en

2019 Integrated Value Creation

BUSINESS PROFILE

FINANCIAL CAPITAL

INDUSTRIAL CAPITAL

NATURAL CAPITAL

HUMAN CAPITAL

SOCIAL CAPITAL

Business Profile

MYTILINEOS is one of Greece's largest industrial companies with a long track record of successful international growth in the sectors of Metallurgy, EPC & Infrastructure and Electric Power & Gas Trading. As a responsible industrial company, MYTILINEOS strives for constant business excellence, balancing economic growth with sustainable development. Established in Greece in 1990, the Company is listed on the Athens Exchange and has a consolidated turnover more than €1.5 billion. MYTILINEOS operates the only Europe's leading vertically integrated alumina and aluminium production and trading plant and, together with its mining operations, is a driving force for the Greek and European economy as well as for the Greek regions. It is the second largest bauxite producer in Greece and in Europe, with an annual output of 650,000 tons of bauxite,exclusively from underground sites. It is ranked among the Top 10 largest EPC contractors worldwide, with major energy projects under way in the markets of Europe, the Middle East and Africa. It is also the largest independent electric power producer in Greece,with 1,200 MW of gas-driven thermal plants in operation in Greece, and a portfolio of RES-based plants (wind farms, photovoltaic parks and small-scale hydropower plants)totaling over 190 MW, exceeding 14% of the country's active and licensed installed production capacity from thermal plants. Currently, the Company employs directly or indirectly more than 3.600 persons in Greece and abroad.

0	0	0	0	0	€0 m.	€0 m.
ACTIVITY SECTORS	INDUSTRIAL AND RENEWABLE ENERGY SOURCES PLANTS	EMPLOYEES (Direct & Indirect)	SUPPLIERS (Domestic & Abroad)	COUNTRIES OF OPERATION	TURNOVER	SOCIAL PRODUCT

Business Model

The Company's business model is at the centre of its operation. It supports its growth, describes the categories of resources it utilises, presents the picture of its activities, its production performance, the value it creates for its Stakeholders and, in general, its overall contribution to Sustainable Development. To offer a better understanding of the Company's Business Model, key performance indicators together with descriptions of the interrelationships between the resources utilised are presented in the following Scorecard sections.

1 Use of capitals — Inputs →

Financial
Our business activities require significant financial resources, drawn from cash flows from our business activity, investments, own capital and loans.

Industrial
Our 10 industrial plants and 15 Renewable Energy Sources (RES) plants, together with our supply chain, enable is to manufacture and offer products that meet the needs of customers and consumers.

Human
Our more than 3,600 people add value with their knowledge, talent and skills across the entire range of our activities. From our relations with local communities and customers, to the development of effectiveness and innovation in our production activity, two elements which are crucial to creating added value.

Natural
Bauxite, natural gas and water are the key raw materials we use. Additionally, the use of land and of semi-manufactured materials are key inflows, which we seek to use responsibly and effectively.

Intangible
Our intellectual property covers a wide range of subjects, from research and development for new products, bauxite residues utilisation, energy efficiency and know-how in the optimal processing of aluminium scrap, to excellent skills and advanced know-how in the management of construction projects that allow the company to implement complex and demanding projects to the strictest technological standards.

Social
The social acceptance of our activity is based on our reputation, to the strengthening of transparency in everything we do, to our social investments and to the trust of the local communities where we operate and of our people, our customers, our supplies and our other Stakeholders.

2 How we operate

Mission — Vision — Corporate Values
Corporate Governance — Code of Business Conduct — Policies

Central Services

- Human Resources Management
- Legal & Regulatory
- Finance & Treasury
- Investor Relations
- Mergers & Acquisitions
- Corporate Communication

Support Services

- Sustainable Development
- Occupational Health & Safety System
- Environmental Management System
- Supply Chain Management
- Quality Policy & Standards
- Sales Systems & Customer Management Systems
- Research & Development

Our Activity
Significant value-added synergies between Sectors

Metallurgy Sector | Electric Power & Gas Trading Sector | EPC & Infrastructure Projects Sector

Activity with direct contribution to Sustainable Development

We produce **Aluminium**, one of the most environment-friendly metals, applying responsible practices for bauxite extraction and raw material production from recycled aluminium scrap.

We produce **Electric Power** from plants using **Renewable Energy Sources** and from thermal plants making the maximum possible utilisation of Natural Gas.

We build **Integrated power generation plants** in countries with substantial energy needs, as well as photovoltaic units and energy storage and hybrid energy projects.

Key stages of our value chain

1 Supply Chain → 2 Production Activity → 3 Product Exports & Sales → 4 Client Service → 5 End of Product Lifecycle

3 Outputs — Outcomes →

- **€2.25 bn.** turnover
- **820.1 k.** tonnes of Alumina produced
- **186.9 k.** tonnes of Alumina produced
- **21,197.6 Tj** of Electric Power generated
- **1,871.4 k.** tonnes of bauxite consumed
- **1,133.7 m.** Nm³ of Natural Gas consumed
- **6.5 m.** cm³ of Water consumed
- **4.64 m.** tonnes of direct & indirect CO2 (scope 1 & 2) emissions
- **5.2 k.** tonnes of air emissions (NOx, SOx)
- **849.1 k.** tonnes of solid waste
- **0** m² of land used by mining operations
- **0** work-related fatalities
- **1** lost time accident
- **5.16%** employee turnover rate
- **59,788** employee training man-hours
- **0** incidents of human rights violation
- **10** social programmes in progress

4 Increased ↑ or Decreased ↓ Value by our business activities

Economic Value

↑	**€84.7 m.**	of taxes paid
↑	**777.5 m.**	to Greek suppliers
↑	**€73,1 m.**	capital providers
↑	**5.14%***	share of the electric power retail market, increased by 27.8% from 2018
↑	**17.5%***	share of net electricity production from conventional units in the system

Environmental Value

↑	**Zero**	Incidents of non-compliance with environmental laws and the burden of the natural environment on industrial accidents
↑	**€1.5 m.**	in R&D initiatives, for technology development holistic utilization of bauxite residues.
↓	**8.5%**	increase of total energy consumption
↑	**377,752.7 MWh**	production from RES, increase up to 54.8%
↓	**14.5%**	increase of total water consumption
↓	**10.7%**	increase of total CO_2 (scope 1 & 2) emissions
↑	**7.5%**	decrease of total solid waste production
↑	**17.9%**	Percentage, of the total amount of solid waste produced, that has been reused or recycled
↑	**81.4%**	Rehabilitation percentage of usable areas from the mining activity

Social Value

↑	**3,662**	direct and indirect jobs supported
↑	**0.04**	lost time accidents / 200,000 working hours (direct employees)
↑	**€93.7 m.**	for employees' wages & benefits
↑	**93.5%**	full time employees' retention rate
↑	**281**	new jobs
↑	**€3.47 m.**	for social investments
↑	**€2.33 m.**	for supporting the needs in local infrastructure & services with direct public benefit
↑	**27,850**	citizens as direct beneficiaries of our social programs
↑	**Zero**	Incidents of non-compliance with laws and regulations
↑	**Zero Tolerance**	of all forms of corruption and bribery across the entire range of our activities

* Monthly Energy Balance ADMIE (December 2019)

Financial capital

MYTILINEOS makes the most of its financial resources, aiming to create added value for its shareholders and investors. The Company monitors its performance on month-on-month basis, thus ensuring the early and effective identification and tracking of any deviations from its goals and taking corresponding corrective measures. It also evaluates its financial performance using internationally established Key Performance Indicators (KPIs)

Use of capital

- Cash flows from operating activities and investments
- Total Equity
- Loans

Trade-offs (Financial Capital with the other categories of Capitals)

MYTILINEOS allocates its **Financial Capital** to its businesses, focusing on those areas it thinks offer the best prospects for growth and returns. The allocation of financial resources for the maintenance and modernization of industrial units and facilities contributes significantly to the enhancement of the value of the company's **Industrial Capital**, while the corresponding allocation of resources to education, development, remuneration and Health Safety of its employees is transformed into the value of **Human Capital**. Also, the company, investing part of its **Financial Capital** in stabilizing and minimizing its impact on the natural environment, returns part of the value of **Natural Capital**, which appears to be initially restricted, mainly due to the use of raw materials from non-renewable sources in its activity. Finally, MYTILINEOS allocates part of its financial resources to the implementation of its social policy, with direct beneficiaries the wider community thus increasing the value of its **Social Capital**, while the related investments in the expansion of its business activities add, in the long term, to the value created from the **Financial Capital** itself.

Outputs

TURNOVER

↑ 48.0%

- **€2,256.1 m (2019)**
- €1,526.5 m (2018)
- €1,526.7 m (2017)

EBITDA

↑ 10.0%

- **€313.2 m (2019)**
- €283.6 m (2018)
- €298.9 m (2017)

NET DEBT TO EBITDA RATIO

↑ 8.0%

- **1.4 (2019)**
- 1.3 (2018)
- 1.9 (2017)

ECONOMIC VALUE DISTRIBUTED[1]

↑ 1,0%

- **96.4% (2018)**
- 95.7% (2018)
- 90.0% (2017)

NET PROFITS

↑ 3.0%

- **€144,9 m (2019)**
- €141,2 m (2018)
- €145,8 m (2017)

EARNINGS PER SHARE

2.0%

- **€1.01(2019)**
- €0.99 (2018)
- €1.02 (2017)

[1] Percentage of turnover. Distributed economic value contains: Operating costs, Employees' salaries & benefits, Payment of income tax & other taxes, Payments to capital providers, Investments in local communities.

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

RETURN ON EQUITY

3%

ECONOMIC VALUE ADDED (k)

101%

SHAREHOLDERS DIVIDENT (m)

13%

RETURN ON CAPITAL EMPLOYED

29%

FIXED ASSET INVESTMENTS (m)

51%

TOTAL VALUE ADDED (m)*

0.2%

***Equal to 0.6% of the country's GDP** (2019: 187,457 M€ - Source Eurostat). *MYTILINEOS contribution to the country's GDP is assessed by the total added value created (direct, indirect, and induced) for the Greek economy from the company's activity. See the relevant study of the MYTILINEOS Socio-Economic impact for the year 2019 here: https://www.mytilineos.gr/en-us/csr-reports/publications

Industrial capital

The optimal operation of the industrial units of the company requires investments in facilities and equipment that are realized by the allocation of funds derived from the **Financial Capital** and which supplement the proceeds from the sale of the products as a result of the industrial production. Also, the utilization of industrial resources affects the value of **Natural Capital**, mainly through the use of raw materials from non-renewable sources during the production process, while the long-term part of this lost value is limited by the application of best practices of responsible consumption and production to stabilize and improve its environmental performance. Finally, the development of **Industrial Capital** contributes to the compliance of the company with the relevant legislative and regulatory requirements, which enhances both the value of **Social Capital** and the renewal of its social license, as well as the value of **Human Capital** through the further development of skills of the employees to meet the modern requirements of the production process.

Use of capital

25 Industrial production & Renewable Energy Sources(RES) plants

- **7 Industrial plants** (a bauxite mining unit, an aluminum production plant, a primary aluminum production plant, a recycled (secondary) aluminum production plant, a composite construction plant, a steel processing plant, a unit for providing innovative solutions in the field of liquid and solid waste treatment).
- **3 Gas-fired thermal plants** (a High Efficiency Combined Heat and Power Plant of primary electricity production (334 MW). And two Gas-fired Combined Cycle Thermal Power Plants of primary electricity production (881.08 MW).
- **15 RES plants** (11 Wind Farms, 3 Photovoltaic Parks & 1 Small Hydropower Plant).

Trade-offs (Industrial Capital with the other categories of Capitals

The utilisation of industrial units requires investments in installations and equipment, which are drawn from the company's financial resources in the form of the funds allocated for this purpose. At the same time the **Financial Capital** value is enhanced by the income from the sales of the products obtained from the industrial production. The **Industrial Capital** impacts on the value of the **Natural Capital**, mainly using raw materials from non-renewable sources in the production process, while in the long term a part of this lost value is reduced by the company's commitment to responsible consumption and production practices aimed at stabilising and improving the environmental performance of its industrial units. Investments in **Industrial Capital** help ensure the company's compliance with the applicable legal and regulatory requirements: this has a positive impact on the **Social Capital**, as it enhances the company's social license to operate, while it also affects positively its **Human Capital**, through the further development of the skills of employees, so that they can meet modern production process requirements.

Certification

International Organization for Standardization ISO

9001:2015

The 100% of the MYTILINEOS Business Units, have in place a Quality management system certified by **ISO 9001-2015** Standard.

Outputs

BAUXITE
PRODUCTION

↑ **8.0%**

- **570.9 k tn (2019)**
- 527.2 k tn (2018)
- 630.1 k tn (2017)

ALUMINIUM
PRODUCTION

↓ **0.3%**

- **186.9 k tn (2019)**
- 187.5 k tn (2018)
- 181.7 k tn (2017)

THERMAL PLANT
CAPACITY IN OPERATION

0.0%

- **1.2 GW (2019)**
- 1.2 GW (2018)
- 1.2 GW (2017)

RES PLANTS CAPACITY UNDER CONSTRUCTION

↑ **59.0%**

- **54 MW (2019)**
- 34 MW (2018)
- 63.3 MW (2017)

ALUMINA
PRODUCTION

↓ **1.0%**

- **820,1 k tn (2019)**
- 827,0 k tn (2018)
- 821,0 k tn (2017)

ELECTRICITY POWER PRODUCTION

↑ **14.0%**

- **21,197.6 TJ (2019)**
- 18,565.9 TJ (2018)
- 18,897.0 TJ (2017)

RES PLANTS CAPACITY IN OPERATION

↑ **21.0%**

- **211 MW (2019)**
- 175 MW (2018)
- 130 MW (2017)

ENERGY & INFRASTRUCTURE PROJECTS IN PROGRESS

↑ **50.0%**

- **9 (2019)**
- 6 (2018)
- 7 (2017)

7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

TOTAL EXPORTS (m)

37%

ALUMINIUM PRODUCTS SALES (k tn)

2%

RES ELECTRICITY (generated and sold in TJ)

55%

EPC & INFRASTRUCTURE
NEW ORDERS (m)

4%

RESEARCH &
DEVELOPMENT (k)

87%

ELECTRICITY
SOLD (TJ)

14%

MARKET SHARE OF THE
DOMESTIC POWER PRODUCTION

43%

MARKET SHARE* IN THE
RETAIL ENERGY MARKET

28%

*MONTHLY ENERGY BALANCE ADMIE (DECEMBER 2019) removAL

ENSUREAL
SUSTAINABLE ALUMINA PRODUCTION

scale
SCANDIUM ALUMINIUM EUROPE

Siderwin
Development of new methodologieS for InDustrial CO2-freE steel pRoduction by electroWINning

International Organization for Standardization
ISO
14001:2015

BAUXITE CONSUMPTION

ENERGY CONSUMPTION[1]

↑

CO_2 emissions (Scope 1 & 2)

↑

SOLID WASTE

↓

WATER WITHDRAWALS

↓

NATURAL GAS CONSUMPTION

↑

WATER
CONSUMPTION

EMISSIONS
(NOx & SOx)

WATER
DISCHARGES

LAND USED BY THE MINING OPERATION AT THE END OF THE YEAR

ENVIRONMENTAL
EXPENDITURES (m)

PARTICULATE MATTER (tn)

DRINKING WATER CONSUMPTION ($k\ m^3$)

SAVING WATER IN PRODUCTION PROCESS ($m\ m^3$)

TOTAL LAND AREA IN REHABILITATION PROCEDURE (acres)

PFC's EMISSIONS ($k\ tn\ eq\ CO_2$)[1]

RESPONSIBLE MANAGEMENT OF SOLID WASTE (k tn)[2]

DRINKING WATER WITHDRAWAL FOR THE LOCAL COMMUNITIES WATER SUPPLY NEEDS (k m^3)

CDP[3]

TOTAL AREA LAND THAT HAS BEEN RESTORED (acres):

Human capital

MYTILINEOS always treats its people with responsibility and consistency, so as to remain their first choice of employer during their entire career paths. Factors such as Health and Safety at the workplace, the development of diverse skills, performance reviews, training and career development as well as the transfer of know-how to direct and indirect employees, are common goals that are shared by all Company's Business Sectors, strengthening its capacity to achieve the desired financial and non-financial results.

Use of capital

3,662
employees
(direct & indirect)

- Metallurgy & Metals Sector:
  1,807 employees

- EPC & Infrastructure Sector:
  1.192 employees

- Electric Power & Gas Sector:
  344 employees

- Central Functions:
  319 employees

Employees abilities and capabilities

Trade-offs (Human Capital with the other categories of Capitals)

MYTILINEOS employees constitute the key element of the value produced by the company throughout its business activity. The company invests part of the value of its **Financial Capital** on the wages & benefits, Health & Safety, education & professional development of its employees. In parallel, the use of the employees' skills in the production process increases the efficiency and, therefore, the value created by the **Industrial Capital**. The investments in Health & Safety at the workplace and therefore the protection of the right of direct and indirect employees to work without exposing themselves to imminent risk of injury or illness, increase the value created by the Human Capital itself but also the value stock of the Company's **Social Capital**. Moreover, the Company's Human Resources Management policy contributes to the value stock of the **Financial Capital** in the long term, by keeping the employees Injury and Turnover Rates at very low levels, thus avoiding costly accidents as well as the costs of replacing and training specialised employees.

Certification

The 84% of the industrial & RES plants of MYTILINEOS, have in place an Occupational Health & Safety Management System, certified by ISO 45001-2015 or OHSAS 18001 Standards

Outputs

NUMBER OF FATALITIES[1]

0.0%

- **0 (2019)**
- 0 (2018)
- 0 (2017)

NUMBER OF OCCUPATIONAL DISEASES[1]

0.0%

- **0 (2019)**
- 0 (2018)
- 0 (2017)

FULL TIME EMPLOYEES RETENTION RATE

↑ **3.0%**

- **93% (2019)**
- 90% (2018)
- 92% (2017)

TOTAL TRAINING MAN - HOURS[1]

↑ **36.0%**

- **59,788 (2019)**
- 43,950 (2018)
- 45,833 (2017)

INCIDENTS OF HUMAN RIGHTS VIOLATION

0,0%

- **0 (2019)**
- 0 (2018)
- 0 (2017)

NUMBER OF INJURIES[1]

↓ **80.0%**

- **1 (2019)**
- 5 (2018)
- 3 (2017)

PERSONNEL TURNOVER RATE[2]

↓ **11.0%**

- **5.2% (2019)**
- 5.8% (2018)
- 3.3% (2017)

PERCENTAGE OF EMPLOYEES WHO RECEIVED A PERFORMANCE REVIEW[3]

↓ **23.0%**

- **56.0% (2019)**
- 73.0% (2018)
- 81.0% (2017)

AVERAGE TRAINING HOURS / EMPLOYEE[1]

↑ **13.0%**

- **24.5 (2019)**
- 21.6 (2018)
- 22.7 (2017)

INCIDENTS OF DISCRIMINATION

0,0%

- **0 (2019)**
- 0 (2018)
- 0 (2017)

[1]Direct Employees

[2]Number of voluntary employee retirements to the average number of direct employees of the company in that year

[3]Percentage of all direct workers. **The corresponding percentage of total eligible workers reaches 82.3%.** The eligible term includes employees who are eligible to be included in the annual performance appraisal process. In particular, employees not working in the company for less than 6 months are excluded, as well as special category work / role

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES

EMPLOYEES SALARIES & BENEFITS (m)

16%

LOST DAYS DUE TO ACCIDENTS[1]

69%

TRAINING COST / EMPLOYEE

12%

PERCENTAGE OF WOMEN IN MANAGEMENT	6%
PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS	12%
INJURIES FREQUENCY[1]	84%
TOTAL EMPLOYEES TRAINING COST (k €)	4%
PERCENTAGE OF WOMEN IN THE WORKFORCE[2]	3%
PERCENTAGE OF EMPLOYEES <30 YEARS OLD IN THE WORKFORCE[2]	10%

PERCENTAGE OF EMPLOYEES WHO RETURNED TO WORK AFTER PARENTAL LEAVE[3]

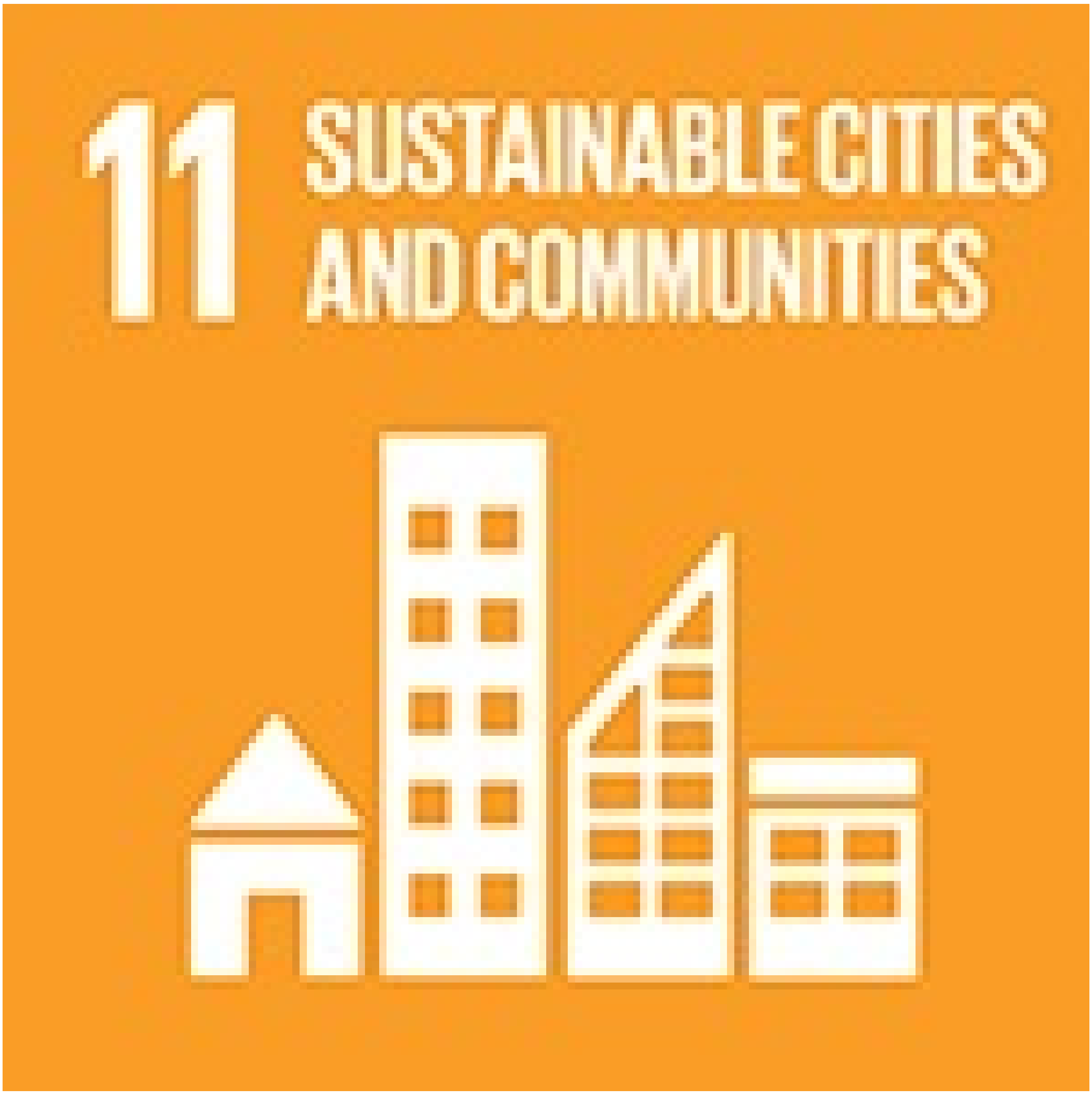
1%

[1] per 200,000 working hours

[2] Direct employees

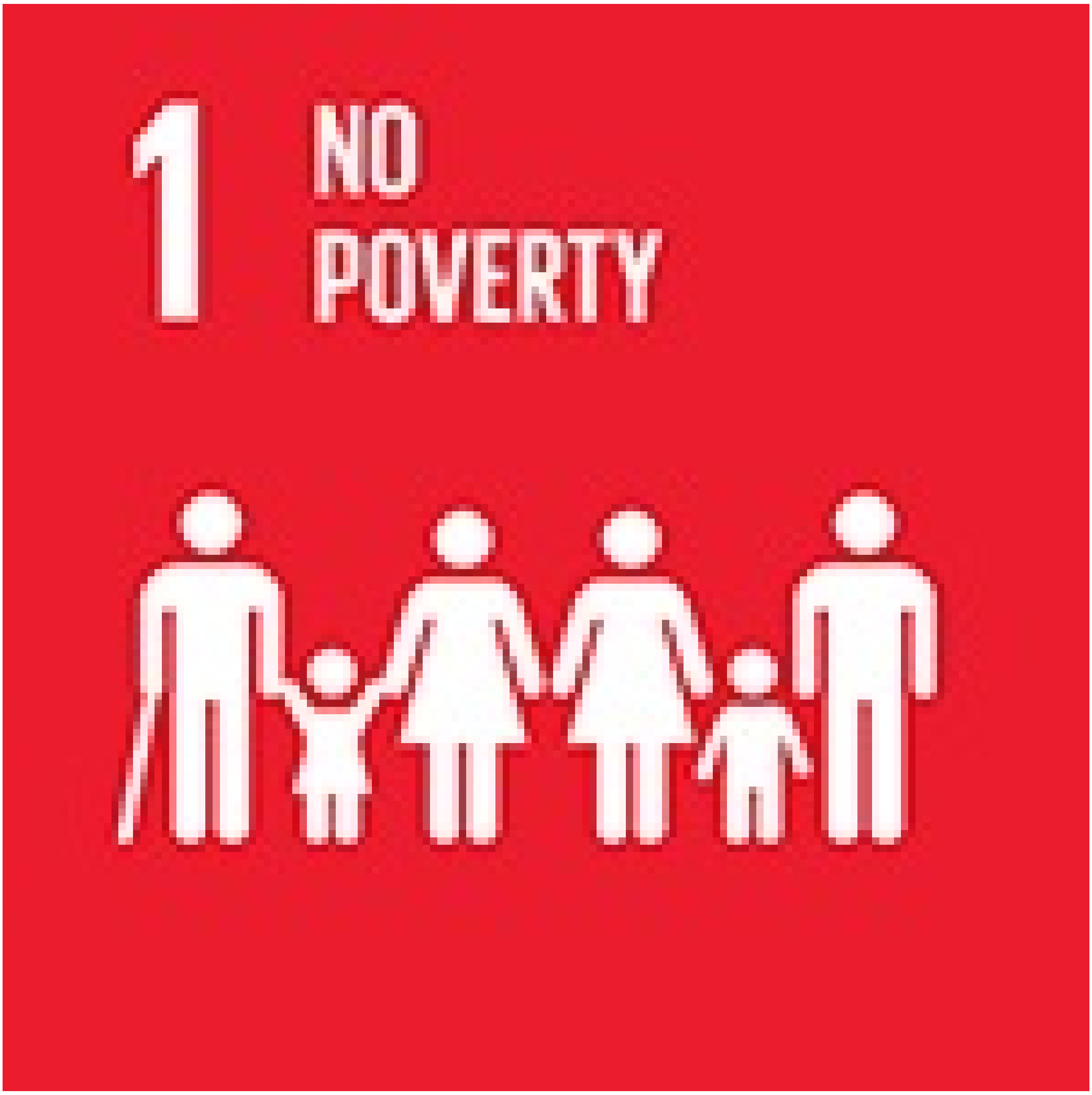
[3] Leave granted to men and women employees on the grounds of the birth of a child.

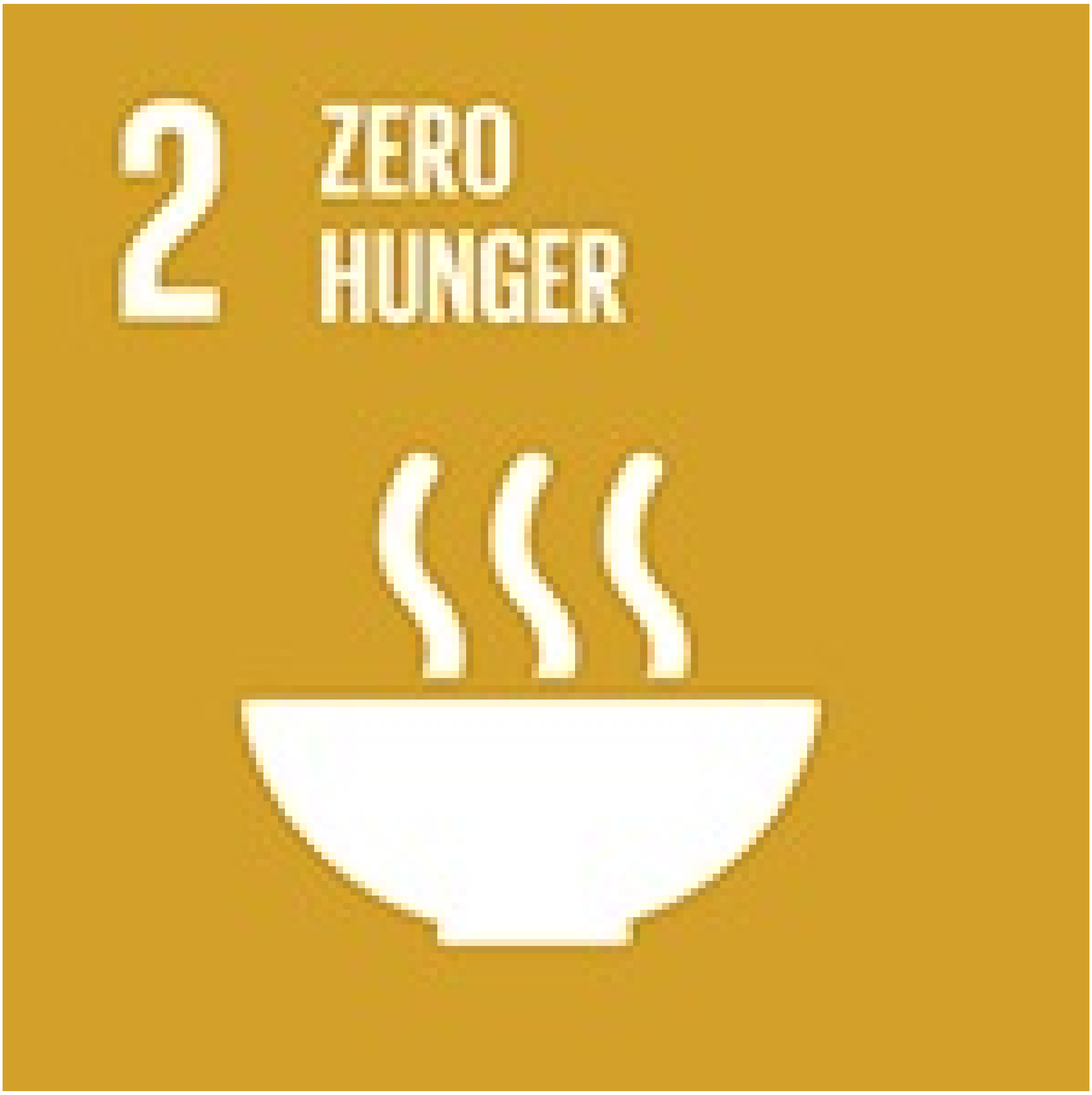
Percentage Distribution of
Social Investments


11
SUSTAINABLE CITIES
AND COMMUNITIES

4 QUALITY EDUCATION

3 GOOD HEALTH AND WELL-BEING


1
NO
POVERTY



Annual Engagement process with Stakeholders:

NEW JOBS

PAYMENT OF INCOME TAX & OTHER TAXES (m)

PERCENTAGE OF EMPLOYEES FROM LOCAL COMMUNITIES

PARTICIPATION IN KEY SUSTAINABLE DEVELOPMENT INITIATIVES[1]

INDIRECT JOBS SUPPORTED

SOCIAL INVESTMENTS (m)

INVESTMENTS IN INFRASTRUCTURE OF LOCAL COMMUNITIES (k)

RESPONSE RATE TO STAKEHOLDERS REQUESTS[2]

RATE YOUR EXPERIENCE