pace. Provision of incentives to prevent employee burnout. Proposal for developing closer ties with the local labour market, so that the company becomes the hub of an innovation network whose aim will be to improve the practices of all participating organisations. The company could also become a centre for training and for dissemination of best practice results, with the involvement of all other parties. Example: Collaboration of employees from the company's Lab with the National Centre for Scientific Research (NSCR) "Demokritos" and the Centre for Natural Sciences of the Secondary Education Directorate for Viotia, in the development of innovative programmes. Proposal for the development of an environmental programme open to participations from schools, in collaboration with the Regional Education Directorate and the School Advisors, to better promote the activities of ALUMINIUM OF GREECE in this very important area and provide knowledge benefits to the students. Proposal for the continuation of the company's programme "The Future in Schools", covering the cost of teaching aids such as interactive whiteboards. Proposal from the Antikyra High School concerning the following: 1. Painting of the schoolyard railings and of the building in general. 2. New asphalt paving for the schoolyard. 3. Repair of a large hall in a nearby building which belongs to the Manpower Employment Organisation (OAED) and is used by the School for gymnastics classes.
7. NGOs, Associations & Societies	Key proposals
	<ul style="list-style-type: none"> Proposal for linking the policy on sponsorships with the company's results. Proposal for the examination of the possibility to grant use of two flats in the company's Guest house to the Hellenic Authors' Society and to the National Book Centre of Greece, for their authoring activities. Proposal for the investigation of the possibility to use the steam from the Combined Heat and Power (CHP) Plant for heating purposes in the Aspra Spitia settlement and in the wider area, in line with the target to reduce CO₂ emissions. Proposal for financing the maintenance of the Aspra Spitia sports facilities and for the examination of the possibility to construct an indoor Basketball and Volleyball court, to be used by the children for sports practice as well as by the employees of ALUMINIUM OF GREECE S.A. themselves. Proposal for the company to develop activities to express its solidarity to ill and destitute citizens. Proposals for the implementation of various activities such as: Environmental awareness raising seminars for primary and secondary education teachers and students; Increase company contribution to Arts & Culture; Reviving life in the Aspra Spitia settlement
	<ul style="list-style-type: none"> The representative of the Greek Red Cross expressed his request for clarifications concerning the specialisations of the occupational physician and nursing personnel that METKA S.A. has available in its construction sites abroad, as well as on the vaccinations required for visiting these countries and working in them.



Response by the MYTILINEOS Group subsidiaries to requests from their Stakeholders, as these were raised in the Engagement process for 2013.

Key issues raised & Expectations – 2013	Response 
ALUMINIUM OF GREECE was asked to contribute to the overall reduction of CO ₂ emissions in the area.	The Municipality of Distomon - Arachova - Antikyra had signed the Covenant of Mayors for the reduction of CO ₂ emissions by 2020 by the year 2020. The company put itself at the Municipality's disposal for the preparation of the relevant study. Since the change of Municipal authority, no progress has been made to this date regarding this study.
The Mayor of Levadia proposed a collaboration between ALUMINIUM OF GREECE and the city's Public Vocational Training Institutes (IEK), which are now back in operation, for developing a vocational training programme whose graduates would be suitably qualified and useful as future employees of the company.	In collaboration with the technical training Department, ALUMINIUM OF GREECE provided financial assistance for the construction of a biogas plant of the Laboratory Centre (formerly the Vocational Training Centre) and covered the cost of partitions for configuring the premises of the IEK. In parallel, the company launched its collaboration with the Primary and Secondary Education Directorate of Viotia and participates in information and vocational guidance activities.
The Municipality of Distomon - Arachova - Antikyra proposed that ALUMINIUM OF GREECE should undertake an information campaign addressed to the families in the local community. This campaign will concern the plant's requirements concerning qualifications for recruitment, so that parents can guide their children's studies in this subject, in order to increase their chances of recruitment by the company.	In collaboration with the Secondary Education Directory for Viotia, ALUMINIUM OF GREECE executives participated in the vocational guidance programme "From school to work", giving presentations in the programme's 10 workshops, organised in Viotia schools among which were the High Schools in the Municipality of Distomon - Arachova - Antikyra.
ALUMINIUM OF GREECE was asked to present the method in which its needs which lead to recruitment are established. The possibility for the company to employ persons aged 50 to 55 was raised as an issue.	The company responded promptly to this request, during the Dialogue Forum, by briefing the Stakeholders on its recruitment policy and the respective targets for the following years.
ALUMINIUM OF GREECE was asked to ensure the maintenance, on a long-term basis, of the sports facilities in Aspra Spitia (tennis courts, indoor sports hall), as well as to the establishment of a programme of cultural events for the children of Aspra Spitia residents.	The company investigated and prioritised the relevant needs, invited offers and scheduled the gradual upgrades of the sports facilities. Work will begin with the tennis courts in 2015. The company continues to fully cover the maintenance expenses and the costs for improvements to the football field.
The need was expressed for ALUMINIUM OF GREECE to strengthen its social profile during these times (with an increased awareness of the problems faced by the unemployed), taking of course into consideration the difficulties that the company is facing.	In 2014, the company launched the programme "ENGINEERS IN ACTION", under which it offers paid employment to young engineers with little or no previous work experience.



Key issues raised & Expectations – 2013	Response 
METKA S.A. was asked to clarify whether psychosocial risk factors are considered in the professional risk assessments carried out by the Company.	Psychosocial risk factors are considered and have been incorporated in the company's Written Occupational Risk Assessment (WORA) document. The company has in place a modern work environment with ergonomic allocation of posts, fully functional buildings, provision of equal opportunities etc. In addition to these and over and above the requirements of the law, the company also offers financial and social benefits and facilitations, in order to eliminate any effects which could be attributed to the work environment. Such examples include vouchers for Christmas and Easter purchases, vouchers for school students graduating with top marks and excelling in University entry exams, the provision of interest-free loans to personnel in cases of need, the adoption of flexible working hours, the provision of private insurance plans and the organisation of a Christmas celebration event for the children of employees.
The group of subcontractors of METKA S.A. proposed that the company impose higher standards in the contracts with its subcontractors, so that they become more competitive.	During 2015, the company will publish its Code of Conduct for Suppliers and Business Partners, which will cover specific management, social and environmental standards in accordance with the CSR principles and the strategic directions of MYTILINEOS Group.





6. Environmental performance



6.1 Environmental compliance

Compliance with the environmental legislation is a core priority of MYTILINEOS Group and a major issue of equal importance with issues such as personnel safety, quality, economic performance and customer satisfaction, which the Group is managing in the context of its efforts for continuous and responsible development.

This view, which also serves as the foundation of the Group's environmental policy, aims to drive the continuous improvement of its environmental performance and is based, first and foremost, on the

principle of adherence to the provisions of the law, as well as to the agreements concluded and the commitments made both by MYTILINEOS S.A. and its subsidiaries. To this end, the strict adherence to the applicable laws and to the provisions of the regulatory framework, the implementation of a regular environmental legislation review process and the application of the environmental rules and regulations pertaining to the Group's activities, resulted in the absence of any incidents involving a deterioration in the quality of the environment during 2014.

6.2 Raw & Other Materials (G4-EN1)

In 2014, approximately 2.16 million tons of raw materials (dry basis) were used in the **Metallurgy & Mining sector**, a quantity only marginally increased (by 0.27%) compared to 2013, due to the increase in aluminium production. The specific consumption of raw materials per ton of aluminium produced did not change. The aluminium production process makes no use of recycled materials or alternative raw materials, i.e. by-products and waste disposals from other industries, so as to allow any reductions in the consumption of raw materials.

Group policy on responsible management of raw and other materials:

www.mytilneos.gr/en-us/climate-change/csr#tab-responsible-management-of-waste

METALLURGY & MINING SECTOR	2013	2014	Supply
Type and weight of Raw Materials (ton)*			
Bauxite	1,830,398	1,830,996	Internal & External sources
Anhydrous alumina in electrolysis	326,985	332,656	Internal source
Alloys	1,853	2,057	External supplier
Other metals from third parties	322	44	
Subtotal (1)	2,159,558	2,165,753	
Type and weight of Materials (not incorporated in the end product) (ton)*			
Baked anodes consumed in the electrolysis process	72,079	71,949	Internal & External sources
Coke	59,144	62,210	External supplier
Lime	60,121	59,388	
Caustic soda	27,684	26,650	
Tar	13,238	13,336	
Aluminium fluoride	3,007	2,668	
Lubricants	114	132	
Subtotal (2)	235,387	236,333	
Type and weight of Packaging materials (ton)*			
Pine planks	931	1,016	External supplier
Polyester rings	20	15	
Subtotal (3)	951	1,031	
Total (1+2+3)	2,395,896	2,403,117	

* Non-Renewable Sources

In the **EPC Projects Sector**, METKA S.A. does not manage primary natural resources, but instead manages semi-finished or finished products, according to the detailed plans/drawings and procedures for each project, which specify with great accuracy each material which will be used, its manufacturing method and its exact position and operation. These plans/drawings and procedures represent the company's know-how, which conforms to the latest developments in the respective fields of expertise. The company's activities

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

EPC PROJECTS SECTOR	2013	2014	Supply
Type and weight of Materials (not incorporated in the end product) (ton)*			
Oxygen**	99	102.5	External supplier
Welding gases (Argon & Nitrogen)**	67	81.3	
Carbon dioxide	17	18.2	
Acetylene	2.5	3.6	
Liquid coolant	3	3.5	
Mineral oil	0.7	1.5	
Subtotal (1)	189.2	210.6	
Type and weight of semi-finished products (not incorporated in the end product) (ton)*			
Steel, in plates / merchant bars	320	355	External supplier
Special materials for projects	20,058 (pcs)	302	
Welding materials	14	21	
Paints	7,591 (lt)	6	
Connection materials	47,136 (pcs)	5.5	
Solvents	-	2	
Subtotal (2)	-	691.5	
Type and weight of Packaging materials (ton)*			
Nylon	2	2.3	External supplier
Tarpaulin	600 (m2)	0.2	
Subtotal (3)	-	2.5	
Total (1+2+3)	-	904.6	

*Non-Renewable Sources **Renewable Sources

The percentage of the use of recycled materials in the implementation projects in the EPC Projects Sector in 2014 **stood at 35.7%**¹, up by 7 percentage points from 2013. Additionally, a key criterion in the design stage of the projects that METKA S.A. is carrying out as an EPC Contractor is the maximum possible use of recyclable materials. The company's requests for proposals and the contracts with suppliers of materials and equipment contain a specific clause regarding their compliance with the requirements of the ISO-14000 International Standard, specifically referring to the prohibition of

using environmentally hazardous materials and the obligation to make the maximum possible use of recyclable materials. (G4-EN2)

In the **Energy Sector**, the raw material used in the Group's power plants is natural gas, which cannot be recycled and is not a renewable source. The reduction in the use of natural gas which can be seen in the table below, as well as in the quantity of lubricant oils used by the thermal power plants of PROTERGIA, compared to 2014, is due to the reduction in electricity production during 2014.

ENERGY SECTOR	2013	2014	Supply
Type and weight of Raw Materials*			
Natural gas (TJ)	23,444.18	6,059.9	External supplier
Type and weight of Materials* (not incorporated in the end product)			
Lubricating oils (lt)	9,399.5	8,213.0	External supplier

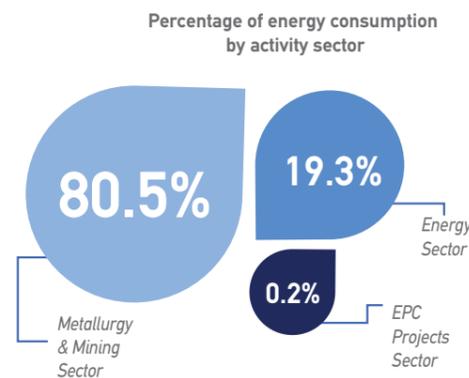
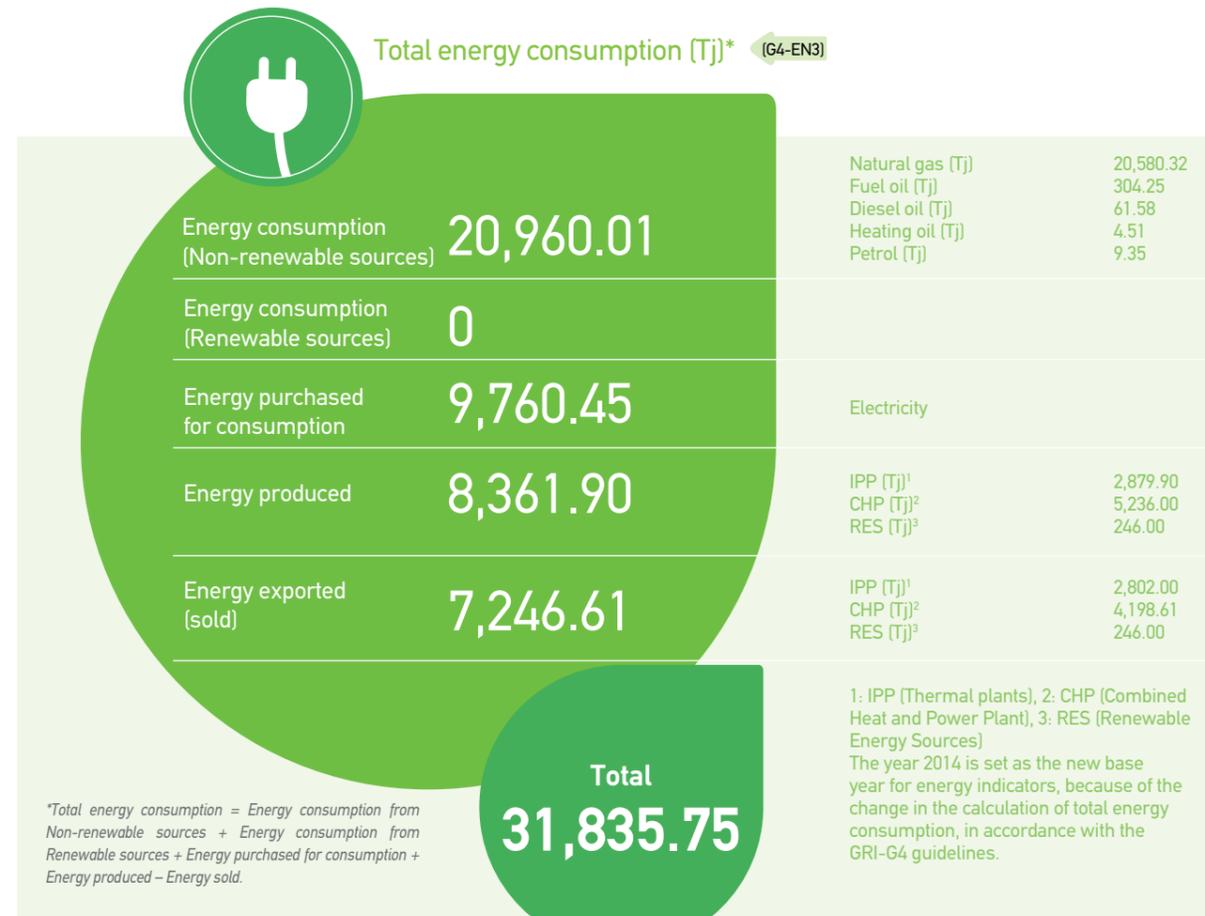
*Non-Renewable Sources

¹ Of the 691 tons of total weight of materials used and incorporated in the end products of METKA S.A., steel in the form of plates or merchant bars accounted for approximately 616.2 tons. Around 40% of the EU's total steel production comes from electric arc furnaces, in which steel is produced from 100% recycled raw material (scrap). Thus, the recycled steel used in the company's projects is estimated at 247 tons (40% of 616.2 tons).

6.3 Energy

The total energy consumption by the Group's activity sectors in 2014 was 31,834.7 Tj. This quantity was obtained from non-renewable sources and was decreased compared to 2013, mainly as a result of the reduced operation of the power plants of PROTERGIA, on the back

of the overall moderate demand for energy in Greece, coupled with the increase in the installed capacity of RES plants (Photovoltaics) and with regulatory changes in the wholesale electricity market.



Group policy on responsible management of energy:
www.mytilineos.gr/en-us/climate-change/csr#tab-responsible-management-of-energy



METALLURGY & MINING SECTOR (G4-EN5)

Specific consumption - Bauxite production: 0.10 Gj/t
Specific consumption - Alumina production: 8.5 Gj/t
Specific consumption - Aluminium production: 66.3 Gj/t

In the Metallurgy & Mining Sector, no significant changes occurred in the consumption of energy compared to 2013.



High-Efficiency Combined Heat and Power Plant

MYTILINEOS Group led developments in the efficient management of energy, by investing in the establishment of a High-Efficiency Combined Heat and Power (CHP) Plant which uses natural gas as combustion fuel. This investment allowed the supply to the Metallurgy & Mining sector of the quantity of steam required to produce alumina, leading to a reduction in the consumption of fuel oil by 150,000 tons, corresponding to approximately 6 million Gj annually. The investment is also making a significant contribution to the efforts to reduce carbon dioxide emissions at the national level, as the electricity supplied to the National Grid substitutes the power which under the previous conditions would be obtained from lignite combustion.



EPC PROJECTS SECTOR (G4-EN5)

Specific consumption - Employees: 26 Gj/employee
Specific consumption - processed metal: 16 Gj/t

In the EPC Projects Sector, the consumption of energy increased by 10 Tj compared to 2013, due to the launch of the construction of the company's new projects in Algeria and of the project for the construction of the Kiato-Rododafni Railway line.



Actions to promote efficient energy consumption at the Volos plant

METKA S.A. carries out regular actions to improve energy consumption, which aim to ensure the operational efficiency of the equipment in its Volos plant. Through these actions, during the period from 2014 to 2014 the company managed to **reduce energy consumption by 24%** (from 15.85 Tj in 2004 to 12.05 Tj in 2014).



The key actions to reduce energy consumption were the following:

- Installation of 1 MW photovoltaic panels on the plant's roof.
- Changes in the methods used to heat the production areas. Replacement of electrical heating units with natural gas heat reflector panels.
- Replacement of an outdated technology 100 kW air compressor with a 90 kW inverter-type compressor.
- Replacement of incandescent light bulbs with economy ones, e.g. in the plant's perimeter lighting, in offices etc.
- Annual maintenance of air conditioning units.
- Annual thermographic inspection of electrical distribution panels.



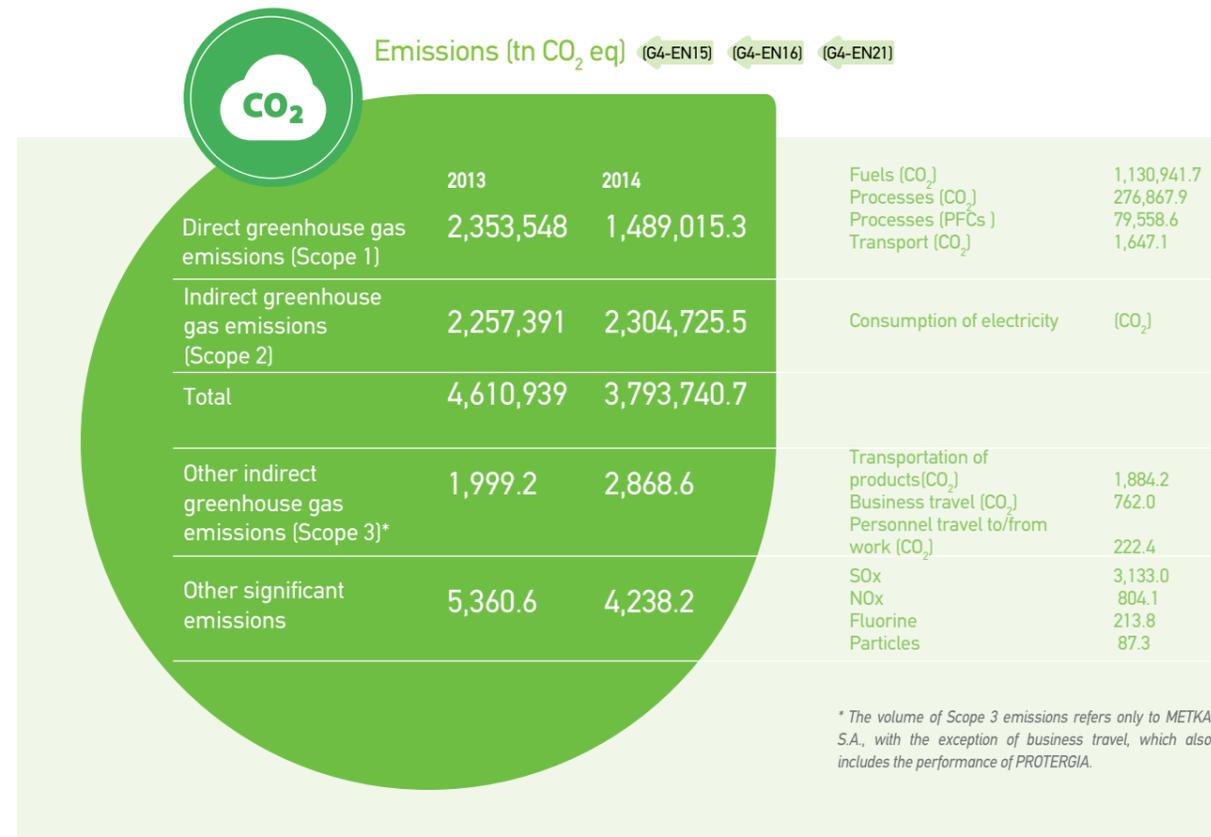
Where maintenance of components or inspection of equipment is required, this is done using local service providers.

6.4 Emissions

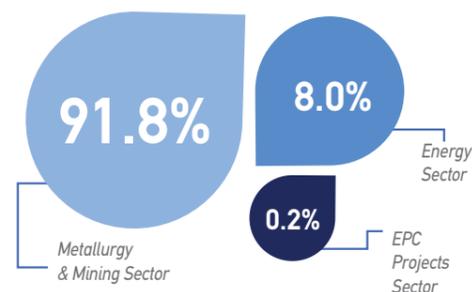
The MYTILINEOS Group activity sectors, especially the Metallurgy & Mining Sector, generate carbon dioxide (CO₂) emissions. These are distinguished into direct (Scope 1) and indirect (Scope 2) CO₂ emissions. In 2014, direct emissions resulted primarily from the aluminium production process (consumption of fuels and chemical processing as part of the production process) and secondarily from electricity production

(consumption of natural gas), with indirect emissions resulting primarily from the consumption of electricity.

The reduction in Scope 1 emissions by 36.7% compared to 2013, as shown in the table below, is mainly due to the reduced electricity production activity of the Group's Energy Sector.



Percentage of emissions (Scope 1 & Scope 2) by activity sector



Group policy on adapting to climate change:

www.mytilneos.gr/en-us/climate-change/csr

METALLURGY & MINING SECTOR

- CO₂ emissions: Up 1.2%
- Fluorine emissions: Down 10%
- PFC emissions*: Down 3.8%

In the Metallurgy & Mining sector, specific targets have been set that help stabilise CO₂ emissions during aluminium production. More specifically, primary-cast aluminium is obtained by alumina through electrolysis. This process produces carbon dioxide, fluorine emissions and perfluorocarbons (PFCs)*.

ALUMINIUM OF GREECE is implementing specific continuous improvement projects aimed at reducing and stabilising the levels of these emissions. Additionally, the €33 million of investments scheduled by the Group for the next two years, which involve the creation of a new static furnace for alumina and the modernisation of the equipment in the wider electrolysis area, are expected, in addition to increasing production and the number of jobs, to also help reduce CO₂ emissions.

* Perfluorocarbons (CF₄ & C₂F₆) are gases that contribute significantly to global warming. To illustrate this, suffice to mention that 1 ton of CF₄ is equivalent to 7,390 tons of CO₂, while 1 ton of C₂F₆ is equivalent to 12,200 tons of CO₂. These perfluorocarbons can be reduced by controlling the frequency and duration of the anode effect during the electrolysis process.

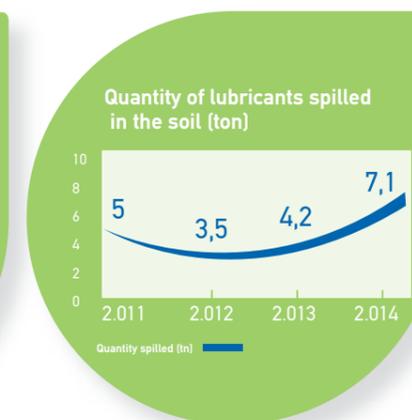
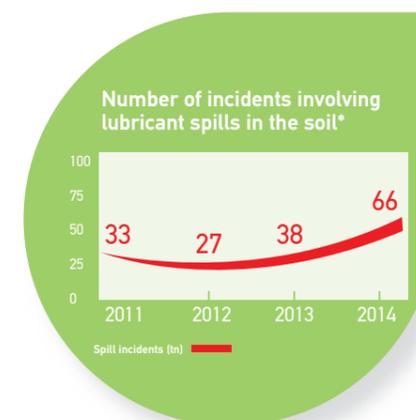
ENERGY SECTOR

In the Energy Sector, a key objective is to maintain the efficiency rates achieved in the operation of the thermal power plants of PROTERGIA, which are among the highest in Greece, making the best possible use of natural gas as their primary fuel. To produce electricity, the Group's thermal plants use natural gas. This is a fossil fuel that has a lower carbon content compared to other mineral fuels, does not release SO₂ and particles, emits less NO_x (mainly NO₂) in exhaust gases compared to the maximum allowed quantities under the applicable laws, and produces less CO₂ (by 70%) compared to lignite-fired plants.

6.5 Lubricant spills (G4-EN24)

During 2014, 66 incidents, involving spills in the soil of lubricants weighing nearly 7 tons, took place, a quantity increased by 69% from the corresponding one for 2013. These incidents were due to breakdowns in machinery caused during the mining process in the tunnels of underground quarries, in the Metallurgy & Mining Sector. These specific spills are an unavoidable part of the mining process, as they are caused mainly by wear and tear of lubricant pipes and by damages to machinery by falling rocks.

In addressing this problem, DELPHI-DISTOMON is taking steps to ensure the following: (1) The purchase of supplies (lubricant pipes) with the best quality available in the market, to secure the maximum possible durability; (2) the implementation, on an annual basis, of special-purpose seminars to raise personnel awareness about the need to report and log such incidents, in line with the company's policy on the protection of the environment, as well as regarding the use of specific techniques to contain the extent of the spills in the soil; and (3) the availability of immediate response methods for dealing with such incidents, collecting carefully the quantity of contaminated soil and forwarding it to the hazardous waste area for appropriate handling.



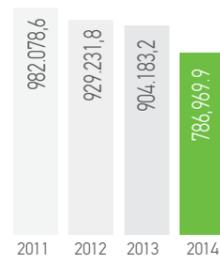
* The increase in the number of incidents in 2014 is due primarily to the increased awareness of personnel (machinery operators - technicians) about the need to report such incidents, in combination with the simultaneous decrease in the number of unreported incidents.

Overall, no high or medium severity incidents, in terms of environmental pollution, occurred and no incidents were reported involving spills of hazardous materials to the environment by any of the other Group companies.

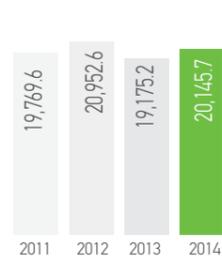
6.6 Management of solid and liquid waste

The total quantity of waste from the activities of MYTILINEOS Group in 2014 was 807,115 tons, down by 12.6% from 2013. Of this total quantity, 98.3% is generated by the Metallurgy & Mining Sector and only 1.7% by the Group's other activity sectors. In terms of waste category, hazardous waste products were reduced by 5% and non-hazardous ones by 13%.

Non-Hazardous Waste Quantities (ton)



Hazardous Waste Quantities (ton)



Waste quantities from the Group's activities, by disposal method (ton) (G4-EN23)

	2011	2012	2013	2014
Controlled Landfills for Non-Hazardous Waste	681,077.9	832,028.0	808,960.0	749,307.1
Recycling / Recovery / Reuse / Utilisation	91,612.4	33,252.2	72,507.0	28,107.2
Controlled Landfills for Hazardous Waste	16,430.3	16,997.3	19,020.0	16,043
Storage on-site	-	66,100.0	26,211.0	1,318.8
Disposal to third parties for further management or destruction	-	-	-	142.7
Incineration (or use as fuel)	5.0	28.5	15.0	7.5
Disposal in Uncontrolled Landfills (household waste)	8.0	6.0	6.0	6.0
Disposal of liquid waste in third-party treatment system	-	-	-	12,183.0

Group policy on responsible management of waste:

www.mytilineos.gr/en-us/climate-change/csr#tab-responsible-management-of-waste

Disposal in controlled landfills refers to all hazardous waste and aggregates and to all non-hazardous waste that were disposed of in Controlled Landfills for Hazardous Waste and Non-Hazardous Waste, respectively, by the Metallurgy & Mining Sector. The bauxite mining process and the production of aluminium generate the main volume of waste. In order to manage efficiently this waste, MYTILINEOS Group has carried out substantial investments over the last years, focusing on effective ways for the disposal of this waste on land, in a Group-owned area and in accordance with the terms of a relevant environmental license, as well as on methods for their utilisation, by converting them into marketable products for sale. The improvement in this particular area will largely depend on the utilisation of this waste which, until final disposal, is accumulated of in a special area which, for the purposes of measuring the Group's environmental footprint, is considered as a Controlled Landfill for Non-Hazardous Waste.

Waste specific to the Metallurgy & Mining Sector (ton) 2014 (MM3)

Rocks & stones
286,298
Mud
19.5

In addition, waste specific to the Metallurgy & Mining Sector also includes waste from the mining process, which refers to: (a) Waste from underground quarries (rocks and stones) which presents no risk, as it is used to fill hollows in ore deposits under exploitation; and (b) quantities of mud which come from the management of residue obtained from the natural separation of the wastewater from washing of machinery and mining site workshop ramps, are packaged in metal barrels and are dispatched to Germany for incineration through ENVIROCHEM S.A.

The quantity given in the recycling, recovery and reuse category involves mainly industrial waste as well as various types of materials collected, which include metal scrap (e.g. iron and steel), vehicle batteries, used lubricants, electrical and electronic equipment, paper, carton, wooden pallets, home batteries and toner cartridges from printers and photocopiers (803 pieces of ink cartridges and toners).

The Group's approach to responsible waste management

Through its subsidiary ALUMINIUM OF GREECE, MYTILINEOS Group participates in European research projects on cost-efficient "green" technologies in the aluminium industry, in collaboration with educational and research institutions. The Group intends to expand its participation to other research projects active in the utilisation of bauxite residues, such as "EURARE" and "MC-ITNREDMUD".

In addition, ALUMINIUM OF GREECE submitted to the EU, in collaboration with the National Technical University of Athens, a joint proposal concerning a programme for a pilot installation for the utilisation of bauxite residues, as a continuation of the "ENEXAL" EU programme.

RESEARCH

Waste recycling, reuse and utilisation is followed in all MYTILINEOS Group subsidiaries, by means of specialised procedures applied in the stages of production, management, collection, treatment/recovery and disposal of the respective waste streams. Where feasible, the materials to be recycled are utilised inside the facilities of the Group's subsidiaries, while where waste cannot be recycled internally, this is done through collective waste management systems or licensed waste contractors.

RECYCLING

Percentage of waste recycled*
48.5%

INVESTMENTS

MYTILINEOS Group has invested more than €12 million over the last five years in the Metallurgy & Mining Sector for the installation of four (4) Filter Presses, which made a decisive contribution, initially to the effective disposal of bauxite residues on land and, later on, to the possibility of applying special methods for their treatment in order to convert them to usable products. Furthermore, during 2014 the 4th and 5th cells of the Controlled Landfill for Hazardous Waste of ALUMINIUM OF GREECE were restored, in accordance with the approved environmental terms. In parallel, the Landfill's 6th cell entered into operation, and the studies for construction of the 7th cell were launched.

ENEXAL video

* This percentage refers to waste other than bauxite residues.



"ENEXAL" EUROPEAN RESEARCH PROJECT

Investing in research and development of new technologies that can substantially contribute to the efficient management of waste is part of the Group's environmental policy. In this respect, 2014 saw the completion of the participation of the MYTILINEOS Group subsidiary ALUMINIUM OF GREECE, in the "ENEXAL" four-year research project (June 2010 - November 2014), whose objective was to develop cost-efficient "green"

technologies in the aluminium industry. The project coordinator was ALUMINIUM OF GREECE, while the other nine partners included major European Universities such as the National Technical University of Athens (NTUA), the Aachen Technical University (RWTH) and the Zurich Polytechnic (ETH). The three innovative technologies examined in the framework of the project concerned:

- 1** The complete conversion of bauxite residues into usable raw materials and commercial products (production of pig iron and stone wool).
- 2** The cost-efficient direct production of the Al-Si alloy, which accounts for 30% of the total aluminium market globally.
- 3** The direct utilisation of renewable energy sources (solar radiation) in metallurgical practices.

The first one of the above technologies was tested on a pilot basis in the facilities of ALUMINIUM OF GREECE. The "ENEXAL" pilot unit consisted of a 1 MW electric arc furnace with a capacity of 2000 kg and a stone wool production machine ("fibre machine") and remained in operation for 18 months. During this period, dozens of experimental tests were

conducted, seeking to determine the optimal operating conditions for the furnace, in order to achieve: (a) The optimal production of pig iron, which corresponds to 30% of the bauxite residue mass; and (b) the production of fluid slag with specific physical and chemical properties allowing its use for the production of stone wool.



Results:

The net contribution of ALUMINIUM OF GREECE to the implementation of the project stood at

€2.0 million

and concerned equipment, power, consumables and personnel expenses.

- More than 35 tons of bauxite residues were processed.
- A total of 8 tons of pig iron were produced and tested successfully in the production of cast-iron spheres in a Serbian steel plant.
- The stone fibre produced was evaluated in Italy by producers of related insulation materials and was judged to be more competitive compared to similar products currently available.
- The entire quantity of stone wool produced was successfully used as industrial insulation material in the company's plant.

Management of liquid waste and water discharges (G4-EN22)

As regards the management of the liquid waste and water discharges resulting from the Group's activity, this is done according to the parameters determined by the environmental terms and regulations

under which the facilities of the Group's subsidiaries have obtained their environmental licenses.

Management of liquid waste and water discharges of the Group's activity sectors - 2014

	Quantity m ³ /year	Destination	Quantity of water discharges, including treatment method
Metallurgy & Mining Sector	161,733,577	Discharge to the sea (determined by legislation)	pH: 8-8.2 Temperature: 22.3°C
	541,317	Discharge to the sea (determined by legislation)	Primary treatment (Settlement of floating particles, filtration of supernatant fluid, chlorination, discharge). pH 25°C with temperature compensation: 7.92 Chlorides - mg/l: 240.83 Fluorides - mg/l: 1.23 Biochemical Oxygen Demand (BOD5) - mg/l: 7.93 Chemical Oxygen Demand (COD) - mg/l: 8.16 Total Solids (103-105°C) - mg/l: 821.67 Total Suspended Solids (103-105°C) - mg/l: 8.92 Fluorides - mg/l: 0.01
	24,912	Subsoil	No particular processing. This waste is water (from licensed drills or water collected in underground mining sites) used in the mining process, which with the addition of inert bauxite or limestone dust (depending on the particular mining activity), becomes a liquid mix that ends in the aquifer.
	2,500	Watering of rehabilitated areas.	Cleaning of liquid waste from sites using a system of filters (sand - active carbon). The water obtained from this process is suitable for irrigation (site landscape rehabilitation) or reuse in the production process.
Energy Sector	12,183	Disposal to a Motor Oil liquid waste treatment plant	The amount of the industrial service water intended for disposal to Motor Oil undergoes treatment for pH regulation (must be from 6.5 to 9), as well as for temperature regulation (must be <65°C.).
EPC Projects Sector	1,600	Treatment in the Project's Biological Treatment Facilities	Rainwater collection network & disposal for use in irrigation
	25,000	Temporary storage in a site tank for thermal load balancing	External licensed Biological Treatment Facilities

6.7 Water (G4-EN8)

The total volume of water withdrawals to meet the production and other operating needs of the Group, in 2014, stood at 166.12 million m³. The year 2014 is set as the new base year for water withdrawal indicators, as this is the first year for which full data are provided on the volume of seawater withdrawn for use in the cooling systems of the Group's heavy industry plants. In more detail:

Total water withdrawal from surface waters (sea) (m ³)	2014
Volume of seawater used in the cooling systems of the Combined Heat and Power (CHP) plant of ALUMINIUM OF GREECE. The volume of water withdrawn remains virtually stable on an annual basis, in strict compliance with the provisions of the relevant Decision of the Water Resources Management Directorate of the Sterea Regional Administration.	161,733,577

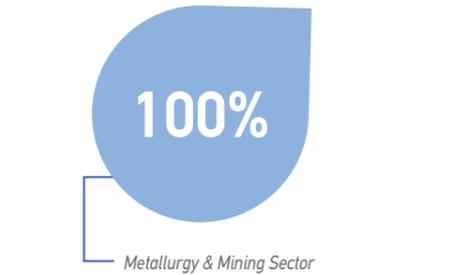
Total water withdrawal from groundwater sources (m ³)	2014
Volume of industrial service water and drinking water used primarily to meet the manufacturing/processing, energy and water supply needs of the Group's industrial facilities. Of this total volume, 99.1% is obtained from a network of 15 wells, owned by ALUMINIUM OF GREECE, which the company operates in the broader region around its plant, in strict compliance with the provisions of the relevant Decision of the Water Resources Management Directorate of the Sterea Regional Administration.	4,225,222

Total water withdrawal from Public water supply utilities (m ³)	2014
Volume of water from municipal reserves and public water supply utilities used to meet the needs of the Group's buildings and - primarily - industrial facilities, as e.g. happens in ALUMINIUM OF GREECE, which uses the volume of water attributable to the Metallurgy & Mining Sector, which comes from the Athens Water Supply and Sewerage Company (EYDAP - Mornos River Connection), exclusively for industrial service use.	152,555

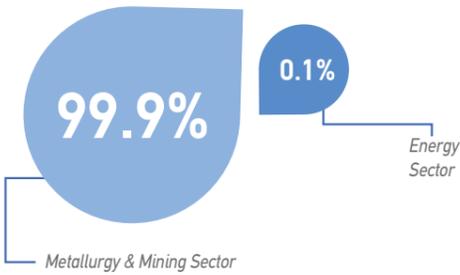
Total utilisation of stormwater (m ³)	2014
Rainwater collected directly in a special reservoir, configured in the area of a disused mine, with a capacity of 6.000 m ³ , used by DELPHI-DISTOMON.	6,000

Group policy on responsible management of water:
www.mytilineos.gr/en-us/climate-change/csr#tab-responsible-management-of-water

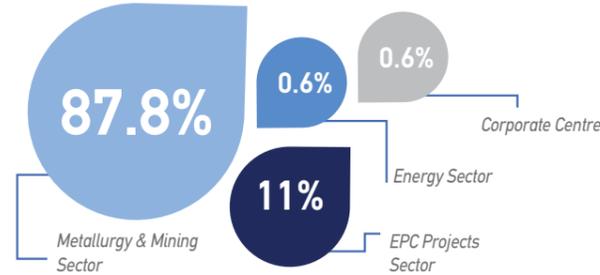
Percentage of water withdrawal by activity sector.



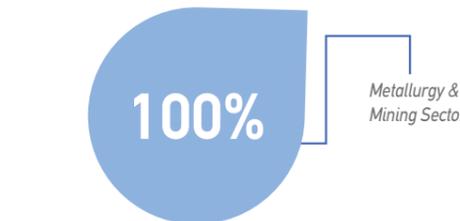
Percentage of water withdrawal by activity sector.



Percentage of water withdrawal by activity sector.



Percentage of rainwater collected, by activity sector.



The areas used for water withdrawal by the Group's activity sectors, especially the Metallurgy & Mining Sector, do not contain water masses regarded by scientific groups or Public Authorities as particularly sensitive, due to their relative size, operation or status as a rare, endangered or threatened ecosystem (or because they support a specific threatened plant or animal species). In addition, they are not located in any other area designated as a protected area. (G4-EN9)

Regarding the seawater used in the cooling systems of the Combined Heat and Power plant of ALUMINIUM OF GREECE, in addition to the compliance with the relevant provisions of the laws determining the framework for preventing any environmental impact, the company commissions, on an annual basis, an authoritative organisation to con-

duct a research study for monitoring the status of benthic biocoenoses, placing emphasis on thermophilic species on the Antikyra Gulf seabed.

Finally, the quantity of water reused or recycled in the Group's activity sectors in 2014 stood at 5.3 million m³ (corresponding to 3.2% of the total volume of water withdrawal). Of this total quantity, 99.8% accounts for water recycled/reused in the Energy Sector and, more specifically, for the following: (a) The utilisation of 5,282,604 m³ of seawater from the cooling systems of the Combined Heat and Power (CHP) plant of ALUMINIUM OF GREECE by the Ag. Nikolaos thermal power plant of PROTERGIA, after which it is returned back; and (b) the recycling of 8,580 m³ of liquid waste from the Heat Recovery Boiler of KORINTHOS POWER S.A. (a subsidiary of PROTERGIA). (G4-EN10)





7. Social performance



7.1 Employment

The employment policy of MYTILINEOS Group is characterised by its stability and consistent reference to the Group's core business values and to specific Greek and international standards. Recognising that employees are the fundamental pillar for the achievement of its business goals, the Group is focusing, in addition to Health and Safety at the workplace, on strengthening and maintaining a work environment that provides opportunities for individual and team development, as well as on maintaining the high level of professionalism of its personnel, as its top priorities.

The Group's subsidiaries are fully aligned with these employment policy priorities and, in addition, they:

- Create significant conditions for growth in local employment, by encouraging recruitment from the local labour market as a priority.
- Have in place reliable personnel selection procedures, which

adapt to the particularities and needs of their individual activity sectors and are aimed at assessing the qualifications / skills of candidates in relation to corporate requirements and needs as well as their personality traits.

In 2014, the Group employed a total of 2,137 persons. In all geographical regions where the Group operates, its employees come in their majority from the local population. In addition, the Group's standard practice to include in the management teams of its subsidiaries people coming from the local communities, benefits the local economy and improves the ability of the Group's subsidiaries to understand local needs.

During the six long years of economic crisis, the Group's long-standing objectives to strengthen employment, invest in its people and promote decent work are becoming an established priority, as also attested by the aggregate data on the Group's total workforce in 2014, given below:



HOLDINGS MYTILINEOS

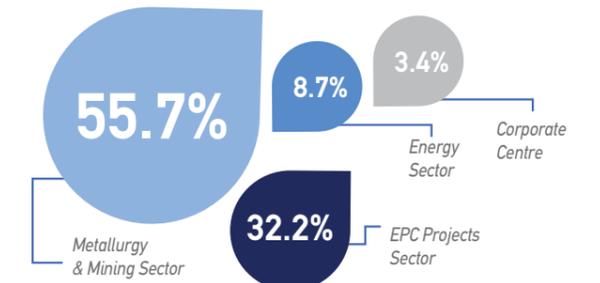
- Total employment in the Group **rose by 6.8%** compared to 2013, thus helping achieve the primary target set, which was to maintain jobs.
- **79.2%** of full-time employees work under contracts based on collective bargaining. (G4-11)
- The participation of women in total employment rose by 0.7 percentage points to **13.7%**.
- The percentage of senior management executives in the Group's subsidiaries who come from the local communities rose to **67.9%**.
- The number of employees from local communities was **87.6**, up by 2.6 percentage points from the previous year.

- The Group's direct personnel **increased by 7.1%**.
- The low percentages of employees working under **fixed-term employment contracts (6.9%)** and of **part-time employees (0.17%)** confirm, for yet another year, the Group's intention to build long-term associations with its people.

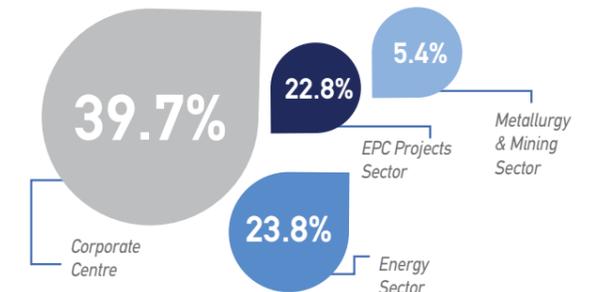
Workforce Data (G4-10)

Total workforce	2011	2012	2013	2014
Total	2,020	1,965	2,001	2,137
Breakdown by gender				
Men	1,732	1,703	1,739	1,843
Women	288	262	262	294
Breakdown by geographical region and by gender				
Sterea	1,470	1,547	1,602	1,641
Men	1,248	1,345	1,410	1,402
Women	222	202	192	210
Thessaly	172	167	169	190
Men	160	156	159	180
Women	12	11	10	10
Peloponnese	23	42	41	93
Men	21	37	37	76
Women	2	5	4	17
Macedonia	79	23	38	32
Men	62	14	26	21
Women	17	9	12	11
Other regions	61	45	41	16
Men	55	42	38	13
Women	6	3	3	3
Jordan		9	44	65
Men		9	40	60
Women		0	4	5
Algeria			28	70
Men			21	64
Women			7	6
Syria	5	2	16	14
Men	4	2	16	14
Women	1	0	0	0
Turkey	32	113	28	11
Men	18	83	21	8
Women	14	31	7	3
Iraq		10	6	5
Men		10	6	5
Women		0	0	0
Total employees	2011	2012	2013	2014
Total	1,623	1,584	1,607	1,721
Breakdown by gender				
Men	1,417	1,389	1,413	1,500
Women	206	193	194	221
Breakdown by type of employment contract and by gender				
Indefinite duration	1,540	1,480	1,508	1,601
Men	1,342	1,297	1,327	1,407
Women	198	183	181	194
Fixed-term	83	104	99	120
Men	75	93	85	94
Women	6	11	14	26
Breakdown by employment type and by gender				
Full-time	1,620	1,580	1,602	1,718
Men	1,414	1,387	1,410	1,498
Women	206	193	192	220
Part-time	3	4	5	3
Men	2	3	2	2
Women	1	1	3	1
Total supervised employees	2011	2012	2013	2014
Total	397	384	401	416
Breakdown by gender				
Men	315	315	331	343
Women	82	69	70	73

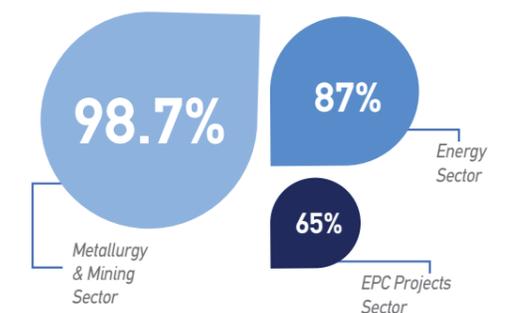
Total employment by activity sector (%)



Total employment by activity sector (%) - Women



Employment from local communities, by activity sector (%)



*The number of total workforce includes employees and supervised employees. The number of contractors of ALUMINUM OF GREECE (approximately 360 people) is not included. It is planned to be incorporated in the Sustainability Report 2015 (new base year for the Group's workforce numbers), in accordance with the GRI-G4 guidelines.

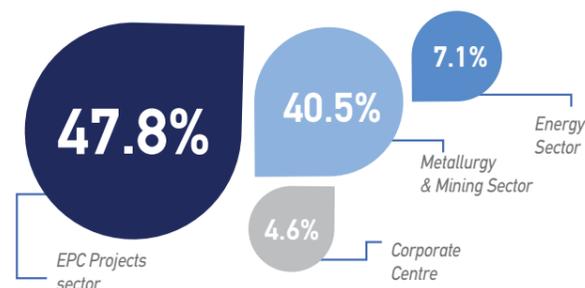
Recruitment of new personnel increased by 14.5% (G4-LA1)

Personnel recruitment				
	2011	2012	2013	2014
Total	364	374	323	370
Breakdown by gender				
Men	323	312	286	308
Women	41	62	37	62
Breakdown by age group				
<30 y.o.	177	199	163	160
30-50 y.o.	177	160	143	198
>50 y.o.	10	15	17	12
Breakdown by geographical region				
Sterea	289	294	234	215
Thessaly	-	-	9	30
Peloponnese	20	44	4	25
Macedonia	15	1	1	2
Other regions	14	9	8	43
Jordan	-	-	29	23
Algeria	-	-	21	31
Syria	-	4	12	-
Turkey	26	20	2	1
Iraq	-	2	3	-

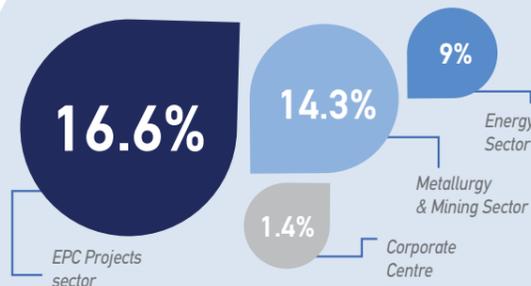
Personnel departures decreased by 14% (G4-LA1)

Personnel departures				
	2011	2012	2013	2014
Total	265	321	276	237
Breakdown by gender				
Men	226	271	241	209
Women	39	50	35	28
Breakdown by age group				
<30 y.o.	67	70	103	91
30-50 y.o.	91	130	118	108
>50 y.o.	107	121	55	38
Breakdown by geographical region				
Sterea	167	247	190	188
Thessaly	13	7	8	9
Peloponnese	2	29	6	4
Macedonia	21	16	1	4
Other regions	49	-	10	11
Jordan	-	-	1	12
Algeria	-	-	1	5
Syria	-	3	9	-
Turkey	9	9	43	4
Iraq	-	-	7	-

Personnel recruitment by activity sector (%)



Total personnel turnover rate: Group and activity sectors*



Group Turnover Rate 13.7%

*These indicators are calculated based on the total number of personnel (i.e. the number of supervised employees is not included).

Senior Management Executives of the Group companies recruited from the local communities (%)

	2011	2012	2013	2014
ALUMINIUM OF GREECE S.A. ¹	11.1%	7.7%	7.7%	11.1%
DELPHI-DISTOMON S.A. ²	44.4%	33.0%	33.0%	33.3%
METKA S.A. ³	80.0%	80.0%	80.0%	80.0%
PROTERGIA S.A. ⁴	67.0%	70.0%	82.0%	81.8%

1. The term "Senior Management" refers to the company's Plant Steering Committee and to its Board of Directors. 2. The term "Senior Management" refers to the company's Executives and to its Board of Directors. 3. The term "Senior Management" refers to all the persons holding the position of Supervisor or a higher position. 4. The term "Senior Management" refers to the Managers of the company's Headquarter Divisions, the Managers of its Energy Centres and the General Management.

7.2 Work Conditions (G4-LA2)

In all regions where MYTILINEOS Group operates, the compensations and benefit plans offered to its employees are, as a minimum, in full compliance with the labour legislation and with the collective bargaining agreements, where applicable. Any compensations over and above the statutory ones are based on the employees' individual performance, which is reviewed and assessed annually. The Group's objective in adopting this approach is to ensure meritocracy in earning levels, guarantee competitive earnings in relation to the Greek market and lay the foundations for long-term cooperation with its people.

Depending on the particular activity sector of each Group subsidiary, short - and long-term benefit plans for full-time employees are applied. These benefits vary between subsidiaries and indicatively include the following: Health and medical care, life insurance, coverage against disability/incapacitation, retirement provisions, maternity/paternity leave, medical care plan for employees working in high-risk regions, additional leave for parents of large families (with more than 3 children), provision of gift vouchers for Christmas and Easter (with additional amounts for the parents of large families), personnel transport etc. These benefits are free from all discrimination and are governed by the principles of equal treatment and transparency, laying down clearly defined policies for each category of personnel.

7.3 Management – Employee relations

As a major corporate citizen, MYTILINEOS Group aims, among others, to truly realise its social role. The Group seeks to ensure the prosperity of its employees, as it considers them to be the most important factor of its growth. Therefore, employees are considered to be "integrated" into the Group beyond the mere employment-remuneration relationship that formally connects them with it, in the sense of the constant improvement of their capabilities and of the outcome of their work.

This interdependence and the creative coexistence of the economic and social character of the Group serve as the guide for the formulation of the general principles governing the Group's relationship with its people. These general principles, characterised by features such as clarity, dynamism, innovation and flexibility, are communicated to all Group personnel and adherence to them is one of the key objectives of the Group's social policy.

The Group's Management has set the safety and protection of the interests and rights of its employees as a priority in the framework of sound corporate management, given that one of the keys success factors is their full dedication to their duties and their commitment to the achievement of the corporate objectives. Therefore, employees are able to communicate with authorised members of the Management about all matters of concern to them, and are provided with timely answers and solutions.

A key aspect characteristic of the Group's consistency towards its personnel is the setting of specific notice periods for informing employees prior to the implementation of major changes in company operations which might affect them significantly. The length of the notice period varies, depending on the importance of the change as well as on the specific activity sector. The following examples are indicative:

- In the Metallurgy & Mining Sector, the Plant Steering Committee of ALUMINIUM OF GREECE holds weekly meetings to discuss matters concerning Safety, the Environment, Production and Finance, as well as organisational - operational changes (if any), with the participation of all company Managers. The results of these meetings are immediately communicated to all other employees by the company's Executives. As regards mining activities, an advance notice of at least six to eight months is given for particularly important changes, a two-month notice is given for isolated but important changes and a one-month notice is given for routine changes. (G4-LA4)
- In the EPC Projects Sector, a reasonable notice period applies, depending on the circumstances and in consultation with the employees' elected representatives, to ensure notification of employees in the best possible way. The Management of METKA S.A. meets regularly with the Board of Directors of the Employees' Union to inform them of any issues that may concern them. In extraordinary cases, the meeting and the provision of information by the Company to the Board of the Employees' Union precedes the implementation of any positive or negative change that affects employees, with provisions made for the time necessary to disseminate the information and hold consultations. (G4-LA4)

7.4 Occupational Health & Safety

Ensuring conditions of Health and Safety in all work areas is fundamental to the operation of MYTILINEOS Group. This view is affirmed by the Group's formal policy as well as by the fact that all Group subsidiaries apply an Occupational Health & Safety Management System certified in accordance with the OHSAS 18001 International Standard in all work areas. This system is designed to minimise risk, by allowing the continuous adoption of measures to prevent and minimise accidents

and occupational diseases, providing for ongoing employee training and strengthening a safe work culture. Additionally, in full compliance with the relevant European and national laws, the Group applies all required measures to ensure the health and safety not only of its employees, but also of external associates and visitors to the premises and construction sites of its subsidiaries.

EPC PROJECTS SECTOR



Percentage of total workforce represented in Health & Safety Committees: (G4-LA5)

75%

In METKA S.A., Health & Safety Committees function at the facility level (in every construction site or plant). More specifically, the Health & Safety Committee at the Volos Plant is composed of employees, Union representatives and members of the Management and is established in accordance with the provisions of the Greek laws. In parallel, the Safety Technician and the Occupational Physician work closely with the Committee on all issues regarding the safety, protection and health of employees. The Committee's members, the Safety Technician, the Occupational Physician and the Company's representatives attend Training Programmes on Health & Safety and related official information days. In addition, in each Company construction site specialised personnel is on duty at all times to handle Health & Safety issues, first aid services are provided (personnel & equipment) and an ambulance and Occupational Physician are available to administer first aid and handle emergencies.

METALLURGY & MINING SECTOR



Percentage of total workforce represented in Health & Safety Committees: (G4-LA5)

100%

In the ALUMINIUM OF GREECE plant, a Plant Health & Safety Committee (PHSC) is functioning, composed of six (6) members elected by the ALUMINIUM OF GREECE employees. Additional Safety Committees have also been established, led by Management Executives and composed of representatives from all Plant departments. These Committees cover the following: Work at a Heights, Facility Lockout / Lockout Lifting and Confined Spaces, Circulation, Subcontracting, and Training. These subjects correspond to the Plant's main work processes. Finally, the Committees' work also involves the examination of proposals improvements to or revisions of these procedures.

Targets for 2015

- Zero work-related occupational diseases.
- To reduce the likelihood of risk of serious accidents and incidents.
- To comply with new regulatory requirements.
- To improve the inclusion of associated contractors / subcontractors and their personnel in the Plant's Health & Safety management system.
- To improve the effectiveness, quality and full utilisation of the main Safety tools.
- To mobilise and improve the effectiveness of the Supervision function.
- To launch the gradual optimisation of Work Rules, through the establishment of small and flexible working groups with the participation of the Management and of technical and labour personnel, with the ultimate aim of improving ergonomics / work safety and addressing any weaknesses identified.



ENERGY SECTOR



In PROTERGIA, Health & Safety at Work (HSW) Committees have not been formally established at any level or company facility. A communication and consultation process on HSW issues is applied, with the participation of the personnel from the company's Energy Centres, in the framework of the OHSAS 18001 Occupational Health & Safety Management System. Consultations are held at least twice per year, in order to promote the implementation of the Company's HSW policy in force, to communicate information on HSW actions and programmes and to involve the employees, through their participation in the consultation process, in the management of occupational risk. Moreover, as part of the HSW audits carried out in accordance with the OHSAS 18001 Occupational Health & Safety Management System, a mechanism has been established to monitor implementation of the HSW regulations in the operation and other activities of the Energy Centres.

Targets for 2015

- Zero accidents with interruption of work.
- To increase training hours for employees on Occupational Health & Safety issues by 10% in 2015 compared to 2014.
- To achieve an annual Incident Frequency Rate (IFR) of zero.

Health & Safety of MYTILINEOS Group personnel

The aggregate Health & Safety indicators of MYTILINEOS Group improved markedly in 2014. The primary objectives regarding zero fatalities and occupational disease incidents were achieved. In addition, the indicator

for accidents causing loss of work time (Injury Rate – IR) posted a significant improvement for the Group's direct personnel and supervised employees across all activity sectors, dropping to 0.18 from 0.28 in 2013.

Health & Safety Indicators Group Personnel (G4-LA6)

	2013	2014	
Injury Rate (IR)			
IR (Total)	0.28	0.18	Decreased by 35%
IR (Men)	0.29	0.21	
IR (Women)	0.35	0.00	
Occupational Diseases Rate (ODR)			
ODR (Total)	0.00	0.00	
ODR (Men)	0.00	0.00	
ODR (Women)	0.00	0.00	
Lost Days Rate (LDR)			
LDR (Total)	12.80	9.35	Decreased by 27%
LDR (Men)	13.20	10.67	
LDR (Women)	10.3	0.00	
Absenteeism Rate (AR)			
AR (Total)	2.23%	0.24%	Decreased by 89%
AR (Men)	2.36%	0.24%	
AR (Women)	1.41%	0.24%	

• The number of accidents does not include incidents involving very light injuries.
• Days lost due to accidents are calculated starting on the day after the incident and refer to scheduled work days.

The exact number of accidents was four (4), all of which involved male employees. Three accidents occurred in the Metallurgy & Mining Sector (at the Electrolysis and Anodes Departments of ALUMINIUM OF GREECE) and one in the EPC Projects Sector (at a METKA S.A. construction site in Jordan). Each of these accidents caused an interruption of work, due to injuries sustained by employees in their limbs and one lumbar contusion suffered by one employee. The main causes of these accidents were related to the employees' failure to identify the risks involved and to the breach of the safety rules and guidelines established in the MYTILINEOS Group subsidiaries.

All incidents were analysed using the "Root Cause Analysis" method and investigated thoroughly, the results were understood and relevant corrective actions were planned (including, for each action, a person in charge, a deadline and a completion date), with the aim of informing employees and preventing any conditions which could cause such accidents to happen again from arising. More specifically:

METKA S.A. (Construction Site):

- Unnecessary materials were systematically removed from work areas.
- Special training in work instructions was carried out for employees.

ALUMINIUM OF GREECE (Electrolysis Department):

- An action plan was developed, focusing on raising the awareness of the Management hierarchy and of personnel.
- An action plan for repairing anomalies on the Department's floor was developed, in collaboration with the Production Support Department.
- Management Safety Visits (MSVs) to the Electrolysis and Cast House Departments were stepped up and the Safe Professional Move (SPM) instructions were revised.
- The number of "Risk Identification" forms completed by Shift Foremen was increased.
- Daily meetings of the Functional Organisational Units (FOUs) were held to discuss safety issues.
- All work methods were revised, placing emphasis on any unclear points.

ALUMINIUM OF GREECE (Anodes Department):

- The technical solutions related to the accident were implemented.
- The dangerous points/interventions in the Anodes transporters were recorded by the Anodes Furnace Functional Organisational Unit (FOU).

- Management Safety Visits (MSVs) were made outside the morning working hours.
- The adherence to the Safety Instructions by the employees was inspected.
- "Zero tolerance walks" were established by the Department's Chief Foreman.
- Interviews/visits to the work posts by the Supervisor and the Chief Foreman of the Department were made.

In the Metallurgy & Mining sector, the Group evaluates its performance against the performance of similar plants and intensifies its efforts for continuous improvement. The investigation of accidents shows the need for a comprehensive assessment of the risks present at the workplace, in tandem with the need for constant alertness in order to prevent accidents. In this respect, ALUMINIUM OF GREECE already applies procedures for recording and investigating potential serious accidents and the necessary corrective measures are taken. In the Sustainability Report 2015, the Safety indicators will be expanded to also include references to potentially serious accidents recorded across the entire range of the Plant's operations, together with relevant qualitative data.

Health is an equally important part of our sustainable and responsible growth in the Metallurgy & Mining Sector and one in which the Group has been consistently investing through ALUMINIUM OF GREECE since its establishment. In 2014, the Company succeeded in reporting, for the fourth consecutive year, nil incidents related to occupational diseases. This is due to the implementation of the **Occupational Risk Assessment (ORA)** procedure, which refers to all factors in the work environment which can affect the health of employees and aims to constantly improve work conditions. The ORA is a quantitative tool that relies on measurements of harmful factors, which as a rule are carried out using personal samplers and, in general, measurement instruments that employees carry on their person during the working day. After mathematical processing, these measurements are compared to the exposure limit values determined by the laws in force. The processing of this data offers the possibility of establishing a complete record of the exposure of employees and of developing a comprehensive action plan in order to maintain the target of "ZERO OCCUPATIONAL DISEASES AT WORK". Today, a total of eight (8) harmful factors are monitored systematically, including noise, dust, fluorine compounds, sulphur dioxide, carbon monoxide, polycyclic aromatic hydrocarbons, thermal shock and beryllium.



Safety of the personnel of independent contractors

Managing the safety of the personnel of independent contractors is a particular challenge for the Group's subsidiaries, which can be successfully met mainly through initiatives aimed at changing the current attitude towards accident prevention. This Report presents in a separate section, for the first time, the Health & Safety indicators for the personnel of contractors working for the Group in various activities. According to these indicators, 11 accidents with interruption of work occurred in 2014, of which five in the Metallurgy and Mining Sector and six in EPC Projects Sector.

In the Metallurgy & Mining Sector, the accidents occurred in three different contractor businesses working within the premises of the ALUMINIUM OF GREECE plant and involved fractured limbs, with one of them involving the partial amputation of a distal phalanx. These injuries were caused primarily by improper handling of equipment and tools. The corrective actions taken involved technical improvements in the equipment and the adoption of measures to improve ergonomics for employees and were also accompanied by revisions and additions to work methods.

In addition to the actions carried out after the accidents, a number of specific initiatives for raising personnel awareness also contributed to accident prevention. These initiatives were carried out in collaboration with members of the PHSC (Plant Health and Safety Committee) and involved the following:

- Placing posters at the plant's entry gate and at selected locations inside it, on subjects such as the use of seatbelts, the use of personal protection equipment, driving and using mobile phones.
- Placing posters at the plant bus stops, designed to raise personnel awareness of safety issues and featuring actual plant employees as models in the poster photographs.
- Placing a mannequin in the canteen area, dressed up as an employee with the personal protection equipment which is mandatory within the plant area and holding a written safety message.

In the EPC Projects sector, the accidents occurred in the construction sites of METKA S.A. and were caused by a falling object, employees falling into an excavation pit and obstacles on the same level. All the accidents involved male employees and each one of them resulted in an interruption of work for three or more days. The immediate actions taken after the accidents involved the provision of medical care, consisting in the administration of first aid at the project site and the transport of the injured employee to an associated hospital for further treatment. All the employees involved in the accidents have now returned to work and the corrective actions taken were the following:

- The excavation pits were fenced off and appropriate signs were put up.
- Unusable/waste materials were removed from the work areas.
- The employees of contractors were provided with training in work instructions.

**Health & Safety Indicators
Personnel of the Group's independent contractors (G4-LA6)**

	2014
Injury Rate (IR)	
IR (Total)	0.46
IR (Men)	0.45
IR (Women)	0.00
Occupational Diseases Rate (ODR)	
ODR (Total)	0.00
ODR (Men)	0.00
ODR (Women)	0.00
Lost Days Rate (LDR)	
LDR (Total)	7.76
LDR (Men)	7.85
LDR (Women)	0.00
Absenteeism Rate (AR)	
AR (Total)	0.00%
AR (Men)	0.00%
AR (Women)	0.00%



Good practice

Accident prevention campaign "Activate the brain's right hemisphere"

- 1. Plant Medical Station
- 2. Plant bus stops
- 3. Alumina Changing Room
- 4. Plant bus stops
- 5. Plant Cast House
- 6. Plant Entry Gate

In 2014, the Management of the ALUMINIUM OF GREECE plant judged that the safety of employees is an issue that cannot be tackled solely through inspections, work instructions, procedures etc. There is a need to raise awareness among employees using emotion as a trigger for effective thinking and acting with regard to safety.

To this end, the decision was taken to carry out a specialised campaign on safety at the workplace, using the innovative method of activating the brain's "right hemisphere". According to the campaign's concept, in order to raise awareness effectively, the right stimuli/messages must be provided to activate the right hemisphere of the employees' brain, which in turn mobilises imagination, creativity and emotion.

This effort started with a search for ideas, followed by the photo shoot, image processing and printing and, finally, the placement of posters in various locations within the plant.

The campaign was carried out by a group of employees consisting of members of the Plant's Health & Safety Committee, volunteer graphic designers working in ALUMINIUM OF GREECE and the plant's Safety Department. The "right hemisphere" campaign will be continued during 2015!



7.5 Training & Development

Professional advancement, succession planning, the development of diverse skills and capabilities at various hierarchical levels, performance reviews, education and training, and the transfer of know-how and experience to direct personnel as well as to supervised employees, are common objectives shared by all MYTILINEOS Group companies.

The Group's activity in various sectors, such as in the processing of metals, in specialised construction projects and in the energy sector, leads to differing training needs, yet at the same time offers to its personnel access to a broad range of knowledge and skills, providing them with opportunities to develop managerial and problem-solving skills, as they face new challenges every day. In MYTILINEOS Group, education and training focuses on the ongoing identification of actual training needs, based on which the annual training programmes are developed.

These are addressed to all newly-hired personnel as well as to existing employees, who may change jobs or take on additional responsibilities. Moreover, the Group's work environment encourages initiative, rewards innovation and evaluates each employee's individual performance. Each Group subsidiary has in place advanced performance review systems for its personnel, whose key feature is the absolute priority given to filling vacancies through internal promotions, provided that the candidate employees possess the knowledge and qualifications required for the corresponding position.

In 2014, a total of 53,995 hours of training programmes took place in all Group subsidiaries. In addition, the individual performance evaluation review process was carried out for the large majority of the Group's employees.

Average training hours per employee / by gender	2014*	(G4-LA9)
Average training hours per employee	25	
Average training hours per employee (Men)	28	
Average training hours per employee (Women)	10	

Average personnel training hours, by employment position	2014*
Average training hours (Executives)	35
Average training hours (Administrative employees)	13
Average training hours (Technical & Labour personnel)	30

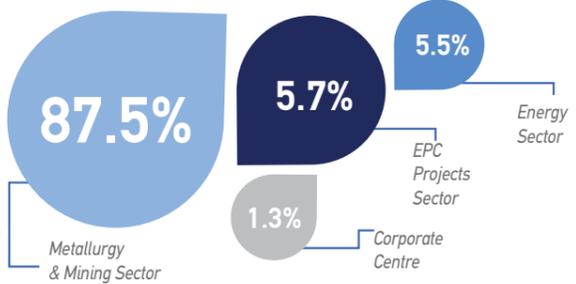
*The year 2014 is set as the reference year (with regard to the indicator's adjustment to the GRI-G4 guidelines), with the figures given also including training hours for supervised employees.

Employee evaluation, by gender*	2013	2014	(G4-LA11)
Percentage of employees who received a performance review (Total)	85.0%	80.0%	
Percentage of employees who received a performance review (Men)	74.5%	80.7%	
Percentage of employees who received a performance review (Women)	76.2%	79.9%	

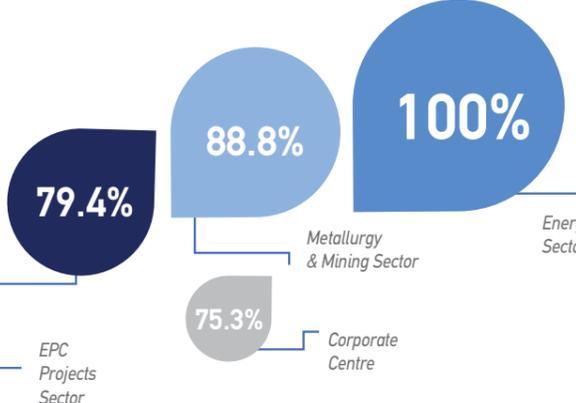
Employee evaluation, by employment position	2013	2014
Percentage of employees who received a performance review (Executives)	-	89.6%
Percentage of employees who received a performance review (Administrative employees)	-	67.8%
Percentage of employees who received a performance review (Technical & Labour personnel)	-	72.1%
Percentage of employees who received a performance review (Engineers)	-	65.5%

*The percentage does not include newly-hired employees, as they are not evaluated during their first year of employment.

Breakdown of training hours by activity sector



Percentage of employees who received a performance review, by activity sector



Main categories of the Group's in-house or external training programmes or seminars in 2014 (G4-LA10)



- Employee empowerment and effectiveness increase
- "Leveraging talent & impactful performance"
- Corporate Governance
- Corporate Social Responsibility

• During 2014, MYTILINEOS S.A. carried out a total of 7 training programmes with a duration of 669 training hours, placing particular emphasis on strengthening the skills and increasing the effectiveness of employees. Almost 34.2% of the company's personnel participated in these training activities.

METALLURGY & MINING SECTOR



- Safety - Fire Safety
- Technical training
- Management, Personal Skills, Human Resources, Continuous Improvement
- IT, Foreign Languages
- Financial training
- Environmental training
- In-house training on the occupation of one department
- Administrative training

• In ALUMINIUM OF GREECE, the training policy focuses on the continuous education and training of its employees. More specifically, personnel training activities are grouped into General Training, under the responsibility of the Training Department, and On-the-Job (or In-House) Training, the responsibility for which rests with the individual Lines / Departments of the company.

• The company has in place a special "TRAINING REGULATION", which covers the entire range of training procedures, as well as the planning of training seminars at the In-House or Inter-Company level. It also covers the procedure for implementation of subsidised training programmes and training in specialised subjects.

• In 2014, the training programme of ALUMINIUM OF GREECE (which totalled 45,853 training hours), attended by 88% of its employees, focused on three areas: (a) training in occupational issues within the company's departments; (b) technical training; and (c) training in Health & Safety issues.

EPC PROJECTS SECTOR



- Development of Soft Skills
- Project management
- Health, Safety & Environment
- Information Technology
- Quality Assurance & Control

• Skills development has evolved into one of the priorities of the corporate training strategy of METKA S.A., with the aim of strengthening the skills of the Management and the project management skills of the company's Executives and scientific personnel. Participations in these training activities numbered 56 employees.

• Training in Health, Safety and the Environment is a standing strategic training choice of the company, in which all personnel categories participate. In 2014, a total of 256 employees received training on Health & Safety issues.

• To help the personnel of METKA S.A. adjust to the requirements of modern technology and to the high quality standards applied in the execution of projects, during 2014 a total of 17 people were trained in IT and 100 people were trained in specialised Quality Management and Control issues.

ENERGY SECTOR



- Technical Seminars
- Health & Safety
- Internal procedures & ISO Quality Systems
- Information Technology
- Personnel Administration and Leadership
- Finance - Accounting

• The technical training involved 26 programmes totalling 975 training hours and covered the needs of 138 Executives and Technical & Labour personnel.

• With regard to Health & Safety, 46 training programmes were carried out, totalling 995 training hours and attended by employees from all categories of PROTERGIA personnel.

• Additionally, 12 programmes with a total of 136 training hours were carried out to strengthen the skills of 136 employees from all categories (Executives, Administrative employees and Technical & Labour personnel) in connection with internal procedures and ISO quality systems.

• Training in Personnel Administration and Leadership consisted of 7 external training programmes with a total duration of 476 training hours, attended by Executives and Administrative employees of the company.



As regards the practices relating to the provision of transition programmes designed to support employees about to retire, the Group for the time being does not provide placement services or support, training and advice programmes. However, it maintains in effect and applies specific pension plans. Furthermore, in order to ensure the smooth succession of retiring employees, succession plans are developed to identify suitable successors to the positions vacated and to help these

persons adjust smoothly to their new jobs. In addition, the "Talent Management System" helps identify employees with exceptional capabilities who become candidates for senior management positions. Finally, in the case of dismissals a compensation is payable in accordance with the existing legal framework, while in some cases the compensation actually paid is higher than the statutory one.



7.6 Equal Opportunities & Diversity

For MYTILINEOS Group, the provision of an environment of equal opportunities, where all employees enjoy the exact same rights and are treated fairly and according to the abilities that they have in order to respond to their assigned roles, is a core value. The climate of equality in the Group is founded on the respect for individuality, coupled with the development of organisational structures that create an inclusive work environment for all employees without exception. With the utmost respect for the personality of every individual, the Group follows the internationally accepted practices in all geographical regions and countries where it operates, ensuring that decisions on matters such as recruitment, compensations, promotions, professional training, retirement as well

as the termination of employment contracts, are based exclusively on impartial criteria and are not connected to any form of discrimination. As most of the Group's activities are in the heavy industry sector, the participation of women in employment and the advancement of young employees (proportionately and always in accordance with the requirements in each activity sector), are key issues in the promotion of equal opportunities in its work environment.

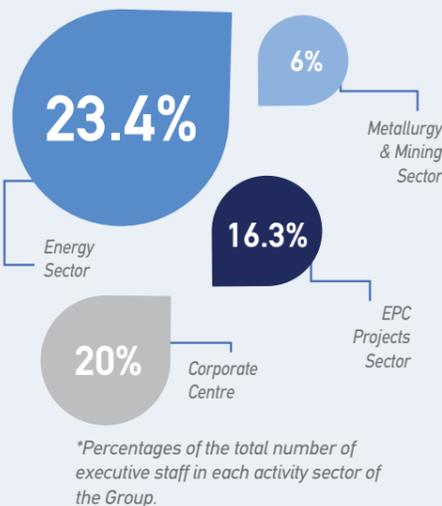
The efforts to promote equal opportunities are ongoing and are reflected both in the employment percentages for women, as well as in the number of young people (under 30 y.o.) hired in 2014.

Group personnel breakdown according to special indicators of diversity, by employment category

	2013	2014	(G4-LA12)
Group Governance Bodies			
Men	89.0%	86.7%	
Women	10.3%	13.3%	
<30 y.o.	0.0%	0.0%	
30-50 y.o.	15.4%	26.7%	
>50 y.o.	84.6%	73.3%	
Ethnic minorities	0.0%	0.0%	
PWD	0.0%	0.0%	
Executives			
Men	84.0%	84.6%	
Women	16.0%	15.4%	
<30 y.o.	8.7%	7.9%	
30-50 y.o.	68.8%	67.9%	
>50 y.o.	22.5%	24.2%	
Ethnic minorities	0.0%	0.0%	
PWD	0.0%	0.0%	
Administrative employees			
Men	71.6%	69.3%	
Women	28.4%	30.7%	
<30 y.o.	11.3%	11.2%	
30-50 y.o.	68.0%	67.5%	
>50 y.o.	20.7%	21.3%	
Ethnic minorities	0.4%	0.0%	
PWD	0.4%	0.4%	
Technical & Labour personnel			
Men	98.1%	97.8%	
Women	1.9%	2.2%	
<30 y.o.	20.6%	17.7%	
30-50 y.o.	67.4%	71.7%	
>50 y.o.	12.0%	10.6%	
Ethnic minorities	0.4%	0.1%	
PWD	0.0%	0.0%	

*Group personnel data (excluding supervised employees)

Women in positions with extended responsibilities*, by activity sector



Employment of women in the Group companies increased by 13.9%, while their corresponding share in the Management of the Group companies increased by 29%.

Women accounted for 18.3% of total recruitment.

People <30 y.o. accounted for 43.2% of total recruitment.

7.7 Social Contribution (G4-S01)

From its establishment to this day, the history of MYTILINEOS Group has been interwoven with the economic growth of Greece and especially of the Greek periphery.

This has been a constantly evolving effort that takes various forms, all of which hinge on the Group's commitment to understanding and responding to the concerns of local communities through the open dialogue processes it applies, as far as possible. Moreover, fully aware of the significant work carried out by the Local Authorities, the Group - through its subsidiaries - is sharing its know-how and expertise with them and, through collective effort, builds partnerships that bring benefits with multiplier effects, create added value and strengthen social cohesion. In 2014, the Group's direct and diverse social contribution activities were founded, once again, on the following five (5) key pillars:

1. Bolstering local employment

The Group's traditional commitment to recruiting employees primarily from the local communities, where its subsidiaries, operate translated into a share of 87.6% of our total workforce in 2014.

2. Development of the local economy

A principle shared by all Group subsidiaries in meeting their needs is to give priority to local suppliers (according to needs and specific characteristics and irrespective of the corresponding share of their total purchases budget). During 2014, 43.6% of the total purchases budget of the Group's subsidiaries represented outlays to suppliers in Greece. (G4-EC9)

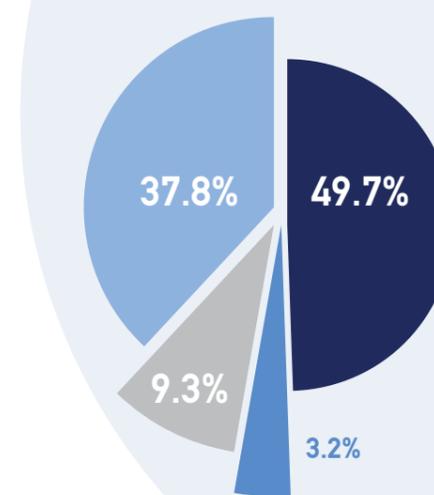
3. Creation of adequate income

The employee compensation systems that the Group applies in all its subsidiaries take into account the market situation and are combined with benefits over and above the statutory ones and those provided under agreements based on collective bargaining, where applicable, enabling our employees to fully cover their needs and to balance their professional and family obligations.

4. Annual Sponsoring & Donations plan

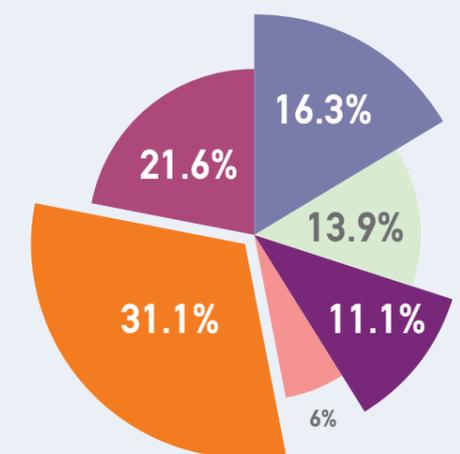
The value of the Group's sponsorships plan for 2014 grew by 12.3% to €852.000 and covered a broad range of social issues.

Sponsorships & Donations by activity sector (2014)



● Metallurgy & Mining Sector
 ● EPC Projects Sector
 ● Energy Sector
 ● Corporate Centre

Categories of Sponsorships & Donations (2014)



● Arts & Culture
 ● Stengthening Entrepreneurship
 ● Sports
 ● Local Government
 ● NGOs, Associations & Societies
 ● Education

5. Implementation of programmes and initiatives that strengthen social cohesion

Good practice

**"ENGINEERS IN ACTION"
Paid employment programme for 11 young engineers in ALUMINIUM OF GREECE**

ALUMINIUM OF GREECE launched the implementation of an innovative one-year paid employment programme, named "ENGINEERS IN ACTION". The programme includes ongoing training, job rotation, coaching and regular evaluation of the participating young engineers, who are given an opportunity to jump-start their career and live a unique experience, working side-by-side with the best in their respective fields. The **11 young engineers** will be accommodated for the full duration of their employment, free of charge, in renovated flats of the plant's model settlement in Aspra Spitia, Viotia.

With the "ENGINEERS IN ACTION" programme, ALUMINIUM OF GREECE aims to help the participating young engineers to gain the necessary work experience and know-how and to develop their personal skills, all of which will be essential in their efforts to find work in the future. At the same time, the challenge, both for the young engineers and for the Management of ALUMINIUM OF GREECE, is to distinguish themselves through their work and the projects they will take on at the plant, in order to qualify to compete for one position to be offered at the company, after the conclusion of the programme and depending on the company's needs at the time.

The "ENGINEERS IN ACTION" initiative is in line with the commitment of ALUMINIUM OF GREECE and MYTILINEOS Group to creating value and to effectively supporting the local communities where they operate. In a period of high unemployment for our country, especially among young people, bolstering employment, investing in human resources and promoting decent work, all of which are long-standing objectives of both organisations, gain increased significance and become permanent priorities.

Good practice

**"Electric Arc Welders School"
School for training young people and integrating them into production**

In the prefecture of Magnesia, METKA S.A. supports its local community in practice, as all the employees of its plant come from the greater Volos area. Recruitment of new employees includes theoretical and hands-on training at the plant, while technical evolution training is provided to both old and new employees. At the same time, the company also invests in training new personnel in its Machine Shop and Welding Departments. The Electric Arc Welders School started operating in 2014, providing training on the latest materials welding technology to approximately **40 young people**, divided in groups. The

first groups to finish this training have already successfully entered the demanding production process. In this way, METKA S.A. increases the technological and production personnel of its plants, boosts hi-tech exports and creates new jobs with benefits for the company, its personnel and the local community.

Good practice

Students' summer internship in ALUMINIUM OF GREECE

For yet another year, ALUMINIUM OF GREECE offered higher education students the opportunity to work in its plant for their internship. In the summer of 2014, a total of **65 students of various disciplines** (from Universities and Higher Technological Educational Institutes) were selected to work during the period from 7 July to 14 August. Each company department ensured that the students were trained in work relevant to their studies and provided them with guidance by a suitable member of the plant's Management throughout their practical training. "The experience of the internship is an important aid for our future progress," was the view shared by all students, who were selected based on the capabilities of the plant's departments and the subjects they are studying.

Good practice

Students and young engineers' internship in Energy sector companies of the Group

The Energy sector companies gave the opportunity to 8 students and young engineers of different disciplines to work as interns in areas relevant to their studies. Especially for young engineers, trying to obtain experience is an important stepping stone for the start of their professional career. The internship programmes lasted from 1 to 6 months and were implemented in different periods during the year.

Good practice

**"I look after the beaches in my hometown"
Volunteer Programme**

With the aid of ALUMINIUM OF GREECE for the sixth consecutive year, pupils from Primary Schools in Distomo, Antikyra and Aspra Spitia participated, for one more year, in beach cleaning activities along the entire coastal strip from Agios Nikolaos to Antikyra. A total of **210 students and 25 adults** participated in this volunteer action, organised by ALUMINIUM OF GREECE, cleaning the area's beaches and collecting a total of 3,625 items of waste, from small pieces of glass and plastic to batteries and wooden rackets. At their schools, the pupils had been briefed by their teachers about the importance of volunteerism, the impact on the environment of waste in the sea and on the beaches, and about proper environmental behaviour. Before the action began, at the meeting points of the three beaches, the teachers gave a short recap to each participating

class separately, after which the health and safety rules and the work method to be followed were explained.

Good practice

**Support of the work of the "DIAZOMA" Association
An initiative to support Greek cultural heritage**

MYTILINEOS Group, seeking to support the sustainable growth of its local communities and to help the development of branded tourism products that can contribute to GDP and enhance Greece's growth, participates in and actively supports the very significant work that the "DIAZOMA" Association is carrying out, showcasing and protecting Greek cultural heritage monuments. As a member of the Association, the Group sponsors the **Ancient Theatre of Orchomenos**, Viotia, providing financial support on an annual basis for studies regarding the theatre's restoration and the creation of an archaeological park in the area.

Good practice

Collaboration with the Education and Training Centre of the Prefecture of Corinthia, in the framework of the Operation "Collective Local Action for employment in Corinthia"

As part of its activities to support and assist the development of the local community of Corinth, KORINTHOS POWER S.A. carried out at its local Energy Centre a 40-hour practical training programme, attended by 20 graduates from Universities, Technical Educational Institutes and other Technical Schools. The programme included the training of the graduates in matters related to Power Generation, Corporate Social Responsibility, the Environment, Health and Safety at the workplace, Operation and Maintenance of the thermal power plant, the Chemistry Lab and the

management of the Warehouse. The training activities were concluded with a guided tour of the Energy Centre, during which the graduates were able to observe the production process and the operation of all other departments.

EUSO – 12th European Union Science Olympiad, Athens 2014
PROTERGIA supported the 12th European Union Science Olympiad – EUSO 2014, which was held in Athens from 30 March to 6 April 2014, organised by the Hellenic Union of Science Lab Centre Supervisors (PANEFKE) with the participation, as joint organisers, of the School of Chemical Engineering of the National Technical University of Athens, which provided its laboratories for the contest, and the Eugenides Foundation.

The European Union Science Olympiad (EUSO) is a contest for students aged up to 17 from the 28 EU Member States. The members of each team work together and make the most of their skills to solve actual problems through experimental measurements in Physics, Chemistry and Biology

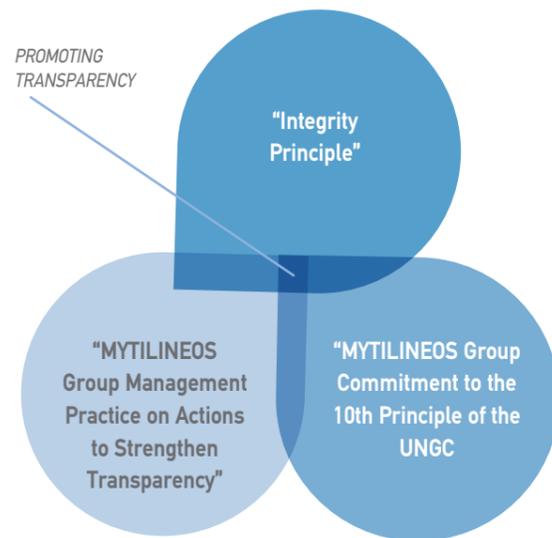
Initiatives to support the local communities

PROTERGIA carried out numerous actions in support of the local communities where the company itself or its subsidiaries invest and operate. The company provided financial support to schools in the Municipality of Karystos and sporting events in Karystos and Orchomenos, and offered considerable humanitarian aid in the form of food supplies to the citizens of the Municipality of Orchomenos. It also supported the infrastructure projects of the Municipality of Karystos and the installation of a digital transponder in Orchomenos, and sponsored the excavations at the Velika Castle in the Municipality of Agia.



7.8 Actions to Strengthen Transparency (G4-S03)

In MYTILINEOS Group, the promotion of transparency is driven by a combination of three factors: (1) The Group's corporate value which refers to the Principle of Integrity in all transactions and which is implemented by avoiding all transactions and contacts with any third party which may be guilty or suspect of encouraging corruption conditions; (2) the Group's voluntary public commitment to the 10th Principle of the UN Global Compact Initiative, according to which "The Group works against corruption in all its forms, including extortion and bribery"; and (3) the disclosure of the Group's Management Practice on strengthening transparency, which is connected to the Group's standing commitment to zero tolerance towards corruption and bribery.



In 2014, the Group continued its efforts for self-improvement, in tandem with its overall support of the promotion of transparency, by taking a number of specific initiatives:

- Through the procedures applied in the Purchases – Procurement Units of its subsidiaries, the selection of business partners and all types of transactions were checked during 2014. In the context of these checks, no incidents of corruption and bribery were identified.
- A dedicated anti-corruption policy was developed in the Group's subsidiary METKA S.A. and a special mechanism to allow submission of complaints of related incidents is currently being designed.
- The study of the self-assessment results regarding corruption and bribery in the Group's subsidiaries was continued, with the aim to fill any gaps at the level of policies and procedures, as well as to take specific actions.

Good practice Participation in the "Call to Action" initiative of the UN Global Compact Organisation

MYTILINEOS Group was one of the first 10 businesses to sign on to the UN "Call to Action" global anti-corruption initiative. This initiative is an appeal by the private sector to Governments to promote anti-corruption measures and to implement policies that will establish systems of good governance. The "Call to Action" urges Governments to place emphasis on anticorruption and good governance as fundamental pillars of a sustainable and inclusive global economy.



7.9 Child & Forced Labour (G4-HR5) (G4-HR6)

In line with its commitment to internationally recognised principles on the protection of Human Rights and acknowledging its share of the responsibility to play a part in limiting their violations, MYTILINEOS Group applies the Principles of the UN Global Compact, which aim to eradicate all factors that promote child labour, the employment of young people in hazardous work and all forms of forced or compulsory labour.

At the same time, the Group promotes the development, in all its subsidiaries, of a "Suppliers and Business Partners Code of Conduct", which takes into account the particularities of each subsidiary's relations with its suppliers. Through this initiative, the Group applies in practice its standing policy towards its supply chain actors, which consists in carrying out prior checks and, under certain conditions, review its decision to enter into an association with any supplier or contractor known to operate using unlawful practices that encourage, condone or cover up incidents involving the employment of persons under legal working age, the physical or other unlawful harassment or the use of forced labour.

The Group also applies procedures for the prevention of such incidents in geographical regions where its activity is considered to present a higher risk of forced or child labour, such as the construction, through METKA S.A., of power plants units in regions of the Middle East and North Africa. In these regions, METKA S.A.:

- Takes all necessary steps to ensure compliance with the provisions of the laws prohibiting child and forced labour by means of its internal regulations and the Professional Ethics Code, which reflect the business ethics and values that apply to all employees.
- Requires its Managers and Senior Executives to fully adopt and defend these principles and to adhere to the applicable legal framework.
- Concludes contracts with its business partners that contain clauses on the mandatory compliance with the applicable national laws, rules and regulations, in order to rule out all likelihood of incidents of forced and child labour or of employment of young people in hazardous work (Code of Conduct).
- Has in place at its work premises (construction sites or plants) supervisors who carry out constant checks of subcontractors for adherence to the law and for compliance with the contractual terms, in order to eliminate all conditions which may encourage such incidents.
- Applies, to all projects that it undertakes, a process of regular inspections and audits conducted by the corporate headquarters or by independent organisations, in order to ensure adherence to the rules for Health & Safety at work and the faithful application of the terms of the subcontracting agreements.

To this end, in 2014 the Group applied for yet another year its standing practices, such as the full compliance with the relevant laws, the application of the relevant provisions of the Group's Professional Ethics Code and the mobilisation of the Human Resources Departments of all its subsidiaries with regard to monitoring such incidents and to taking action in cooperation with the representatives of the Employees' Unions, where these exist. As a result, in 2014 no incidents of child or forced labour were reported in all three of the Group's activity sectors.

Good practice Application of the Global Compact Self - Assessment Tool for the protection of Human Rights

The Group takes advantage of the available international experience and expands its practices by applying, on a two-year basis, the **special self-assessment tool of the UN Global Compact Organisation** for the systematic identification, assessment and correction of deficiencies in the policies and processes of its subsidiaries in connection with the individual areas of Human Rights protection, in line with the Group's values and principles.



7.10 Compliance

A core commitment and principle of MYTILINEOS Group, in all the markets where it operates, is to avoid all unfair associations with potential competitors which may lead to anti-competitive behaviour or practices, including price fixing, concerted bidding, the application of restrictions on production and/or the joint exploitation of markets through the sharing of clients, suppliers, regions or trade activities.

A key policy of the Group's Corporate Centre, MYTILINEOS S.A., is to make every effort to ensure that corporate activities are carried out by employees and Executives in full compliance with the law and with the regulations and principles that govern the Group's operation. Moreover, the Group expects its employees and Executives to lawfully contribute to the fulfilment of this key corporate requirement. In addition, a key concern of MYTILINEOS S.A. is to regularly inform the personnel of the Group's subsidiaries about the importance of adhering to all applicable laws on competition and especially to provide Management Executives with suitable training. Whenever required, all Group subsidiaries are available to fully and effectively cooperate with the competent Competition Authorities in the performance of their duties.

During 2014 the Group was not the subject of any Court petitions under Greek or international law for anti-competitive behaviour and no monetary sanctions were imposed for overall non-compliance of its subsidiaries with the applicable laws and regulations. **(G4-S07)**

In October 2014, the General Court of the European Union annulled the European Commission decision of 13.07.2011, which had been issued following a petition lodged by the PPC, ruling that the pricing of electricity by the PPC to ALUMINIUM OF GREECE during the period from January 2007 to March 2008 qualified as State aid. Following the General Court's ruling, the PPC will reimburse to ALUMINIUM OF GREECE the amount of €17.4 million plus interest, which the Company had paid to the PPC, i.e. a total amount of €21.3 million. This amount will be reflected accordingly in the Group's accounting statements and financial results.

7.11 Product Quality and Safety

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

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



Categories and percentage of significant Group products for which health and safety impacts are assessed for improvement **(G4-PR1)**

	METALLURGY & MINING SECTOR	EPC PROJECTS SECTOR
• Alumina	100%	
• Aluminium	100%	
• EPC Contracts		100%
• Metal & Machinery Constructions		100%



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

For the last 50 years, ALUMINIUM OF GREECE has embodied the impressive evolution of the metallurgical sector in Greece, with a know-how in industrial and commercial practices that is found only among the world's top metallurgical industries. The quality of its products and the provision of technical support and customer service are areas of continuous development.

An indicative example of the company's efforts in this area is that, in response to market needs and the requirements of competition, it invested in the construction of an airslip technology casting unit in its plant's Cast House. This investment brought an impressive improvement in the quality of the end product and reduced stock by minimising the unusable part of each aluminium billet, thus increasing the plant's production flexibility.

In addition, the company has obtained the ISO 9001:2008 Quality Certificate for its products, while its quality control laboratory has been accredited by Hellenic Accreditation System S.A. (ESYD S.A.) in accordance with the requirements of the ISO 17025:2005 International Standard, for the chemical analysis of bauxite, alumina (both hydrated and calcined), and of aluminium and its alloys. This accreditation concerns the Quality Management System of the Laboratory and its technical competencies and overall adequacy for carrying out tests in the areas for which it has been accredited.



THE LARGEST VERTICALLY INTEGRATED ALUMINIUM & ALUMINA PRODUCER IN E.U.



Bauxite Mines

- Second largest bauxite producer in Europe with ~700 ktpa of production capacity.
- Long life of mine underpinned by 11mt of resources.
- Long-term off-take agreement with third parties in Greece and abroad.



Aluminium Smelter

- ~175 ktpa of production capacity
- Established customer base
- Long-term off-take agreements provide security of sales



Alumina Refinery

- Amongst largest standalone smelters globally
- Producer of 17% of total European Alumina output ~815 ktpa
- Sufficient capacity to cover internal needs for the smelter and to export ~500 ktpa
- Long-term off-take agreement with global and regional players



334 MW CHP

- On-site power and steam production offering purchasing flexibility – Secured Electricity Supply
- Internal Steam production using Natural Gas



Port Facilities

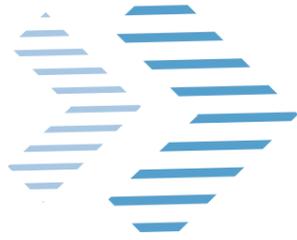
- On-site port facilities for incoming raw materials and outgoing finished products, minimising logistical costs.

Primary Aluminium Annual Capacity

175 ktn

Refined Alumina Annual Capacity

815 ktn



Regarding the provision of verifiable and clear information on our products for the purposes of labelling, including information on their safe use, environmental impacts, maintenance, storage and disposal, the Group complies fully with the relevant requirements. In all cases,

customers have at their disposal the tools allowing them to check all significant information provided and to proceed to the corresponding tests, if they so wish.

METALLURGY & MINING SECTOR



Type of product and service information required based on the procedures applied and percentage of significant products and services which are subject to such information requirements (G4-PR3)

	Alumina	Aluminium
Information on the origin of product elements or ingredients		
Information on content, especially regarding substances which may have a potential environmental or social impact		No particular labelling is required because the products traded by ALUMINIUM OF GREECE are not hazardous. Nevertheless, all necessary information is provided upon request.
Information on the safe use of the product or service		
Information on the product's disposal method and its potential environmental/social impacts		

EPC PROJECTS SECTOR



Type of product and service information required based on the procedures applied and percentage of significant products and services subject to such information requirements (G4-PR3)

	EPC Contracts	Metal & Machinery Constructions
Information on the origin of product elements or ingredients		
Information on content, especially regarding substances which may have a potential environmental or social impact		
Information on the safe use of the product or service	100%	100%
Information on the product's disposal method and its potential environmental/social impacts		

METKA S.A. carries out complex large-scale projects awarded as a result of competitive open calls for tender carried out by each client, under which the proposed technical specifications and the prices offered by the various participating companies are compared. In all of these cases, the scope, responsibilities and commercial terms and conditions for the corresponding projects are initially determined by the client and, upon conclusion of the final negotiations, all relevant details are agreed in writing in the contract for the project. Furthermore, the company's products and services comply fully with the terms and conditions of the respective Contracts and with its contractual obligations to its clients, who are supplied with all Health & Safety and Environment-related information and warnings, such as:

- Instructions on the use, maintenance and disposal for all supplied equipment (Operation & Maintenance Manuals) and materials.
- Clearly visible labelling of all materials and equipment (signs, warnings and relevant instructions).
- Use and recycling instructions, in the form of Material Safety Data Sheets (MSDS) for all hazardous materials.

7.12 Customer satisfaction

MYTILINEOS Group has an extremely broad client base due to the diversity of its activities and the geographical dispersion of its operations. As part of the efforts for continuous improvement and drawing on the quality standards in place at the Group's subsidiaries, customer satisfaction surveys are carried out, primarily in the Metallurgy & Mining Sector for the products of ALUMINIUM OF GREECE, as well as in the EPC Projects Sector, where the emphasis is on the assessment of the progress and results of every project carried out by METKA S.A., after its completion.

In addition, working towards ensuring service quality and customer satisfaction, the Group provides clients with access to claims and to equitable and effective procedures for out-of-court settlement of any disputes in connection with seeking compensation in the event that the products supplied do not meet the agreed specifications. In the EPC Projects sector, the settlement process is always described in writing in the project contract and may typically involve arbitration by internationally recognised authorities such as the Arbitration Authorities of the International Chamber of Commerce (ICC).



Categories of customer satisfaction surveys (G4-PR5)

	METALLURGY & MINING SECTOR	EPC PROJECTS SECTOR
Findings of surveys relating to the company as a whole	Not applicable to ALUMINIUM OF GREECE.	Customer satisfaction for 2014 stood in excess of 75%. The measurement concerned all projects undertaken by METKA S.A.
Findings of surveys relating to a major product category	<p>The Commercial Department of ALUMINIUM OF GREECE sends out to its clients, on an annual basis, a customer satisfaction questionnaire regarding aluminium slabs and billets.</p> <p>For 2014, the results of this survey were as follows:</p> <ul style="list-style-type: none"> • Commercial issues: 4.2/5 • Technical issues: 4.8/5 • Flexibility in setting prices: 3.8/5 • Flexibility and immediate response to unforeseen circumstances: 4.6/5 	No surveys were carried out in 2014 for a major product category.

7.13 Responsible communication and marketing

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

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

During 2014 there were no incidents of non-compliance with the regulations and voluntary codes on marketing communications, including product promotion and sponsorships, involving the implementation of the Group's communication strategy. Moreover, the Group's products are not subject to any restrictions as regards their sale to specific markets and no significant issues of concern were raised by the Group's Stakeholders in connection with products and their marketing communication. (G4-PR6) (G4-PR7)

The issues in connection with this area raised in the context of the Group's consultation with its Stakeholders in 2015, concerned the following:

- (a) In the EPC Projects sector, the provision of assistance to the local communities where METKA S.A. operates, the quality of its products and the transparency in the way in which they are being promoted. METKA S.A. meets these particular expectations by effectively and continuously participating in the efforts to meet the needs of the local community and of society as a whole, as well as by promoting transparency in all its transactions and operations.
- (b) In the Metallurgy & Mining Sector, the promotion and disclosure not only of the individual expenditures made for the local communities but also of the overall contribution by ALUMINIUM OF GREECE to society and to the economy, as this will benefit the image of the company itself and will help "decriminalise" entrepreneurship.
- (c) In the Energy Sector, emphasis was placed on the need to provide customers with services and incentives to increase energy efficiency in the consumption of electricity and, in the future, to consider the possibility of providing ESCO (Energy Service Company) services. Expectations of better communication to the local communities of the social contribution activities of PROTERGIA were also expressed.





HOLDINGS
MYTILINEOS

8. Corporate Governance

MYTILINEOS Group applies the principles of Corporate Governance in accordance with the Greek laws in force, in order to ensure transparency and operate responsibly across all its business activity sectors. Above all, the Group seeks to safeguard the interests and the sustainability of its subsidiaries and to maximise the benefits to the shareholders and to the investing public.

Guided by the principles of Corporate Governance, the Group's parent company, MYTILINEOS HOLDINGS S.A., formulates the strategy and lays down the general guidelines, policies and principles that govern the operation of all Group subsidiaries. The company's organisational structure defines the boundaries of responsibility, assisting and facilitating decision-making and implementation with regard to the strategy of all Group companies. Its purpose is to establish the relationships and roles that guarantee the Group's smooth operation, with MYTILINEOS HOLDINGS S.A. acting as a coordination centre.

Statement of Corporate Governance

This statement is made as part of the compliance of MYTILINEOS HOLDINGS S.A. with the provisions of article 2 of Law 3873/2010 and concerns the following:

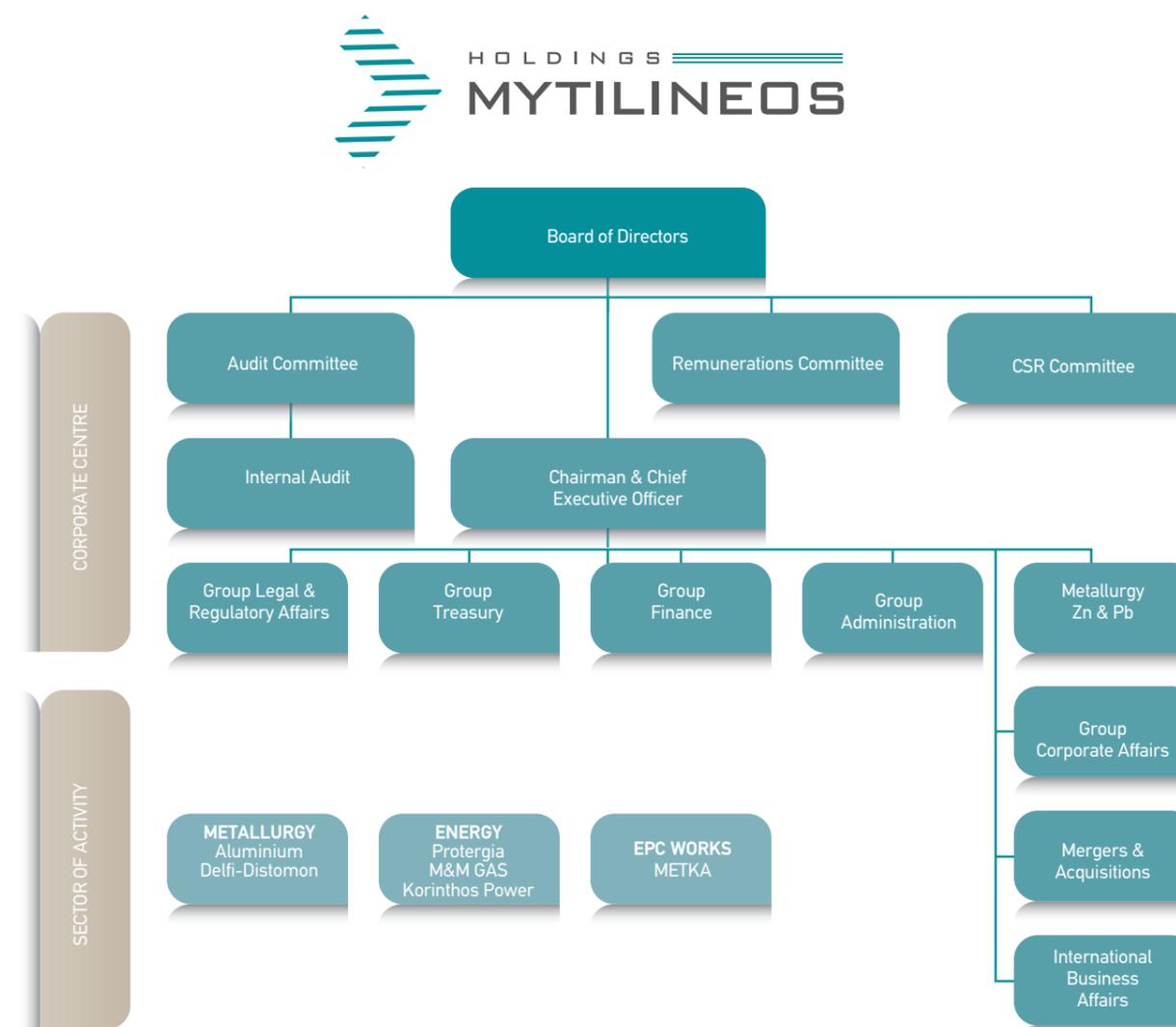
- **Compliance with the Corporate Governance Code:** MYTILINEOS HOLDINGS S.A. complies with the policies and practices adopted by the "SEV Corporate Governance Code for Listed Companies" of the Hellenic Federation of Enterprises (SEV).
- **Deviations from the special practices of the Code:** The practices of MYTILINEOS HOLDINGS S.A., as applied in accordance with its Articles of Association, Internal Operation

Regulation and Professional Ethics Code, deviate from the special practices of the "SEV Corporate Governance Code for Listed Companies" in terms of the following:

- No committee exists for nominating candidate members for the Board of Directors. Given that there is no statutory obligation to set up such a committee and that the Company has in place strict criteria regarding the selection of candidates, the Company reserves its right as to whether or not a committee for nominating candidate Board members shall be set up, seeking/exploring at the same time the possibility of applying a commonly accepted methodology and procedure to this end.
- With regard to the procedure for evaluating the effectiveness of the members of the members of the Board of Directors and of its committees, the Company has already adopted the said special practice.
- The company's Articles of Association provide for a procedure for electronic voting or for the use of correspondence vote by the shareholders in the General Meeting. However, the Company is awaiting the issuance of the relevant Ministerial Decisions in order to introduce a relevant procedure regarding the technical specifications to ensure the security of the electronic voting procedure.
- The Company has not adopted a diversity policy, including a policy on the balance between genders as regards the members the Board of Directors. The Company intends to align itself with the said special practice after developing a relevant procedure.



8.1 Governance Structures (G4-34) (G4-43)



The Group's organisational structure, shown in the corresponding Organisational Chart, is defined by the operation of:

1. MYTILINEOS HOLDINGS S.A., as the Corporate Centre of MYTILINEOS Group: The Group's Corporate Centre is organised into Divisions and Departments, tasked with distinct responsibilities and clearly defined scope of activities. The number, scope of activities and responsibilities of the Divisions and Departments are determined or modified by resolution of the Board of Directors or the General Meeting, as the case may be, with a corresponding amendment of the Internal Operation Regulation, in accordance with the laws in force and with the Company's Articles of Association.

Responsibilities of Corporate Centre Divisions

Each Corporate Centre Division has the following key responsibilities, among others:

- Develops and implements the Company's strategy, with the aim of fulfilling the annual targets.
- Designs, controls and implements its own organisational structure and procedures, so that the strategic goals can be achieved effectively and with optimal use of the human and financial resources available.

- Ensures that the Division is staffed with an adequate number of suitably qualified personnel who can perform their duties in the most effective and responsible manner.
- Ensures the effective coordination of all relevant activities of the Division, as well as the coordination between individual Divisions.
- Maintains a collaborative environment within each Division, as well with the other Divisions.
- Identifies on time the requirements for the purchase of goods and services which are directly related to the smooth operation of their sections and of the Company as a whole, participates in the activities to source suppliers and confirms the correct and timely delivery of the goods and services supplied.

- Identifies the needs in human resources and informs the competent Company Management Executives.
- Provides accurate and timely information to the Management, by preparing and submitting regular reports.

The Board of Directors (BoD) is the body exercising the management of the Group. It is responsible for managing (administering and disposing) the Company's assets and for representing the Company, seeking to enhance its economic value and profitability and to safeguard the corporate interests. The Board of Directors holds regular meetings at least once per month, as well as extraordinary ones more frequently, depending on the importance of the matters arising and the need for immediate decisions.

COMPOSITION OF THE GROUP'S BOARD OF DIRECTORS (31-12-2014) (G4-38)

FULL NAME	STATUS
Evangelos G. Mytilineos Chairman of the Board and Managing Director (CEO) of MYTILINEOS HOLDINGS S.A., one of Greece's leading business Groups. He is also Chairman of the Board of Protergia S.A. and Vice-Chairman of the Board of ALUMINIUM OF GREECE (both MYTILINEOS Group subsidiaries). (G4-39)	Chairman and Managing Director – Executive Member
Ioannis G. Mytilineos Chairman and Managing Director of METKA S.A., co-founder and Vice-Chairman of MYTILINEOS HOLDINGS S.A. since its establishment. He is also Vice-Chairman and Managing Director of Protergia S.A. (a MYTILINEOS Group subsidiary).	Vice-Chairman – Non-Executive Member
George-Fanourios S. Kontouzoglou Member of the Board of ALUMINIUM OF GREECE.	Executive Director – Executive Member
Sofia G. Daskalaki Responsible for developing the Corporate Affairs and Corporate Social Responsibility functions of MYTILINEOS Group. She was a Member of the Board of Directors of the Hellenic Federation of Enterprises (SEV) till May 2014. She is also a founding member of the NGO "Friends of Children with Cancer" ("ELPIDA") and of the "Transparency International – Hellas" Network.	Non-Executive Member
Wade R. Burton Vice President, Portfolio Manager and member of the Investment Committee at Hamblin Watsa Investment Counsel, a wholly owned subsidiary of Fairfax Financial Holdings Limited.	Non-Executive Member
Nikolaos V. Karamouzis Board Member of Olympia Development, Chairman of Global Finance and Vice-Chairman of the Board of Directors of the Hellenic Federation of Enterprises (SEV). He is a Professor Emeritus of the University of Piraeus, with extensive research, publishing and scientific work.	Independent – Non-Executive Member
Apostolos S. Georgiadis Honorary doctor of the Aristotle University of Thessaloniki and the Democritus University of Thrace and a Member of the Academy of Athens from 2000 to this day.	Independent – Non-Executive Member
Christos S. Zerefos Professor of Atmospheric Physics in the Universities of Thessaloniki and Athens (1973-today) and Visiting Professor in the Universities of Boston, Minnesota and Oslo. He is a Member of the Academy of Athens, the Norwegian Academy of Sciences and Letters, Academia Europaea and other international scientific institutions. He is also a Fellow of the Institute of Physics (UK) and a Lifelong Member of the American Geophysical Union. He has been a contributor to, among others, the Assessment Reports of the Intergovernmental Panel on Climate Change, which was awarded the Nobel Prize in 2007.	Independent – Non-Executive Member
Michael D. Chandris Vice President of the Union of Greek Shipowners and member of the Board of Directors of the Bank of Greece.	Independent – Non-Executive Member



2. The Activity Sectors of the MYTILINEOS Group companies:

Activity Sectors are defined mainly as a function of the economic activity sectors in which every subsidiary of MYTILINEOS HOLDINGS S.A. develops its business operations. The persons in charge of the Group's Activity Sectors have extended managerial responsibilities and executive authority. Moreover, these persons may also be appointed as Managing Directors of the Group's subsidiaries operating in the corresponding Activity Sector. The selection of General Managers by the Company's Management is based, inter alia, on their successful track record and professional experience in the corresponding activity sector. The Managing Directors of the Group's subsidiaries come under the respective Activity Sector General Managers and are fully responsible for the results and operational planning of their particular Activity Sector.

Responsibilities of the Group's Activity Sector General Managers

The Activity Sector General Managers have the following responsibilities:

- Develop the strategy and set the strategic objectives for their Activity Sectors, taking into account the Group's vision and strategy.
- Direct the Management Teams of their Activity Sectors towards attainment of the aforementioned objectives.
- Develop the necessary guidelines and support the members of the Management Team of their Activity Sectors in their everyday tasks and deal with adversities whenever and wherever required.
- Ensure that the current business plan is successfully implemented and explore and identify opportunities for business growth.
- Ensure that the Key Performance Indicators match the Group's strategic objectives.

Key elements of Corporate Governance

- The Board of Directors sets, grants and revokes by its resolutions the authorities and responsibilities granted to the General Managers and Managers, in accordance with the structure shown in the Group's Organisational Plan. (G4-35)
- With regard to the procedures for nomination and election of Board members, the Chairman of the Board and CEO, in collaboration with other Board members and especially with the Remunerations Committee, examines the CVs of candidate Board members and the information contained therein which guarantees their independence, in order to make sure that all requirements, such as specialisation and experience but also availability in terms of time, which will allow them to contribute substantial work as Board members, are met. The criteria used to elect Board members include, among others, specialisation, independent membership, academic qualifications, managerial capability and honesty,

as well as professional or other experience, as the case may be, which can contribute to the more effective management of the issues of interest to MYTILINEOS HOLDINGS S.A. and, by extension, the issues of interest to the Group companies. (G4-40)

- The procedure for evaluating the effectiveness of the Board Members and Committees takes place at least once every two years. The Chairman of the Board presides over this procedure and the relevant results are discussed by the Board in a special meeting held for this purpose. Based on the evaluation results, the Chairman takes measures to deal with any weaknesses identified. The Board evaluates the Chairman at least once every two years in a separate meeting chaired by the Vice-Chairman.

In addition to the evaluation procedure, in the regular and extraordinary Board meetings extensive references are made, if judged necessary by the Chairman and CEO, to the economic, environmental and social performance of the Group and of its subsidiaries, followed by the evaluation of the performance of the Board members in relation to these issues. The relevant information is secured through the information available to the CEO through his participation in the Boards of Directors of the individual subsidiaries and from the reports submitted to the Board's executive members through the management hierarchy, in line with the latter's duties. (G4-43) (G4-44)

- The Board of Directors constantly reviews, on an ongoing basis, the corporate strategy and the principal business risks, especially so in an ever-changing financial and business environment. Moreover, the Board receives at regular intervals reports on the audits carried out by the Audit Committee, based on the annual schedule of audits planned by the Company's Internal Audit Department. (G4-45)

- With regard to "conflict of interest" situations, the existence of independent and non-executive Board members prevents the occurrence of circumstances which might encourage or lead to such conflicts. In collaboration with the Human Resources Department, the members of the Group's Board of Directors have developed and are applying procedures to prevent any likelihood of conditions giving rise to conflict of interests from arising. These procedures include continuous monitoring and dissemination of information on the need to prevent such conditions from arising, as well as procedures for their early identification, should they arise.

Additionally, the audits conducted by the Internal Audit Division also address, for each audited subject, the likelihood of occurrence of a conflict of interests in violation of the policies of the Group companies. Indicatively, the Internal Audit Division: (1) Reports to the Audit Committee and to the Board of Directors cases of conflict between the private interests of the Board members or of the Company's Management Executives and the Company's interests, of which (conflicts) it becomes aware in the course of its duties. (2) Audits the relations and transactions of the Company with its affiliated companies, as well as the relations of the Company with the companies in whose share capital members of the Company's Board of Directors or Company shareholders hold a stake of at least 10%. Finally, the Group's Professional Ethics Code includes a specific provision on the prevention of conflicts of interests, with reference to the procedure to be followed by all employees, i.e. Management Executives, Administrative employees or Technical and Labour personnel, for preventing such circumstances from arising. (G4-41)

- The role of the BoD in the development, approval and revision of the values, mission, strategies, policies and objectives related to the economic, environmental and social impacts of the Group companies' operation, is defined as a function of its core responsibilities, which are:
 - To adopt and implement the overall Company policy, on the basis of the recommendations and proposals made by the Company's General Managers and Directors.

- 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 define the Company's strategy and business risk management policy. (G4-42) (G4-43)

8.2 CSR Governance (G4-36) (G4-48)

The management of the issues related to responsible entrepreneurship is a responsibility shared by all senior and top Management Executives of MYTILINEOS Group and covers all policies adopted and all actions taken in order to fulfil the expectations of Stakeholders, over and above the Group's legal and regulatory obligations. The integration of this system into the organisational structure of the MYTILINEOS Group companies relies on a uniform set of procedures and on a specific reporting hierarchy, designed to overcome any obstacles which might result from the particular characteristics of each one of the Group's individual activity sectors.

**MYTILINEOS Group
CSR Governance Structures:**

www.mytilineos.gr/en-us/csr-governance/info



Description of the CSR Governance system	Objectives of the CSR Governance system
<p>GROUP CSR COMMITTEE The CSR Committee of MYTILINEOS HOLDINGS S.A. includes the Group Chairman among its members and is primarily responsible for supervising and ensuring the correct implementation of the CSR Governance in MYTILINEOS HOLDINGS S.A. in terms of policies, targets, actions and results in connection with environmental, social and ethical issues. It may also act in the capacity of advisor to the Group's Executive Management and to the relevant Board Committees on the above issues, to assist their implementation in a more complete manner.</p>	<p>(a) To highlight the scope and breadth of the relevant concepts, with the ultimate goal of preventing business, social and environmental risks;</p> <p>(b) To identify and implement policies and initiatives that will substantially contribute to the achievement of Sustainable Development; and</p> <p>(c) To balance the economic, social and environmental implications of the Group's business activities, while generating value for the Shareholders and all other Stakeholder groups in general.</p>
<p>GROUP LEGAL & REGULATORY AFFAIRS DIVISION In addition to its other main responsibilities, it plays a key role in the formulation of the Company's environmental strategy. It is informed of the latest developments in the European environmental regulations and proposes ways for ensuring the alignment of the Corporate Strategy. It works closely with the Group's subsidiaries and the competent Executives on all Environmental Strategy matters arising. Additionally, in collaboration with the Managing Directors of the Group's subsidiaries, it coordinates joint actions that support and promote the approved strategy.</p>	
<p>EXECUTIVE MANAGEMENT OF GROUP SUBSIDIARIES The Managing Directors of the Group's subsidiaries, having full responsibility for the results and the operational planning of their respective Activity Sectors, are actively involved in the management of social and environmental issues, providing the CSR teams of their companies with the necessary directions and ensuring that the Key Performance Indicators (KPIs) are in line with the strategic goals of the Group and of their company.</p>	
<p>CSR TEAMS OF GROUP SUBSIDIARIES The individual CSR teams of the Group's subsidiaries operate within specific and clearly defined responsibilities and obligations, to implement the policies of the Group's parent company, MYTILINEOS HOLDINGS S.A., as well as the CSR programmes at the level of the individual subsidiaries.</p>	
<p>GROUP COMMUNICATION DEPARTMENT With its crucial coordinating role, the Group Communication Department is responsible for providing support to all subsidiaries, to ensure compliance with the relevant standards and goals of the Group's parent Company, MYTILINEOS HOLDINGS S.A.</p>	
<p>ESTABLISHED STAKEHOLDER CONSULTATION PROCESS The process of Consultation with Stakeholders is a long-established responsible operation practice for the Group and contributes crucially to the efforts to enhance the transparency of, and to introduce further improvements to, the CSR strategy and initiatives of the Group's subsidiaries</p>	
<p>COMPANY CODES (G4-56) Key to the governance of CSR is the compliance with the Professional Ethics Code, which covers the general principles and rules that must govern the Management's commitment towards the employees and the professional conduct of all people working in the Companies of the MYTILINEOS Group. Furthermore, of equal importance is the compliance with the newly-introduced "Code of Conduct for Supplies and Business Partners", which describes the minimum requirements/expectations of MYTILINEOS HOLDINGS S.A. from its supply chain regarding CSR-related issues.</p>	

The Group CSR Committee is composed of two Board members of MYTILINEOS HOLDINGS S.A. without executive authority within the Company, with the other five members being Company Executives.

FULL NAME	STATUS
Christos Zerefos	Chairman – Non-Executive Member – Independent
Sofia Daskalaki	Member – Non-Executive
Christos Diamantopoulos	Member – Independent
Spyros Kasdas	Member
Vivian Bouzali	Member
Fotis Spyrakos	Member
Lydia Tsapara	Member

8.3 Risk Management (34-46)

The Group has defined "risk" as a sum of uncertain and unpredictable situations that may affect all its activities, its business operation, its economic performance as well as the implementation of its strategy and the achievement of its goals. A specific approach to risk management through regular internal audits has been established in all activity sectors, in order to ensure the appropriate and effective implementation of the procedures for:

- Identifying and assessing risk factors.
- Planning the risk management policy.
- Implementing and evaluating the risk management policy.

In addition, the Internal Audit Department, which forms an independent organisational unit that reports to the Board of Directors, evaluates and improves the risk management and internal audit systems, while also ensuring that MYTILINEOS HOLDINGS S.A. complies with the established policies and processes, as these are laid out in the Internal Operation Regulation, the legislation in force and the legal and regulatory provisions.

With activities in three key business areas – Metallurgy & Mining, Energy and EPC Projects – the Group is faced with many different risk factors. Of these, the table below mentions the most important ones which could directly impact on our economic performance and overall evolution towards sustainable development.



Key risk factors with potential direct impact on the Group's operation

Market Risk	The global economic conditions remain volatile. The Group faces risks from LME price fluctuations, the EUR/USD parity, the broader economic and financial environment as well as the market for aluminium end products. In this context, the Group takes a number of actions to hedge its exposure to market risk, improve its cost structure and ensure its liquidity.
Increase in the cost of raw materials	The Group's operating results are affected by increases in the cost of raw materials, such as metallurgical coke, caustic soda and other key materials, as well as by the freight costs for the transportation of such materials. To address this risk, the Group seeks to negotiate and "lock" its key freight contracts with competitive terms. In parallel, it has introduced a new system for the evaluation of supply prices for raw materials and is also implementing an ongoing cost optimisation and reduction programme. Moreover, the Group's operating results can be affected by severe delays when the drop in the price of cost items linked to the LME price or the EUR/USD parity is not enough to offset the corresponding reduction in the LME prices or in the value of the US Dollar over the same period.
Availability of Greek bauxites and Market Concentration	To meet the needs for Alumina, the Group depends heavily on the availability of Greek bauxites. By operating its own mines, through its wholly-owned subsidiary DELPHI-DISTOMON, the Group covers approximately 38%-40% of its needs in Greek bauxites. However, in the coming years there may be difficulties in obtaining licenses for or drilling (finding) new bauxite deposits in Greece. Moreover, the Greek bauxite market is already concentrated in a small number of suppliers. This, coupled with the possibility of further market concentration, could impact negatively on the Group's costs for the procurement of Greek bauxites in the future. For these reasons, the Group seeks to negotiate multi-annual bauxite contracts and strategic alliances with the Greek producers.
Health, safety and environmental laws and regulations	The Group's activities are subject to laws and regulations on health, safety and the environment. The costs for compliance with these regulations involve either investments or significant spending in actions for the safe management of industrial waste and for environmental rehabilitation. Environmental issues for which the Group may be responsible could arise in the future in its current facilities and in facilities which it previously owned or operated in, even if to this day such issues are not or could not be known to the Management or have not yet arisen.
Climate change, relevant laws and regulations and greenhouse effects	The Group's operational margins might be affected by changes which may be made to Group production facilities whose greenhouse gas emission levels are high, as well as to Group facilities with increased requirements in energy, as a result of regulatory arrangements primarily in the EU, where the Group is active. The potential impact of the future legislation and of the regulatory framework on climate change, as well as of the European and international conventions and agreements, cannot be estimated with any certainty given the wide-ranging purposes of these potential changes. The Group may be forced to carry out significant investments in the future, as a result of the need to comply with the amended legislation and the new regulations. Finally, as a result of an eventual deficit or surplus in the management of CO ₂ emission rights and also as a consequence of its high energy consumption levels, primarily for the production of Aluminium, the Group might recognise significant expenses or revenues, respectively. On the other hand, the Group may identify opportunities in the EPC Projects sector, made possible by any one of the aforementioned changes in the legislation which relate to climate change.
Non-realisation of the expected long-term benefits from productivity and cost reduction initiatives	The Group has taken and may continue to take initiatives in the areas of productivity and cost reduction, in an effort to improve performance and reduce total production costs. It is always possible that these initiatives cannot be implemented in their entirety or that the estimated savings to result from them cannot be fully realised, for reasons which also include circumstances beyond the Group's control.
Political, legal and regulatory issues	The Group's energy-related activities in Greece remain - to a significant degree - regulated by the State and depend on issues and decisions of a political, legal and regulatory nature. The developments within this environment, which could lead to delays in the effective liberalisation of the energy market, might impact on the Group's activities, future results and the value of its assets or of Group assets whose operation requires a significant consumption of energy products. In addition, the Group may also be affected by adverse developments in connection with political and regulatory issues related to its EPC activities abroad, especially so in countries characterised by political instability.

The Group has established specific and comprehensive Risk Management Processes. All Management Executives are involved in the identification and initial assessment of risks, so as to facilitate the work of the Management Councils of each business sector, as well as of

the Board of Directors of each legal person, in planning and approving specific actions under the approved Risk Management Processes.

9. UN Global Compact Communication on Progress (Advanced Level)

The United Nations Global Compact is a commitment platform and a practical framework for businesses which voluntarily declare their commitment to serve the Sustainable Development agenda and promote responsible business practices. It is an initiative in which businesses, together with the UN services and with employment and social bodies, work together to support the Compact's principles in the areas of Human Rights, Labour, the Environment and Anti-Corruption. Today, the UN Global Compact is the world's largest corporate social responsibility initiative, with more than 6,000 member businesses taking action and developing policies to incorporate in their operations and promote these principles. MYTILINEOS Group, has declared, since 2008, its commitment to uphold

the Ten Principles of the Global Compact, disclosing on an annual basis its relevant performance (Communication of Progress) in the context of its broader activity.

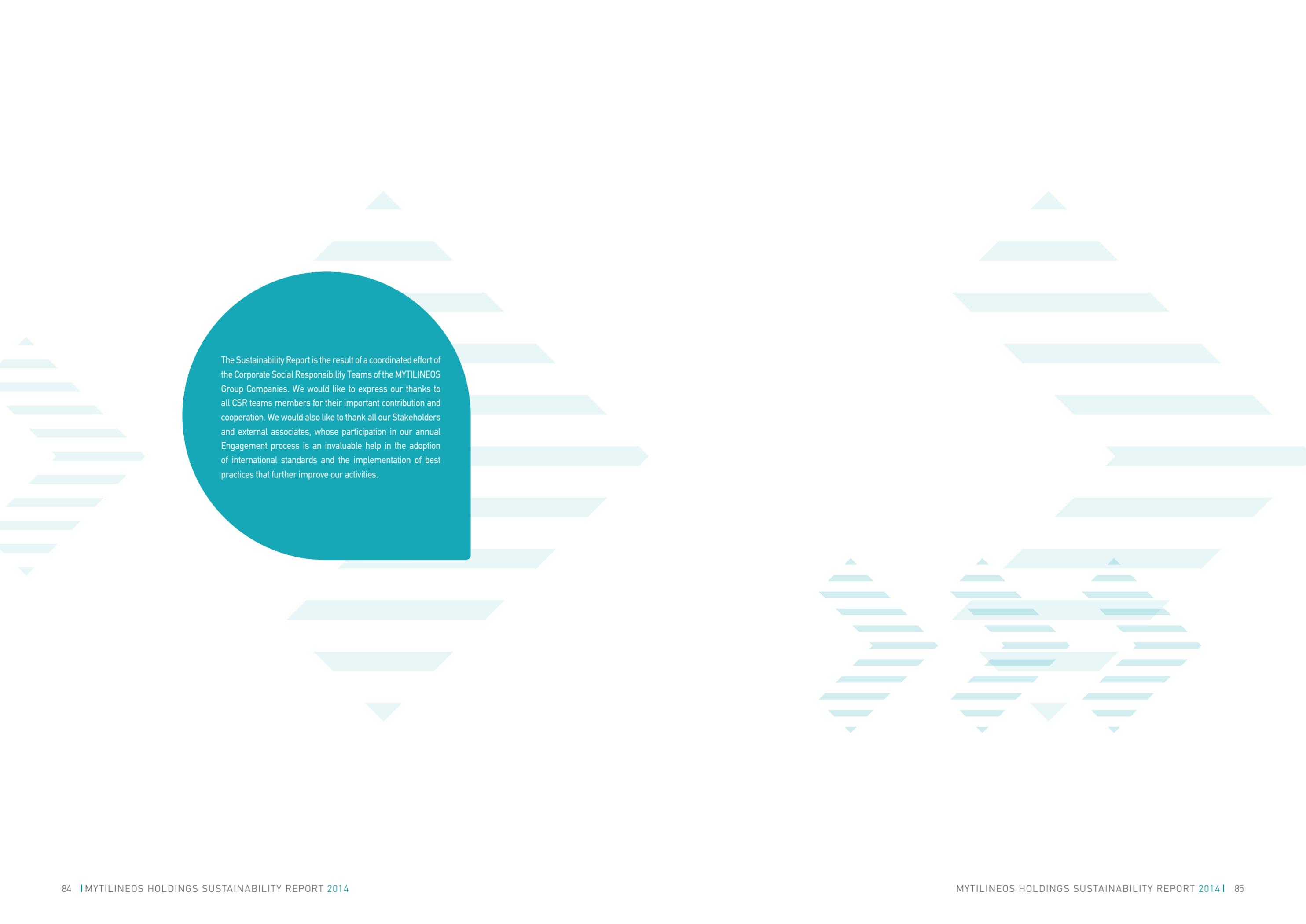
The table below presents the Group exposure to the Ten Principles of the Global Compact for the year 2014, while by visiting the address: www.mytilineos.gr/en-us/csr-reports/publications, interested readers can consult the Group's available its independent report, regarding the fulfilment of the 21 criteria under the **UNGC Advanced COP Self-Assessment - 2014**.



Table of disclosures in accordance with the UNGC Principles

DMA: Disclosure Management Approach - CoC: Code of Conduct - GRI: G4 Indicators

	THE 10 PRINCIPLES OF THE UN "GLOBAL COMPACT"	References to Sustainability Report 2014 sections	References to Group's website CSR Section
1 st :	Businesses should support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none"> • 7.4 (Occupational Health & Safety) • 7.6 (Equal Opportunities & Diversity) • 7.7 (Social Contribution) • 7.9 (Child & Forced Labour) 	<ul style="list-style-type: none"> • DMA: (Human Rights): www.mytilineos.gr/en-us/safeguarding-of-human-rights/information#tab-management-approach • DMA: (Labour Practices): www.mytilineos.gr/en-us/labour-practices/information#tab-labour-management-approach • GRI: G4-HR3 & G4-HR8, G4-HR9, G4-HR12, G4-S01: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014 • CoC (Code of Ethics): www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code
2 nd :	Businesses should make sure that they are not complicit in human rights abuses.		<ul style="list-style-type: none"> • GRI: G4-HR3, G4-HR4 & G4-HR12: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2104 • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf
3 rd :	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> • 7.1 (Employment) • 7.3 (Management – Employee relations) 	<ul style="list-style-type: none"> • DMA: (Human Rights): www.mytilineos.gr/en-us/safeguarding-of-human-rights/information#tab-management-approach • GRI: G411 & G4-LA4 : www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014 • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf
4 th :	Businesses should uphold the elimination of all forms of forced and compulsory labour;	<ul style="list-style-type: none"> • 7.9 (Child & Forced Labour) 	<ul style="list-style-type: none"> • DMA: (Human Rights): www.mytilineos.gr/en-us/safeguarding-of-human-rights/information#tab-management-approach • GRI: G4-HR6: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014 • CoC (Code of Ethics): www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf
5 th :	Businesses should uphold the effective abolition of child labour.	<ul style="list-style-type: none"> • 7.9 (Child & Forced Labour) 	<ul style="list-style-type: none"> • DMA: (Human Rights): www.mytilineos.gr/en-us/safeguarding-of-human-rights/information#tab-management-approach • GRI: G4-HR5: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014 • CoC (Code of Ethics): www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf
6 th :	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • 7.1 (Employment) • 7.2 (Work Conditions) • 7.5 (Training & Development) • 7.6 (Equal Opportunities & Diversity) 	<ul style="list-style-type: none"> • DMA: (Labour Practices): www.mytilineos.gr/en-us/labour-practices/information#tab-labour-management-approach • GRI: G4-HR3: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014 • CoC (Code of Ethics): www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf
7 th :	Businesses should support a precautionary approach to environmental challenges.	<ul style="list-style-type: none"> • 6.2 (Raw & Other Materials) • 6.3 (Energy) • 6.4 (Emissions) • 6.7 (Water) 	<ul style="list-style-type: none"> • DMA: (Climate Change and protection of the environment): www.mytilineos.gr/en-us/climate-change/csr#tab-climate-change-management-approach • GRI: G4-EC2, G4-EN27 & G4-EN31: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014 • CoC (Code of Ethics): www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf
8 th :	Businesses should undertake initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"> • 6 (ENVIRONMENTAL PERFORMANCE) 	<ul style="list-style-type: none"> • GRI: G4-EN11, G4-EN12, G4-13, G4-EN14, G4-EN28, G4-EN29, G4-EN31, G4-EN34: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014 • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf
9 th :	Businesses should encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> • 6.2 (Raw & Other Materials) • 6.3 (Energy) • 6.6 (Management of solid and liquid waste) 	<ul style="list-style-type: none"> • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf • GRI: G4-EN27 & G4-EN31: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014
10 th :	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> • 7.8 (Strengthen Transparency) 	<ul style="list-style-type: none"> • DMA (Strengthening Transparency): www.mytilineos.gr/en-us/strengthening-transparency/information • GRI: G4S6, G4-S03 & G4-S05: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table-2014 • Collaborations with other organisations: www.mytilineos.gr/en-us/memberships-initiatives-and-standards/about-corporate-social-responsibility • CoC (Code of Ethics): www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code • CoC (Suppliers & Business partners): www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf



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

HOLDINGS 
MYTILINEOS

5-7 Patroklou str, Maroussi, 151 25 Athens
Tel. +30 210 6877300 Fax +30 210 6877400
www.mytilineos.gr