

BEST PRACTICES,
BEST FOOTPRINT



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It is with particular satisfaction and pride that we welcome you to the MYTILINEOS Group Sustainability Report for 2013. In its pages, we have tried to present a comprehensive picture of our company, by drawing on a broad and diverse range of information about our Policies, Principles and Values, as well as about the way in which we manage our human capital and contribute to the efforts to protect the environment and support society. In doing so, we illustrate what we are: an organisation driven by long-term vision and strategy and placing the creation of value for the society in which it operates at the very core of its efforts.

Most of the 2,500 people who belong to the large MYTILINEOS Group family, together with all its Stakeholder groups, i.e. the groups of individuals and legal entities which influence the Group and are affected by it, know first-hand and recognise the huge investments that the Group has always been carrying out an activity that continued unabated even during the economic recession of the last years. Although the six years from 2008 to 2013 were a period fraught with difficulties, MYTILINEOS Group managed not only to post consistently positive results but also to proceed to new investments and business moves that pave the way for a better future for the Group itself while at the same time helping the efforts to support the country and project a positive image of it abroad.

Thus, if we had to encapsulate in just a couple of words the strategy of MYTILIENOS Group, these words would be “Socially Responsible Development”. With investments in EPC projects, Energy and Metallurgy, three production sectors that are crucial to the country’s growth and in which it is represented by its subsidiaries METKA S.A., PROTERGIA S.A. and ALUMINIUM S.A., respectively, MYTILINEOS Group contributes to the efforts to bolster Greece’s economic growth and to create infrastructures for the future.

It is precisely this strategy, our strategy of socially responsible development, which made it possible for us to continue to grow, even during these last six years of economic crisis, bringing to life our vision to create prospects and value, driving economic growth and social development. For us, fulfilling this vision is the only way forward and, at the same time, a course which we have set ourselves, never once straying from it in our long history. In these difficult times for our country and for our fellow citizens, our need to assume an increasingly bigger and important role as a social partner grew stronger.

Thus, despite the suffocating conditions in the economy, during 2013 the Group continued to contribute to the Greek economy and society, offering 2,500 jobs and generating a “social product” with a value of €211 million, allocated to taxes, salaries and investments – business, social and environmental ones. Besides, if one takes a look at the financial

results for the last five years, it becomes clear that the growth rates of the Group’s turnover and of its Social Foot-print have been evolving in parallel – and this is far from accidental. The fact that the Group’s aggregate social product from 2009 to this day has exceeded €1 billion in spite of the domestic recession is indicative of this.

As regards its corporate social responsibility strategy, MYTILINEOS Group is closely following international developments, which are leaving behind the identification of CSR with philanthropy and are increasingly shifting to linking an organisation’s progress with the prosperity of the society in which that organisation operates. Thus, our activities in this area have always been guided by our firm belief in the view that all forms of entrepreneurship must be governed by the moral principles and the values which guarantee that an organisation’s alliance with Society, with its People and with the Environment remains unbroken.

For yet another year, the Group’s corporate social responsibility activities in 2013 were founded on the pillars of the protection of the environment, the contribution to society and the adoption of the Principles of Corporate Governance. These were the pivotal points for all the initiatives which we developed last year, whether these addressed the Greek society as a whole or the individual local communities in which the activities of the Group’s subsidiaries are based.

In the domain of the environment, where the Group has invested more than €10

million in projects for waste treatment and discharge, the treatment of emissions and the installation of “greener” technologies, we established for the second year in a row the Group’s Social and Environmental Footprint, made possible by the participation of all our subsidiaries. In addition, last year METKA S.A. aligned its operations with the requirements of the ISO 14064 environmental standard, in order to identify the CO₂ sources associated with its activities and to fully control the related emissions.

In the domain of social contribution, 2013 marked the first year of the programme “The Future in Schools”, implemented by MYTILINEOS Group through ALUMINIUM S.A. Under this programme, brand-new PCs were donated to cover relevant needs in fifteen schools of the local communities where the company’s activities are based.

Faithful to its commitment to operate with transparency and responsibility in all its business activity areas, in 2013 MYTILINEOS Group continued to apply international principles and practices of Corporate Governance, always seeking to safeguard the interests of its subsidiaries and to maximise the benefits to shareholders and investors. In line with the above, for the first time in 2013 all Group subsidiaries applied a self-assessment system regarding their performance in human rights protection and anti-corruption, also developing and adopting the Code of Conduct for Suppliers and Business Partners which applies across the entire Group. The year 2014 marks the sixth anniversary

of the signature by MYTILINEOS Group of the UN Global Compact – the largest global corporate responsibility initiative. In the context of its participation in the Compact, MYTILINEOS Group has undertaken to align its operations and strategy with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. All the principles identified in the Compact are reflected in the Group’s values and standards and form part of our overall approach to sustainable development. These are precisely the principles that we will continue to promote in the future, affirming and strengthening our commitment to transparency and outstanding performance.

This year’s Sustainability Report is a starting point for our continuous evolution and improvement, as its completion leaves us even more aware of our new targets. At the same time, its development marks a turning point of sorts for us all, a process which has made us wiser, leaving us proud of what we achieve. Because the information contained in the Report makes up what we really are: a company that is planning on a long-term horizon and takes care to ensure that its initiatives create shared value – for itself and for the society where it operates and belongs.



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

The present publication is the 6th Annual Sustainability Report of MYTILINEOS Group (hereinafter “CSR Report” or simply “Report”), which illustrates our efforts to provide our Stakeholders with concise, complete and transparent information about the overall sustainability performance (ESG performance) of our Corporate Centre and all our subsidiaries. The Sustainability Report 2013 is a continuation of the corresponding publication for 2012 and is complemented with more detailed information available on the Corporate Social Responsibility section of our corporate website (www.mytilineos.gr/en-us/corporate-social-responsibility/of-mytilineos-group) and with relevant references to the Group’s Annual Report 2013.

As we have done in the past, in preparing this year’s Report we have voluntarily aligned our activities with the Global Reporting Initiative (GRI) G3.1 Sustainability Reporting Guidelines, including the Principles for Defining Report Content, as well as with the requirements of international standards and guidelines such as:

- The GRI sustainability reporting guidelines based on the Mining and Metals Sector Supplement, (March 2010), which is a key pillar of our Group’s performance in the broader context of sustainability.
- The seven CSR fundamental principles, as defined by the ISO 26000 CSR International Standard, which cover accountability, transparency, ethical behaviour, respect for Stakeholder interests, respect for the rule of law and for international norms of behaviour and Human Rights protection. For the Group’s compliance with the clauses of the ISO 2600 Standard, see the correspondence table on: www.mytilineos.gr/en-us/memberships-initiatives-and-standards/about-corporate-social-responsibility#tab-iso-2006-international-standards
- The Ten Principles of the UN Global Compact.
- The OECD Guidelines to multinational enterprises on responsible business conduct.

2.1 REPORT METHODOLOGY, SCOPE AND BOUNDARY

Materiality

In determining the contents of our Sustainability Report, we applied the criteria under the Principle of Materiality, as defined by the GRI, in order to ensure that the present publication addresses all issues in connection with the challenges which concern the Group’s activity, in terms of sustainability, together with the corresponding issues which could materially affect the estimates and decisions made by our key Stakeholder groups.

To this end, the following activities were synthesised:

- The identification of our Stakeholders expectations in terms of sustainability, following the 4th cycle of our Engagement procedure carried out by all our subsidiaries.
- The application, for the 2nd consecutive year, of the procedure to determine the key issues pertaining to the Group’s Environmental and Social footprint which, in addition to the individual CSR Teams, also involves the Management of all our subsidiaries.
- The results of the working meetings of the CSR teams of the Group companies and the collaboration with the Heads of Departments in the context of the data collection and evaluation tasks. In carrying out the data collection and evaluation work regarding the information required for the Report, our subsidiaries’ CSR teams used as guidance the principles

of the GRI G3.1 to ensure the best possible quality of the Report’s content, by checking the balance, comparability, accuracy, clarity and reliability of the relevant data.

- The outcome of the annual CSR Mapping project, which involves the assessment of the significance of the issues pertaining to responsible entrepreneurship (at the level of policies, actions and results), which are renewed annually by the Group companies and form the basis of the Sustainability Report for each year.
- The examination of the Group’s vision and values and its core commitments in the framework of Corporate Social Responsibility.

The process for the renewal of the materiality issues is an ongoing exercise which we develop and improve with each year. Its purpose is to analyse the dynamics of the social and environmental issues as well as the corporate governance criteria which form part of our strategy from both an internal and an external viewpoint, and to also identify the risks that these may entail. In the framework of our Stakeholders Engagement procedure in 2013, we developed a special-purpose questionnaire which allowed us to directly assess our Stakeholders’ responses in terms of their perception and prioritisation of materiality issues, while ad hoc working groups composed of senior and top management executives determined the influence and significance of these issues for the company’s business evolution and the manner in which they should be handled.

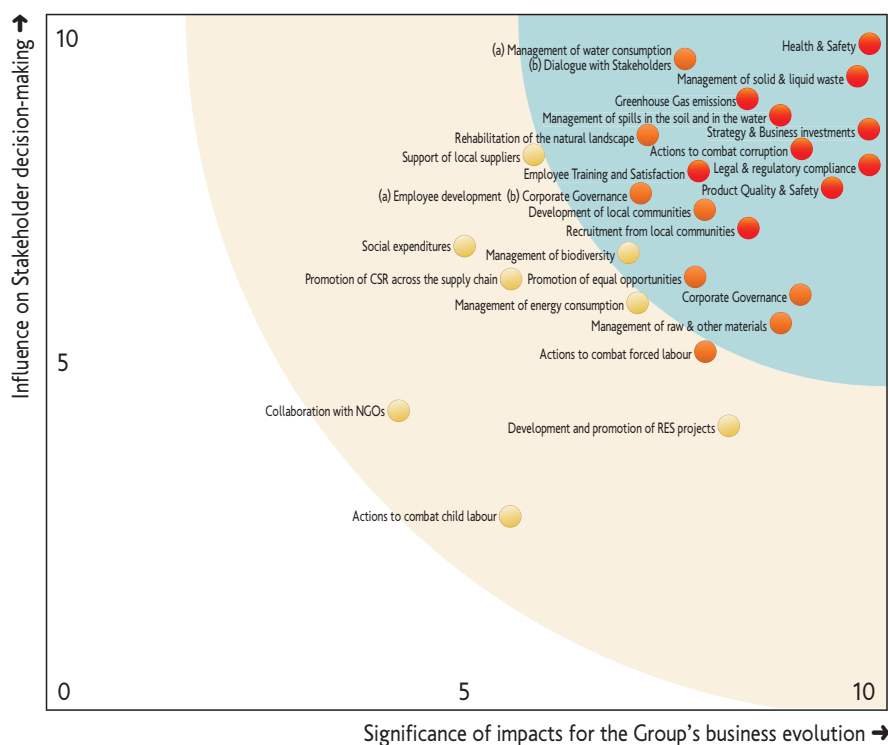
The result of this process, after also taking into account the actions mentioned above, is shown in the materiality graph given below:

Stakeholder Expectations

Our continuous efforts to apply Responsible Entrepreneurship in practice rely on our collaboration with our Stakeholder groups in order to jointly work out and promote solutions to the issues that concern us. To this end, we have identified our key Stake-



MATERIALITY ISSUES TABLE



holder groups and in this Report we present the results of the 4th cycle of the dialogue and collaboration events organised with their participation, i.e. the way in which we responded to their expectations during 2013 and the identification of their requirements for the current year. The key purpose of our Sustainability Report is to provide all our key Stakeholder Groups (employees, shareholders, customers, suppliers, government officials, the Press & Media, Non-Governmental Organisations and local communities) with direct, reliable and transparent information about our efforts, performance and future commitments concerning the integration of Corporate Social Responsibility in our operations.

Sustainability context

In line with the Principle of the Sustainability context, we focus on issues related to our long-term strategy, which are mentioned in detail in the presentation of our Social and Environmental footprint, including the actions required to develop the positive and mitigate the negative im-

pacts of our business activity. The information and data contained in our Report demonstrate our intention to contribute to sustainable development – both on the national and on the local level. We also present our achievements in terms of attaining the Environmental and Social targets which we had set ourselves for 2013, together with the new short and medium-term targets on the Group level and our progress regarding the implementation Corporate Governance and the governance of Corporate Social Responsibility. Finally, in order to strengthen both the Sustainability context and the Completeness of our Report, we have included for the first time the GRI G3.1 Mining and Metals Sector Supplement requirements, which cover the Metallurgy & Mining Sector.

Completeness

All significant actions and events covered by the present Report for 2013 refer to all environmental and social initiatives of MYTILINEOS HOLDINGS S.A. (Corporate Centre) and of our three subsidiaries

in which it is the sole shareholder (ALUMINIUM S.A. with its subsidiary DELPHI-DISTOMON S.A., and PROTERGIA S.A.) or the majority shareholder (METKA S.A.), with a primary geographical focus on Greece, including the construction sites operated through METKA S.A. abroad, in Algeria, Turkey, Syria, Iraq and Jordan. The Report addresses to data of all of the economic, environmental and social materiality subjects of the Group. These data are complemented by corresponding information on our key suppliers and business partners in specific sections of the Report, such as Health & Safety and Human Rights. Additionally, the coverage of the relevant issues and of the corresponding indicators has been determined while keeping in mind the need for our Stakeholders to be able to evaluate our performance without any omission of data or information which might influence their opinion or their decisions in the framework of their relation with our Group. The Report also discloses, for the second consecutive year, our aggregate Social and Environmental footprint, together with specific data regarding our performance in the economic, social and environmental dimensions of our business activity.

Finally, as with the Group's previous Reports, the Sustainability Report 2013 is published in both Greek and English and is also available in digital form over the Internet from the Group's website, so as to help interested users who wish to make comparisons with previous Reports or forward their comments or suggestions.

Your views, comments or suggestions are most welcome. You can make them using our custom-designed online questionnaire, which is electronically available from the following address:

www.mytilineos.gr/en-us/survey/survey-about-mytilineos

For more details, please contact:

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- 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 S.A.", "DELPHI-DISTOMON S.A.", "METKA S.A." and "PROTERGIA S.A." refer to each company that represents the respective business activity sector of the Group and to that company's activities in Greece.
- The terms "Group" and "MYTILINEOS Group" refer to MYTILINEOS HOLDINGS S.A. and to its subsidiaries, all of which together make up MYTILINEOS Group.

3.1 ACTIVITY SECTORS AND GEOGRAPHICAL ACTIVITY MAP

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, Construction & EPC (Engineering – Procurement – Construction) Projects, and Energy.

As a responsible industrial Group, we strive 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. We establish the products of the Greek metallurgical industry around the globe, we excel in the construction of large-scale EPC energy projects in rapidly growing markets abroad, and we carry out pioneering investments that pave the way for Greece's energy future and open up prospects for society, businesses and the environment.

2013 was one more year of recession for Greece, during which the expensive energy prices, the lack of liquidity, the increased competition, the unstable taxation regime and the excessive red tape dealt heavy blows to the vision of a competitive, sustainable Greek industry. At the same time, the European economy is still confronted with strong challenges and the risk of deflation, while outside Europe, the weakened growth rates in emerging markets are again causing concerns about the prospects for global growth.

■ Metallurgy & Mining Sector

The average price of aluminium for 2013 stood at \$1,845/tn down 8.6% from the previous year and posting a four-year low. On the international level, market fundamentals show improvement, as demand remained strong while many loss-facing producers are forced to lower production or even suspend the operation of their less efficient plants. In this juncture, we remained focused on the implementation of the "MELLON" competitiveness recovery programme in our subsidiary ALUMINIUM S.A., which was

successfully completed in 2013. The improved financial performance of the Group's Metallurgy sector compared to the previous year demonstrates the great progress achieved but leaves no room for complacency.

Is the largest
vertically integrated
European Metallurgy
& Mining Group
in SE Europe.

**Is ranked
in the Top**
EPC contractors
for energy projects
in the world.

**Is Greece's
largest independent
electricity producer
and first-ever
private supplier**
of natural gas.

■ Construction & EPC Projects Sector

Despite the persevering challenges in the domestic environment, our subsidiary METKA S.A. remained on a positive course throughout 2013, maintaining healthy fundamentals and posting strong performance levels in all areas. Through the consistent implementation its strategy, the Company continued to expand its international portfolio of projects, consolidating its presence in the EPC market for energy projects in the Mediterranean and the Middle East. The successful completion of several major projects in Pakistan, Romania, Turkey, Algeria and Jordan, totaling 3.5 GW of installed capacity, market signaled METKA's S.A. establishment as an internationally acknowledged and reliable contractor for energy projects. The Company's dynamic growth is reflected in the financial results for 2013, which confirm its resilience.

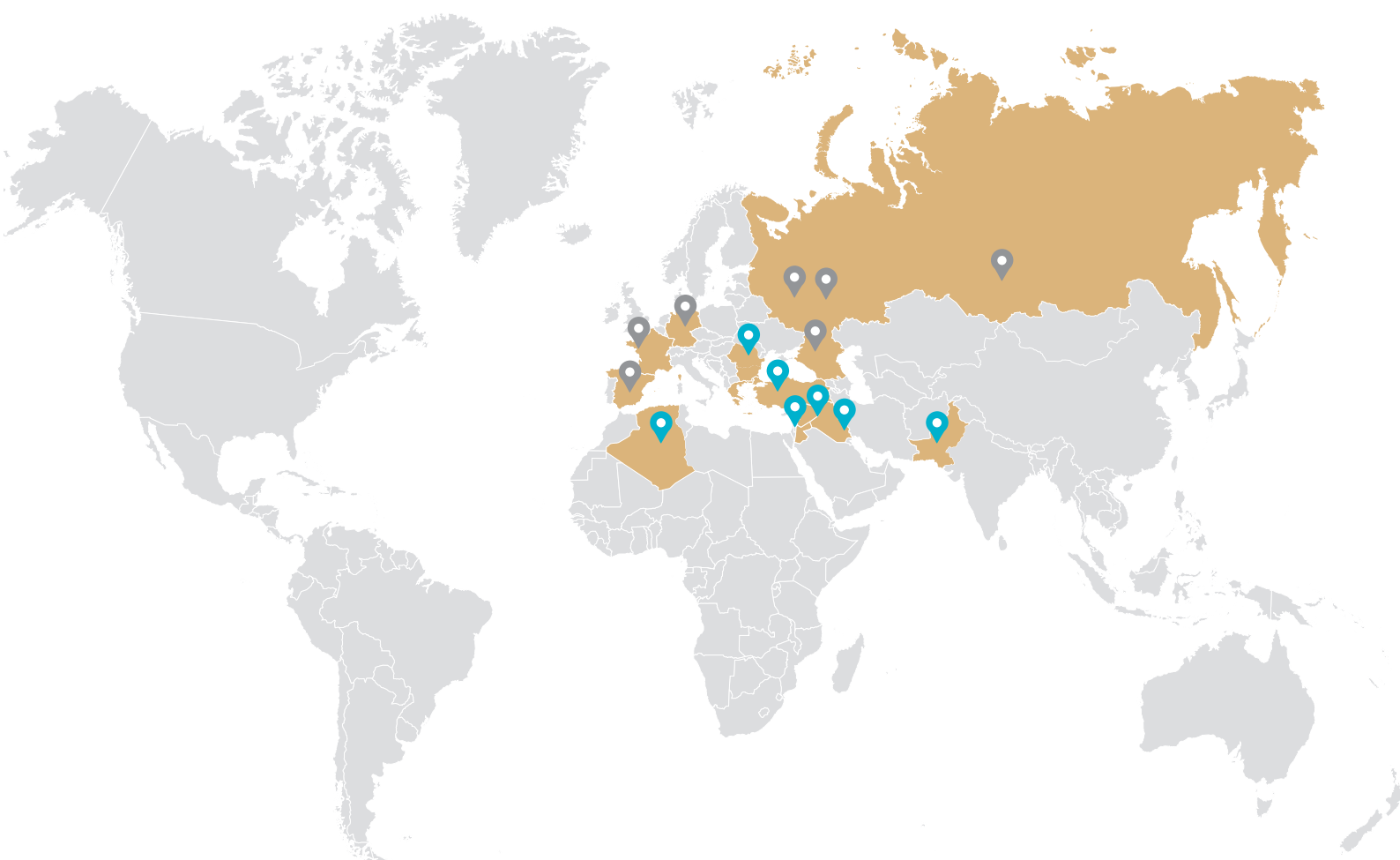
■ Energy Sector

In the domestic energy market, demand for electricity in 2013 continued to be negatively affected by the weak economic conditions and posted a year-on-year decline of 3.7% from 2012. As regards production, Renewable Energy Sources (RES) based electricity production posts rapid growth mainly from Photovoltaics, whose total installed capacity on 31 December 2013 exceeded 2,000 MW. The entry into commercial operation of the PROTERGIA S.A. plant in Ag. Nikolaos (Viotia) and of the KORINTHOS POWER S.A. plant in Ag. Theodoroi (Korinthia) in the last two years marked the completion of the first phase of our 1.2 GW investment plan in thermal plants. The Group has been established as the second largest energy player after the PPC, with a significant share of its turnover and operational profitability coming from the Energy sector.

MYTILINEOS GROUP – STRUCTURE

ACTIVITY SECTORS	GROUP COMPANIES		OWNERSHIP STAKE	COMPANY HEADQUARTERS
METALLURGY & MINING	ALUMINIUM S.A.		100.00%	Athens, Greece
		DELPHI-DISTOMON S.A.	100.00%	Athens, Greece
ENERGY	PROTERGIA S.A.		100.00%	Athens, Greece
		M&M GAS	50.00%	Athens, Greece
		KORINTHOS POWER S.A.	65.00%	Athens, Greece
EPC PROJECTS	METKA S.A.		50% +1 share	Athens, Greece

GEOGRAPHICAL ACTIVITY MAP



Metallurgy & Mining Sector:
Export of Products

Construction & EPC Projects
Sector

ROMANIA → 1 PROJECT
Natural gas fired combined cycle power plant

TURKEY → 2 PROJECTS
Construction of Combined Cycle power plants

ALGERIA → 5 PROJECTS
Natural gas fired power plants and gas turbine power generating sets

PAKISTAN → 1 PROJECT
Construction of Combined Cycle / Open Cycle power plant

JORDAN → 2 PROJECTS
Construction of Combined Cycle power plants

IRAQ → 2 PROJECTS
Construction of Combined Cycle / Open Cycle power plants

SYRIA → 2 PROJECTS
Construction of Combined Cycle power plants

KEY BUSINESS MILESTONES FOR THE GROUP IN 2013

DESCRIPTION OF GROUP SUBSIDIARIES

MAJOR CSR INITIATIVES OF THE GROUP IN 2013



- Successful completion of the “MEL-LON” competitiveness recovery programme.
- Cooperation with Swiss multinational Glencore for the sale of a total quantity of 75,000 tons of aluminium products in billets.
- The Company obtained the license for commercial operation of its Combined Heat and Power (CHP) plant.

From 1960 to this day ALUMINIUM S.A. remains a strong pillar of Greek industry, with an annual production capacity that exceeds 170,000 tons of aluminium and 810,000 tons of alumina. Together, ALUMINIUM S.A. and its subsidiary DELPHI-DISTOMON S.A. are today Europe's largest vertically integrated alumina and aluminium producer and a driving force for the growth of the Greek economy and the development of the Greek periphery. The Company's industrial complex in Ag. Nikolaos, Viotia, applies production and commercial processes on a par with those of the world's top metallurgical industries. Its subsidiary DELPHI-DISTOMON S.A. is the second largest bauxite producer in Greece and in Europe, with an annual production of 650,000 tons. The Company's mining sites are located in the Amfissa region and employ some 100 people.



- Turnover for 2013 rose to €606.5 million, up 10.8% from 2012.
- METKA S.A. won its 5th major project in Algeria, awarded to a Consortium in which the Company participates with a total budget of €92.8 million.
- METKA S.A. won its 2nd major project in Iraq, awarded to a Consortium in which the Company participates, for a total budget of \$1,050 million.

METKA S.A. is today Greece's top EPC (Engineering-Procurement-Construction) contractor, undertaking implementation of turn-key projects from design and procurement through to construction and commissioning. The Company specialises in the construction of power plants and has achieved significant penetration in developing markets abroad, with projects currently under way in Europe, Turkey, the Middle East and Africa. It competes on an equal footing with global EPC giants and has been established as one of the strongest players in the market for EPC projects in Europe and beyond, as well as one of the leading Greek exporting companies. The Company has been listed on the Athens Exchange since 1973 and its share is today a constituent of the FTSE-ASE/25 Large Cap index. 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. Finally, the 7th Class Contractor's Certificate obtained by METKA S.A. has expanded the opportunities for its participation in a broad range of public works in the Greek market.



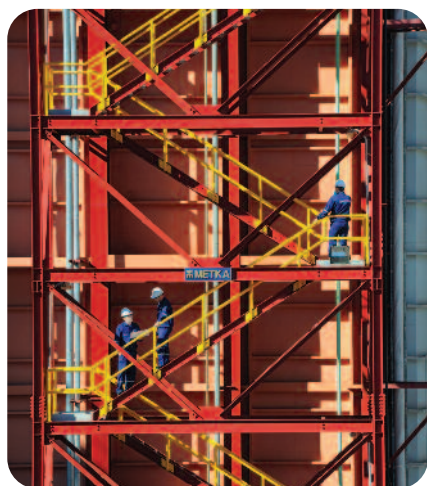
- The operation of all three thermal power plants managed by the Company during 2013. As a result, the Group's Energy Sector is on a par with its other business activity sectors and represents the third pillar on which the Group's prospects for improved financial performance rely.
- The Group holds 8.1% of the total domestic production of electricity and 3.36% of the domestic production of electricity from natural gas.

PROTERGIA S.A. is the flagship company of MYTILINEOS Group in the energy sector, bringing under the same roof the management of all energy assets and activities of the Group. The energy portfolio under the Company's management comprises 1200 MW from gas-fired thermal plants (CHP and High-Efficiency CHP) and 54 MW from Renewable Energy Sources (RES), mainly wind farms and photovoltaic parks, in full operation. The Company's strategic goals are to acquire and/or manage a dynamic and balanced portfolio of power generation assets (giving priority to thermal plants), which responds successfully to the ever-changing landscape of the Greek energy market and meets the requirements and targets of the EU's energy policies; to develop business activities in the domestic wholesale and retail electricity markets; to participate in the CO₂ emissions trading market; and to expand in the future to the energy markets of neighboring countries with growing demand.

- Implementation of the social contribution programme "The Future in Schools" of ALUMINIUM S.A., under which 50 brand-new PCs were donated to cover the needs of 10 Primary Schools, 4 Lower Secondary Schools and 1 Upper Secondary School in the local communities where the Company is based.
- Application of the ISO 14064 environmental standard in METKA S.A., in order to identify the CO₂ emissions sources in the Company's activities.
- Implementation by all Group subsidiaries of a self-assessment procedure regarding their performance in Human Rights protection and Anti-Corruption.
- Development of the Group "Suppliers and Business Partners Code of Conduct".
- Implementation by all Group subsidiaries, for the 4th consecutive year, of the Engagement process with their Stakeholders on sustainability issues.
- Establishment, for the 2nd consecutive year, of the Group's Social and Environmental Footprint, with the participation of all Group subsidiaries.
- Upgrading of the Group's UNGC COP Differentiation level from Active to Advanced.
- Implementation of the external assurance process and upgrading of the Group's Sustainability Report 2013 from GRI-G3.1 Application Level B to Application Level A+.

3.2 STRATEGY & KEY ECONOMIC VALUE DATA

Driven by our desire for continuous development and progress and seeking to always be at the forefront of developments, as we have always done in the course of our long history, we consistently pursue our vision to become a strong and competitive European heavy industry group. In a constantly changing economic environment, maintaining high liquidity and mitigating financial risk are key to ensuring the smooth continu-



ation of investments in all our activity sectors. Drawing on our highly qualified human resources, significant assets and financial robustness, we aim to achieve a steady organic growth in the wider region of SE Europe, N. Africa and the Middle East, and we focus on consolidating the significant synergies available between our core activity sectors, seeking in this way to ensure their balanced development. In parallel with our investment plan, we develop methods to curtail costs and we exploit the capabilities of sophisticated risk-hedging tools and techniques to optimise our economic performance in the coming years.

Our Group's strategy focuses on the following three key priorities:

- A. To pursue regional leadership position in all three key activity sectors.
- B. To secure operational synergies.
- C. To create value for our Stakeholder groups.

Our core development goal is "To exploit the opportunities opening up through the liberalization of the energy market" in Greece. We

are currently holding a dominant position in the Greek market, as the country's largest electricity producer after the PPC. With persistence and a clear focus on concrete targets, we carried out an energy investment plan in excess of €1 billion during the last few years, managing to overcome business and as well as regulatory difficulties in the process. Today, these efforts are rewarded, as a substantial part of our total turnover and operating profits are coming from our activities in the Energy sector.

In addition, the goals of "Seeking new vertical integration projects or projects for expanding metallurgy operations" and of "Increasing competitiveness through strategic investments and Risk-Hedging methods" show the Group's orientation in the Metallurgy sector, while the focus on "Utilising the significant industrial know-how and infrastructure" and on "Maintaining the Group's leading role in energy projects in Greece and its activities abroad" is indicative of our strategic priorities in the Construction & EPC Projects sector.

ECONOMIC VALUE TABLE

	2011	2012	2013
Economic value created			
Turnover (€)	1,570,998,231	1,453,635,665	1,402,953,706
Economic value distributed			
Operating costs (€)	1,394,182,732	1,355,008,786	1,241,216,337
Employee salaries and benefits (€)	92,019,145	82,131,707	94,052,819
Payment of income tax & other taxes (€)	67,666,347	32,942,394	44,220,736
Payments to capital providers (€)	30,208,942	54,263,639	8,357,870
Investments in local communities (€)	1,221,835	741,607	757,134
Total (€)	1,585,299,001	1,623,715,012	1,388,604,896
% of economic value distributed	100.9%	111.7%	99%
% of economic value retained	-0.9%	-11.7%	1%

SIGNIFICANT FINANCIAL ASSISTANCE* RECEIVED FROM GOVERNMENT

	2011	2012	2013
Tax exemptions / credits (€)	15,200	0	0
Subsidies (€) *	4,816,149	436,841	181,813
Investment, research and technology subsidies and other relevant types of subsidies (€)	133,739	0	7,024,872

* During the fiscal year 2013, ALUMINIUM S.A. received the following subsidies: (a) €6 million for the operation of its Combined Heat and Power (CHP) plant, (b) €1 million for the EXENAL Project on the utilisation of bauxite residues in the production of steel and stone wool and (c) €181,813 as training programmes subsidy from the Manpower Employment Organisation (OAED).

3.3 KEY FIGURES FOR 2013 & OUTLOOK FOR 2014

In addressing the recession prevailing in the domestic environment and in line with similar initiatives developed internationally, MYTILINEOS Group, relying on the expansion of its activities abroad, the implementation of strict cost controls and the emerging returns of the significant investments carried out during the last years, is posting improved operational profitability and reduced net borrowing levels, while also securing adequate liquidity to achieve its strategic goals.

In particular, the Group in 2013 posted a consolidated turnover of €1,403 million, down 3.5% from €1,454 million in 2012. Earnings before interest, tax, depreciation and amortisation (EBITDA) grew by 35.4% and stood at €231.9 million, up from €171.2 million in 2012. Net profit after tax and minority rights stood at €22.5 million, growing by €3.4 million from €19.1 million in the previous year, while net borrowing stood at €510 million, down 30% from €725 million in 2012.

Regarding the outlook for 2014 for each one of the Group's activity sectors, the following remarks may be made:

Metallurgy & Mining Sector

The developments regarding the performance of emerging economies and especially of the Chinese economy, the high 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 to come. Against this international backdrop and given the adverse conditions in the domestic environment, the full implementation and further expansion of the objectives of the "MELLON" Programme are the necessary conditions for boosting the competitiveness of the Group's Metallurgy sector and for improving its financial performance.

Construction & EPC Projects Sector

Implementation of the signed backlog, currently standing at €2.2 billion, is expected to continue during 2014. For METKA S.A., 2014 is starting off to positive prospects of being yet another year of

KEY FIGURES - 2013

Turnover (in million €)	1,403
EBITDA (in million €)	231.9
Net profits (in million €)	67.1
Social Product (€)	214,318,544
Activity sectors	3
Total number of subsidiaries	3
Total number of countries where the Group is present	8
Total number of production plants	7
Total workforce	2,001
Social expenditure (€)	757,134
Environmental expenditure (€)	10,338,544
Average annual production of Bauxite (tn)	635,935
Average annual production of Alumina (tn)	810,000
Average annual production of finished Aluminium (tn)	169,481
EPC signed backlog (in million €)	2,242.3
Energy produced from IPPs (TWh)	4.1
Portfolio of RES projects in various stages of development (MW) *	1.287
Total number of shares – MYTILINEOS HOLDINGS S.A.	116,915,862
Share price – MYTILINEOS HOLDINGS S.A. (as at 31-12-2013) (€)	5.68
Total number of shares – METKA S.A.	51,950,600
Share price – METKA S.A. (as at 31-12-2013) (€)	11.46

* Installation licenses: 80 MW; Production Licenses: 1,064 MW;
Applications for Production Licenses: 143MW.

very satisfactory results, driven mainly by the projects it has been awarded in the markets of Algeria, Jordan and Iraq, with the implementation of the Company's second project in Syria also showing progress, despite local difficulties. For the immediate future, METKA S.A. will focus on ensuring the successful implementation of its contracts abroad and on securing new projects in existing as well as in new markets, in order to expand its share of the market for energy infrastructure projects in Europe, Turkey, N. Africa and the Middle East.

Energy Sector

In 2014, the Energy sector is expected to continue to steadily contribute to our financial performance, as all thermal plants constructed during the previous years are now in commercial operation. The changes in the market's operation recently announced by the Regulatory Authority for Energy (RAE) pave the way for the gradual transition to a more competitive market model and are expected to help restore liquidity, whose scarcity was a major problem during the previous period. With 1.2 GW of installed capacity now in full operation, we are now firmly

established as the largest independent energy producer in Greece and we have secured the critical size required to benefit the most from the impending full liberalisation of the domestic electricity market. In this context, in 2014 the Energy sector is expected to have a steady and satisfactory contribution and to boost the Group's consolidated business and financial results on an equal basis relative to the other key activity sectors.



4.1 CSR DEVELOPMENT IN THE GROUP

For MYTILINEOS Group Corporate Social Responsibility is a key strategic choice that was made years ago and is becoming increasingly important in developing and maintaining our competitiveness. We view CSR as a fundamental factor that helps prevent business, social and environmental risks and contributes to the creation of an environment characterised by trust, within which we can operate and innovate as a business Group, creating value for our Shareholders and achieving growth for the benefit of all society.

For us, the Governance of Corporate Social Responsibility is a multifaceted and complex process characterised by our conscious self-commitment to continuous improvement. It defines the way in which we choose each time to move forward, taking steady steps towards achieving Continuous Responsible Development, guided by our vision and values.

Through a number of key strategic choices made, in the previous years, we focused our efforts on defining the foundations of our CSR activity. These have helped us develop our CSR practices to their current level identifying at the same time that there is still much room for improvement, which represents our Group's most significant CSR-related challenge for the future.

To this end:

- We initially considered it necessary to determine our fundamental commitments in key CSR areas.
- We developed a specific model to link CSR with our daily business operations, using as our key tool the mapping and evaluation of the current situation in all the relevant areas across all our subsidiaries, in terms of policies, actions and results.
- We established a uniform system of CSR governance and its integration in our organisational structure, taking into account the particular characteristics of our business activity sectors.
- We introduced and are carrying out an annual Engagement process with our Stakeholders.

CSR MANAGEMENT PROCESS

- ➔ Annual CSR mapping project in terms of policies, actions and results.
- ➔ Assessment of key strategic directions for CSR commitment to international standards.
- ➔ Annual Engagement Process (mainly through Dialogue Forums) with Stakeholders.
- ➔ Integration procedure of the Stakeholders Dialogue Forum results in our corporate strategy & Review of policies/positions in individual CSR areas.
- ➔ Implementation of CSR policies through actions and programmes & Response to Stakeholder expectations.
- ➔ Monitoring of performance & Publication of annual Sustainability Report.
- ➔ Evaluation and improvement of CSR actions and reporting of CSR best practice examples.

- We continue to participate in and adopt voluntary international standards and responsible entrepreneurship initiatives (ISO 26000, Global Compact and GRI).
- We have committed ourselves to the development of quantitative and qualitative targets and to disclosing information on our performance, by establishing and disclosing our Social and Environmental Footprint.

The year 2013 was yet again a difficult but productive year in our efforts towards Sustainable Development. We continued to make progress through significant initiatives such as:

- The application of the ISO 14064 environmental standard in METKA S.A., in or-



der to identify the CO₂ emission associated with the Company's activities, develop a Greenhouse Gas Emissions Report and submit it for verification by an Independent Certified Organisation.

- The implementation by all Group subsidiaries of a self-assessment procedure regarding their performance in Human Rights protection and Anti-Corruption.
- The development of the Group's "Suppliers and Business Partners Code of Conduct".
- The implementation by all Group subsidiaries, for the 4th consecutive year, of the Engagement process with their Stakeholders on sustainability issues.
- The establishment, for the 2nd consecutive year, of the Group's Social and Environmental Footprint, with the participation of all our subsidiaries.
- Upgrading of the Group's UNGC COP Differentiation level from Active to Advanced.
- The implementation of the external assurance process and the upgrading of the Group's Sustainability Report 2013 from GRI-G3.1 Application Level B to Application Level A+.

4.2 STAKEHOLDER ENGAGEMENT

The collaboration with our Stakeholders, which takes place mainly through our annual consultation events (Dialogue Forums), is a formally established procedure that serves a twofold purpose: it strengthens the Group's application of the precautionary principle, primarily in connection with environmental and social issues but also in connection with CSR governance issues at the level of our subsidiaries, thus ensuring that the conditions to support their sustainable development are in place; and it allows us to achieve a better understanding of upcoming issues and to develop action plans or take ad hoc focused initiatives in order to respond in the best possible way to our Stakeholders' expectations.

To ensure the effectiveness and transparency of this consultation mechanism, the CSR teams of our subsidiaries have been tasked with assessing all expectations, proposals, requirements and potential complaints of our Stakeholders, as these are gathered through the Dialogue Forums and the other forms of communication listed in the table below. Based on this assessment, the responsible CSR teams propose and ensure the adoption of measures intended to fulfill expectations and resolve any problems in our relations with local communities. In addition, taking into account the comments and proposals of our Stakeholders, they make a valuable input to the process of identifying the Group's key CSR priorities and corresponding objectives.

Overview & key issues raised during the Dialogue Forums with our key Stakeholder groups in 2013.

- In terms of attendance, response levels were fairly satisfactory, as more than 100 people from 7 different Stakeholder groups of our subsidiaries attended the individual consultation events.
- Our overall Social Footprint was presented for the first time, with Transparency and Human Rights protection also included, partly, in the dialogue agenda.
- The annual results of the "MELLON" programme designed to boost the sustainability of ALUMINIUM S.A. were presented, thus communicating this difficult

APPROACHES TO THE ENGAGEMENT OF THE GROUP'S KEY STAKEHOLDER GROUPS

STAKEHOLDER GROUPS	ENGAGEMENT & COLLABORATION APPROACHES
Employees	<ul style="list-style-type: none"> ■ Regular and ad hoc meetings between the Management and representatives of employee unions ■ Representation of employees in the BoD and in the General Meetings of the Shareholders ■ Participation of employees in the first- and second-degree evaluation boards ■ Annual consultation (Dialogue Forum) on Sustainability-related issues ■ Annual employee performance review
Local communities	<ul style="list-style-type: none"> ■ Annual consultation (Dialogue Forum) on Sustainability-related issues
Suppliers & Business Partners	<ul style="list-style-type: none"> ■ Annual consultation (Dialogue Forum) on Sustainability-related issues
CSR Organisations	<ul style="list-style-type: none"> ■ Annual consultation (Dialogue Forum) on Sustainability-related issues ■ Participation in events
Local Authorities	<ul style="list-style-type: none"> ■ Annual consultation (Dialogue Forum) on Sustainability-related issues ■ Individual meetings ■ Participation in events
Shareholders – Investors	<ul style="list-style-type: none"> ■ Regular and Extraordinary Shareholders' Meetings ■ Presentations of financial results ■ Annual consultation (Dialogue Forum) on Sustainability-related issues
Press & Media	<ul style="list-style-type: none"> ■ Annual consultation (Dialogue Forum) on Sustainability-related issues ■ Individual meetings ■ Participation in events
The Church	<ul style="list-style-type: none"> ■ Annual consultation (Dialogue Forum) on Sustainability-related issues ■ Individual meetings
Voluntary Organisations	<ul style="list-style-type: none"> ■ Requests to the Company for support. ■ Annual consultation (Dialogue Forum) on Sustainability-related issues

effort, as well as the prospects opened up through the programme's successful implementation, to the Stakeholder groups.

- Developments regarding the issue of the arbitration between ALUMINIUM S.A. and the PPC S.A. were discussed at length, with company and Group representatives covering fully all points raised from the floor.
- A particularly positive element in the Dialogue Forum organised by METKA S.A. was the live link via Skype with the company's construction site in Jordan and the presentation of the Health & Safety

measures applied by the company's Site Manager, which served as confirmation of the data presented by the company.

- A presentation was given of the procedures involved in the initiative taken by METKA S.A. to develop a Greenhouse Gas (GHG) Report in accordance with the ISO 14064 International Standard, in order to identify and limit the relevant CO₂ emissions from the company's activities and thus to further reduce its environmental footprint.

In detail, the key issues raised by each Stakeholder group in the engagement procedure held in 2013, where the following:



Stakeholder Group
LOCAL AUTHORITIES

Engagement method
DIALOGUE FORUM 2013

Scope of Consultation
CSR-RELATED ISSUES

Group Companies



METKA

protergia

** Note: This Stakeholder group did not raise issues of particular importance in the Dialogue Forum events organised by METKA S.A. and PROTERGIA S.A.*

KEY ISSUES RAISED & EXPECTATIONS – 2013 *

- ALUMINIUM S.A. was asked to assist the efforts to reduce total CO₂ emissions in the region, so that the Municipality can achieve the pollutant emission reduction targets by 2020, in order for its application to be considered positively by the EU, which finances such efforts with European funds.
- The Mayor of Livadia proposed a collaboration between ALUMINIUM S.A. 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.
- The local authorities expressed their expectation that ALUMINIUM S.A. will contribute to the efforts for the reforestation of the Distomo region, where around 5,000 hectares were completely destroyed by a fire in the summer of 2012.
- The Vice-Mayor of Livadia complained that the financial assistance to sport societies and clubs in neighbouring Municipalities is not allocated fairly, particularly so in the case the Municipality of Kyriaki, especially considering the real needs in these Municipalities.
- The Municipality of Distomo-Antikyra proposed that ALUMINIUM S.A. should undertake an information campaign targeting the families in the local community. This campaign will concern the plant's qualification requirements for recruitment, so that parents can suitably guide their children in selecting a course of studies in the respective domain in order to increase their chances of recruitment as company employees.
- ALUMINIUM S.A. was asked whether or not it sees to it that the areas it has already reforested are taken care of and are not neglected.

RESPONSE TO THE KEY ISSUES RAISED IN THE CONSULTATIONS HELD IN 2012

- In the context of its collaboration with the Association of Industries in Thessaly and in Central Greece, METKA S.A. continued to assist financially the efforts to encourage and support young entrepreneurs. Especially in a Greek Region that is hit by unemployment, the support of young entrepreneurs and of the creation of new businesses, focusing on promoting innovation, technology and extroversion, is one of the Company's key priorities.
- ALUMINIUM S.A. undertakes to schedule a special session during its Dialogue Forum 2014 for presenting in detail the level of impact of bauxite residues on the environment. The request made by Local Authority organisations for continuation of the Company's social contribution during 2013 was satisfied.



Stakeholder Group
EMPLOYEES

Engagement method
DIALOGUE FORUM 2013

Scope of Consultation
CSR-RELATED ISSUES

Group Companies



METKA

protergia

** Note: This Stakeholder group did not raise issues of particular importance in the Dialogue Forum event organised by PROTERGIA S.A.*

KEY ISSUES RAISED & EXPECTATIONS – 2013 *

- The Centre of Labour Unions representative in ALUMINIUM S.A. raised the issue of the Company's failure to honour its obligations under the bilateral agreement signed with the employees in 2013 regarding salary increases.
- The President of the employees' union in the Company's Volos plant, after expressing, on behalf of the employees, his gratitude for the Company's support during the period of economic crisis, stressed the financial problems that employees are facing during this period.



Stakeholder Group

PRESS & MEDIA

Engagement method

DIALOGUE FORUM 2013

Scope of Consultation

CSR-RELATED ISSUES

Group Companies



METKA



** Note: This Stakeholder group did not raise issues of particular importance in the Dialogue Forum event organised by PROTERGIA S.A.*

3

KEY ISSUES RAISED & EXPECTATIONS – 2013 *

- ALUMINIUM S.A. was asked to present the method in which its needs which lead to recruitment are established. The possibility for the Company to employ from 50 to 55 years old was raised as a issue.
- ALUMINIUM S.A. was asked if a documented study exists on the time required for the rehabilitation of areas affected using natural means.
- METKA S.A. was asked to clarify whether psychosocial risk factors are considered in the professional risk assessments carried out by the Company.

RESPONSE TO THE KEY ISSUES RAISED IN THE CONSULTATIONS HELD IN 2012

- The concerns expressed about whether ALUMINIUM S.A. has in place a mechanism linking payment for work with productivity were answered during the Forum, through the presentation of the Company's employee performance review system.
- Although the relevant study has been carried out by ALUMINIUM S.A., the project to reforest the broader region has not gone ahead because of the adverse economic conditions and the need for alignment with the priorities determined under the Company's "MELLON" competitiveness recovery programme.



Stakeholder Group

NGOs, ASSOCIATIONS & SOCIETIES

Engagement method

DIALOGUE FORUM 2013

Scope of Consultation

CSR-RELATED ISSUES

Group Companies



METKA



** Note: This Stakeholder group did not raise issues of particular importance in the Dialogue Forum event organised by PROTERGIA S.A.*

4

KEY ISSUES RAISED & EXPECTATIONS – 2013 *

- The Hellenic Cancer Society is currently engaged in the construction of the Cancer Protection Centre in the Region and expressed its wish for ALUMINIUM S.A. to stand by this significant effort and to help meet the maintenance costs of the Centre's equipment.
- The establishment of a programme of cultural events for the children of Aspra Spitia residents was proposed.
- ALUMINIUM S.A. was asked to provide long-term maintenance for the sports facilities in Aspra Spitia (tennis courts, indoor training hall).
- The Antikyra Gymnastics Club reported that the children's training facility is unsuitable for use and requested information on the progress of the new indoor training hall in the Antikyra area.

RESPONSE TO THE KEY ISSUES RAISED IN THE CONSULTATIONS HELD IN 2012

- METKA S.A. continued its active support of NGOs, societies, associations and public benefit foundations, with emphasis on the support of children with disabilities and chronic diseases, through regular sponsorships to special societies such as the Volos Branch of the Hellenic Society for Disabled Children (ELEPAP), supporting the Society's effort to create a new programme to provide daytime care, education and opportunities for creative activity to pre-school children.

5



Stakeholder Group

BUSINESS PARTNERS & ORGANISATIONS

Engagement method

DIALOGUE FORUM 2013

Scope of Consultation

CSR-RELATED ISSUES

Group Companies



METKA



KEY ISSUES RAISED & EXPECTATIONS – 2013 *

- The Viotia Chamber asked ALUMINIUM S.A. for information on the competition in the Aluminium sector and in particular on the role of Asian countries (China).

RESPONSE TO THE KEY ISSUES RAISED IN THE CONSULTATIONS HELD IN 2012

- By making investments and maintaining close ties with the local communities, METKA S.A. offered significant financial support to local associations and social bodies, giving priority to the needs of vulnerable groups and increasing its financial contribution to social actions, sponsorships and donations at the level of the local community by 47% relative to 2012, when it stood at 37% of its total social expenditure.

** Note: This Stakeholder group did not raise issues of particular importance in the Dialogue Forum events organised by METKA S.A. and PROTERGIA S.A.*



Stakeholder Group
**SUPPLIERS & BUSINESS
ASSOCIATES**

Engagement method
DIALOGUE FORUM 2013

Scope of Consultation
CSR-RELATED ISSUES

Group Companies



METKA



Stakeholder Group
THE CHURCH

Engagement method
DIALOGUE FORUM 2013

Scope of Consultation
CSR-RELATED ISSUES

Group Companies



KEY ISSUES RAISED & EXPECTATIONS – 2013 *

- The team of METKA S.A. subcontractors proposed the introduction by the Company of more demanding standards in its contracts with subcontractors, so that the latter become more competitive.
- It was suggested that the METKA S.A. should increase its involvement in waste management.

** Note: This Stakeholder group did not raise issues of particular importance in the Dialogue Forum events organised by ALUMINIUM S.A. and PROTERGIA S.A.*

6

KEY ISSUES RAISED & EXPECTATIONS – 2013

- The need was expressed for ALUMINIUM S.A. to strengthen its social profile during these trying times (with increased awareness of the problems faced by the unemployed), taking of course into consideration the difficulties that the company is facing.
- The proposal was put forward for taking into account the employees age in cases of dismissals, in order to minimise dismissals of employees aged over 35, who will have difficulty finding work.
- The complaint was relayed that many job application submitted to ALUMINIUM S.A. do not proceed to the job interview stage, without any final response provided by the Company as to their progress.

RESPONSE TO THE KEY ISSUES RAISED IN THE CONSULTATIONS HELD IN 2012

- **ALUMINIUM S.A. supported actively the initiative of the Holy Diocese of Thebes and Levadia and of the Levadia Centre of Labour Unions to establish 5 Social Preparatory Schools for Upper Secondary Education students from families in financial difficulty. In response to a relevant request made by the Diocese, the Company covered the cost of heating oil for the Schools, ensuring their smooth operation throughout the winter.**

DISTINCTIONS & AWARDS

Business distinctions presented by the “MONEY - G. OUZOUNIS Business Awards 2013” institution:

- ★ 1st Prize in the category “IR Relations” for MYTILINEOS HOLDINGS S.A.
- ★ 1st Prize in the category “Best Global Market Company” for METKA S.A.
- ★ 3rd Prize in the “Best FTSE/ASE Large Cap Company” for MYTILINEOS HOLDINGS S.A.

Distinctions and awards conferred by social organisations:






































- ★ MYTILINEOS Group was presented with a special award by the “Together for Children” Association, in recognition of its generous support of the Association’s work and causes.
- ★ IN HONOREM award for METKA S.A., for its valuable support of the Olympic Education work of the Hellenic Olympic Academy (HOA).

Distinctions in connection with the evaluation of Sustainability Reports for 2012:

- ★ The Sustainability Report 2012 of MYTILINEOS Group won two “Bravo Awards” distinctions: 1st and 3rd place for best approach to the management of the natural environment and best approach to labour practices, respectively.
- ★ 3rd Prize in the CSR Awards 2013 – Based on the methodology developed by the Department of the Environment of the University of the Aegean.

4.3 MYTILINEOS GROUP PERFORMANCE VS. 2013 TARGETS AND NEW TARGETS

The table below presents our performance against the targets which had been set for 2013 in line with our strategy.

 SOCIAL TARGETS	GROUP COMPANY	TARGET FOR 2013	PERFORMANCE IN 2013	ATTAINMENT OF TARGET
Total work-related fatalities	 HOLDINGS MYTILINEOS	0	0	
Total accidents	 HOLDINGS MYTILINEOS	0	7	
Total incidents related to occupational diseases	 HOLDINGS MYTILINEOS	0	0	
Percentage of employees who participated in the performance evaluation review process	 HOLDINGS MYTILINEOS	80%	85%	
Continuation of the collaboration and dialogue with Stakeholders and response to the fullest possible extent to their requirements, as these were expressed in the Dialogue Forums held in 2012	 HOLDINGS MYTILINEOS	100%	100%	
Implementation by all Group subsidiaries of a self-assessment procedure regarding their performance in Human Rights protection	 HOLDINGS MYTILINEOS	100%	100%	
Total incidents of discrimination	 HOLDINGS MYTILINEOS	0	0	
Total incidents of child labour	 HOLDINGS MYTILINEOS	0	0	
Total incidents of employment of young contracted personnel in hazardous work	 HOLDINGS MYTILINEOS	0	0	
Total incidents of forced labour	 HOLDINGS MYTILINEOS	0	0	
Implementation by all Group subsidiaries of a self-assessment procedure regarding their performance in Anti-Corruption	 HOLDINGS MYTILINEOS	100%	100%	
Training hours per year and per employee – Executives	 METKA	>3	18.4	
	 ALUMINIUM S.A.	70.0	64.1	
Training hours per year and per employee – Administrative employees	 METKA	>3	3.8	
	 ALUMINIUM S.A.	35.0	40.9	
Training hours per year and per employee – Labour & Technical personnel	 METKA	>3	3.3	
	 ALUMINIUM S.A.	50.0	46.6	
Average training hours per year and per employee (Men)	 METKA	>3	4.9	
	 ALUMINIUM S.A.	52.0	47.3	
Average training hours per year and per employee (Women)	 METKA	>3	11.2	
	 ALUMINIUM S.A.	35.0	32.5	
Percentage of inclusion of specific clauses on Human Rights in Company contracts with key suppliers, contractors or other business partners	 METKA	5%	5%	
Addition of specific framework clauses (“Code of Conduct”) on Human Rights in commercial agreements	 METKA	1	1	
Outlays to local suppliers	 ALUMINIUM S.A.	30%	<30%	
Certification of the company’s Occupational Health & Safety Management System in accordance with the OHSAS 18001 International Standard	 protergia	100%	100%	
Completion of the procedure for the employees’ participation in the formulation and checking of Occupational Health & Safety Plans, with priority given to production facilities	 protergia	100%	100%	




ENVIRONMENTAL TARGETS


	GROUP COMPANY	TARGET FOR 2013	PERFORMANCE IN 2013	ATTAINMENT OF TARGET
Total incidents involving significant spills in the soil or in the water	MYTILINEOS	< 25	38	—
Fluoride emissions ¹	ALUMINIUM S.A.	1,5 kg/t Al	1,39 kg/t Al	✓
CF ₄ (Tetrafluoromethane) emissions ¹	ALUMINIUM S.A.	0,03 kg/t Al	0,055 kg/t Al	—
Solid waste sorting ratio ²	ALUMINIUM S.A.	>85%	86,9	✓
Generation of unclassified basin waste ²	ALUMINIUM S.A.	< 20 t/basin AB equ	11,8 t/basin AB equ	✓
Final waste disposal for the Alumina production line ²	ALUMINIUM S.A.	< 10 kg/t AH of waste	6,7 kg/t AH of waste	✓
Hazardous waste collection ²	DELPHI-DISTOMON	>50t HW/1000t of gross product	>50t HW/1000t of gross product	✓
Recycling percentage of the filtrate from the treatment of bauxite residues (Filter Presses) ³	ALUMINIUM S.A.	100%	67,5%	—
Total abstraction of water (industrial use + potable) ³	ALUMINIUM S.A.	< 14.500 m ³ /day	14.012 m ³ /day	✓
Development of management system for greenhouse gas emissions (ISO 14064)	METKA	100%	100%	✓
Reduction of direct consumption of energy from primary sources by 5%	METKA	5%	5.5 %	✓
Reduction of direct consumption of energy from non-renewable sources by 5%	METKA	5%	5.2%	✓
Reduction of water consumption	METKA	10%	8%	—
To increase prevention and environmental management costs	METKA	10%	0%	—
Percentage of waste recycled	METKA	100%	100%	✓
Installation of air duct for transporting hot air from the air compressors to the work rooms in the company's subsidiary SERVISTEEL S.A.	METKA	100%	50%	—
Lowest possible impact on biodiversity during the construction of RES projects. Full and strict compliance with the approved Environmental Terms of power plants (thermal and RES-based)	protergia	100%	100%	✓
Operation of gas-fired power plants to remain within the high-efficiency end of the output curve. Adherence to the plants' reliability and availability targets throughout the year	protergia	100%	100%	✓
IPP: regular maintenance of the plant to maintain its high efficiency, which results in the least possible burden to the environment	protergia	100%	100%	✓

Targets specific to the Metallurgy & Mining sector that help:

¹ Reduce air pollutant emissions; ² Reduce solid waste; ³ Conserve natural resources.

For the next three years, we will give priority to the achievement of specific targets on the Group level and to ensuring that all our subsidiaries participate in this effort, by adopting the corresponding policies and procedures, as applicable.

 SOCIAL TARGETS	TARGET 2014	TARGET 2015	TARGET 2016
Number of work-related fatalities	0	0	0
Number of accidents	0	0	0
Number of incidents related to occupational diseases	0	0	0
Number of incidents of discrimination	0	0	0
Number of incidents of forced labour	0	0	0
Number of incidents of employment of young contracted personnel in hazardous work	0	0	0
Percentage of employees receiving formal performance evaluation reviews			>90%
Number of training hours per year and per employee (Women)			>40.0
Percentage of the Group's key suppliers and business partners who commit themselves to taking steps to control and combat child labour in their work premises		10% - 30%	31% - 60%
Percentage of the Group's key suppliers and business partners who commit themselves to taking steps to control and combat forced labour in their work premises		10% - 30%	31% - 60%
Improvement of the policies and procedures adopted by the Group's subsidiaries for increasing Transparency			100%
Improvement of the policies and procedures adopted by the Group's subsidiaries for the protection of Human Rights			100%
Design of employee satisfaction survey		100%	
Coverage of the needs of local communities in terms of infrastructures, as a percentage (%) of total social expenditures			30%
Responding to the concerns of Stakeholders, as these are identified during the annual Dialogue Forums organised by the Group subsidiaries	100%	100%	100%
Training of Security personnel in Human Rights		100%	

 ENVIRONMENTAL TARGETS	TARGET 2014	TARGET 2015	TARGET 2016
Fluoride emissions ¹	<1,5 kg/t Al		
CF4 (Tetrafluoromethane) emissions ¹	< 0,04 kg/t Al		
Solid waste sorting ratio ²		90%	
Generation of unclassified basin waste ²	< 20 t/basin AB equ		
Final waste disposal for the Alumina production line ²	<8 kg/t AH of waste		
Recycling percentage of the filtrate from the treatment of bauxite residues (Filter Presses) ³			100%
Total abstraction of water (industrial use + potable) ³	< 14.500 m ³ /day		
Percentage of waste recycling and reuse in the Metallurgy & Mining Sector			30%
Percentage of reduction of water consumption in the EPC Projects Sector	5%		
Application of the ISO 14064 in the Group subsidiaries			80%
Measurement of greenhouse gas emissions (scope 3) in the Group subsidiaries		40%	80%
Total incidents involving spills of hazardous substances in the soil or in the water			<30
Conduct of two studies on the protection of biodiversity in the Metallurgy & Mining Sector			100%

Targets specific to the Metallurgy & Mining sector that help:

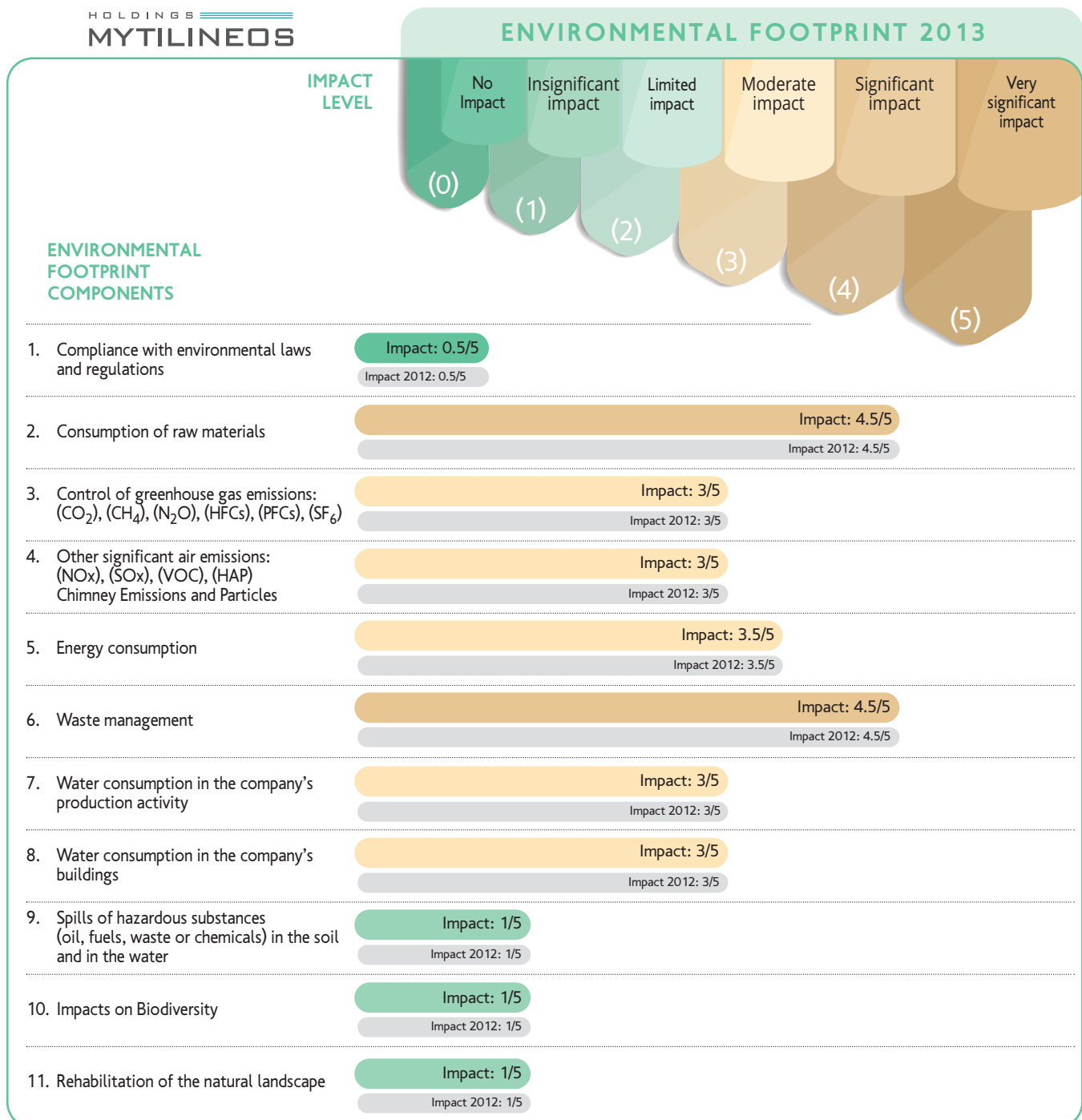
¹ Reduce air pollutant emissions; ² Reduce solid waste; ³ Conserve natural resources.

5.1 ENVIRONMENTAL FOOTPRINT OF MYTILINEOS GROUP

By understanding the level of our impact on the environment and by regularly evaluating the relevant challenges that we face, we seek to limit our environmental footprint – a task that for us is a challenge and a commitment,

both of which are reflected in our revised environmental targets. Concerning the reduction of our environmental footprint, no changes from the previous year are observed as any significant changes in this domain be-

come apparent in the longer term. However, the progress made in 2014 is described in detail both in the clarifications accompanying the table below as well as in the sections that follow.



1 All Group companies comply fully with the environmental laws and regulations.

2 The percentage of the use of recycled or renewable materials as input materials to the production processes of the Group, thus helping reduce demand for raw materials, ranges from 11% to 30%. NOTE: (a) This performance refers to all Group subsidiaries except PROTERGIA S.A., whose electricity production plants use as raw material natural gas, which cannot be recycled and is not a renewable source. (b) The corresponding percentage in the Construction & EPC Projects sector is 28%.

ACTION PLAN: To carry out a study, to be completed by the end of 2015, on the possibility of using recycled or renewable materials in the Metallurgy & Mining sector and the Construction & EPC Projects sector.

3 The Group has identified the greenhouse gas emission sources (scope 1, scope 2 and partly scope 3 emissions) of its activities in accordance with the ISO 14064 - 1 International Standard and the Greenhouse Gas Protocol, and has calculated the corresponding emissions, which it discloses in its Sustainability Report. NOTES: (a) In 2013, the CO₂ emissions of the Metallurgy & Mining sector were included in the emissions trading system. (b) In the EPC Projects sector, METKA S.A. also completed the calculation of scope 3 gas emissions, and is planning to disclose in 2014 the first targets regarding the reduction of its total emissions. (c) In the Energy sector, the Group operates gas-fired, state-of-the art high-efficiency thermal power plants which are more environment-friendly than other conventional power plants. Taking into account the primary objective, which is the production of electricity, and the fact that our plants are governed by and operate using Best Available Techniques (BATs) in the high-efficiency end of the output curve, the reduction of CO₂ emissions is not feasible.

ACTION PLAN: To set targets for the reduction of direct and indirect CO₂ emissions at the Group level, and to specify the corresponding actions for achieving these targets. By 2015, the procedure for the measurement of CO₂ emissions (scope 3) is expected to be completed in 40% of the Group subsidiaries.

4 The Group has identified other significant air and dust emission sources of its activities in accordance with the ISO 14064-1 International Standard and the Greenhouse Gas Protocol, and has calculated the corresponding emissions, which it discloses in its Sustainability Report. NOTE: The thermal power plants of PROTERGIA S.A. only produce NO_x (in the form of NO₂) and do not release SO₂ emissions and particles. In full compliance with the applicable environmental terms, the NO₂ emissions of the company's thermal plants are significantly lower than the limits allowed by the law.

ACTION PLAN: To set targets for the reduction of these emissions in the Metallurgy & Mining sector and the Construction & EPC Projects sector, and to specify the corresponding actions for achieving these targets.

5 The Group has identified the direct and indirect energy consumption sources of its activities and has calculated the corresponding consumptions, which it discloses in its Sustainability Report. Nevertheless, official targets for energy savings have not yet been determined at the Group level.

ACTION PLAN: To establish and gradually incorporate targets for energy savings at three levels: (a) At the level of process reengineering in the departments of the Group companies, e.g. in production, (b) at the level of equipment conversion and refurbishment and (c) at the level of changes in the behaviour of our subsidiaries' personnel, together with the corresponding actions for achieving these targets.

6 The percentage of the Group's waste which can be recycled, reused/utilized, exchanged or recovered ranges from 10% to 30%, while the percentage of the Group's waste which can be disposed of in controlled landfills or by means of any other method used by its companies ranges from 70% to 89%. NOTE: This performance refers primarily to the Metallurgy & Mining sector, which accounts for around 98% of the Group's total waste.

GENERAL DIRECTION: Improvement in this particular sector will depend to a large extent on the utilisation of bauxite residues (which account for nearly 90% of the waste in the Metallurgy & Mining sector). These can be employed in a number of industrial and other uses as soon as conditions in the market allow this. Until their final utilisation, these residues are placed in a specially configured area which, for the purposes of measuring our environmental footprint, is considered as a Controlled Landfill for Non-Hazardous Waste.

- 7 Although it has been proven that the consumption of water by the activities of our subsidiaries does not affect aquifer levels or the quantity of the water available for use or the capability of an ecosystem to function, no targets have yet been set regarding water savings in each Group activity sector.

ACTION PLAN: To study, develop and gradually incorporate, by 2016, targets and proposals, especially in the Metallurgy & Mining sector, focusing on the achievement of the highest possible conservation and on the reuse of water in the production process, with an abstraction target below 14,000 m³/day.

- 8 Total water consumption in the Group, excluding production processes, is around 6m³ to 7.5m³ per person annually.

ACTION PLAN: To plan and gradually take action at the level of each individual subsidiary, with the initial aim of achieving a consumption level for potable water between 4.5m³ and 6m³ per person annually.

- 9 The target which had been set for 2013 by DELPHI-DISTOMON S.A. was not achieved. A total of 38 incidents were recorded, involving mainly the spillage of lubricants in the soil in underground tunnels. These incidents were of a limited extent and their impact was reversible. They are also unavoidable during the mining process, as they are caused primarily by wear and tear of lubricant pipes and by damages to machinery by falling rocks.

ACTION PLAN: DELPHI-DISTOMON S.A. has already set a new target for the reduction of incidents involving spills. Following an internal audit during the mining process, it was established that a number of incidents involving spills were not reported. To address this, particular emphasis was placed on the training of employees and subcontractors, in order to eliminate this behaviour. The methodology for handling this specific impact is expected to be modified during 2014, with the introduction of more strict criteria.

- 10 The locations of the Group's business activities do not form part of any area protected by law or designated as an area of high biodiversity value. In our subsidiary ALUMINIUM S.A., a more thorough study is required to accurately assess the impacts on biodiversity of the disposal of bauxite residues on land, which the company is carrying out in accordance with the approved environmental terms.

GENERAL DIRECTION: No deviation from the policy of PROTERGIA S.A., as in force. In the context of the full compliance of the company's production plants with the environmental terms in force, disturbance to the local flora and fauna is negligible. ALUMINIUM S.A. will explore the possibility for a study on the impacts on biodiversity of its disposal of bauxite residues on land.

- 11 Since the launch of the Group's business activity, 80% to 100% of the areas affected have been fully rehabilitated.

GENERAL DIRECTION: No deviation from our policy. On 31st of December 2013, the percentage of affected areas which were rehabilitated stood at 87.7%. We are continuing our rehabilitation efforts, with respect for the natural environment and with a view to minimising the impact of our activities on biodiversity.

5.2 CLIMATE CHANGE AND BUSINESS ACTIVITY

Energy is a key raw material for our activities and is also expected to become a key source of income in the near future. Through its Construction & EPC Projects sector, our Group is active within the broader scope of the energy sector. According to a view that is rapidly gaining ground, the consumption of energy produced by mineral fuels is one of the key factors that contribute to global warming. An increasing number of States, international organisations and inter-governmental committees have already introduced or intend to introduce legislative and regulatory changes in response to the potential risks associated with global warming.

The Group's operational margins might be affected by changes which may be made to its 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 acts 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 fu-

ture, as a result of the need to comply with the revised legislation and the new provisions. Finally, as its management of CO₂ emission rights may post negative (deficit) or positive (surplus) results, and as a consequence of its high energy consumption (due primarily to the Aluminium production process), the Group in the future may have to recognise significant expenditures or revenues, respectively. On the other hand, the Group may identify opportunities for EPC Projects in the energy sector, made possible by any one of the aforementioned changes in the legislation which relate to climate change.

5.3 MANAGEMENT OF RAW & OTHER MATERIALS

In the Metallurgy & Mining sector, during 2013 we used more than 2.1 million tons of raw materials (on dry basis) to produce

aluminium. Recycled materials or alternative raw materials (by-products and waste disposals from other industries) are not used for

the time being in the aluminium production process to lower the consumption of raw materials.

METALLURGY & MINING SECTOR	2011	2012	2013
Materials used, by weight or volume			
Raw materials			
Bauxite (t)	1,816,912	1,745,941	1,830,398
Limestone (t) *	118,579	54,363	0
Anhydrous alumina for electrolysis (t)	317,082	317,912	326,985
Other metals from third parties (t)	3,194	292	322
Alloys (t)	145	158	1,853
Materials used but not incorporated in the end product			
Caustic soda (new soda) (t)	26,293	25,451	27,684
Calcium oxide (lime) (t)	66,760	66,397	60,121
Lubricants (t)	102	117	114
Tar (t)	14,578	15,000	13,238
Coke (t)	65,336	75,039	59,144
Aluminium fluoride (t)	2,644	3,182	3,007
Baked anodes consumed in the electrolysis process (t)	68,972	70,193	72,079
Packaging materials			
Pine planks (t)	1,028	919	931
Polyester rings (t)	27	15	20
Total weight of non-renewable materials used			
Raw materials (t)	2,255,912	2,118,666	2,159,559
Total weight of directly used materials			
Bauxite & Alumina (t)	2,133,994	2,063,853	2,157,383

* The lime furnace did not operate during 2013. The quantity required for the production process was purchased from an external supplier.

In the Construction & EPC Projects sector, our activities concern mainly the manufacturing and assembly of products, i.e. they involve the use of complex materials/products such as turbines, power generators, pumps etc., together with more simple ones such as merchant bars (beams, pipes, steel plates, axles, cast parts etc.) for manufacturing (cutting, welding, processing, hardening) in our industrial facilities or in those of our 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.

Our subsidiary METKA S.A. does not manage primary natural resources, but instead manages semi-finished or finished products, in accordance with 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 percentage of the use of recycled materials in the implementation of projects during

2013 stood at 28.8%. ** Additionally, our requests for proposals and contracts with suppliers of materials and equipment contain a specific clause regarding their compliance with the requirements of the ISO-14000 International Standard, specifically regarding the prohibition of using environmentally hazardous materials and the obligation to use recyclable materials to the highest possible degree. In the Energy sector, the raw material used in our thermal power plants is natural gas, which cannot be recycled and is a non-renewable material.

** Of the 320 tons of total weight of materials used, steel in the form of plates or merchant bars accounts for approximately 230 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 our projects is estimated at 92 tons (40% of 230 tons).

CONSTRUCTION & EPC PROJECTS SECTOR

2011

2012

2013

Materials used, by weight or volume

Materials used but not incorporated in the end product

Mineral oil (t)	2	1.7	0.7
Liquid coolant (t)	4	3.5	3
Oxygen (t)	193	118	99
Acetylene (t)	5	4	2.5
Carbon dioxide (t)	24	28	17
Argon & Nitrogen (t)	76	77	67

Semi-finished goods or parts (other than raw materials) that form part of the end product

Paints (l)	8,733	6,056	7,591
Welding materials (t)	17	15	14
Special materials for projects (pcs)	13,570	8,995	20,058
Connection material (bolts, nuts etc.) (pcs)	35,094	33,142	47,136

Packaging materials

Wood for packaging (m³)	3	2	0
Tarpaulin (m²)	3,163	3,322	600
Nylon (t)			2

Total weight of directly used materials (t)

Steel, in plates or merchant bars (t)	850	669	320
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ENERGY SECTOR

2011

2012

2013

Materials used, by weight or volume

Raw materials

Natural gas (TJ)	7,671	27,160	23,444
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Materials used but not incorporated in the end product

Lubricating oils (lt)	26,293	25,451	27,684
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Total weight of non-renewable materials used

Natural gas as primary fuel in power plants (TJ)	7,671	27,160	23,444
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5.4 ENERGY CONSUMPTION

The Group's total direct energy consumption stood at 54,399.8 TJ, down by 3.5% compared to 2012. This quantity represents the consumption of natural gas in the Energy sector, whose consumption accounts for 61.6% of this total quantity and was driven by the full operation throughout the year of the power plants of PROTERGIA S.A. in Ag. Nikolaos (Viotia) and of KORINTHOS POWER S.A. in Ag. Theodoroi (Korinthia), and in the Metallurgy & Mining sector, whose consumption accounts for 33.2% of the total quantity.

TOTAL DIRECT ENERGY CONSUMPTION * (TJ)

2013	54,399.8
2012	56,387.7

* Total direct energy consumption = direct primary energy purchased + direct primary energy produced – direct primary energy sold (exported).



More specifically:

The quantity of energy purchased and used by the Group came exclusively from non-renewable sources and stood at 38,062 TJ, dropping by 8.5% from the previous year. This reduction was the result of the restriction by 85% in the use of fuel oil and its replacement by natural gas as the primary fuel in all our subsidiaries, in combination with the reduction of the consumption of natural gas in the Energy sector.

TOTAL CONSUMPTION OF ENERGY PURCHASED (TJ)

	2012	2013
Natural gas	39,023.6	37,590.0
Fuel oil	2,457.5	357.0
Diesel oil	92.3	107.9
Petrol	11.3	6.7

Similarly, the quantity of energy produced by the Group stood at 31,437.7 TJ, declining slightly (by 1.8%) from 2012, as a result of the declining trend in the aggregate demand for electricity in Greece, coupled with the increase in the installed capacity of RES power plants (mainly Photovoltaics) and with changes of a regulatory nature in the operation of the wholesale electricity market.

TOTAL ENERGY PRODUCED (TJ)

	2012	2013
Fuels	14,354.2	14,547.7
Thermal plants	13,472.0	11,141.2
Heat	3,810.2	5,365.7
RES	386.4	383

As a result, the quantity of energy exported by the Group to the National Grid dropped by 12.5% to 15,100 TJ. Of this total quantity, 71.3% and 2.5% was contributed from the Thermal Plants (IPPs) and RES-based plants, respectively, of PROTERGIA S.A., with 28.7% accounting for the electricity produced by the Combined Heat and Power (CHP) plant of ALUMINIUM S.A.

TOTAL ENERGY EXPORTS (TJ)

	2012	2013
IPP	13,033.2	10,763.2
CHP	3,870.4	3,954.6
RES	386.4	383

The total indirect consumption of energy rose to 16,979 TJ, up 29% from 2012. This quantity came from non-renewable sources, with

electricity accounting for 56% and the energy from steam accounting for 32% of this total quantity, with the remaining 12% representing other consumption sources, mainly natural gas and fuels.

TOTAL INDIRECT ENERGY CONSUMPTION FROM NON-RENEWABLE SOURCES (TJ)

	2012	2013
Electricity	9,282.2	9,566.3
Steam	3,810.2	5,365.7
Natural gas	0.0	2,042.0
Petrol	1.2	0.4

Finally, in what regards the quantity of primary energy used to produce electricity and steam, the Metallurgy & Mining sector consumed 11,678 TJ of Natural gas. The Public Power Corporation (PPC) S.A. consumed 801.54 kt of lignite in total, up 3% from its consumption in 2012, in order to supply the Group with electricity which was consumed almost entirely (99.7%) by ALUMINIUM S.A.

TOTAL CONSUMPTION OF SECONDARY ENERGY FROM RENEWABLE SOURCES (TJ)

	2012	2013
Hydropower	1.2	4.4
Solar	2.1	1.4

ENERGY CONSERVATION INITIATIVES

Metallurgy & Mining Sector

- To manage energy efficiently, the aluminium production line is supplied with electricity by the High-Efficiency Combined Heat and Power (CHP) Plant, which uses natural gas as combustion fuel to produce electricity and two heat recovery boilers producing high-pressure steam from the exhaust gases to drive one steam turbine. This initiative led to the abolition of the Energy Department which until now was serving this purpose. In energy terms, this initiative means a direct reduction in the annual consumption of fuel oil by 150,000 tons, a quantity that corresponds to 6,028,500 GJ approximately. An additional positive effect of this initiative is the fact that the electric power which this plant supplies to the National Grid is now used to substitute the power which under the previous scheme would be obtained from lignite combustion. On the basis of the data presented in the Environmental Impacts Study for the plant, it is estimated that this initiative will lead to reduced carbon dioxide emissions at the national level.
- The company's initiatives for the conservation of electricity (work quality checks, daily and weekly checks of alumina quality, mobilisation-sensitisation of the personnel involved, optimisation of parameters, swift identification of problem-prone basins, improvements in equipment and methods etc.), resulted in a specific consumption of 13,338 kWh/t of Alumina – one of the best among all aluminium production plants.

Construction & EPC Projects Sector

During 2013 the systematic efforts for the conservation of energy were continued through initiatives for the refurbishment of equipment in production departments. The implementation of these initiatives resulted in energy savings of 1.16 TJ and also helped achieve the individual targets which had been set for a 5% reduction in direct and indirect consumption as of 2012.

Energy Sector

Given the activity of the company's power plants, savings in primary energy are not possible. Nevertheless efforts are made to ensure that this energy is used in the best possible way, employing the best methods available, such as the use of high-tech, high-efficiency wind turbines.

The company's goal is for its natural gas fired thermal power plants to remain within the high-efficiency end of the output curve and to maintain the maximum possible efficiency and availability rates throughout the year.

5.5 WATER CONSUMPTION

Total water consumption for our Group's activities in 2013 did not post a significant change (-0.3%) from 2012. Of the total quantity of water consumed, 89% was drawn from groundwater and 5.1% from municipal water supply companies, 5.4% refers to seawater which is used in the cooling systems of our power plants and then discharged, and the remaining 0.5% represents rainwater quantities collected for consumption.

The quantity of water required in the Metallurgy & Mining sector is around 14,000 m³/day and is obtained from a network of 20 wells drilled and operated by ALUMINIUM S.A. 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.



The company applies a programme for recycling the water used in its activities and making it available for secondary uses such as the watering of green areas in nearby settlements.

In the Energy sector and, more specifically in the thermal power plant of KORINTHOS POWER S.A., a Desalination Plant is in operation, using seawater to produce water for industrial use. This helps avoid the consumption of primary water from the wells drilled or from other sources, while also helping achieve water savings estimated at over 2,000 m³ per month. Considering that water is used by the Group's power plants for the production of electricity, the setting of targets is not feasible.

TOTAL WATER CONSUMPTION BY SOURCE (m³)

	2011	2012	2013
Total water consumption	4,685,049.1	4,607,341.5	4,593,589.7
Groundwater	4,486,616.0	4,244,006.0	4,105,331.0
Rainwater collected directly and stored	6,000.0	9,340.0	6,000.0
Surface water, including water from wetlands, rivers, lakes and seas		66,403.0	287,721.0 *
Municipal water reserves or other public water supply companies	192,433.1	287,592.5	236,258.7

* Accurate data on the quantity of seawater used in the desalination process at the KORINTHOS POWER S.A. power plant were not available for 2012 and, consequently, were not included in the relevant indicator.

WATER RECYCLED AND REUSED (m³)

	2011	2012	2013
Total volume of water recycled	2,000.0	5,340.0	248,000 *
Volume of water reused as a percentage of the Group's total water consumption	0.042%	0.11%	5.4%

* Of this total quantity, 99% represents used cooling water discharged by MOTOR OIL and supplied to the KORINTHOS POWER S.A. desalination plant, after which it is used in the steam generation process which drives the wind turbine in the company's power plant. The volume of water recycled is approximately 246,000 m³/year.

TOTAL WATER CONSUMPTION BY ACTIVITY SECTOR (%)

	2012	2013
Total water consumption (m ³)	4,607,341.5	4,593,589.7
METALLURGY & MINING	96.44%	93.48%
ENERGY	3.28%	6.26%
CONSTRUCTION & EPC PROJECTS	0.25%	0.23%

5.6 EMISSIONS

In 2013, total CO₂ emissions from the production activities of our Group amounted to 4.61 million tons, down 1.7% from 2012. Direct emissions, i.e. emissions from sources owned or controlled by our Group, declined by 6%, with indirect emissions, which correspond mainly to the consumption of electricity, posting an increase by 3.2%. Of these total emissions, 74.2% came from the Metallurgy & Mining sector, 25.6% from the Energy sector and only 0.2% from the EPC Projects sector.

TOTAL EMISSIONS (SCOPE 1+2) IN TN CO₂ EQ.

2012	4,688,410
2013	4,611,060

DIRECT EMISSIONS (SCOPE 1) IN TN CO₂ EQ.

2012	2,503,169
2013	2,353,597

INDIRECT EMISSIONS (SCOPE 2) IN TN CO₂ EQ.

2012	2,185,241
2013	2,257,463

In the Metallurgy & Mining sector, we have set specific targets that help reduce CO₂ emissions during aluminium production. More specifically, primary-cast aluminium is obtained by alumina through electrolysis. This process produces carbon dioxide and monoxide, together with fluoride emissions. It also produces perfluorocarbons (CF₄ & C₂F₆), which are gases with a significant contribution to global warming. To illustrate this contribution, suffice to mention that 1 ton of CF₄ is equivalent to 6,500 tons of CO₂, while 1 ton of C₂F₆ is equivalent to 9,200 tons of CO₂. These perfluorocarbons can be reduced by controlling the frequency and duration of the anode effect during the electrolysis process. We are focusing our efforts on this particular stage in our production process, by setting specific targets to be achieved (CF₄ Emissions: <0.04 kg/t Al; Fluoride Emissions: <1.5 kg/t Al). The increase in the emission of perfluorocarbons since 2012, as shown in the table below, is temporary and is due to a transition period during which an increased number of basins has entered the production process, as well as to technical difficulties regarding their adjustment. ALUMINIUM S.A. is implementing specific continuous improvement projects aimed at reducing and stabilising the levels of these emissions.

OTHER SIGNIFICANT AIR EMISSIONS, IN TN CO₂ EQ.

	2012	2013
SOx	4,323.9	3,868.8
NOx	1,023.0	1,144.3
CH ₄	57.7	
PFC's (CF ₄ - C ₂ F ₆)	5.1	10.4
Fluoride	222.9	237.33
Particles	157.7	99.8

INDIRECT EMISSIONS (SCOPE 3) IN TN CO₂ EQ.

2012	-
2013	2,326.8

- Personnel travel to/from work (tn CO₂eq): 218.5
- Personnel air travel (tn CO₂ eq): 631.8
- Transportation of products/equipment (using transport means of associates) (tn CO₂ eq): 1.372
- Company vehicles: (tn CO₂ eq): 104.5

The overall environmental strategy of our Group comprises key initiatives that focus on improving our performance with regard to greenhouse gas and CO₂ emissions over the next years. These include the following:

KEY INITIATIVES TO REDUCE GREENHOUSE GAS EMISSIONS

Metallurgy & Mining Sector

- The most extensive possible use of natural gas as the primary fuel instead of oil in aluminium production. During 2013 the use of natural gas instead of fuel oil in the alumina line kilns and foundry furnaces was completed, with the reduction of CO₂ emissions estimated at 50,000 t/year.
- Construction of new electrolysis basins, using prefabricated side blocks instead of the carbon paste used until today. These blocks are more resistant to corrosion and have a higher thermal conductivity.
- Supply of power to the plant from the High-Efficiency Combined Heat and Power (CHP) plant which uses natural gas as combustion fuel to produce electricity.

Construction & EPC Projects Sector

- Establishment of a greenhouse gas emissions inventory in all business units of METKA S.A. (plants, construction sites and head offices), in application of the ISO 14064 International Standard.
- Gradual implementation of the following: Replacement of oil with natural gas as the fuel used in the company's plants and offices, and use of new, low-emissions technology company cars.

Energy Sector

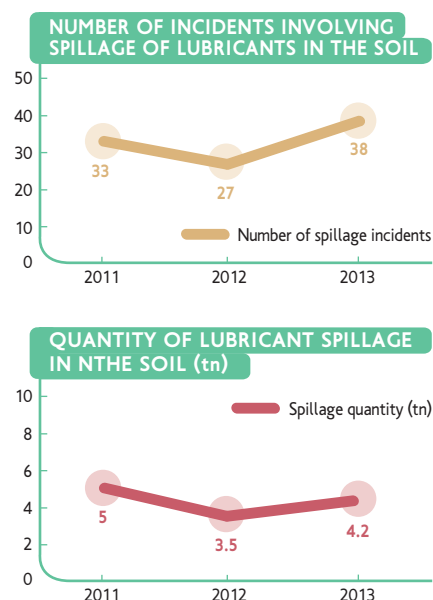
- The efficiency rates achieved in the operation of the company's thermal power plants are among the highest in Greece (No 1 and No 3, with efficiency rates of 58.0% and 57.7%, respectively), making the best possible use of natural gas as their primary fuel. To produce electricity, the Group's thermal plants use natural gas. It is a clean fuel that has a lower carbon content compared to other mineral fuels, does not release SO₂ and other particles, emits less NOx (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.
- In the domain of Renewable Energy Sources, PROTERGIA S.A. is already producing electricity from Wind farms (36 MW in operation), small Hydropower plants (6 MW in operation) and Photovoltaic parks (11.5 MW in operation) and is developing RES assets totalling more than 1000 MW which are in various licensing stages. The corresponding investments will make a significant contribution to the efforts towards the 20-20-20 target for Greece regarding the reduction of greenhouse gas emission and the penetration of RES in final consumption.

5.7 SIGNIFICANT SPILLS

During 2013, we recorded a total of 38 incidents in the Metallurgy & Mining sector involving spillage in the soil of lubricants weighing nearly 4.2 tons, a quantity increased by 20% from the corresponding one for 2012. These spills were primarily due to breakdowns in machinery caused during the mining process in the tunnels of underground quarries. By way of clarification, it should be pointed out that these 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, our subsidiary DELPHI-DISTOMON S.A. 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 strength.
(2) The implementation, on an annual basis, of special-purpose seminars to raise personnel awareness regarding 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.
(3) The existence 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.
Overall, no high or medium severity environmental pollution incidents occurred and no incidents were reported involving the spillage of hazardous substances to the environment by any of the other Group companies.



5.8 MANAGEMENT OF SOLID AND LIQUID WASTE

The total quantity of waste from our activities during 2013 stood at 923,358 tons, slightly less (by 3%) than the corresponding quantity for 2012. Of this total quantity, 96% comes from the Metallurgy & Mining sector and only 4% from the Group's other activities. In terms of category, hazardous waste were reduced by 5.8% and non-hazardous ones by 2.7%.

Waste recycling and recovery is followed in all our subsidiaries, by means of specialised procedures applied in the stages of production, management, collection, treatment/recovery and disposal of the respective waste. Where waste cannot be recycled internally, this is done through collective waste management systems or licensed waste contractors. In 2014, the total volume of waste forwarded for recycling stood at 44,211 tons, posting an impressive increase from 2012. This quantity involved mainly industrial waste such as bauxite residues, foundry skimmings etc., as well as various types of materials collected, including 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. When disposal is in controlled landfills, all hazardous waste and aggregates and all non-hazardous waste, disposed of in the Controlled Landfill for Hazardous Waste and in the Controlled Landfill for Non-Hazardous Waste, respectively, of ALUMINIUM S.A. are declared, including bauxite residues, which represent nearly 90% of all waste produced.

WASTE QUANTITIES FROM THE GROUP'S ACTIVITIES, BY CATEGORY (TN)

	2011	2012	2013
Hazardous waste	19,769.6	20,952.6	19,175.2
Non-hazardous waste	982,078.6	929,231.8	904,183.2

WASTE QUANTITIES BY DISPOSAL METHOD (TN)

	2011	2012	2013
Recycling / Recovery	3,182.1	4,957.7	44,211.8
Reuse / Reutilisation	88,430.3	28,295.2	28,295.2
Incineration (or use as fuel)	5.0	28.5	15.0
Controlled Landfills for Non-Hazardous Waste	681,077.9	832,028.0	808,960.0
Controlled Landfills for Hazardous Waste	16,430.3	16,997.3	19,020.0
Uncontrolled Landfills (household waste)	8.0	6.0	6.0
Storage on-site		66,100.0	26,211.0

The mining process and the production of aluminium generate the main volume of the Group's waste, which represents one of the biggest challenges facing its Metallurgy & Mining sector. Waste consists mainly of bauxite residues, which result from the solubilisation of the alumina contained in the bauxite. In order to manage efficiently this waste, in the last years we have carried out substantial investments focusing on effective ways for the disposal of this waste on land, in a Group-owned area, as well as on the avail-

WASTE SPECIFIC TO THE METALLURGY & MINING SECTOR (TN)

	2013
Rocks & stones (waste from underground quarries)	267,479
Residues from treatment processes (bauxite residues)	807,272.95
Mud (wastewater treatment)	86.04

able methods for their utilisation, by converting them into marketable products for sale. In addition, waste from underground quarries (rocks and stones) produced by the mining activities is a second category of waste that presents no risk, as it is used to fill hollows in ore deposits under exploitation. The third category of special waste refers to mud quantities coming mainly from soda-rich waste, including mud from settlement tanks & washers, bauxite mud from crushing, chemical breakdown crusts etc. These mud quantities are collected at the locations where they are produced and are transported to the sealed areas of the Controlled Landfill for Hazardous Waste for final disposal, in accordance with the applicable laws. Mud is also produced from the management of the residue obtained from the natural separation of the wastewater from washing of machinery and from mining site workshops: this mud is packaged in metal barrels and dispatched to Germany for incineration through ENVIROCHEM S.A.

Investing in research and development of new technologies which can play a key part in helping us manage our waste efficiently is part of our environmental policy.

In line with the above:

- We invested more than €12 million in the installation of four (4) Filter Presses for drying bauxite residues. In these installations, the inert bauxite residues from the alumina production process are filtered, their humidity content is removed and, in the form of a dry solid substance, can be utilised in a variety of industrial and other uses, such as a source of iron in cement production, as a material for the rehabilitation of disused mines, as an additional raw material in brick and roof tile production, as topsoil for plants etc.
- Through our subsidiary ALUMINIUM S.A., we participate in the **ENEXAL** project. The **ENEXAL** project is a four-year research project (June 2010 - May 2014), co-funded by the European Commission and carried out by a Consortium of Companies, University Institutions and Research Centres, whose key objective is to develop cost-efficient “green” technologies in the aluminium industry.

One of the technologies that the project seeks to develop is the treatment of bauxite residues, which is the key environmental footprint employed in the production of alumina, with the aim of producing pig iron and stone wool. The large



quantities and the form of that particular solid waste make its management one of the major challenges for the global aluminium industry in financial and environmental terms.

Since the second half of 2012, a prototype pilot plant comprising an innovative electric arc furnace and a stone wool production machine (“fibre machine”) was installed in the ALUMINIUM S.A. plant and has been in operation. To this day, dozens of experimental tests have been conducted, seeking to determine the optimal operating conditions for the furnace, in order to achieve:

- (a) The optimal production of pig iron, corresponding to 30% of the bauxite residue mass and
 - (b) The production of fluid slag with specific physical and chemical properties allowing its use for producing stone wool.
- The quantity of pig iron produced was successfully tested in the production of cast-iron spheres in a Serbian steel plant. The installation of the fibre machine was completed in late August 2013 and the first tests yielded very encouraging results. In the following months, activities will focus on improving the quality of the stone wool produced, to be followed by its evaluation against commercially available similar products.

This technology allows the full exploitation of bauxite residues and their conversion into high value-added products without producing any other waste. The commercial viability of such an investment will

be clarified by a technoeconomic study to be carried out after the conclusion of the experimental tests, in order to determine all relevant parameters based on a relevant marked survey.

- In addition, the Controlled Landfill for Hazardous Waste of ALUMINIUM S.A. was the first one to be constructed in Greece and is operating since 1999. Today, there is a second such Landfill in operation in Greece, constructed in 2006 by the PPC in Western Macedonia.

The plant’s first 3 cells are filled up and have already been restored in accordance with the approved Environmental Terms. Today, 2 cells are in operation (No 4 and No 5) which, as was the case with the previous ones, receive the plant’s waste, which comes mostly from the aluminium production line (fluoride-containing materials from the reconstruction of the electrolysis basins) and the alumina production line. To address future needs, an additional cell was constructed (No 6), regarded as a reference for the Greek industry. This new cell has a capacity of approximately 35 m³ and, at the current waste production rates, is expected to operate for 5 years.

Regarding the management of the liquid waste produced by our activities, this takes place only after verification of its compliance with the parameters determined by the Environmental Terms and Conditions under which we have obtained the environmental license for our installations. After this verification is concluded, the liquid waste is disposed of in the following ways:

MYTILINEOS GROUP: TOTAL WASTEWATER QUANTITIES

	Quantity (m ³ /year)	Treatment Method	Destination	Used by another organisation
Metallurgy & Mining Sector	Washing / Cooling of industrial installations: 351,065	Primary treatment (settlement of floating particles, filtration of supernatant fluid, chlorination, discharge).	Water systems: Discharge to the sea, following a licensed procedure as provided for by Environmental Terms Approval Decision Amendment of 08-08-2011, issued by the competent Directorate of the Ministry of Environment, Energy and Climate Change.	No
	Washing of machinery and mining site workshop ramps: 6,800	This waste is led to a line of three successive natural separation tanks.	The quantity of water obtained from the third tank as runoff (overflow) undergoes chemical analysis in order to be approved as suitable, and is used for watering the rehabilitated areas.	No
Energy Sector	Use of industrial service water in the electricity production process: 43,772	Preliminary treatment and disposal to a liquid waste treatment plant of MOTOR OIL. These discharges are fully cleaned in order to be made available for further use.	Water systems: Discharge to the sea, following a licensed procedure in accordance with the applicable Environmental Terms.	Yes

5.9 MANAGEMENT OF IMPACTS ON BIODIVERSITY

The table below summarises the impacts of our activity on biodiversity and the methods used to manage these impacts in the Metallurgy & Mining sector and the Energy sector.

SIGNIFICANT DIRECT AND INDIRECT IMPACTS ON BIODIVERSITY

	Metallurgy & Mining Sector	Energy Sector
Impacts on biodiversity from the Group's activities	<ul style="list-style-type: none"> ■ Possible impact on the local flora and fauna from dust emissions, within a dispersion radius of: (a) The area for the disposal of bauxite residues, (b) the alumina electrolysis process, (c) the combustion of fuel oil, (d) the chimneys of the alumina heating kilns and (e) coal (coke – baked anodes dust) from the chimney of the anodes baking furnace and the systems for the removal of dust from the plant's anode line. ■ Possible impact on marine organisms from the discharge to the sea of wastewater from the process for cooling the CHP unit using seawater. 	<ul style="list-style-type: none"> ■ Power plants producing electricity from wind energy (Wind farms) which are located adjacent to an area protected by law, are environment-friendly, with zero pollutant emissions, zero soil pollution and negligible disturbance of the local flora and fauna.
Management of impacts on biodiversity from the Group's activities	<p>Dust emissions:</p> <ul style="list-style-type: none"> ■ Scheduled maceration, especially during the summer or during low-humidity periods in general. ■ Coverage of slopes with topsoil, after carrying out relevant technical studies. ■ Completion of a large-scale water-engineering project to capture and retain rainwater within the area designated for the disposal of bauxite residues, so that it can be discharged in a controlled way without adverse impacts. 	<ul style="list-style-type: none"> ■ Full compliance with the environmental legislation in force, in the context of the restrictions and special conditions imposed regarding the operation of the company's thermal power plants and RES plants. It is pointed out that the environmental legislation also includes the legislative instruments on the protection of the environment.

SIGNIFICANT DIRECT AND INDIRECT IMPACTS ON BIODIVERSITY

Metallurgy & Mining Sector

Energy Sector

Management of impacts on biodiversity from the Group's activities

- Collaboration with agronomists on an annual basis for monitoring the quality of the flora in the wider region, to the extent that this is introduced into the food chain. To this end, the Company operates a network of 28 stations taking static measurements of fluoride levels, located within a radius of 0 to 12 km of the ALUMINIUM S.A. plant.
- In addition, samplings take place and chemical analyses are carried out to determine the fluoride content of olive tree leaves, vine leaves and pine needles (twice per year), as well as that of grapes (once per year).

Wastewater:

- Annual studies in collaboration with the Hellenic Centre for Marine Research (HCMR) for monitoring the impact of our industrial activity on marine population, and notification of these studies to the competent Authorities.

- Conduct of additional specialised studies in regions where RES projects are developed, even if these studies are not mandatory under the laws in force, in order to ensure the protection of biodiversity in the wider region.
- Adoption of permanent protection and rehabilitation measures during the entire operation of the Company's projects.
- In its relations with the local communities where its projects are developed, PROTERGIA S.A. implements compensatory actions, some of which focus on the protection of the natural environment and biodiversity.

Construction or use of plants, mines and transport infrastructures

No change from 2012.

Nil.

Pollution

No pollution incidents reported in the wider area of the plant facilities (including the areas for disposal of bauxite residues and of solid waste from the production process).

Nil.

Introduction of invasive species, pests and pathogenic organisms

Not applicable to the Group.

Not applicable to the Group.

Reduction of species

According to a recent (2012) study by the Hellenic Centre for Marine Research (HCMR), marine populations on the seabed do not appear to have sustained significant changes compared to previous studies.

Negligible.

Preservation of the natural habitat

No change from 2012.

No change from 2012.

Changes in ecological processes outside the normal differentiation range

None due to the company's activities.

Nil.

Species affected

The Hellenic Centre for Marine Research (HCMR) is currently conducting research on the impact of our activity on the development of thermophilic marine species.

Flora / Fowl.

Size of areas affected

Outside Protection Zones.

Outside Protection Zones.

Duration of impacts

Research under way on marine populations.

Temporary.

Reversibility or irreversibility of impacts

Research under way on marine populations.

Fully reversible for flora / Nil for fowl after the adoption of measures.

In addition, the Group's mining activity, which takes place primarily in underground quarries in the Fokida Region, is carried out in full respect of the area's biodiversity and is based on developing and carrying out Environmental Impact assessments and plans for the rehabilitation of the areas affected. The Group is committed to the application of best practices such as the detailed study of the ecosystem before the mining activity commences, as well as the corresponding study of the specific climatological and soil conditions in the affected area to be rehabilitated. On 31st of December 2013, the area of land under rehabilitation totalled 43.87 hectares, with the areas which have been rehabilitated since the start of our mining activity accounting for 87.7% of all affected areas.

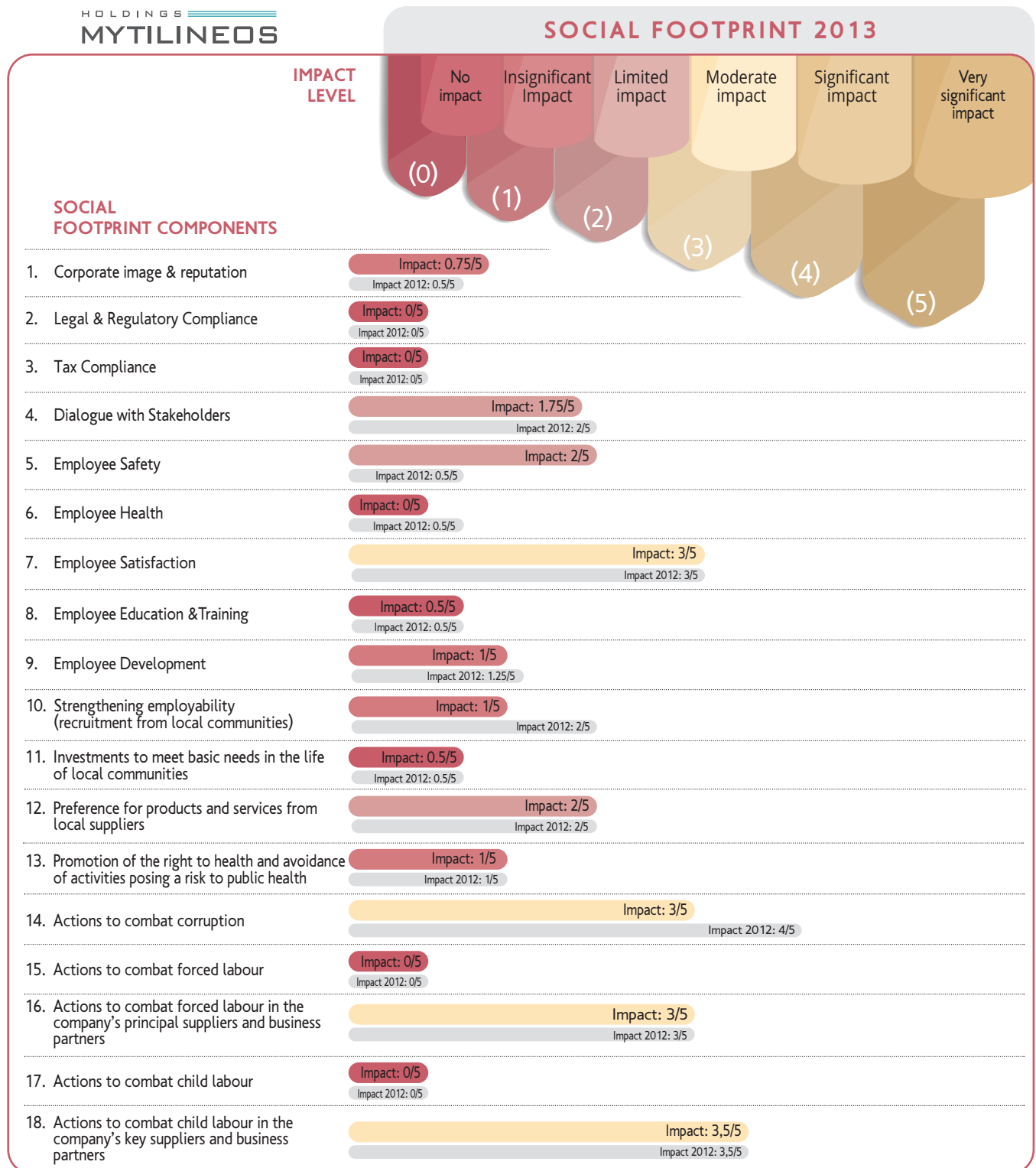
Finally, no new activities with an impact on the local biodiversity took place in 2013.

Localities where rehabilitation work has been completed or active protection measures are taken	Total area under exploitation, in hectares (ha)	Rehabilitation percentage of the area on 31.12.2013	Rehabilitation approved / under approval by independent specialist organisations or scientists
VARTOS B	40.0	100.0%	Amfissa Forest Inspectorate
VARTOS B C3-D2	0.5	100.0%	—
PSILO KOTRONI	20.0	100.0%	—
ACHLADES 1,12,14,15,16 - ANO KATO SOROS	2.0	100.0%	—
PERA LAKKOS	2.0	100.0%	—
SAMAROLAKKA	0.5	100.0%	—
RODIA A-Fires	0.5	100.0%	—
PROSOREMA	18.0	90.0%	—
LIMESTONE QUARRY AREA Metochi (Municipal District of Kyriaki)	11.4	23.7%	—
LANDFILL FOR HAZARDOUS WASTE (Agios Athanasios)	1.4	46.4%	—



6.1 SOCIAL FOOTPRINT OF MYTILINEOS GROUP

True to our commitment, we have established and are disclosing for the second consecutive year our Social Footprint, so that any deviations in our social performance are immediately visible to our Stakeholders.



1 Limited complaints concerning METKA S.A. and PROTERGIA S.A. assessed, understood and resolved at the local level by the companies' Management.

ACTION PLAN: We continue, through our open dialogue process with our Stakeholders, to understand and respond to their expectations, with a view to limiting complaints.

2 All Group Companies comply fully with the legal and regulatory provisions governing their operation.

3 The Group companies fulfil completely all their tax obligations, at the local as well as at the central level.

4 In 2013, we reconfigured the presentation of CSR issues in the consultation process (Dialogue Forums) with our Stakeholders and we partially included Human Rights Protection and Anti-Corruption in the subjects covered. In this way, we achieved some progress towards the target which we had set in 2013 to upgrade substantially the subject scope coverage of this process.

ACTION PLAN: (a) To fully include Human Rights Protection and Anti-Corruption as subjects in the consultations with our Stakeholders. (b) To intensify our efforts to incorporate the results of the consultations with our Stakeholders in the development of the business, social and environmental plans of our subsidiaries.

5 During 2013 a total of seven (7) accidents with interruption of work were reported in the Metallurgy & Mining sector, of which six (6) in ALUMINIUM S.A. and one (1) in DELPHI-DISTOMON S.A.

ACTION PLAN: All seven accidents were thoroughly investigated, in accordance with the rules that we apply to ensure the Health & Safety of our employees. The lessons learned have been absorbed and we have taken special corrective measures to prevent such accidents from happening again in the future. Constant efforts are required, in line with our relevant policy, in order to achieve the only acceptable target: "ZERO ACCIDENTS IN THE WORKPLACE".

6 No incidents related to occupational diseases.

GENERAL DIRECTION: Constant efforts are required, in line with our relevant policy, in order to achieve the only acceptable target: "ZERO INCIDENTS RELATED TO OCCUPATIONAL DISEASES IN THE WORKPLACE".

7 Employee satisfaction ranges from 60% to 70%. NOTE: No change from 2012. This aggregate performance is a "guesstimate" from the employee performance review process rather than from regular employee satisfaction surveys.

ACTION PLAN: To study and design a procedure for conducting regular employee satisfaction surveys in all our subsidiaries companies by the end of 2015.

8 All Group companies have in place a formal education and training policy and take annual educational initiatives with clear objectives, which are aligned with their business activities and with the needs of their employees. No change from 2012 as far as our target is concerned.

GENERAL DIRECTION: We are planning the expansion of our educational programme during 2014, with the addition of subject areas that will combine more effectively the needs of employees with the Group's social and environmental objectives.

9 The aggregate percentage of employees evaluated through the Career Development Review process applied by the Group companies ranges from 81% to 90%.

GENERAL DIRECTION: Our objective is to achieve a percentage of employees receiving Career Development Reviews in excess of 90% by 2016, through the continuous improvement and systematic application of the Career Development Review procedures which our subsidiaries have in place.

10 The aggregate percentage of employees recruited from the local communities where the Group companies operate ranges from 70% to 85%.

GENERAL DIRECTION: No deviation from our policy on recruitment of employees from our local communities, whose objective is to achieve a percentage in excess of 85% (always taking into account the particular characteristics of each one of our business activity sectors).

- 11** Helping cover their local communities' basic needs in infrastructures is a common principle shared by all Group companies. In line with this Principle, in 2013 we increased our corresponding expenditure by 48%, thus contributing substantially to the smooth operation of our local communities.

GENERAL DIRECTION: To further develop collaborations with local bodies and to systematically investigate the basic needs of local communities in infrastructures.

- 12** In 2013, the total contribution of the Group companies to local suppliers, expressed in terms of economic value, stood at 30% of the Group companies' total purchases budget. NOTE: In meeting their needs, our subsidiaries in the Metallurgy & Mining sector give priority to local suppliers (according to their needs and specific characteristics and irrespective of the corresponding share of their total purchases budget), thus contributing to the development of the local economy in the community where they operate.

GENERAL DIRECTION: No deviation from our policy, whose objective is to gradually stabilise the share of outlays to local suppliers to a level between 40% and 50% of our total purchases budget (always taking into account the particular characteristics of each one of our business activity sectors).

- 13** With their adoption of international and national standards, the Group companies undertake that the stages of their products' lifecycle and their activities in general do not pose risks to public health.

ACTION PLAN: All Group subsidiaries to implement specific voluntary initiatives during 2014, which will focus on information dissemination and the prevention of serious diseases (other than occupational ones) and will be addressed to their employees and to the citizens of the local communities where they operate.

- 14** Although no incidents of corruption in the Group were reported for yet another year in 2013, we voluntarily undertook the following: (a) To develop and disclose our Management Approach on Corruption, which will serve as reference to the Group in further developing this particular area and (b) to carry out a special Self-Assessment exercise in all our subsidiaries, investigating the existence of policies and procedures that strengthen our policy regarding the prevention of corruption and bribery, in accordance with the guidelines accompanying the relevant tool of Transparency International.

GENERAL DIRECTION: Evaluation of the results, briefing of our subsidiaries and development and gradual implementation of policies, procedures and special preventive mechanisms (as reported in the corresponding section).

- 15** All Group business units comply fully with the laws in force. No incidents of forced or compulsory labour have occurred in any one of the Group's subsidiaries. In the context of our initiatives during 2013 (as these are presented in the corresponding section), we planned and implemented for the very first time, in all our subsidiaries, a special Self-Assessment exercise modelled after the special self-assessment tool recommended by the UN Global Compact regarding the protection of Human Rights, with a particular focus on the issue of forced labour.

- 16** The Group companies have secured the commitment of a small percentage between 1% and 30% of their key suppliers and business partners regarding the adoption of measures to control and combat forced labour in their activities.

ACTION PLAN: We seek to raise awareness levels in all our subsidiaries regarding the need to promote the principles of the UN Global Compact in our supply chain, in order to secure the commitment of our Group's key suppliers and business partners – at levels ranging from 31% to 60% – to the avoidance of practices which may encourage forced or compulsory labour in their work environment.

- 17** All Group business units comply with the laws in force. In the context of the self-assessment exercise regarding the protection of Human Rights which was carried out in our subsidiaries in 2013 and placed particular emphasis on the issue of child labour, no deficiencies were established in terms of procedures and no incidents involving child labour were reported.

- 18** The Group companies have secured the commitment of a small percentage between 1% and -30% of their key suppliers and business partners regarding the adoption of measures to control and combat child labour in their activities.

ACTION PLAN: We seek to raise awareness levels in all our subsidiaries regarding the need to promote the principles of the UN Global Compact in our supply chain, in order to secure the commitment of our Group's key suppliers and business partners – at levels ranging from 31% to 60% – to the avoidance of practices which may encourage child labour in their work environment.

6.2 EMPLOYMENT

Our people are our key driving force and our strong strategic advantage. The high level of professionalism of our executives, the work experience of our technical and labour personnel in our specialised activity areas and the distinct corporate culture spirit that characterises all our personnel, add up to an invaluable asset that we must cultivate, maintain and transmit to the next generations of our employees.

We recognise, appreciate and reward the efforts of our people, who respond in the best possible way to help meet our business targets in the persistently adverse economic conditions of the last years.

On 31.12.2013, our Group's human resources numbered 2,001 people in total, including indirect personnel, i.e. freelance professionals and personnel of contractors with whom we work, slightly increased (2%) from 2012.

Our Group's direct personnel numbered 1,600 full-time people, broken down in Executives, Administrative employees and Technical & Labour personnel. Almost 60% of our total personnel are employed in the Metallurgy & Mining sector, with 28% employed in the Construction & EPC Projects sector and 9% employed in the Energy sector. At 13%, the share of women in the total employment figure for 2013 remained at the levels of the previous three to four years.

With our activities extending to the Greek periphery, we are making efforts to contribute to the growth of local employment, by giving priority to recruiting technical and labour personnel as well as senior executives from the corresponding local communities.

In cases where the requirements of our subsidiaries involve specialisations which are not available in the local communities and therefore cannot be sourced locally, recruitment from outside these communities is initiated, with an overall focus on attracting, developing and retaining the best employees in order to ensure the continued achievement of our business goals and strategies.

In all the geographical regions where we operate, the large majority of our human resources come from the local population.

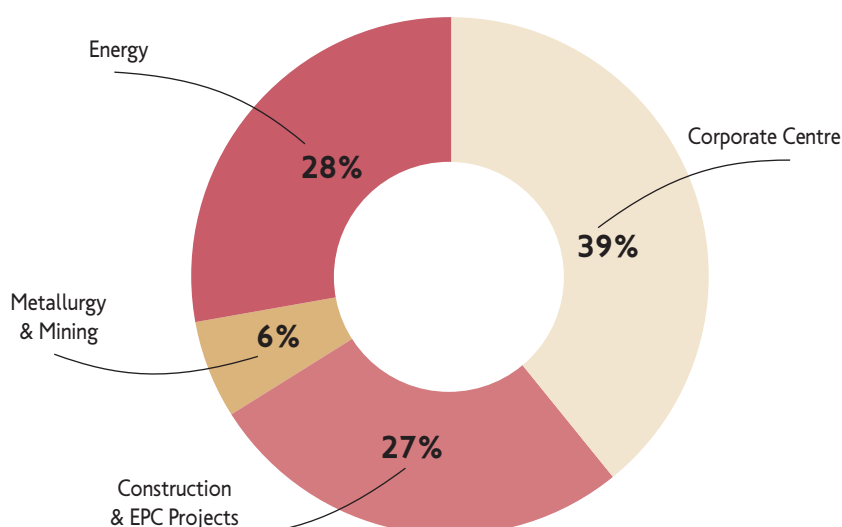
TOTAL WORKFORCE	2011	2012	2013
Total	2,020	1,965	2,001
Men	1,732	1,703	1,739
Women	288	262	262

CONTRACTED PERSONNEL	2011	2012	2013
Total	397	384	401
Men	315	315	331
Women	82	69	70

PERSONNEL BY EMPLOYMENT TYPE	2011	2012	2013
Total full-time employees	1,620	1,580	1,602
Men	1,414	1,387	1,410
Women	206	193	192
Total part-time employees	3	4	5
Men	2	3	2
Women	1	1	3

PERSONNEL BY TYPE OF EMPLOYMENT CONTRACT	2011	2012	2013
Total open-ended employment contracts	1,540	1,480	1,508
Men	1,342	1,297	1,327
Women	198	183	181
Total fixed-term employment contracts	83	104	99
Men	75	93	85
Women	6	11	14

SHARE OF WOMEN IN TOTAL EMPLOYMENT



In 2013, our Group's needs led to the recruitment of 323 new employees, against a total of 276 employee departures taking place during the year, a figure substantially lower (14%) compared to 2012. Of these departures, 63% were due to the expiry of fixed-term or work contracts, 16% to retirement, 14% to voluntary departures and 7% to termination of employment contracts or dismissals. In cases of voluntary personnel departures and in line with the standing practice of the Group subsidiaries, exit interviews were held to discuss the reasons for the departure. In order to fill the vacancies created by these departures, all companies gave priority to utilising existing personnel through internal job rotation or promotions.

The Group's personnel turnover was 13.8% (including retirements) or 11.6% (excluding retirements). Employability in our Group is strongly affected by the need to recruit employees, especially in the Metallurgy & Mining sector, for seasonal employment during the summer (electrolysis workers), and by the fact that a significant part of the activities of METKA S.A. and DELPHI-DISTOMON S.A. is assigned to specialist subcontractors and freelance professionals. The changes observed in employment data for the various regions are due mainly to fluctuating needs by geographical region, depending on the progress of each Construction & EPC Projects sector contract performed locally.



PERSONNEL BY GEOGRAPHICAL REGION - GREECE	2011	2012	2013
Stereia	1,470	1,547	1,460
Men	1,248	1,345	1,252
Women	222	202	210
Macedonia	79	23	38
Men	62	14	26
Women	17	9	12
Thessaly	172	167	169
Men	160	156	159
Women	12	11	10
Peloponnese	23	42	41
Men	21	37	37
Women	2	5	4
Other regions	61	45	41
Men	55	42	38
Women	6	3	3

PERSONNEL BY GEOGRAPHICAL REGION - OTHER COUNTRIES	2011	2012	2013
Turkey	32	113	28
Men	18	83	21
Women	14	31	7
Iraq		10	6
Men		10	6
Women		0	0
Jordan		9	44
Men		9	40
Women		0	4
Algeria			28
Men			21
Women			7

PERSONNEL RECRUITMENT (BY GENDER, AGE GROUP AND GEOGRAPHICAL REGION)

	2011	2012	2013
Personnel recruitment - Total	364	374	323
Men	323	312	286
Women	41	62	37
as a share (%) of total full-time employees:			
Personnel recruitment - Total	22.5%	23.7%	20.2%
Men	20.0%	19.7%	17.9%
Women	2.5%	3.9%	2.3%
Recruitment (<30 y.o.)	177	199	163
Recruitment (30 - 50 y.o.)	177	160	143
Recruitment (>50 y.o.)	10	15	17
<30 y.o.	10.9%	12.6%	10.2%
30 - 50 y.o.	10.9%	10.1%	8.9%
>50 y.o.	0.6%	1.0%	1.1%
Recruitment - Stereia	289	294	234
Recruitment - Macedonia	15	1	1
Recruitment - Thessaly	-	-	9
Recruitment - Peloponnese	20	44	4
Recruitment - Other regions	14	13	20
Recruitment - Jordan	-	-	29
Recruitment - Algeria	-	-	21
Recruitment - Turkey	26	20	2
Recruitment - Iraq	-	2	3
as a share (%) of total full-time employees:			
Stereia	17.8%	18.6%	14.6%
Macedonia	0.9%	0.1%	0.1%
Thessaly	-	-	0.6%
Peloponnese	1.2%	2.8%	0.2%
Other regions	-	0.8%	1.2%
Jordan	-	-	1.8%
Algeria	-	-	1.3%
Turkey	1.6%	1.3%	0.1%
Iraq	-	0.1%	0.2%

**PERSONNEL DEPARTURES
(BY GENDER, AGE GROUP AND
GEOGRAPHICAL REGION)**

	2011	2012	2013
Personnel departures - Total	265	321	276
Men	226	271	241
Women	39	50	35
as a share (%) of total full-time employees:			
Personnel departures - Total	16.3%	20.3%	17.2%
Men	14.0%	17.2%	15.0%
Women	2.3%	3.1%	2.2%
Departures (<30 y.o.)	67	70	103
Departures (30 - 50 y.o.)	91	130	118
Departures (>50 y.o.)	107	121	55
as a share (%) of total full-time employees:			
<30 y.o.	4.1%	4.4%	6.4%
30 - 50 y.o.	5.6%	8.2%	7.4%
>50 y.o.	6.6%	7.6%	3.4%
Departures - Sterea	167	247	190
Departures - Macedonia	21	16	1
Departures - Thessaly	13	7	8
Departures - Peloponnese	2	29	6
Departures - Other regions	49	-	10
Departures - Jordan	-	-	1
Departures - Algeria	-	-	1
Departures - Syria	-	3	9
Departures - Turkey	9	9	43
Departures - Iraq	-	-	7
as a share (%) of total full-time employees:			
Sterea	10.3%	15.6%	11.8%
Macedonia	1.3%	1.0%	0.1%
Thessaly	0.8%	0.4%	0.5%
Peloponnese	0.1%	1.8%	0.4%
Other regions	3.0%	0.0%	0.6%
Jordan	-	-	0.1%
Algeria	-	-	0.1%
Syria	0.0%	0.2%	0.6%
Turkey	0.7%	0.6%	2.7%
Iraq	-	-	0.4%

**DEPARTURES OF NEWLY-HIRED
PERSONNEL WITHIN THEIR
RECRUITMENT YEAR**

	2011	2012	2013
Departures of newly-hired personnel - Total	69	47	78
Men	63	45	67
Women	6	2	11
as a share (%) of total full-time employees:			
Departures of newly-hired personnel - Total	4.2%	3.0%	4.9%
Men	3.9%	2.8%	4.2%
Women	0.4%	0.1%	0.7%
Departures of newly-hired personnel (<30 y.o.)	32	28	45
Departures of newly-hired personnel (30 - 50 y.o.)	34	17	28
Departures of newly-hired personnel (>50 y.o.)	3	2	5
as a share (%) of total full-time employees:			
<30 y.o.	2.0%	1.8%	2.8%
30 - 50 y.o.	2.1%	1.1%	1.7%
>50 y.o.	0.1%	0.1%	0.3%

**PERCENTAGE OF SENIOR
MANAGEMENT EXECUTIVES OF THE
GROUP COMPANIES RECRUITED
FROM THE LOCAL COMMUNITIES**

	2011	2012	2013
ALUMINIUM S.A. ¹	11.1%	7.7%	7.7%
DELPHI-DISTOMON S.A. ²	44.4%	33.0%	33.0%
METKA S.A. ³	80.0%	80.0%	80.0%
PROTERGIA S.A. ⁴	67.0%	70.0%	82.0%
MYTILINEOS HOLDINGS S.A. ⁵	100.0%	100.0%	100.0%

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 persons holding the position of Supervisor or higher positions.

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.

⁵ The term "Senior Management" refers to all company Executives.

6.3 OCCUPATIONAL HEALTH & SAFETY

For our Group, ensuring conditions of Health and Safety in our work areas is a core principle and the foundation of all operations. As a business Group active primarily in the heavy industries sector, we consider that the health of our employees and their life itself should not be exposed to any risk – and the same applies for the employees of independent contractors working for us. This view is affirmed by our Group's formal policy, as well as by the fact that, to ensure health and safety in their work areas, all our subsidiaries apply a Health & Safety Management System

certified in accordance with the OHSAS 18001 International Standard and designed to minimise risk, achieve continuous improvement in terms of reducing accidents and occupational diseases, and strengthen a safe work culture. To this end, in 2013 PROTERGIA S.A. was again monitored in connection with the application of this specific standard, while METKA S.A. implemented all its construction projects according to optimal Health & Safety requirements, without accidents or incidents which might harm the health of its employees. In addition, METKA

S.A. has in place in each construction site or plant a Health & Safety Committee, in which both the company's Management and its employees are represented. In all company sites 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. The percentage of company personnel represented in these committees exceeds 75%.

With regard to our aggregate performance in 2013, we regret to report that a total of

seven (7) accidents involving employees occurred, with interruption of work. These took place in our Metallurgy & Mining sector subsidiaries in Greece. In particular, six (6) accidents involving employees of the Group (five men and one woman) occurred in ALUMINIUM S.A., in the company's Alumina Maintenance, Anodes and Vehicle Repair Shop Departments. The sixth accident took place in DELPHI-DISTOMON S.A., in one of the company's underground sites, involved a contractor's employee and was the first accident in the company after an accident-free period of 50 months.

These accidents involved injuries sustained by the employees in their upper and lower limbs and their causes are related to factors such as risk identification failures and non-compliance with safety instructions. All incidents were analysed using the "Cause Tree Analysis" method, the lessons learnt from them were absorbed and understood, and corrective actions were planned (including, for each action, a person in a charge, a deadline and a completion date), with a view to briefing employees and to preventing any conditions which could cause such accidents to happen again from arising. In addition to the thorough technical inspections and the necessary improvements applied in all cases of accidents, special measures were also taken, including:

→ A 45-day emergency action plan for the entire ALUMINIUM S.A. plant. As part of the actions under the plan, the Management Safety Visits (MSVs) were quadrupled.

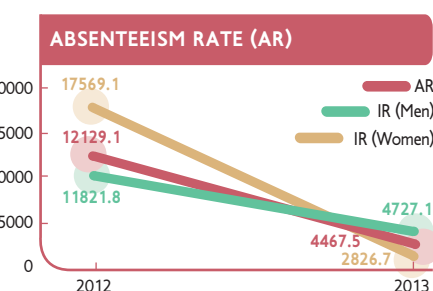
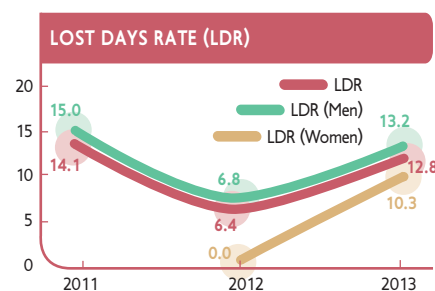
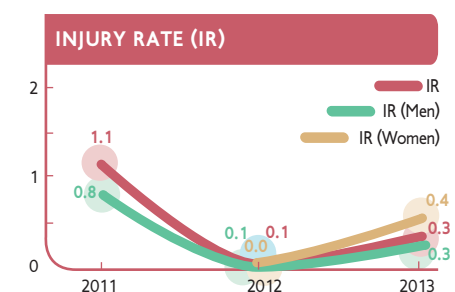
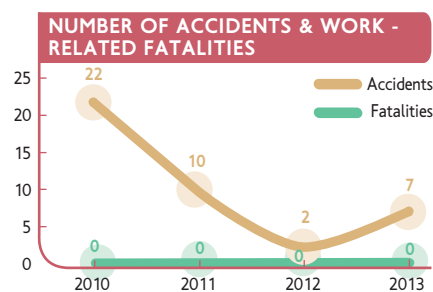
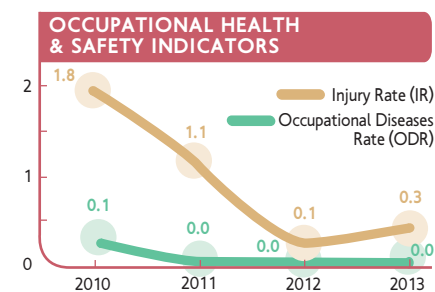
- For one week, the company's Management and senior executives held daily Safety meetings with employees at their working premises.
- Application of the guideline for an additional action plan for every activity in which a deterioration in Safety results is established.
- Briefing of the personnel of the section concerned and presentation of the incident's causes and of the corrective actions taken.
- Development of safety training videos on SWR (Safe Work Rules).
- Reminder to the personnel of the section concerned of the work list and of the basic moves.
- The number of required Personal Safety Actions (PSAs) for every management executive was doubled for three months.
- Re-examination and updating of instructions and briefing of the personnel of the sections concerned on the communication procedure in the event of an accident.
- Identification and coverage of needs regarding the installation of systems.

In addition, the following were also carried out:

- 7,103 hours of training.
- >70 PSAs and 10 MSVs per management executive who received relevant training.
- 18 Health and Safety Visits.
- 12 inspections of subcontracts in progress.

- 8 inspections of confined spaces.
- 15 installation lockout inspections.
- 12 circulation inspections.
- 200 measurements of work conditions & harmful factors (e.g. noise, vibrations, presence of fluoride).
- 735 regular employee medical check-ups.

The Health of employees is an equally important subject for ALUMINIUM S.A. and one in which the company has been regularly investing since its very establishment. In 2013, we succeeded in reporting, for the third consecutive year, nil incidents related to occupational diseases. This is largely due to the implementation of the Professional Risk Assessment (PRA) process. The PRA is a quantitative tool that relies on measurements of harmful factors, which as a rule are carried out by means of handheld samplers and in general of measurement instruments that the employees carry on their person during their 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 obtaining a comprehensive inventory of the exposure of employees, on the one hand, and of developing a comprehensive action plan to achieve the target of "ZERO ACCIDENTS AT WORK". Today, a total of eight (8) harmful factors are monitored systematically, including noise, dust, fluoride compounds, sulphur dioxide, carbon monoxide, polycyclic aromatic hydrocarbons, thermal stress and beryllium.



OCCUPATIONAL HEALTH & SAFETY INDICATORS:

- Also include cases involving employees of independent contractors, where the Group is responsible for ensuring the Health and Safety of their work environment.
- The number of accidents does not include incidents involving very light injuries.
- Days lost to accidents are calculated starting on the day after the incident and refer to scheduled work days.

Finally, in ALUMINIUM S.A. the Plant Health & Safety Committee (PHSC) represents all personnel in the meetings held with the Management. The PHSC is composed of five (5) members, which (in accordance with the law and in proportion to the number of plant personnel) are elected by the personnel every 2 years. The PHSC has extended responsibilities and its members participate in all key procedures, committees or working groups. In par-

ticular, the PHSC members participate in:

- the “Green Light Committees” for new projects/works and major modifications to facilities,
- the analyses of accidents and incidents, carried out using the “Cause Tree Analysis” method,
- the working groups established for the written assessment of occupational hazards and risks and

- the Occupational Health & Safety visits scheduled with the Occupational Physician and the Safety Officer.

Although our Group’s safety performance declined in 2013, we continue to operate guided by the principle that our people’s lives and health take precedence over our business performance, towards ensuring safe and healthy working conditions and work areas.

6.4 TRAINING & DEVELOPMENT

The provision of continuous education and training to its people is a core principle for our Group and one in which the investments it makes focus on offering tools, know-how and methods to improve the productivity and efficiency of our employees and of the Group subsidiaries. The advanced educational qualifications and the professionalism that are typical of all Group employees are evidence of this. Although our training needs vary between our activity sectors, the development of our people and the expansion of their scientific skills and capabilities across all levels of the personnel hierarchy are common objectives shared by all our subsidiaries. Of relevance here is our standing practice in the Construction & EPC Projects sector, which gives priority to the continuous

development and expansion of the knowledge and skills of Site Engineers and of their capacity for dynamic adjustment to the demands of modern-day technology. The technical training of these engineers is strengthened through their active participation in on-the-job training programmes in which training is delivered under actual work conditions. Under our training plan for 2013, we delivered a total of 53,717 hours of training programmes, keeping the average training hours per employee to 34 per year. Compared to 2012, we increased significantly the average training hours of Executives and of Administrative employees, as well as the corresponding training hours of our women employees. At the level of training modules, the reduction of training times observed in the Health

& Safety module was due either to the conclusion of the scheduled training cycles or to the completion of the works performed in various construction sites were corresponding training sessions had been scheduled. Nevertheless, special emphasis was placed on in-company training and the implementation of vocational training programmes and in-house seminars for the development our employees’ skills, held in the office buildings, plants and construction sites of our companies. In addition, we grant paid educational leave to employees attending long-term courses of study (at the graduate or post-graduate level) and we encourage the participation of employees in external training seminars that help them develop their professional skills, covering 100% of the relevant training costs.

Key areas of the MYTILINEOS Group training plan for 2013:

Health & Safety	In-company training	Development of skills & personal capabilities	Environmental training	Technical Training	Administrative training
Fire protection Safe working at heights Risk Identification Incident analysis Rescue techniques OHSAS 18001 Safety for people working in premises where explosives are present Lifting equipment & safety harnesses Noise First Aid & breathing apparatus	Safe use of combustible gases Fire protection ELOT standard for electrical installations Refractory materials Metrology and Temperature Piping stress analysis ISO 50001 Energy Management System	Leadership skills development Foreign Languages Negotiation skills Career Development Review Personal organisation & Time management Presentation techniques Information Technology (IT)	Environmental Management (ISO 14001) Training in sorting waste at the source Chemical laws and regulations (REACH Regulation)	Maintenance Production Quality Natural gas – presentation of maintenance manual Earthings & lightning protection Arc-welding of steel	Financial and accounting issues Employment issues & Labour legislation Project Management IFRS certification

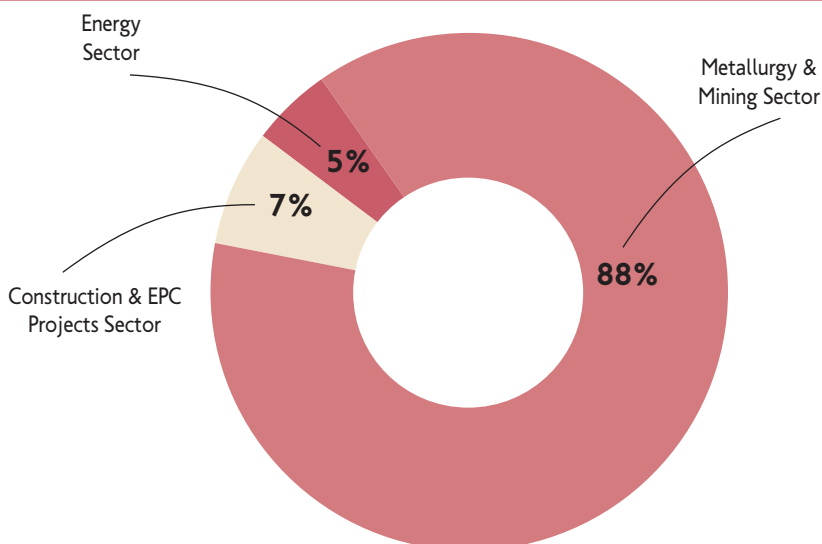
An additional important issue for MYTILINEOS Group is the provision to all employees of opportunities for advancement through regular reviews. All our subsidiaries seek to fill vacancies through internal promotions, provided that the candidate employees possess the knowledge and qualifications required. In 2013, 85% of our employees received annual reviews of their performance and career prospects, with this percentage rising to nearly 92% in the case of full-time employees. In terms of our subsidiaries' activities, in 2013:

→ METKA S.A. applied a modern Performance Review System to record and assesses in an objective manner the performance of its employees against specific performance criteria. The purpose of the system is twofold: To guide the objective evaluation of the performance of employees on the basis of their contribution to the achievement of the corporate targets, and to help employees further develop and advance in the corporate environment. An interactive training programme was also carried out for Executives selected as evaluators in the Performance Reviews, to help them understand the significance of their role and to ensure an objective review based on the use of correct methods for assessing the contribution made by each employee. The application of this system during 2013 led to the promotion of five (5) employees to positions of responsibility.

→ Improvements and adjustments were also made to the Performance Review System of PROTERGIA S.A. The improvements concerned changes to the employee evaluation and self-evaluation forms and to the corresponding performance guide, with the aim of simplifying the procedure and maximising objectivity in recording the results.

As regards the practices relating to the provision of transition programmes designed to support employees about to retire, our 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

BREAKDOWN OF TRAINING HOURS BY ACTIVITY SECTOR (TOTAL 53,717 HOURS)



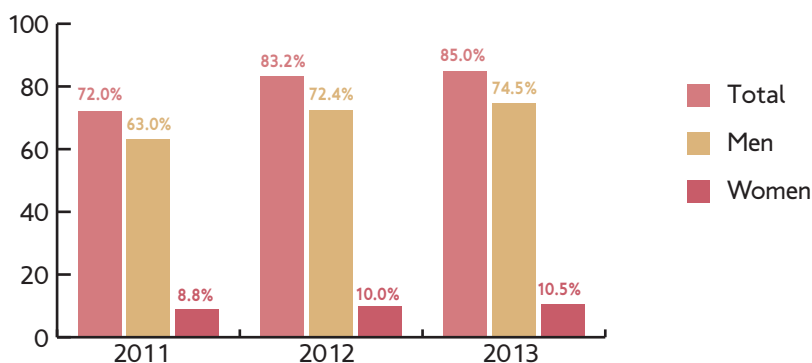
AVERAGE PERSONNEL TRAINING HOURS BY EMPLOYMENT POSITION

	2011	2012	2013
Average training hours (Executives)	31.3	26.3	31.0
Average training hours (Administrative employees)	17.7	18.2	23.5
Average training hours (Technical & Labour personnel)	45.1	44.6	35.8

AVERAGE PERSONNEL TRAINING HOURS BY GENDER

	2011	2012	2013
Average training hours (Men)	35.0	37.2	35.0
Average training hours (Women)	8.5	10.5	17.8

PERCENTAGE OF EMPLOYEES WHO RECEIVED A PERFORMANCE EVALUATION REVIEW



to help these persons adjust smoothly to their new jobs. In addition, through its Talent Management System our Group identifies employees with exceptional capabilities who become candidates for senior management positions. Finally, in the case of dis-

missals compensation is payable in accordance with the provisions of Law 2112/20 and Law 3198/55, while in some cases the compensation actually paid is higher than the statutory one.

6.5 COMPENSATIONS & BENEFITS

Our Group's Human Resources policy includes various productivity reward programmes and even profit distribution plans, based on overall employee performance. We apply comprehensive compensations and benefits plans and special-purpose pay definition and evolution schemes specific to each one of our activity sectors, characterised by meritocracy and objectivity, in full compliance with the collective bargaining agreements, for all our employees. Our objective is to ensure meritocracy in earning levels, guarantee competitive earnings in relation to the Greek market and lay the foundations for long-term relations with our employees in all our subsidiaries. Our plans are free from all discrimination and support the principles of equal treatment and transparency, laying down clearly defined policies for all categories of personnel. Our Group offers its employees earnings that cover their own personal needs as well as those of their dependent family members. In regions of the Group's activities abroad where

BASIC SALARY FOR WOMEN vs BASIC SALARY FOR MEN, BY EMPLOYMENT POSITION

	2012	2013
Executives	-16,5%	-12,5%
Administrative employees	-11,5%	-8,5%
Technical & Labour personnel	-17,7%	-21,0%

ere no base salary provisions are in place or if the national base salary is not sufficient to cover the basic needs of employees and their families, the level of their compensation is calculated based on the cost of living for the particular region.

Due to the specific nature of their activities, our subsidiaries – especially in the Metallurgy & Mining sector and the Construction & EPC Projects sector – employ primarily men in positions with higher specialisation requirements (technical or managerial), with women employed in less specialised positions, a situation that is inevitably reflected in the corresponding salary levels.

Furthermore, we respect our employees' right to parental leave and we ensure that they retain their jobs after the end of their leave. During 2013, 10 out of our 15 employees who took parental leave returned to work, with the remaining 5 continuing on parental leave. In addition, the percentage of employees retained 12 months from their return from parental leave, as shown in the table below, is clearly affected by the "nil" value reported for women: this is due to the fact that, although these women were retained and were working in the Group, in 2013 they had not yet completed 12 months of continuous employment, as required by the relevant indicator.

EMPLOYEES RETURNING AND RETAINED AT WORK AFTER THE END OF PARENTAL LEAVE, BY GENDER

	2013
Employees entitled to parental leave	358
Men	321
Women	37
Employees who took parental leave	15
Men	4
Women	11
Employees returning to work after the end of parental leave	10
Men	4
Women	6
Rate of employees returning to work after the end of parental leave	71.4%
Employees returning to work after the end of parental leave and retained 12 months from their return	10
Men	4
Women	0
Rate of employees returning to work after the end of parental leave and retained 12 months from their return	40%

6.6 PARTICIPATION IN THE DEVELOPMENT OF LOCAL COMMUNITIES

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. The continuous development of our collaboration with the populations of local communities, where our activities are of a higher

visibility, taking into account their particular characteristics and needs together with the local custom and practice, is a catalyst for the implementation of our social initiatives and actions. In all cases, we remain unequivocally committed to understanding and responding to the concerns of our local com-

munities through the open dialogue processes that we follow. Fully aware of the significant work of the Local Authorities, we share our know-how and expertise with them and, through collective effort, we build partnerships that yield multiple benefits, create added value and strengthen social cohesion.

MYTILINEOS GROUP: KEY SOCIAL CONTRIBUTION PILLARS

Bolstering of local employment

Our traditional commitment to recruit employees primarily from our local communities translated into a share of 85% of our total workforce in 2013, with a total 2,000 jobs retained across the Group during the year. In addition to hiring full-time personnel, we also bolster local employment through the turnkey (EPC) construction of power plants and the construction and operation of RES projects.

Creation of adequate income

The employee compensation systems that we apply in all our 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, enabling our employees to fully cover their own personal needs and those of their families, while in parallel maintaining a balance between their professional and family obligations.

Development of the local economy

In meeting their needs, all Group subsidiaries give priority to local suppliers (according to their needs and specific characteristics and irrespective of the corresponding share of their total purchases budget). During 2013 nearly 30% of the purchases budget of our companies represented payments to local suppliers but also expenditures for the provision of know-how and technical support to Local Authorities and other local organisations.

Economic, Social & Environmental benefits from the development of RES Projects

Public benefit projects in support of local communities are implemented primarily during the construction stage of RES projects and can indicatively include the following:

- Significant reduction of the gas pollutants from the combustion of mineral fuels (lignite, coal, oil), which contribute to Climate Change.
- Virtually nil environmental nuisance, minimal disruption to the natural ecosystem and protection of biodiversity.
- Guaranteed income for the local communities from the operation of the RES projects.
- Construction of infrastructure works to improve the life of local residents, such as road building or maintenance, repairs or construction of municipal buildings and facilities, in collaboration with the Municipalities concerned and depending of their needs.
- Donations to Municipalities towards the purchase of vehicles and equipment required for the operation of Municipal Services and for fire protection.

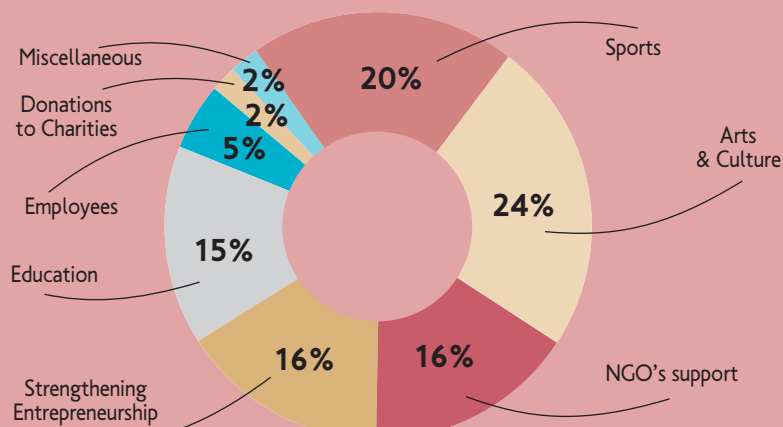
Coverage of local needs in infrastructures

Through the consultations that we hold with our Stakeholders, coupled with the implementation of our "Open Door" Policy, we record the relevant needs of our local communities, which are then assessed by the CSR Teams of our subsidiaries, with priority given to projects of a public benefit nature. During 2013, a total of €147,000 (up 48% from 2012) were invested to cover our local communities' basic needs in infrastructures and thus help alleviate problems made more acute by the prolonged economic crisis.

The value of our sponsoring plan for 2013 (including in-kind sponsorships) stood at €610,000, posting a slight decline by 5% from 2013. It was realised through all our subsidiaries and covered a broad range of social issues.

MYTILINEOS GROUP: SOCIAL EXPENDITURES BY CATEGORY OF ACTIONS (TOTAL: €610,000)

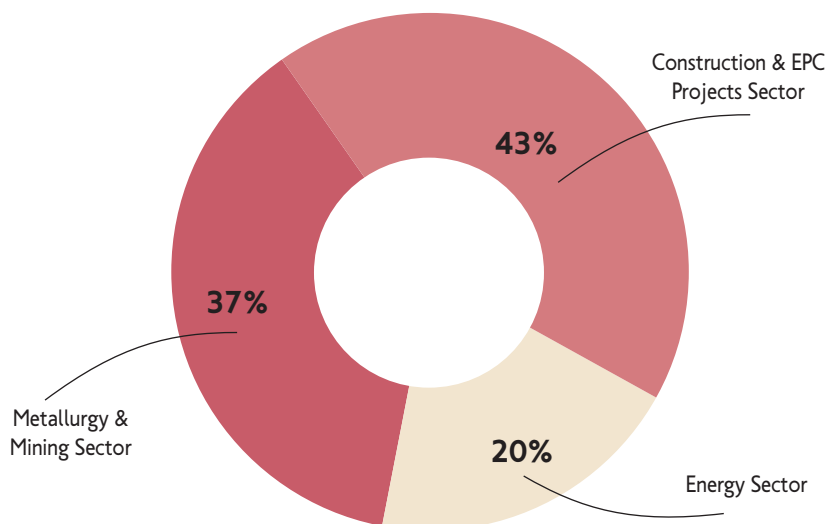
Donations, sponsorships and financial assistance to other charitable causes



Initiatives and actions by the Group in implementation of our policy on community development and collaboration:

- Purchase and donation of 50 brand-new PCs for the operation of IT Labs and for covering other technological needs in a total of 18 Primary, Upper Secondary and Higher Secondary Schools in the Municipality of Distomon-Arachova-Antikyra and the Municipality of Levadia, towards reducing the digital divide.
- Active support of the initiative of the Holy Diocese of Thebes and Levadia and of the Levadia Centre of Labour Unions to establish 5 Social Preparatory Schools for Upper Secondary Education pupils from families in financial difficulty. In addition to provisioning these schools with heating oil throughout the winter, thus ensuring their smooth operation, we actively helped find suitable premises to accommodate the schools.
- Complete refurbishment of the Sanitary Facilities in the Davlia summer camp for children, to comply with the requirements for the issue of the camp's operating license (the camp is accommodating children from orphan's homes and schools in Greece and from countries in state of war).
- Organisation and purchase of electrical equipment for installation of lighting units in squares and specific streets of Kyriaki. Purchase of supplies and provision of work for the maintenance of the lighting system of the Aspra Spitia sports facilities.
- Establishment of a modern Library for the Kyriaki nursery school, in collaboration with the school's teachers.
- Purchase of products and financial support of the Social Grocery Stores of the Fokida Regional Unit and the Municipality of Delphi.
- Provision of financing for the purchase of musical instruments required for the provision of all-round musical education by the Amfissa Musical School.
- Maintenance of the building of the Upper Secondary Education school in Aspra Spitia and forwarding of voluntary donations to the School's pupils.
- Staffing school bus for children, to facilitate transport to/from school the children of local families in Aspra Spitia.
- Reconstruction of the Varybobi Interchange and of the central town square in Menidi.
- Supply of transformers for the facilities of the biological wastewater treatment in Ag. Theodoroi (Municipality of Loutraki).
- Purchase of four interactive boards for the

MYTILINEOS GROUP: SOCIAL EXPENDITURES BY ACTIVITY SECTOR (TOTAL: €757,000)



- "Katsikeio" 1st Primary School in Karystos (teacher positions: 12).
- Provisioning with heating oil of four (4) schools under the responsibility of the Primary Education School Committee of the Municipality of Karystos.
- Donation of a used truck – multi-purpose vehicle to the Municipality of Karystos.
- Financial support of the "Become part of our Heart" information and awareness programme for children, carried out by the Association "TOGETHER FOR CHILDREN" during the school year 2013-2014.
- Long-standing assistance to the Volos Branch of the ELEPAP organisation and annual "financial adoption" of one child without health insurance from the 12 children under ELEPAP's care.
- "I look after the beaches in my hometown": a voluntary action for cleaning up beaches in the Municipality of Distomon-Arachova-Antikyra, carried out in collaboration with the Local Authorities, the MEDEON Sports and Recreation Club with the participation of children from the Municipality's Primary Schools.

hours in total in the context of a practical training arrangement. Our 28 new colleagues, who are University graduates, will carry out a specific project in selected Departments of the Corporate Centre, ALUMINIUM S.A. and METKA S.A.

- **"MEDEONEIA 2013"**
MEDEONEIA, the Summer Festival organised every year by the MEDEON Sports and Recreation Club in Aspra Spitia, was again held in 2013 to great success. The event of this year's Summer Festival included: a Beach Volleyball Tournament, with the participation of 28 teams, a Tennis Tournament, with 68 participations of athletes from Aspra Spitia, Arachova and Levadia, a Swimming Marathon (from the Antikyra Lighthouse to Aspra Spitia), with 18 swimmers taking part and the two-day Volleyball event with the participation of the Women's Volleyball Team of the Greek Police, during which one Indoor Volleyball Match was hosted in the Distomon indoor Sports Hall and one Beach Volleyball Match was played in the Aspra Spitia beach.

Programmes to promote social cohesion:

- **Practical training with the Group for 28 young unemployed people**
Highly sensitised to the grave social problem of unemployment in the country, the Group participates in the programme of the Manpower Employment Organisation (OAED) for providing work to unemployed young people up to 28 years old, who are Upper Secondary Education or University graduates. In collaboration with various Vocational Training Centres (VTCs), the trainees joined the Group in September 2013 and will be employed for 500



6.7 ACTIONS TO STRENGTHEN TRANSPARENCY

During 2013, we took a number of initiatives to improve our performance in this particular area. More specifically:

INITIATIVES	RESULTS
1. In each one of our subsidiaries, we implemented a self-assessment procedure regarding our performance in connection with actions to combat Corruption and Bribery, drawing on the guidelines accompanying the relevant tool of Transparency International.	The methodology of this procedure enabled us to investigate any deficiencies in terms of prevention policies and procedures as well as in terms of transactions, focusing on sensitive areas which may involve circumstances encouraging Corruption and Bribery. The key results from this procedure determine the Group's immediate goals in this particular area.
2. We developed and are disclosing for the first time our Management Approach to combating Corruption and Bribery.	We developed our Management Approach in order to disclose our position of zero tolerance for corruption and bribery, wherever these may come from, and to establish our Management Approach as the basis on which our responsible entrepreneurship initiatives are founded.
3. We developed a "Code of Conduct for the Suppliers and Business Partners of MYTILINEOS Group".	With this initiative, the Group is informing its key Suppliers / Business Partners of its specific requirements and expects them to develop key policies and procedures against the risks of Corruption and Bribery. The Group will assess the compliance of its Suppliers / Business Partners and will take it into consideration in the selection procedure regarding the conclusion of business agreements.
4. We included for the first time the subject of combating Corruption and Bribery in the consultations with our Stakeholders.	During the presentation of our Social Footprint, we had the opportunity to discuss combating Corruption as a subject which our strict self-assessment has shown to be the one with the most significant impact on society for our Group. Readers are reminded that, in establishing our Social Footprint, the fact that from its establishment to this day no incidents of Corruption have been recorded in the Group, was not taken into account.
5. Through the procedures applied in the Purchases – Procurement Units of our subsidiaries, we checked the selection of business partners as well as all types of transactions.	No incidents of Corruption or Bribery were recorded in the Group for 2013 as a result of these actions.
6. Through the Internal Audit System, we assessed the relevant risks and verified the compliance of our subsidiaries' operations with our established policies and procedures, as these are defined in our Code of Professional Ethics, in the Internal Regulation of each individual company, and in the laws and regulatory provisions in force.	
7. We upgraded our UNGC COP Differentiation Level from Active to Advanced.	In doing so, we strengthen our commitment to Principle 10 of the UN Global Compact and we move towards the gradual application of specific best practices that will help us implement our policy more effectively.

Anti-Corruption Management approach

The business ethics of MYTILINEOS Group are reflected in its steadfast opposition to all practices which invalidate competition, give rise to procedures lacking in transparency and compromise the very essence of entrepreneurship. In our view, corruption, bribery and

extortion undermine the moral environment of businesses and have a broad range of negative effects that include violations of Human Rights, impacts on the environment, distortion of the competition and impediments to the distribution of wealth and economic development. In general, they are a major hin-

drance to sustainable development, with a disproportionate impact on poor communities, and corrode the very fabric of society. In our Group, the reference for our efforts to promote transparency is our corporate value that refers to the "PRINCIPLE OF INTEGRITY", which relates to our longstand-

ing commitment to ZERO TOLERANCE for corruption and bribery and is implemented by avoiding all transactions and contacts with any third party which may be guilty or suspect of encouraging conditions giving rise to corruption, extortion or bribery. Furthermore, our publicly declared commitment to Principle 10 of the UN Global Compact, according to which “We work against corruption in all its forms, including extortion and bribery”, is a catalyst for the development of our subsidiaries’ corporate culture regarding the promotion of transparency. To this end, our aim as a Group is to evaluate and improve our procedures for managing the risk of corruption and to verify that the operations of our subsidiaries, as well as those of our key suppliers and business partners, comply with our established policies and procedures, as these are defined in the Professional Ethics Code, in the Internal Regulations of the individual Group companies and in the Code of Conduct for Suppliers & Business Partners, always ensuring our full alignment with the laws and regulatory provisions in force.

Our policy on addressing corruption is organised in three key stages:

- The first stage involves the analysis of the prevailing conditions and the identification of potential risks or threats which may encourage the occurrence of non-ethical incidents in our corporate environment. These are implemented through annuals self-assessments and internal preventive audits with a view to introducing measures to combat corruption at the level of the Group’s subsidiaries, in parallel with a relevant internal audit programme at the Group level. This analysis is an important and necessary management practice which helps assess the likelihood of occurrence of instances of corruption or bribery in several sensitive areas, such as political and charitable contributions, sponsorships, facilitation payments, gifts and hospitality, with a view to formulating relevant policies but also to establishing the procedures – where these are not in place – which are required to deal with such instances.
- The second stage refers to ensuring that all transactions carried out on behalf of the Group by our shareholders, employees, subsidiaries and key business partners and suppliers are characterised by a high level of integrity and by high moral stan-

dards. Through established procedures, applying primarily in our Purchases and Procurement Units for the selection of suppliers and other business partners, we check the conditions under which every single transaction is carried out, in order to identify and eliminate those which may give rise to incidents of corruption.

- The third stage refers to our operation as a “Responsible Corporate Citizen”, reflected in a number of voluntary initiatives such as: adherence to market rules, participation in international standards to strengthen transparency, establishing transparency as an important item on the agenda of the ongoing dialogue with our key Stakeholder groups, the provision of training on anti-corruption policies and procedures to our employees of all levels and in general in our dedication to ethical business practices and proper corporate governance.

Our goal is to eliminate completely our exposure to corruption, as we firmly believe that strengthening transparency in all transactions connected with the Group’s business activities is crucial to its sustainability.



KEY RESULTS OF THE SELF-ASSESSMENT CARRIED OUT BY THE MYTILINEOS GROUP SUBSIDIARIES REGARDING THE DEVELOPMENT OF TRANSPARENCY

AREAS INVESTIGATED

GENERAL DIRECTIONS

POLICIES

1. Formulation of specific policies, such as a policy on the protection of employees in the event of complaints being made about incidents or cases of corruption or bribery.
2. Revision of the Group's Professional Ethics Code.
3. Provision of training in the Code of Conduct for Suppliers and Business Partners to the Group subsidiaries.

PROCEDURES

1. Full inclusion of the subject of combating Corruption and Bribery in the consultations with our Stakeholders.
2. Development of a special-purpose handbook with guidelines on the prevention / avoidance of corruption and bribery.
3. Provision to the Group's top management executives of training in the importance of the laws against corruption and bribery.
4. Design of training for employees, senior executives and supervisors, in connection with the company's positions against corruption and bribery and with the procedures for the imposition of sanctions in cases of violation of its policy.
5. Design of a communication procedure through which employees and third parties may be provided with relevant information and advice and/or lodge complaints about incidents involving corruption and bribery without fear of retaliation.
6. Design of a procedure allowing the termination of business agreements where the contractors, suppliers or subcontractors were involved or are suspected of being involved in incidents of corruption or bribery which are contrary to the principles of the Group.
7. Design of a verification procedure for the Group's key suppliers and business partners, in order to ensure their adherence to policies and procedures that combat corruption and bribery.

POLITICAL CONTRIBUTIONS

MYTILINEOS Group has nothing to do with financial and in-kind contributions to political parties, politicians and related institutions.

CHARITABLE CONTRIBUTIONS

1. Formulation of a written policy to cover "Charitable Contributions".
2. Development of a procedure for the review and approval of "Charitable Contributions", based on specific criteria which will also cover Corruption and Bribery.
3. Revision of auditing procedures in order to ensure that "Charitable Contributions" are not used as a means to encourage incidents of corruption and bribery.

SPONSORSHIPS

1. Formulation of a written policy to cover "Sponsorships".
2. Revision of auditing procedures in order to ensure that "Sponsorships" are not used as a means to encourage incidents of corruption and bribery.

FACILITATION PAYMENTS

MYTILINEOS Group has nothing to do with "Facilitation Payments". Nevertheless, the formulation and promotion of a written policy prohibiting "Facilitation Payments" to all Group subsidiaries is considered necessary.

GIFTS AND HOSPITALITY EXPENSES

1. Definition of the terms "Gifts" and "Hospitality Expenses" for the Group.
2. Formulation of a formal policy prohibiting the use of "Gifts" and "Hospitality Expenses" which might influence or be assumed to influence the outcome of business agreements and are not reasonable expenses made in good faith.
3. Establishment of communication channels for dissemination to the Group's employees of the guidelines on handling cases involving giving or receiving "Gifts" and "Hospitality Expenses".

6.8 PROTECTION OF HUMAN RIGHTS

In 2013, turning into concrete action our commitment to determine the factors and the sensitive areas which may give rise to conditions encouraging the violation of Human Rights in our work premises, we de-

signed and implemented for the very first time, in all our subsidiaries, a special Self-Assessment exercise modeled after the special self-evaluation tool recommended by the UN Global Compact.

The table below summarises the assessed areas requiring particular attention and the expected compliance actions for the Group companies:

KEY RESULTS OF THE SELF-ASSESSMENT CARRIED OUT BY THE MYTILINEOS GROUP SUBSIDIARIES REGARDING THE PROTECTION OF HUMAN RIGHTS

AREAS INVESTIGATED	GENERAL DIRECTIONS
HEALTH & SAFETY	Extension of the dialogue on Health & Safety to cover most of the Group's employees (applies to 25% of the Group's subsidiaries).
WORKING HOURS – PAYROLL & LEAVES	Procedure for scheduling, recording and monitoring the hours worked by every employee, and regular assessment of whether an adequate number of employees is available to allow production targets to be met without resorting to overtime work (refers to 25% of the Group's subsidiaries).
FAIR TREATMENT OF EMPLOYEES	<ol style="list-style-type: none"> 1. Provision to the senior and top executives of our subsidiaries of training in the identification and handling of cases of harassment in the workplace. 2. Improvements in the procedure for briefing employees about the control and surveillance of working areas and about the purpose of such control or surveillance (refers to 25% of the Group's subsidiaries). 3. Procedure for securing the written consent of every employee prior to obtaining information from a person with whom the employee concerned has a privileged relation. 4. Briefing of employees about their obligations so that they may refrain from behaving in any way that is violent, threatening or abusive.
IMPACT ON LOCAL COMMUNITIES	<ol style="list-style-type: none"> 1. Development of a special-purpose handbook specifying the duties of Security personnel in terms of the rules governing their behaviour, based on the international standards for the protection of Human Rights. 2. Design of a procedure for recording incidents involving violations of Human Rights in connection with the security system applied, and of a mechanism for handling complaints which are made either by the employees or by citizens of the local communities and which concern the behaviour of Security personnel. 3. Development of a procedure for checking and evaluating the security system of the company for potential impacts on the local community, and for logging reliable complaints regarding violations of Human Rights by the company's Security personnel. 4. Inclusion of the risk of Human Rights violation in the company's assessment of security risks which may arise in connection with its security personnel. 5. Full inclusion in the company's contracts with private security companies, of the requirements relating to the international standards on the protection of Human Rights.
CHILD LABOUR	MYTILINEOS Group complies fully with the relevant laws. The employment of minors under the age of 18 is prohibited in the Group's companies. During 2013 no incidents involving child labour were established or reported in our subsidiaries.
FORCED LABOUR	All forms of forced labour are prohibited in MYTILINEOS Group. In the context of the self-assessment exercise, no deficiencies were established in terms of procedures or policies. During 2013 no incidents involving forced labour were established or reported in our subsidiaries.
DISCRIMINATION	<ol style="list-style-type: none"> 1. Revision of questionnaire (rephrasing of questions) regarding the acquisition of personal information from candidate employees, which may lead to incidents of discrimination during the recruitment process (refers to 25% of the Group's subsidiaries). 2. Provision to the Group's senior and top executives of training on corporate policies against discrimination. 3. Development of a mechanism or procedure for reporting incidents of discrimination occurring in the Group's work premises. 4. Completion of the procedure for describing each employment category, including the remuneration and the required qualifications (refers to 25% of the Group's subsidiaries).

6.9 CHILD & FORCED LABOUR

We are committed to the internationally recognised principles regarding the protection of Human Rights, as these are determined in the Universal Declaration on Human Rights. In addition, acknowledging our share of the responsibility to play a part in the efforts to limit this practice, we apply the Principles of the UN Global Compact which refer to the effective abolition of child labour and of the employment of young contracted personnel in hazardous work, as well as of all forms of forced or compulsory labour.

In line with the above, during 2013 and in

parallel with our current practices (such as our full compliance with the applicable laws, the application of the relevant provisions of the Group's Professional Ethics Code, the mobilisation of the Human Resources Departments of all our subsidiaries regarding the need to monitor such practices and to take action in collaboration with the representatives of employees' unions, where these exist), we took important initiatives that strengthen the procedure for prevention of such incidents.

More specifically:



INITIATIVES

We developed a “Code of Conduct for the Suppliers and Business Partners of MYTILINEOS Group”.

Through this initiative, we disclose and apply in practice our standing policy towards our supply chain actors, which consists in carrying out prior checks and refusing 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.

We upgraded our UNGC COP Differentiation Level from Active to Advanced.

In doing so, we strengthen our commitment to Principle 10 of the UN Global Compact and we move towards the gradual application of specific best practices that will help us implement our policy more effectively.

We applied special preventive procedures where our activity is considered to present a higher risk of occurrence of forced or child labour (e.g. construction of power plants, through METKA S.A., in specific geographical areas).

- In these specific regions, METKA S.A. takes all necessary steps to ensure compliance with the provisions of the laws regarding 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. In parallel, the company requires its Managers and Senior Executives to undertake a binding commitment to adopt fully and defend these principles and to adhere to the applicable legal framework. Furthermore, all contracts and agreements that the Company concludes with its business partners contain clauses on the mandatory compliance with the applicable national laws, rules and regulations, in order to rule out all likelihood of incidents of child labour and forced labour as well as of incidents of employment of young contracted personnel in hazardous work, and on the acceptance of the Code of Conduct of the Suppliers and Business Partners of MYTILINEOS Group as a prerequisite for collaboration.
- METKA S.A. has in place supervisors at its work premises (construction sites or plants), who carry out constant checks of subcontractors for adherence to the law and for compliance with the contractual terms, to eliminate all likelihood of incidents of forced labour. All projects undertaken by METKA S.A. are also subject to regular audits and inspections conducted by the company's headquarters as well as 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.

6.10 EQUAL OPPORTUNITIES & DIVERSITY

The provision of an environment of equal opportunities, where all employees enjoy exactly the same rights and are treated fairly and according to the abilities that they have in order to respond to the roles they have been assigned, is a core value for our Group. At the same time, the climate of equality is founded on the respect for individuality, coupled with the development of organisational structures and procedures that embrace and build on diversity, creating an inclusive work environment for all employees without exception.

With the utmost respect for the personality of every individual, we follow the internationally accepted practices in all the regions and countries where we operate, ensuring that decisions on matters such as recruitment, pro-

motions, professional training, retirement but also the termination of contracts, are taken based only on unbiased criteria and are not connected to any type of discrimination, such as on grounds of gender, age, nationality, race, colour, religion, language, mental or physical disability, opinion, health status, sexual orientation, family status, social status or political affiliation of employees. As the greatest part of our activities are in the heavy industries sector, the participation of women in employment and the advancement of young employees (proportionately and always in accordance with the requirements in each one of our activity sectors), are key to the promotion of equal opportunities in our work environment.

It should be mentioned that since the establishment of our Group, no incidents of discrimination have been reported in the plant facilities or in the administrative premises of our subsidiaries to this day. Moreover, in 2013:

- We doubled the participation of women in the Management of the Group's companies to 10.3% currently.
- We increased to 16% the women's share of our total Executives.
- The Group's training programmes in 2013 were attended by employees of all age groups and by women employees.
- We increased the average training hours for women to 18 hours per year, up from 10.5 in 2012.

GROUP PERSONNEL BREAKDOWN
ACCORDING TO SPECIAL INDICATORS OF
DIVERSITY, BY EMPLOYMENT POSITION

	TOTAL PERSONNEL	GROUP GOVERNANCE BODIES	EXECUTIVES	ADMINISTRATIVE EMPLOYEES	TECHNICAL & LABOUR PERSONNEL
Men	88.0%	89.0%	84.0%	71.6%	98.1%
Women	12.0%	10.3%	16.0%	28.4%	1.9%
<30 y.o.	16.9%	0.0%	8.7%	11.3%	20.6%
30-50 y.o.	67.8%	15.4%	68.8%	68.0%	67.4%
>50 y.o.	15.4%	84.6%	22.5%	20.7%	12.0%
Employees from ethnic minorities	0.3%	0.0%	0.0%	0.4%	0.4%
Employees with a Disability (PWD)	0.1%	0.0%	0.0%	0.4%	0.0%

GROUP PERSONNEL BREAKDOWN
ACCORDING TO SPECIAL INDICATORS
OF DIVERSITY, BY GENDER

	EMPLOYEES <30 Y.O.	EMPLOYEES 30 - 50 Y.O.	EMPLOYEES >50 Y.O.	EMPLOYEES FROM ETHNIC MINORITIES	EMPLOYEES WITH A DISABILITY (PWD)
Men	14.2%	58.4%	13.7%	0.3%	0.1%
Women	2.6%	9.4%	1.7%	0.1%	0.0%

6.11 FREEDOM OF ASSOCIATION

In the current adverse economic climate, a key prerequisite for the stability of our Group's business units is the protection of labour rights and especially the respect for the freedom of association and for the right of our employees to participate in strikes. Furthermore, all Group Companies recognise the employees' right to trade-unionism, i.e. the right to establish unions, to participate in them and to enter into collective negotiations. During 2013, no areas were identified and no incidents were reported involving a threat to or a violation of these rights. This

is the result of the application of a specific social negotiation process, whose fundamental prerequisite is the commitment of our subsidiaries' Management and employees to the detailed arrangements on social and labour issues, taking into consideration the rights and interests of both sides.

In the Metallurgy & Mining sector and the Construction & EPC Projects sector, the institution and functioning of Employees' Unions and their close collaboration with the representatives of the Management help

safeguard the interests (financial, work-related and insurance-related) of employees and guarantee the continuation of their acquired rights and their improvement in terms of quality and quantity.

In particular, the Management of ALUMINIUM S.A. holds consultations with the official Employees' Union within the framework defined by the following: (a) Equality and respect for the interests of both parties, (b) compliance by both parties and by their representatives with the statutory provisions and with

the Internal Regulations of the company and of the Group which have been jointly approved or agreed, (c) recognition of the need for mutually acceptable compromises in negotiating the terms and conditions of the collective bargaining agreement and (e) freedom of expression in connection with voicing opinions on labour issues.

METKA S.A. encourages the dialogue with its employees and with their legal representatives and applies fully all the provisions of the labour laws or business agreements, seeking always to maintain labour peace and the best possible climate in labour relations. In its business units, the Management of METKA S.A. is communicating with the official Union (Volos Plant), which it recognises as the lawful representative of its employees, and holds regular meetings inviting discussion on any issues of interest in order to reach agreement as to their resolution. During 2011, a company-level agreement was signed between the Employees' Union of the Volos Plant and the Company, whose terms are more favourable for employees than the corresponding provisions of the labour legislation in force and

which remains in effect despite the adverse conditions in the economy.

Furthermore, in the Construction & EPC Projects sector MYTILINEOS Group operates business units abroad and collaborates with suppliers in various countries (including developing ones), a situation that increases the



risk of occurrence of incidents involving restrictions on the freedom of association and collective bargaining. All the contracts which our subsidiary METKA S.A. concludes with its supply chain actors contain clauses on the adherence to the applicable national laws and statutory rules and regulations, and on the strict compliance with the provisions of the labour laws, in order to ensure the protection of labour rights. In particular, the contracts with suppliers or subcontractors with which the company maintains business associations include an explicit clause on safeguarding wages pursuant to the applicable laws and on maintaining safe work conditions for employees, together with provisions on the protection of the freedom of association and collective bargaining.

Finally, although no incidents were reported involving violations of these labour rights by our key suppliers and business partners, our intention in issuing the "Code of Conduct for the Suppliers and Business Partners of MYTILINEOS Group" is to put in place a formal framework in support of our efforts to systematically promote the freedom of association to our supply chain actors.

6.12 PRODUCT QUALITY AND SAFETY

MYTILINEOS Group complies with the national laws and the international guidelines and industry standards applicable to its activity areas in connection with the design and production of its products and the methods it employs for their promotion and marketing. Our 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 the final product.

The strict compliance with the laws and regulations governing the manufacture of products; the adherence to the principle that no product is signed off to the next production stage unless the quality criteria of the previous stage have been met; the strict implementation of the procedures under the EN ISO 9001 Quality Management System; the development 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 Construction & EPC sector.

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 a critical stage that defines the level of the quality offered to our customers. Key aspects of the management of our products are the technology 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 S.A. has been synonym to the impressive evolution of the metallurgical sector in Greece and its current production and commercial processes are on a par with those of 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.

Indicative 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 non-usable 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 to its technical competencies and overall adequacy for carrying out tests in the areas for which it has been accredited.

LARGEST VERTICALLY INTEGRATED AND ONE OF THE LOWEST COST ALUMINIUM & ALUMINA PRODUCERS IN E.U.

Bauxite Mines



Key highlights

- Second largest bauxite producer in Europe with ~700ktpa of production capacity.
- Long life of mine underpinned by 11mt of resources.
- Long-term off-take agreement with S&B.

Alumina Refinery



Key highlights

- Amongst largest standalone smelters globally.
- Producer of 15% of total European Alumina output - ~815ktpa.
- Sufficient capacity to cover internal needs for the smelter and to export ~500ktpa.
- Long-term off-take agreement with global and regional players.

Aluminium Smelter



Key highlights

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

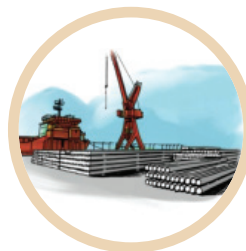
334 MW CHP



Key highlights

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

Port Facilities



Key highlights

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

Primary Aluminium Capacity 175 Ktn
Refined Alumina Capacity 815 ktn

LIFECYCLE STAGES IN WHICH HEALTH AND SAFETY IMPACTS OF PROJECTS/PRODUCTS ARE ASSESSED FOR IMPROVEMENT

METALLURGY & MINING SECTOR

CONSTRUCTION & EPC PROJECTS SECTOR

Product concept development	YES	YES
Research & Development	YES	YES
Certification	YES	YES
Manufacturing and production	YES	YES
Marketing and promotion	YES	YES
Storage, distribution and supply	YES	YES
Use and maintenance	YES	YES
Disposal, reuse or recycling	YES	YES

PERCENTAGE OF SIGNIFICANT PRODUCT CATEGORIES SUBJECT TO ASSESSMENT FOR COMPLIANCE WITH THE ABOVE PROCEDURES

METALLURGY & MINING SECTOR

CONSTRUCTION & EPC PROJECTS SECTOR

Alumina	100%	
Aluminium	100%	
EPC Contracts		100%
Metal & Mechanical Constructions		100%

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. Clients have at their disposal the tools allowing them to check all significant information which we provide and to proceed to the corresponding tests, if they so wish. In what in particular concerns the Construction & EPC Projects Sector, METKA S.A. carries out complex large-scale projects award-

ed as a result of competitive public tender procedures which are carried out by the respective clients and under which the proposed technical specifications and the prices offered by the various participants are compared. In all cases, the scope, responsibilities and commercial terms and conditions for the projects have been initially determined by the client and, upon conclusion of the final negotiations, relevant details are agreed in writing as part of 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 information and warnings, including:

- Instructions on the use, maintenance and disposal of 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.

CATEGORIES OF INFORMATION RELEVANT TO THE LABELLING OF THE GROUP'S PRODUCTS AND SERVICES

	METALLURGY & MINING SECTOR	CONSTRUCTION & EPC PROJECTS SECTOR
Collection of product or service data	No particular labelling requirements, as the products traded by the company are not hazardous. All necessary information is supplied upon request.	YES
Content, especially regarding substances which may have a potential environmental or social impact		YES
Safe use of product or service		YES
Product disposal and environmental/social impacts		YES

PERCENTAGE OF SIGNIFICANT PRODUCT CATEGORIES SUBJECT TO ASSESSMENT FOR COMPLIANCE WITH THE ABOVE PROCEDURES

	METALLURGY & MINING SECTOR	CONSTRUCTION & EPC PROJECTS SECTOR
Alumina	100%	
Aluminium	100%	
EPC Contracts		100%
Metal & Mechanical Constructions		100%



7.1 CORPORATE GOVERNANCE STRUCTURE

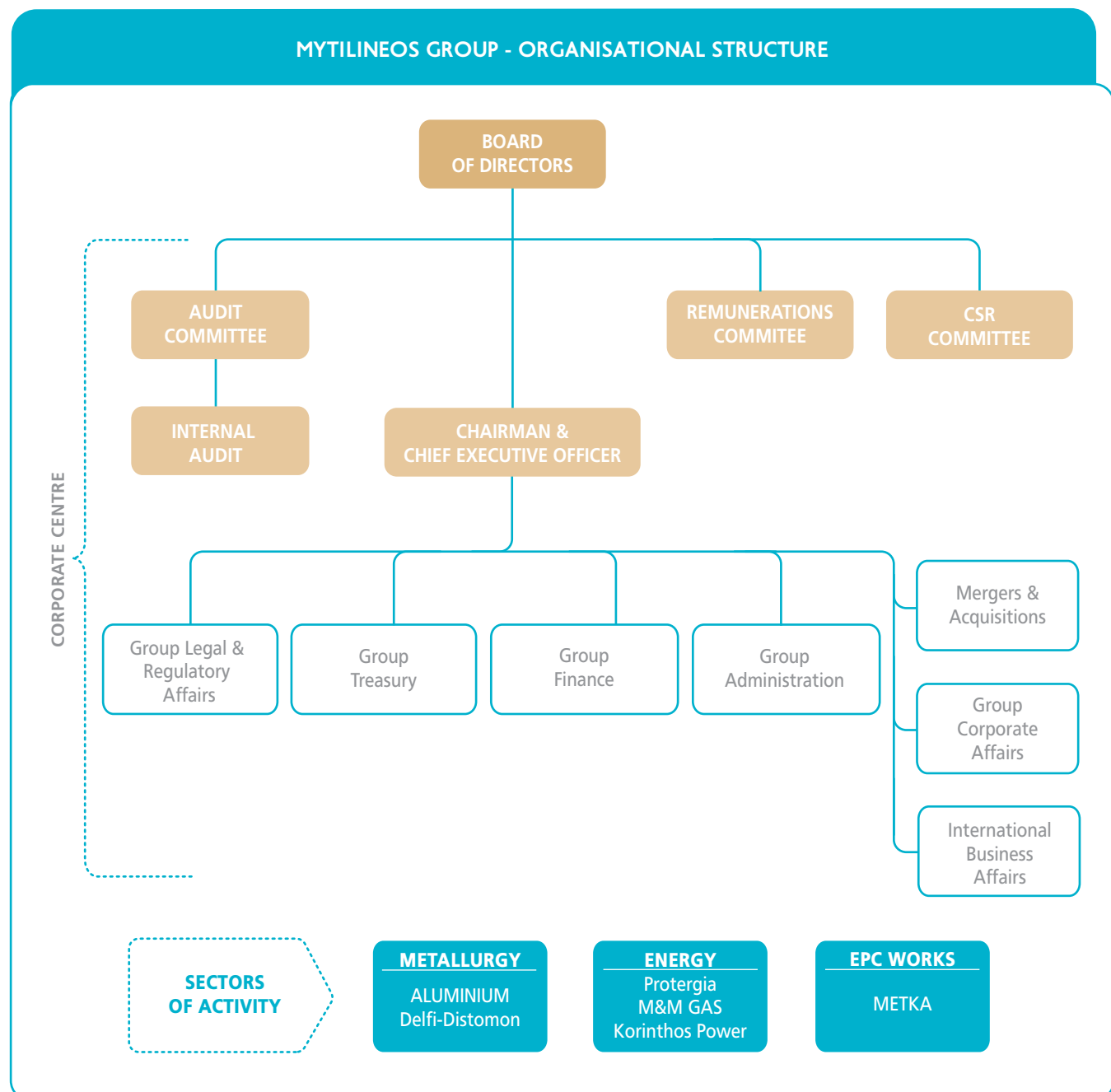
We apply the principles of Corporate Governance in accordance with the Greek laws in force, in order to ensure transparency and responsible operation across all our business activity sectors. Above all, we seek to safeguard the interests and the sustainability of our subsidiaries and to maximise the benefits to our shareholders and to the

investing public. Guided by the principles of Corporate Governance, MYTILINEOS HOLDINGS S.A. formulates the strategy and lays down the general directions, policies and principles that govern the operation of all Group subsidiaries.

The company's organisational structure defines the boundaries of responsibility, as-

sisting and facilitating decision-making and implementation in line with the Group's strategy. Its purpose is to establish the relationships and roles that guarantee the smooth operation of the Group, with MYTILINEOS HOLDINGS S.A. acting as the coordination centre.

MYTILINEOS GROUP - ORGANISATIONAL STRUCTURE



The Board of Directors is the body exercising the management of the Group. It is responsible for managing (administering and disposing) the company's property 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, de-

pending on the importance of the matters arising and the need for immediate decisions. The regular meetings of the Board of Directors are usually attended by all Board members. To this day, the Board of Directors has never failed to take a decision due to lack of quorum. In addition, during the 2013 the Board of Directors met sixty-six (66) times.

According to the Articles of Association, the

Board of Directors is composed of seven (7) to fifteen (15) members. The composition of the Board of Directors on 31 December 2013, as elected by the General Meeting of the Shareholders of the Company and established into a body in the General Meeting of 19 November 2013, at which Meeting the General Meeting also elected new members to the Board, was as follows:

NAME	STATUS
Evangelos G. Mytilineos	Executive Member, Chairman and Managing Director
Ioannis G. Mytilineos	Non Executive, Vice-Chairman
George-Fanourios S. Kontouzoglou	Executive Member - Executive Director
Sofial G. Daskalaki	Non-Executive Member
Wade R. Burton	Non-Executive Member
Nikolaos V. Karamouzis	Independent Non-Executive Member
Apostolos S. Georgiadis	Independent Non-Executive Member
Christos S. Zerefos	Independent Non-Executive Member
Michael D. Chandris	Independent Non-Executive Member

7.2 STATEMENT OF CORPORATE GOVERNANCE

This statement is made as part of our Group's compliance with the provisions of article 2 of Law 3873/2010 and concerns the following:

- Our compliance with the Corporate Governance Code: Our Group complies with the policies and practices adopted by the "SEV Corporate Governance Code for Listed Companies" of the Hellenic Federation of Enterprises (SEV).
- Our deviations from the special practices of the Code: The Group's practices, as applied in accordance with its Articles of Association, Internal Regulation and 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 (article 5.5). Given that there is no statu-

tory obligation to establish such a committee, and that our Group has in place strict criteria regarding the selection of candidates, our Group reserves its right to establish a committee for nominating can-



didate Board members, seeking/exploring in parallel the possibility of applying a commonly accepted methodology and procedure to this end.

- No procedure exists for evaluating the performance of the members of the Board of Directors and of its committees (article 7.1). Our Group intends to align itself with the said special practice after developing a relevant procedure.
- The Group's Articles of Association do not provide for a procedure for electronic voting or for the use of correspondence vote by the shareholders in the General Meeting (Part II. Article 1.2). The Group is awaiting the issuance of the relevant Ministerial Decisions in order to introduce a relevant procedure.
- The Group has not adopted a diversity policy, including a policy on the balance between genders as regards the members the BoD. Our Group intends to align itself with the said special practice after developing a relevant procedure.

7.3 CSR GOVERNANCE SYSTEM

The CSR Governance System serves as the foundation of our corporate approach to the concept of CSR. The management of the issues related to responsible entrepreneurship is a responsibility shared by all senior and top management executives of our Group, and covers all the policies adopted and all the actions taken in order to fulfill the expectations of our Stakeholders, over and above our statutory obligations. The integration of this system in the Group's organisational structure 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 our individual business activity sectors.



DESCRIPTION OF THE CSR GOVERNANCE SYSTEM

GROUP CSR COMMITTEE

The Group CSR Committee is established at the level of the Group's Board of Directors, includes the Group Chairman in its members and is primarily responsible for supervising and ensuring the correct implementation of the Corporate Social Responsibility in the Group 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.

GROUP COMMUNICATION DEPARTMENT

With its crucial coordinating role, the Group Communication Department is responsible for providing support to all our subsidiaries, in order to ensure compliance with the relevant standards and goals of the Group.

CSR TEAMS OF GROUP COMPANIES

The individual CSR Teams of our subsidiaries operate within specific and clearly defined boundaries of responsibilities and obligations, in order to ensure the implementation of the Group's policies and the realization of the individual CSR programmes.

DIALOGUE & COLLABORATION WITH STAKEHOLDERS

Our collaboration with our Stakeholder groups demonstrates our desire to remain tuned in to their expectations in the context of Sustainable Development, seeking to jointly work out and promote acceptable solutions to the issues that concern us, to the extent to which this is feasible.

COMPANY CODES

Key to the governance of CSR and to ensuring the commitment of the entire Group to the CSR requirements is the compliance with the Professional Ethics Code, which covers the rules of acceptable conduct regarding the Management's conduct towards its employees and the rules that govern the conduct of our employees between themselves and towards third parties, especially towards our Stakeholder groups. Of equal importance is the compliance with our newly-introduced Code of Conduct for Supplies and Business Partners, which describes our minimum requirements/expectations from our supply chain actors regarding CSR-related issues as a key precondition for entering into any commercial association with them.

OBJECTIVES OF THE CSR GOVERNANCE SYSTEM

- (a) To highlight the scope and breadth of the relevant concepts, with the ultimate goal of preventing business, social and environmental risks.
- (b) To identify and implement policies and initiatives that will substantially contribute to the achievement of Sustainable Development; and
- (c) To balance the economic, social and environmental implications of the Group's business activities, while generating value for our shareholders and all other Stakeholder groups in general.

The Group's Corporate Social Responsibility Committee is composed of two Board members without executive authority within the Company, with the other five members being executives of MYTILINEOS HOLDINGS S.A.

CSR COMMITTEE COMPOSITION	NAME	EXECUTIVE / NON-EXECUTIVE MEMBERS	INDEPENDENT MEMBERS
Chairman	Christos Diamantopoulos		
Member	Christos Zerefos	Non-Executive	Independent
Member	Sofia Daskalaki	Non-Executive	
Member	Spyros Kasdas		
Member	Vivian Bouzali		
Member	Fotis Spyrakos		
Member	Lydia Tsapara		

7.4 RISK MANAGEMENT

Our Group defines “risk” as a set of uncertain and unscheduled circumstances which may affect its operations, business activity and financial 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 our 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 is an organisationally independent unit that reports to the Board of Directors, evaluates and improves the risk management and internal audit systems while also ensuring the Group's compliance with the established policies and procedures, as these are laid down in the Internal Regulation, the laws in force and the legal and regulatory provisions.

With activities in three key business areas – Metallurgy & Mining, Energy and Construction & EPC Projects – our 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 IMPACTS ON THE GROUP'S OPERATION

Market Risk

In this context, the Group takes a number of measures to offset its exposure to market risk, improve its cost structure and ensure its liquidity. These include the following: Re-structuring of energy cost components; implementation of programmes for optimal utilisation of assets; implementation of cost reduction programmes; development of plans for production process improvements etc.

Increase in the cost of raw 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.

Availability of Greek bauxites and Market Concentration

The Greek bauxite market is already fairly concentrated in a small number of suppliers. This, coupled with the possibility of further 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 Greek producers.

Health & Safety and environmental rules and regulations

The Group's activities are subject to laws and regulations on health, safety and the environment. The cost for compliance with these regulations involves either investments or significant spending in actions regarding safe management of industrial waste and environmental rehabilitation. Environmental issues for which we may be held responsible could arise in the future in our current facilities and in facilities which we 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 Global Warming

The Group's operational margins might be affected by changes which may be made to its 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 acts primarily in the EU, where the Group is active. The potential impact of 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 revised legislation and the new provisions.

Political, Legal and Regulatory issues

The delays in the substantial liberalisation of the energy market may impact on the Group's activities and future results, as well as on the value of the Group's energy or other assets whose operation requires significant consumption of energy products. In addition, the Group may also be affected by potentially adverse developments for the Group in political and regulatory issues impacting on its activity in EPC projects abroad, especially so in countries characterised by political instability.

We are already in the process of defining a concrete, comprehensive and well-established Risk Management organisational structure. To this end, all our senior management executives are involved in the identification and initial assessment of risk factors, in order to facilitate the Management Councils of each business area and the Board of Directors of each subsidiary in planning specific Risk Management policies and procedures and obtaining approval for them.

We declare that our Sustainability Report 2013 meets the requirements of Application Level A+ as defined by GRI G3.1 Reporting Guidelines as well as the UNGC

Communication of Progress “Advanced Level”. The Report was checked by the GRI for its compliance with the Application Level A+ requirements, while the GRI Dis-

closure Table can be consulted at: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table.



Statement

GRI Application Level Check

GRI hereby states that **MYTILINEOS HOLDINGS S.A.** has presented its report “SUSTAINABILITY REPORT 2013” to GRI’s Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 17 July 2014



Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative



The “+” has been added to this Application Level because MYTILINEOS HOLDINGS S.A. has submitted (part of) this report for external assurance. GRI accepts the reporter’s own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.
www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 7 July 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

UN GLOBAL COMPACT

COMMUNICATION ON PROGRESS ADVANCED LEVEL

The United Nations Global Compact is a commitment platform and 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. As MYTILINEOS Group, we have declared in writing since 2008 our commitment to uphold the Ten Principles of the Global Compact, disclosing on an annual basis our relevant performance in the context of both our production activities and our broader transactions.

The table below presents our exposure to the Ten Principles of the Global Compact for the year 2013. Moreover, you can visit the address: www.mytilineos.gr/en-us/csr-reports/publications in our website, where you can consult the specially formatted report we prepared, regarding our fulfilment of the 21 criteria under the **UNGC Advanced COP Self-Assessment** (updated 1 March 2013), upgrading our COP Differentiation level from Active to Advanced.

DISCLOSURES TO THE PRINCIPLES OF THE UN GLOBAL COMPACT

DMA: Disclosure of Management Approach GRI: G3.1 Indicators

THE 10 PRINCIPLES OF THE UN GLOBAL COMPACT	REFERENCES TO SUSTAINABILITY REPORT 2013 SECTIONS	REFERENCES TO CSR SECTION IN OUR WEBSITE
1st Businesses should support and respect the protection of internationally proclaimed human rights.	6.1 (Social Footprint of MYTILINEOS Group) 6.3 (Occupational Health & Safety) 6.6 (Participation in the development of local communities) 6.8 (Protection of Human Rights) 6.9 (Child & Forced labour) 6.10 (Equal opportunities & Diversity) 6.11 (Freedom of Association)	DMA (Human Rights): http://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
2nd Businesses should make sure that they are not complicit in human rights abuses.	6.8 (Protection of Human Rights)	GRI - HR 1, HR 2 & HR 11: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table ■ Suppliers & Business Partners Code of Conduct: www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_gr.pdf
3rd Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	6.11 (Freedom of Association)	DMA (Human Rights): www.mytilineos.gr/en-us/safeguarding-of-human-rights/information#tab-management-approach GRI - LA4 & LA5: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table ■ Suppliers & Business Partners Code of Conduct: www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf
4th Businesses should uphold the elimination of all forms of forced and compulsory labour.	6.8 (Protection of Human Rights) 6.9 (Child & Forced labour)	DMA (Human Rights): www.mytilineos.gr/en-us/safeguarding-of-human-rights/information#tab-management-approach GRI - HR7: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table ■ Group Code of Ethics: www.mytilineos.gr/en-us/strengthening-transparency/information#tab-ethics-code ■ Suppliers & Business Partners Code of Conduct: www.mytilineos.gr/Uploads/PRESENTATIONS/Suppliers_BusinessPartnersCodeofConduct_en.pdf

5th Businesses should uphold the effective abolition of child labour.

6.8 (Protection of Human Rights)
6.9 (Child & Forced labour)

DMA (Human Rights):

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

GRI - HR6: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table

■ Group Code of Ethics:

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

■ Suppliers & Business Partners Code of Conduct:

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

6th Businesses should uphold the elimination of discrimination in respect of employment and occupation.

6.2 (Employment)
6.4 (Training & Development)
6.5 (Compensations & benefits)
6.10 (Equal opportunities & Diversity)

DMA (labour Practices):

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

GRI - HR4: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table

■ Group Code of Ethics:

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

■ Suppliers & Business Partners Code of Conduct:

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

7th Businesses should support a precautionary approach to environmental challenges.

5 (Environmental Performance)

DMA (Environment):

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

GRI - EN30: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table

■ Group Code of Ethics:

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

■ Suppliers & Business Partners Code of Conduct:

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

8th Businesses should undertake initiatives to promote greater environmental responsibility.

5 (Environmental Performance)

GRI - EN9, EN11, EN14, EN15, EN28 & EN30:

www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table

■ Suppliers & Business Partners Code of Conduct:

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

9th Businesses should encourage the development and diffusion of environmentally friendly technologies.

5.4 (Energy Consumption)
5.6 (Emissions)
5.8 (Management of solid and liquid waste)

GRI - EN30: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table

■ Suppliers & Business Partners Code of Conduct:

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

10th Businesses should work against corruption in all its forms, including extortion and bribery.

6.7 (Actions to strengthen Transparency)

■ Strengthen Transparency :

www.mytilineos.gr/en-us/strengthening-transparency/information

GRI - SO4: www.mytilineos.gr/en-us/csr-reports/publications#tab-csr-disclosure-table

■ Cooperation & Memberships in CSR initiatives:

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

■ Group Code of Ethics:

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

■ Suppliers & Business Partners Code of Conduct:

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



Encouraging
Corporate
Sustainable
Behavior

By, MEDA Communication S.A. a Social Management & Development Company
- CSR Specialist Consultant - ("MEDA") to MYTILINEOS Holdings S.A. ("Company")
on the Sustainability Report ("Report") ended 31st of December 2013.

Prologue

Mytilineos Holdings S.A. commissioned MEDA to perform an independent assurance on its Sustainability Report (printed format) and the related data in its website CSR section for the calendar year 2013.

Scope of Assurance

The basic objectives of our work, as agreed with the Company, included:

1) The evaluation of the Report's adherence to principles of the Global Reporting Initiative Sustainability Reporting Guidelines 2011 (GRI G3.1) for defining content. In this context and in terms of Stakeholders inclusiveness, our aim was also the assessment of the related information alignment with the Criterion 21 of the UN Global Compact Communication of Progress (COP) Advanced Level.

2) The accuracy and reliability of information and performance data included in Report's Social Performance section, as well as the verification of data sources and collection processes attested to by Company's subsidiaries CSR teams. Also, in this section, emphasis was placed in the accuracy of the specific information supporting the fulfillment of the related criteria of Global Compact Communication on Progress (COP) Self-Assessment Advanced Level (e.g. Labor, Human Rights and Anti - Corruption Management Policies & Procedures).

Our assurance did not include information relating to opinion expressions, aims or statements of the future commitments by the Company as well as data and information included in sections of the Report that are not listed in the "Scope of Assurance".

MEDA disclaims any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this assurance statement.

To the Readers – Roles and Responsibilities

The scope of the assurance includes a strict emphasis on the reliability and quality of the selected data included in Social Performance sec-

tion, in addition to verification of data sources and collection processes attested to by Company's subsidiaries CSR teams. Also, covers the evaluation of the Company's Stakeholders Dialogue Procedure and the evaluation of the Report's adherence to the principles Global Reporting Initiative Sustainability Reporting Guidelines 2011 (GRI G3.1). This assurance applies to the report based on the 2013 calendar year, published in July of 2013, it does not extend to events occurring prior to, or after the 2013 reporting cycle.

MEDA's approach & Assurance criteria

MEDA managed the assurance process through its specialized personnel who followed the GRI G3.1 Reporting Guidelines (updated in March 2011), in combination with self-developed practices based on ISO 26000 CSR International Standard and the ICM (International Council on Mining & Metals) Assurance Procedure, especially from Subject Matter 2, 4 and 5. Also, where necessary we assessed the information according to the COP Self-Assessment Advanced Level criteria and the supporting principles and guidelines (e.g. Anti-corruption and Protection of Human Rights) as suggested by the Global Compact. Concerning to the above mentioned criteria we undertook the following tasks:

- Interviewed 2 members of Company's CSR Committee of the Board to understand the overall CSR strategy, its objectives, the governance structures used for managing CSR as well as the implementation and monitoring of major corporate responsibility initiatives for 2013.
- Review of the Company's approach to Stakeholder engagement by reviewing associated procedures, documents and records. Moreover, and for further comprehension of this procedure, we attended two out of three Company's Dialogue Forums.
- Review of the Company's Materiality approach to confirm that the material issues were included in the Report.

- Carried out a one-day visit to the ALUMINIUM S.A. to assess the alignment of on-site practices with Group's strategy and procedures. This visit included: interviews with the CSR team members (mainly H&S and Human Resources managers), review of documentation, records, data management processes and practices related to Stakeholders engagement.

- Facilitated a 1 day workshop in PROTERGIA S.A., aimed at verifying perceptions of material issues. This workshop was attended by the company's CSR team. This enabled MEDA to understand and test the Company's Materiality process.

- Performed one-day visit to the METKA S.A. premises focusing mainly on labour relations, working conditions, Health & Safety, local community and social issues. This visit included interviews with METKA's CSR team members and review of management documents, performance records and data.

- Test elements, on a sample basis, of the Social Performance data measurement, collection, aggregation and reporting processes to test data reliability and accuracy, as they are transferred from the subsidiaries and managed from the Company (the Corporate Center of the Group).

- Interviewed key personnel responsible for collating and writing various parts of the Report to validate the reliability of selected claims. Assessment of the Report's adherence to the GRI Principles for Defining Report Content (Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness).

Findings - Conclusions

Our work confirms the following:

1. Evaluation of the Report's adherence to GRI G3.1 Principles for Defining Report Content

The Report has sufficiently responded to the GRI G3.1 Principles for Defining Report Content. The Report also complies with the ad-

ditional guidance and indicators included in the Final Version of the Metals and Mining Sector Supplement (March 2010) in order to fulfill the GRI G3.1 Level A+ requirements.

Materiality

The Company has in place an integrated materiality process which consists of a combination of several practices in order to enhance the identification of key issues that are material to its subsidiaries and its stakeholders. Also we came to the conclusion that:

- The materiality process is applied across the Company requiring the substantial involvement of the Management and the CSR teams of all its subsidiaries.
- The materiality analysis is well documented. We focused on the prioritization of sustainability issues through the application of a specific “Materiality Reporting Worksheet”, one of our self-developed practices, which combines internal and external criteria that used to determine, with a quantitative outcome, whether an issue is material or not according to GRI G3.1 Guidelines.
- The Company has added further rigour to its materiality process, by including additional input from its external stakeholders since its previous sustainability report.
- The Company has internal key performance indicators and management processes to measure the performance in most of material aspects that are disclosed within the report, such as Health & Safety and CO₂ emissions.
- The 2013 outcome has not missed out any significant, known material issues.

Stakeholder Inclusiveness

The Company has developed a five-stage Stakeholder engagement process, described in detail in the CSR section of Company’s website as mentioned within the Report, to strengthen its engagement with stakeholders and consequently its commitment to being an accountable and sustainable organization. This process demonstrates adherence to the GRI (G3.1.) principle of Stakeholders Inclusiveness as well as against the Criterion 21 of the GC COP Advanced Level Self-Assessment. Also we verify that:

- The Company has a Stakeholder identification and prioritization method and has established a formal consultation technique, which applies in annual basis, addressed to all its significant Stakeholder groups. For

each Stakeholder group the Report includes a list of engagement approaches. Reviewing these initiatives, on a sample basis at subsidiary level, we confirm that the content of the Report draws upon the outcomes of this engagement process.

- Applying our self-developed “Assessment of ability to respond to Stakeholders issues Worksheet”, Company’s response ability can be generally considered as an embedded method but there are still current processes under development in terms of internal responsibility and competency to address a concern, engagement activities and performance indicators measurements regarding significant issues.
- The Company’s Stakeholders Dialogue Forums, in 2013, took place in all its subsidiaries at local level. Concerning this engagement, we welcome Company’s actions taken to improve the quality of this process. More specifically, during METKA’s Dialogue Forum, a live connection through Skype was established with the company’s project site in Jordan and a comprehensive analysis of Health & Safety measures took place. This represents a good example of Company’s engagement with its contractors on Health & Safety issues in its abroad operations.
- The outcomes of Stakeholders Dialogue Forums are always formally communicated to the Company’s CSR committee as well as to the top management of each subsidiary.
- The Stakeholder Engagement is an on-going institutional process and the results of which always formed the framework of Company’s Sustainability Reports. Therefore, no specific engagement was undertaken as part of the report preparation process to identify core topics or obtain information.

Sustainability Context

The reported information sufficiently cover the Company’s sustainability issues in its operation context and also its intention to strengthen positive and reduce negative impacts of its operational activities in the economic, environmental and social level.

- Performance indicators are provided for key material topics and at the same time we have found evidence of management approaches, including processes for audit, measurement and reporting, applied at the Company’s subsidiaries in terms of Global Compact COP Advanced Level,

ISO 14001, ISO 14064 (partially), ISO 26000 and OHSAS 18001 certification.

- We also, endorse the Company’s initiative to promote to its supply-chain the sustainability topics related to its long-term strategy by publishing its brand new “Suppliers Code of Conduct”

Completeness

The Report provides a fair and balanced representation of the Company’s sustainability performance and challenges and covers the full range of material issues. Also the Report:

- Focuses on business entities which Company has a controlling interest or where it is the sole operator and covers all information that should be considered material on the basis of the principle of materiality. The Report makes reference to key financial figures (with extended mentions in the Group’s Annual Report 2013) and covers extensively the approach to Corporate Social Responsibility.
- Includes all significant Company’s actions in 2013 and does not exclude related information that would influence Stakeholders judgment or decisions. In line with the above, we welcome the Company’s initiative to improve the completeness of its Report, determining its Social and Environmental Footprint, through an accessible and comparative technique. The Report seems to benefit from this procedure since it permits to readers to observe any changes or deviations – positive or negative – in Group’s Social and Environmental performance.

2. Accuracy and reliability of information included in Social Performance section

The Report is sufficiently understandable to allow Stakeholders access and realize Company’s Social profile. The Company has established appropriate procedures, mainly through its CSR governance system, and data management systems for the collection and analysis of its Social Performance data, in order to provide confidence that such information is complete and accurate. Except from the fact that we observed the need for further training of data collectors, at subsidiaries level, we did not find evidence to suggest that the processes and systems in place to collect and calculate Social Performance data are such that the Company’s Social Performance section would be incorrectly described including information with support

the coverage of UN Global Compact COP Advanced level criteria.

- The Company has accurately referenced the reported indicators of its Social Performance in the GRI Content Index and reported each in accordance with the relevant Technical Indicator Protocol. Also the Report has met the appropriate requirements of the GRI Final Mining and Metals Sector Supplement.
- The Report indicates clearly the Company's performance against its social impacts as well as the used approaches to manage them systematically within the appropriate boundary of the Report as stated in page (7). The information and the qualitative statements reported in the section of Social Footprint and its measurement method are supported adequately by internal documentation and are available to any Stakeholders group if asked.
- Additionally, we consider that the medium and long-term Social Performance targets add value to the Report since include the Human Rights and Corruption aspects related to Company's significant Suppliers and Contractors for the first time.
- According to our work (checking the corporate mechanisms i.e., gathering, analysis, consolidation and quality control of information) we found that the data that has been calculated and the related measurement techniques, in sections of Health & Safety, Employment and Equal Opportunities, are adequately described and we did not face any difficulty to identify the original source of this information. The information is supported by SAP (business software system), Human Resources records, and monthly spreadsheet reporting for non-SAP entities.
- During the interviews with the members of CSR teams, responsible for the verification of the provided data sources and calculation methods, we notice that each Subsidiary collects and reports Social Performance data using specific worksheets provided by the Corporate Centre. Checking, on a sample basis at the Subsidiary level, this process, in some cases such as employee categories and social expenditures, the data did not correspond exactly with the information maintained within corporate database. These inconsistencies were subsequently corrected by the reporting team in Corporate Centre.
- In relation with Health & Safety information, we found that the Report covers con-

tractor data in a rate of 80% instead of 100%. This discussed and solved with the CSR team, while happened due to misunderstanding of contractor's definition working on-site to whom the subsidiary is liable for the general safety of the working environment.

- Finally, we support Company's initiative to establish a new Self-Assessment Process, in areas of Human Rights and Anti-Corruption. Evaluating this process we found that the results were identifiable and traceable, and the responsible personnel were able to reliably demonstrate the related data origin and interpretation.

Recommendations for improvement

Based on the findings of this assurance engagement and without to affect our conclusions on the Report, we have made the following recommendations:

- Concerning Stakeholder Inclusiveness, more effort should be made to the groups of Suppliers and Corporate customers. Moreover, during the Dialogue Forums, more emphasis should be given in the topics of Protection of Human Rights and Corruption.
- Stakeholders input could still be considered in more depth as part of Company's Sustainability Strategy, at subsidiaries level.
- The Company should examine the level of interest in its Sustainability Report of various Stakeholder groups in the countries where operates. We believe that, future Reports will benefit from more detailed disclosure of inclusiveness and responsiveness with the Company's Stakeholder groups in its abroad operations.
- The Company's subsidiaries are involved in the communities they operate. In our opinion, they could participate more actively in programs or work projects that provide volunteer time. This would allow the Company, communicating these impacts directly, to improve, in terms of quality, its overall Social Performance.
- The Company should consider tying to remuneration its major Social Performance targets such as Health & Safety.
- The Company should consider revising its Professional Code of Conduct. Future reports would benefit from further disclosure of specific efforts being taken to ensure effective dissemination and understanding of the Code of Conduct.
- In order to further strengthen Social Per-

formance, it is suggested the semi-annual review for some major KPI's to increase the reliability of the relevant information and to give more emphasis on CSR management within the Company's subsidiaries.

- Future Reports should describe in more details how sustainability topics relate to supply-chain topics. We believe that the Company, with the appropriate promotion of its "Suppliers Code of Conduct", would have the opportunity to communicate its strategic objectives more effectively to its significant suppliers and work with them to identify mutual opportunities to improve environmental and social sustainability performance across the supply chain and report performance against those objectives.
- The Company should provide further training to its employees, at subsidiaries level, responsible for CSR data gathering and also should initiate an adaptation of its systems to be able to collect data in accordance with new requirements of the GRI G4.

Statement of Independence

MEDA states its independence and impartiality with regards to this assurance engagement. In 2013, MEDA did not work with MYTILINEOS Holdings or any of its subsidiaries and stakeholders on any engagements which could compromise the independence or impartiality of our findings or recommendations. MEDA confirms that is not aware of any other engagement or issue that could impair our objectivity in relation to this assurance engagement. Moreover, MEDA was not involved in the preparation of any text or data provided in the Report, with the exception of this Assurance Statement.

Athina Galanis



Managing Director

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10th of JULY 2014, Athens, Greece

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 Group personnel for their important contribution and cooperation. We would also like to thank all our Stakeholders and external associates, whose participation in our annual Dialogue Forums is an invaluable help in the adoption of international standards and the implementation of best practices that further improve our activities.



HOLDINGS

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