



2014 Sustainability Report

HOLDINGS
MYTILINEOS

This edition showcases **the performance of MYTILINEOS Group** in regards to material sustainability issues as a result of applying the Materiality process in cooperation with the Group's subsidiaries and key stakeholders, in accordance to the GRI (G4) Sustainability Reporting Guidelines.

For further information you can consult the Group's Sustainability Report 2014 which is available online at: www.mytilineos.gr/en-us/all-the-csr-reports/of-mytilineos-group

G4

Social Product 2014

53.6 (million €)

Taxes

83.8 (million €)

Employee compensations and benefits

852 (thousand €)

Social expenditures

62.2 (million €)

Capital providers

51.5 (million €)

Investments

9.2 (million €)

Environmental expenditures

Key figures 2014

3 Activity sectors

7 Production plants

2.137 Employees

4.941 Suppliers

1.232 (million €)
Turnover



Mytilineos Group companies

METKA S.A. is today amongst the top Greek businesses in the construction sector. It has been established as one of the leading players in the global market for EPC projects providing the complete range of Engineering, Procurement and Construction services, whilst maintaining its strong industrial manufacturing profile.

METKA

ALUMINIUM OF GREECE is today Europe's largest vertically integrated alumina and aluminium producer, one of the strong pillars of Greek industry and a driving force for the growth of the national economy and the development of the Greek periphery.

ALUMINIUM OF GREECE

PROTERGIA is Greece's largest independent electricity producer. The company manages an energy portfolio with an installed capacity in excess of 1,200 MW, which accounts for more than 10% of the country's total electricity production.

protergia

Strategic CSR Initiatives in 2014

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



Investing in research and development of new technologies that can substantially contribute to the efficient management of waste is part of the Group's environmental policy. The total quantity of waste from the activities of MYTILINEOS Group in 2014 was 307.115 tons, down by 12.6% from 2013.



Research
2014 saw the completion of the participation of ALUMINIUM OF GREECE, in the "FENEXAL" four-year European research project whose objective was to develop technologies for the utilization of bauxite residues. The Company's net contribution to the project implementation stood at €2.0 million and concerned equipment, power, consumables and personnel expenses. Main Results:
• More than 35 tons of bauxite residues were processed.
• A total of 8 tons of pig iron were produced as well as quantities of stone wool.
• The entire quantity of stone wool produced was successfully used as industrial insulation material in the company's plant.

Investments
Investments 2010 – 2014: €12 million
MYTILINEOS Group has invested significantly in the Metallurgy & Mining Sector for the installation of four (4) Filter Presses, which made a decisive contribution, initially to the effective disposal of bauxite residues on land and, later on, to the possibility of applying special methods for their treatment in order to convert them to usable products.

Recycling
Percentage of waste recycled 48.5%*
* This percentage refers to waste other than bauxite residues which are accumulated, until their utilisation, in a Group-owned area and in accordance with the terms of a relevant environmental license.

Environmental compliance

Compliance with the environmental legislation is a core priority of MYTILINEOS Group and a major issue of equal importance to issues such as personnel safety, quality, economic performance and customer satisfaction, which the Group is managing in the context of its efforts for continuous and responsible development. This view, which also serves as the foundation of the Group's environmental policy, aims to drive the continuous improvement of its environmental performance and is based, first and foremost, on the principle of adherence to the provisions of the law, as well as to the agreements concluded and the commitments made both by MYTILINEOS S.A. and its subsidiaries.

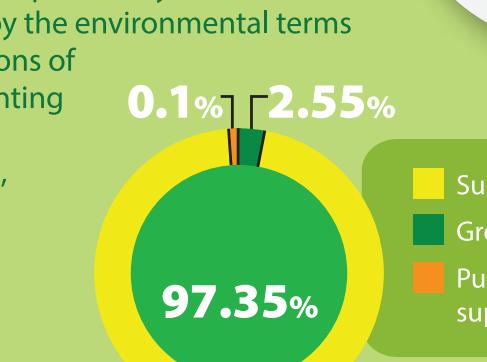
ENVIRONMENTAL PERFORMANCE

Waste Management



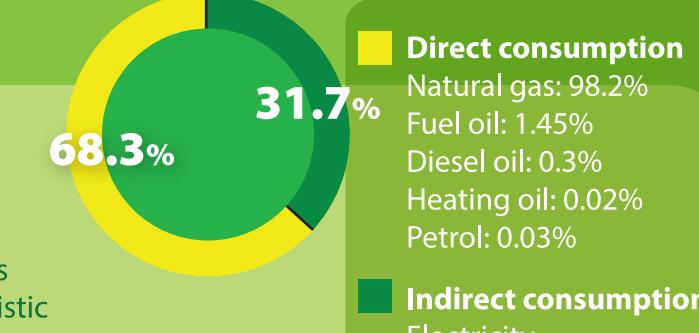
Water

The total volume of water withdrawals needed so as to meet the production and other operating needs of the Group, in 2014, stood at 166.12 million m³. The 97% of this volume concerns withdrawals from surface waters (sea) in strict compliance with the provisions of the relevant Decision of the Water Resources Management Directorate of the Sterea Regional Administration. As regards the management of the water discharges resulting from the Group's activity, this is done according to the parameters determined by the environmental terms and regulations under the relevant provisions of the laws defining the framework for preventing any environmental impact. Moreover, the company commissions, on an annual basis, an authoritative organisation to conduct a research study for monitoring the status of sea's benthic biocoenoses, placing emphasis on thermophilic species.



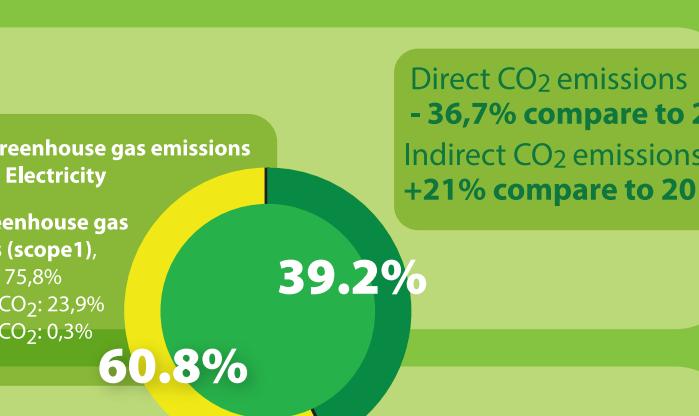
Energy

The total energy consumption by the Group's activity sectors in 2014 was 31.000 TJ. Mytilineos Group combines business development with efficient energy management. A characteristic example is the establishment of a High-Efficiency Combined Heat and Power (CHP) Plant which uses natural gas as combustion fuel. This investment allowed a reduction in per 6.000 TJ annually whilst making a significant contribution to the efforts to reduce carbon dioxide emissions at the national level, as the electricity supplied to the National Grid substitutes the power which under the previous conditions would be obtained from lignite combustion.



Emissions

The total greenhouse gas emissions from the production activities of the Group amounted to 3.7 million t_{CO₂} eq.

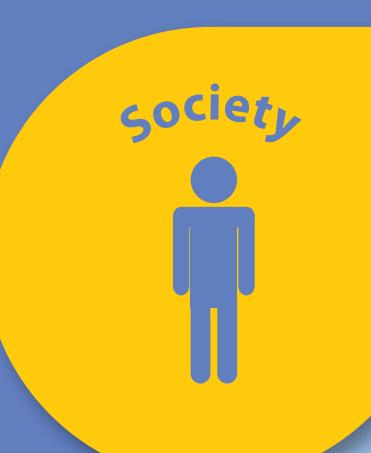


Raw & Other Materials

Metallurgy & Mining sector
• In 2014, approximately 2.16 million tons of raw materials (dry basis) were used, a quantity only marginally increased by 0.27% compared to 2013, due to the increase in aluminium production.

EPC Projects sector
• The sector does not manage primary natural resources, but instead manages semi-finished or finished products, according to the detailed plans/drawings and procedures for each project. In 2014, were used 904 tons of such materials with the 20.3% of them derived from renewable sources.

Energy sector
• In the Energy Sector, the raw material used in the Group's power plants is natural gas, which cannot be recycled and is not a renewable source.



Employment

Total employment in the Group rose to 2.137 employees, increased by 6.8% compared to 2013.
• The Group's direct personnel increased by 7.1%.
• Recruitment of 370 new personnel increased by 14.5%.
• The low percentages of employees working under fixed-term employment contracts (6.9%) and of part-time employees (0.17%) confirm, for yet another year, the Group's intention to build long-term associations with its people.



Training & Development

• In 2014, a total of 53.995 hours of training programs took place in all Group subsidiaries.
• Average training hours per employee: 25 hours.
• Percentage of employees who received a performance review: 80%.



Social Contribution

Human Rights

• No incidents of child or compulsory labour.
• No incidents of employee rights restriction to exercise freedom of association or collective bargaining.



Equal Opportunities

• No incidents of discrimination in the workplace.
• Emphasis is given on recruitment of young people who suffer the highest rates of unemployment as well as on women employment strengthening.
• People <30 y.o. accounted for 43.2% of total recruitment.
• The women employment in the Group amounted to 13.7% an increase of 0.7%.
• The women participation in the Group's extended liability positions amounted to 13.3% increased by 3.3%.



SOCIAL PERFORMANCE

Health and Safety at workplace

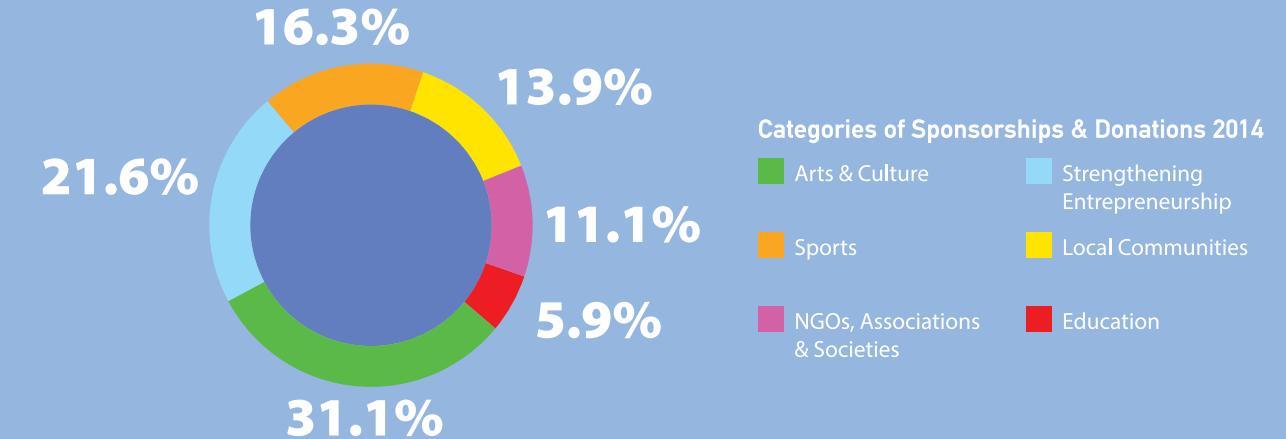
• 7 years without a fatal accident.
• 4 years without an occupational diseases incident.
• The Injury Rate indicator decreased by 35%.
• The Lost Day Rate indicator decreased by 27%.



1. 87.6% of the Group's total workforce comes from the local communities where it operates.
2. 43.6% of the total purchases budget of the Group's subsidiaries represented outlays to suppliers in Greece.

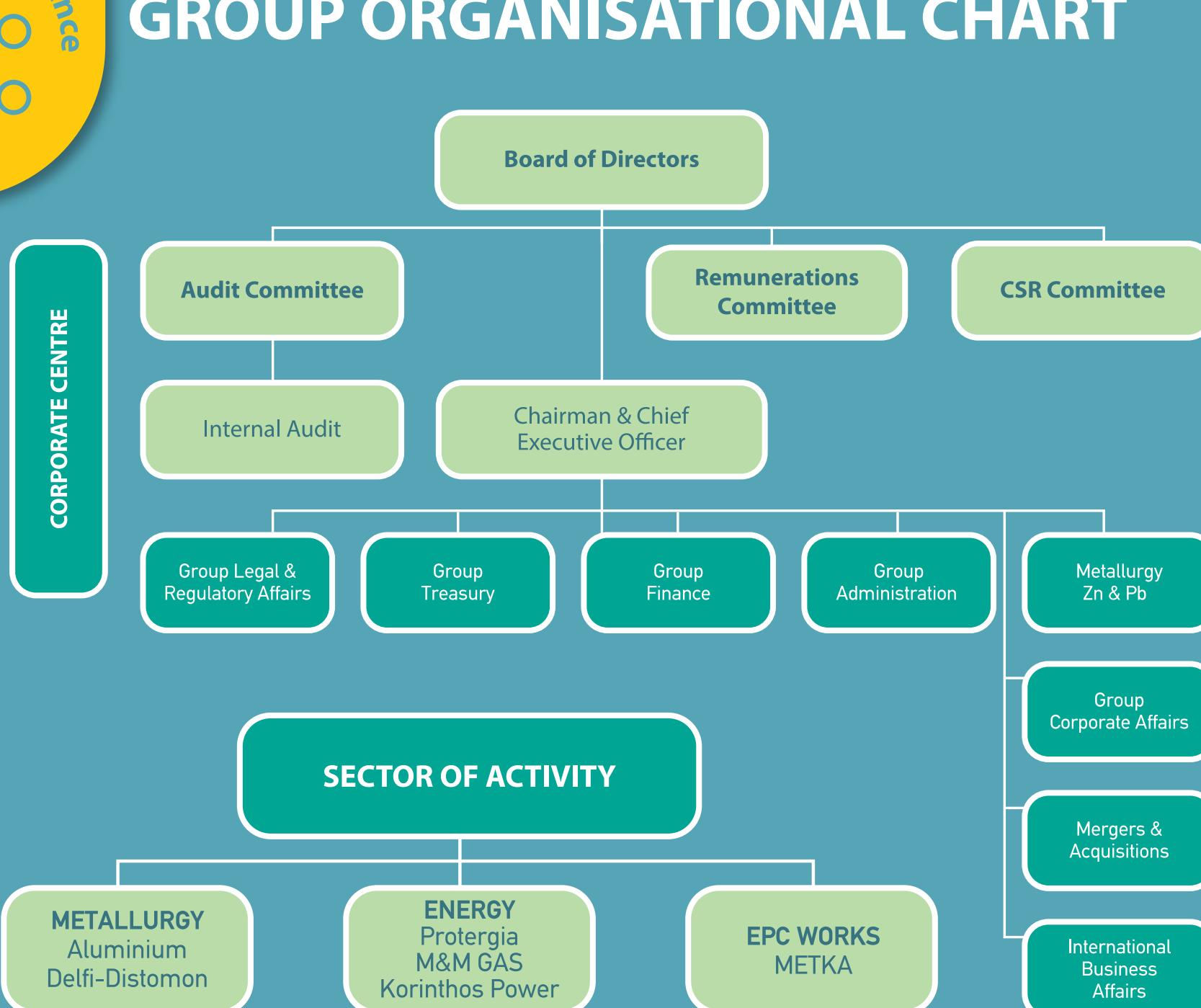
3. The employee compensation systems that the Group applies in all its subsidiaries take into account the market situation and are combined with benefits over and above the statutory ones and those provided under agreements based on collective bargaining, where applicable.

4. The value of the Group's sponsorships plan for 2014 came up to €865.431 covering a broad range of social issues.



5. Implementation of programmes and initiatives that strengthen social cohesion
 - Paid employment programme for 11 young engineers in ALUMINIUM OF GREECE.
 - Initiative for the training of 40 young people on the latest materials welding technology by METKA S.A.
 - Initiative by ALUMINIUM OF GREECE offering internship to 65 students of various disciplines (from Universities and Higher Technological Educational Institutes).
 - 40-hour practical training programme attended by 20 graduates from Universities, Technical Educational Institutes and other Technical Schools carried out by PROTERGIA in cooperation with the Education and Training Centre of the Prefecture of Corinthia
 - Volunteer beach cleaning activities along the entire coastal strip from Agios Nikolaos to Antikyra organised by ALUMINIUM OF GREECE with the participation of 210 students and 25 adults.

GROUP ORGANISATIONAL CHART



The Board of Directors of MYTILINEOS HOLDINGS S.A. is safeguarding the Group's Corporate Governance Principles. It is composed of two (2) executive and six (6) non-executive members. Of the non-executive members, four (4) meet the requirements of Law 3016/2002 on Corporate Governance for their designation as "independent".

Board of Directors

Codes & Policies

• Corporate Governance Code of Hellenic Federation of Enterprises (SEV).

- Internal Regulation Code.
- Professional Ethics Code.
- Suppliers and Business Partners Code of Conduct.

Internal Audit System

The Internal Audit is implemented by the Internal Audit Division which is an independent, objective and consulting to the BoD activity designed to add value and to improve the Group's operations. Its competences involve, among others, the assessment and improvement of the existing safeguards in all Group range activities as to their adequacy and effectiveness.

Risk Management

The Group has established specific and comprehensive Risk Management Processes. All Management Executives are involved in the identification and initial assessment of risks and actively contribute to the scheme and the adoption of specific management measures. The Group faces different risks with high priority such as: the credit risk, the liquidity risk, the rising cost of raw materials risk as well as the Health & Safety and environmental protection risks.

CSR Governance System

The Group's CSR Governance system focuses on policies and initiatives that will substantially contribute to the achievement of Sustainable Development. The Group's elementary aim is to balance the economic, social and environmental implication of its business activities as well as to generate value for its Shareholders and all other key Stakeholders group. The core of the Group's CSR Governance system consists of: a) the annual Stakeholders Engagement Process, b) the CSR committee and c) the CSR teams of the Group subsidiaries, which operate within specific and clearly defined responsibilities and obligations.

