MYTILINEOS

ANNUAL FINANCIAL REPORT

FOR THE PERIOD FROM THE 1ST OF JANUARY TO THE 31ST OF DECEMBER 2019

ACCORDING TO ARTICLE 4 OF L. 3556/2007

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1. Representation of the Members of the Board of Directors

(according to article 4 par. 2 of L.3556/2007)

The

a. Evangelos Mytilineos, Chairman of the Board of Directors and Chief Executive Officer

b. Spyros Kasdas, Vice – Chairman A' of the Board of Directors

c. Dimitrios Papadopoulos, Executive Member of the Board of Directors

CERTIFY

a. the enclosed financial statements of "MYTILINEOS S.A." for the period of 1.1.2019 to 31.12.2019, drawn up in accordance with the applicable accounting standards, reflect in a true manner the assets and liabilities, equity and results of "MYTILINEOS S.A.", as well as of the businesses included in Group consolidation, taken as a whole

and

b. as far as we know, the enclosed report of the Board of Directors reflects in a true manner the development, performance and financial position of "MYTILINEOS S.A.", and of the businesses included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties.

Maroussi, 18 March 2020

The designees

Evangelos Mytilineos	Spyros Kasdas	Dimitrios Papadopoulos
Chairman of the Board of Directors and Chief Executive Officer	Vice – Chairman A' of the Board of Directors	Executive Member of the Board of Directors

2. Annual Board of Directors Management Report

Board of Directors Annual Management Report

BOARD OF DIRECTORS ANNUAL REPORT

The present Board of Directors Annual Report pertains to the 2018 fiscal period. The Report has been prepared so as to ensure harmonization with the relevant provisions of C.L. 2190/1920 as in effect, of law 3556/2007 (GGI 91A/30.4.2007) and the issued executive decisions of the HCMC, especially HCMC Board of Directors Decision number 7/448/11.10.2007.

The present report contains financial details on the entity titled «MYTILINEOS S.A.» (hereinafter called the «Company») and its subsidiaries and associated companies (hereinafter called the «Group», jointly with the company) for fiscal year 2018. It describes major events that occurred in the same period and their influence on annual financial statements. It also describes the main hazards and risks that may be faced by the Group member companies in the forthcoming year; finally, it lists major transactions between the Company and the persons associated with it.

I. BUSINESS MODEL

MYTILINEOS S.A. (the “Company” or “MYTILINEOS”) is one of Greece’s top industrial companies with a strong international presence. With a turnover which in 2019 exceeded €2 bn and a workforce of more than 3.600 employees, the company is active in the sectors of Metallurgy, EPC & Infrastructure Projects and Electric Power & Gas Trading.

MYTILINEOS:

- Owns and operates the leading vertically integrated alumina and aluminium production and trading plant in the European Union and, together with its mines, is a driving force for the Greek and European economy and the Greek regions. Is the second largest bauxite producer in Greece and by extension in Europe, with an annual production of 650,000 tonnes of bauxite from underground sites.

- Is ranked among the world's Top 10 EPC energy contractors, implementing major energy projects in the markets of Europe, the Middle East and Africa.
- Is the largest private electric power producer in Greece, with 1,200 MW of gas-fired thermal projects in the country and a portfolio of Renewable Energy Sources (RES) projects totalling 211 MW, more than 14% of the active and licensed installed thermal production capacity of the country.

Headquartered in Greece, in the context of its three key business sectors the Company also operates in nearly 30 countries in Europe, Central America, Africa, the Middle East and Asia.

Vision

"To drive our business to global success, inspired and motivated by our Greek heritage."

Business Mission

"To operate in challenging local and international markets, showing resourcefulness, efficiency and respect for the environment and for society." We rely on our people's potential and we create value for our customers, our shareholders, our employees and the Greek economy."

Corporate Values

The Company's corporate values stem from the Management's principles and vision. They represent the basis of its culture and the foundations of its business growth

- Effectiveness with Safety as a Priority

  The Company rises successfully to the demanding challenges it faces and remains focused on achieving its objectives, yet always ensuring safety at work.

- Ceaseless Effort for Competitiveness by All Employees

  The Company's effort to be competitive continues unabated and is based on our people's know-how, skills and devotion as well as on its on-going modernisation investments.

- Respect and Important Role for all Employees

  The Company respects employees, helps them develop their abilities, communicates with them, provides them with opportunities to gain experience and empowers them in their role, in all jobs across the organisation.

- Two Success Factors: Team Work and Excellence

  Through team work, the company achieves results that initially seemed impossible. In addition, it acknowledges excellence at individual level and brings it into effective action.

- Continuous Progress by All in Everything we Do

  Continuous progress is integral to the Company's role, alongside the execution of the current work.

The Company's main goal is to grow continuously and responsibly and to maintain its leading position across all sectors of its business activity through steady reinvestment, while at the same time securing its sustainability and steady yields for its shareholders.

Strategic priorities:

METALLURGY SECTOR

- Ongoing productivity and performance improvement in order for the Company to keep its position in the first quadrant of the global cost curve.
- Expansion into the aluminium scrap recycling business in order to reduce the consumption of energy and increase production.
- Commitment to sustainable production and to the use of Renewable Energy Sources in the Company's metallurgical activity up to 100% by 2030.
- Completion of the basic technical study for the new Alumina plant with an annual production capacity of 1 m. tonnes.
- Provision of optimal products and solutions to customers, over and above the mere supply of goods.
- Seeking new vertical integration or expansion projects, in order to strengthen its metallurgical business activity.
- Increasing competitiveness through strategic investments and risk-hedging methods.

EPC & INFRASTUCTURE PROJECTS SECTOR

- Focus on undertaking integrated energy projects of a wide scale in the natural gas & solar energy sectors.
- Expansion into existing and new developing markets.
- Exploring new opportunities when undertaking large infrastructure projects in developing countries.
- Utilising the significant industrial know-how and infrastructure developed over the recent years.
- Maintaining the Company's leading role in EPC energy projects globally.
- Investing in the continuous training of specialised scientific personnel.

ELECTRIC POWER & NATURAL GAS TRADING SECTOR

- Largest independent electric power producer in Greece.
- Reduction of carbon footprint by further investing in the sector of Renewable Energy Sources.
- Construction of a new 826 MW combined cycle gas-fired power plant (CCGT), to further consolidate the Company's position as the No 1 independent electric power producer in Greece.
- No 1 private supplier in the electric power retail market.
- Maintaining leading position in the natural gas market with a market share of 32%, by ensuring low power generation costs.
- Development and maintaining of a dynamic and balanced portfolio and expansion into the energy markets of neighbouring countries.

Moreover, MYTILINEOS, as a responsible enterprise, seeks to apply business excellence and best practices, adhering to the principles of sustainable development. For the Company, Sustainable Development means pursuing business leadership, remaining focused on its vision and with respect for society, the environment, its people and its shareholders. The Company's sustainability policy is underpinned by the harmonious matching of its activities to the needs of local communities where it operates; this matching is manifested with the implementation/support of major initiatives based on the **17 Sustainable Development Goals established the UN** and in alignment with the respective national priorities.

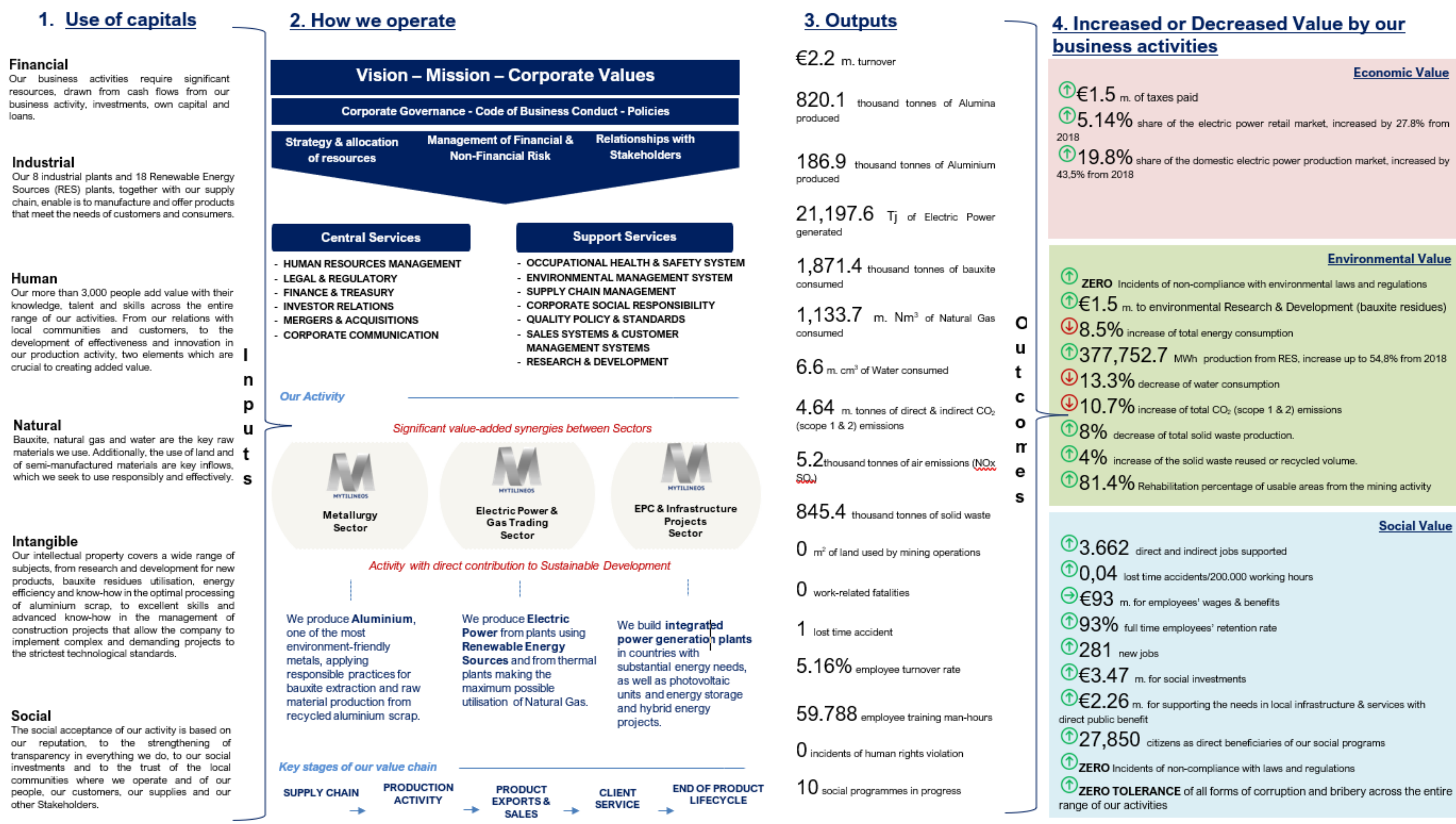
Thus, the Company's main commitments for the years ahead are the following:

- ✓ To remain steadfast in its target to ensure a safe, accident-free working environment.
- ✓ To continue to operate with a sense of responsibility and consistency vis-a-vis its people, remaining their first choice throughout their career.
- ✓ To promote the concept of Responsible Entrepreneurship to its key suppliers and business partners.
- ✓ To adapt its activity to the effects of climate change by analysing relevant risks and opportunities;
- ✓ To stabilise and reduce its environmental footprint by further investing in renewable energy sources and by modernising is production plants with new technology equipment.
- ✓ To continue to consistently implement its social policy, taking actions and initiatives that strengthen its coexistence with local communities and the wider society.

Value creation process

The way in which the Company creates and allocates value is a key element of its business model. From approaching the markets, developing and maintaining customer relationships and purchasing raw materials, to producing, marketing and selling its products right through to the end of their lifecycle, and to raising funds, MYTILINEOS creates an important value chain with strong social and economic impact. Across all its sectors of business activity, the Company supports income, tax revenues and jobs and, respectively, the same applies for its suppliers and business partners within their own value chain. This way, a multiple positive footprint is generated, reaching beyond the Company and affecting domestic employment and the relevant sectors of the economy.

An illustration of MYTILINEOS' Business Model and value creation process is presented below, including the value created for its Stakeholders and on the economic, environmental and social level, as a result of its business activity.



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, use is made of key performance indicators together with descriptions of the interrelationships between the resources utilised. This information is available from: http://scorecard.mytilineos.gr/.

II. 2019 REVIEW - PERFORMANCE AND FINANCIAL POSITION

2019 marked a year of recovery for the Greek economy after a prolonged and deep 10-year recession, while the emergence of a single party government in July 2019, for the first time since 2009, further boosted expectations for the Greek economy's prospects going forward. Moreover, improved economic climate, renewed market confidence coupled with an overall favorable international environment were reflected in the decline in Greek bond yields, which recorded historically low levels.

The growth rate in 2019 was 1.9%, while the yield on the 10-year bond declined even lower than the 1% level, certifying the improvement of the Greek economy and the willingness of investors to undertake Greek risk.

The above had established a positive economic environment for the Greek economy at the beginning of the year with estimates projecting accelerated growth during 2020. However, this positive economic outlook was abruptly reversed with the emergence and spread of Covid-19 initially in China and then into Europe. In addition, the price war between major oil-producing countries has significantly impaired the outlook for the economy, bringing about a backdrop of reduced visibility. Within a short period of time, the economic environment has become increasingly volatile with declining growth prospects globally.

For Greece, the potential deterioration of the economic climate poses significant challenges considering also the strict constraints imposed by the overall fiscal framework. Accurate estimates of the consequences of weakening economic activity due to the virus pandemic are difficult to be made at this time, as it largely depends on the duration and extent of the outbreak.

Monitoring closely the developments both on a domestic and international level, MYTILINEOS, following significant growth recorded in 2019, is taking all the necessary actions to protect the health of its employees and to continue its operations seamlessly. while, armed with its strong balance sheet, is in a position to adjust its strategy to depending on developments. In this regard, it is noted that the management of the Company has successfully dealt with significant challenges in recent years, including the Greek crisis and has both the experience and the ability to effectively manage all the variables under its control, acting within a rapidly changing environment.

Metallurgy and Mining Sector

Alumina's and Aluminium global demand was kept positive during 2019 however, at the same time the supply was increased (resuming production at Alunorte, capacity expansion at EGA) resulting in price pressures particularly in the second half of the year.

The decline in Aluminium prices during the second half of 2018 continued also during 2019 bringing the Aluminium price in the LME 3m marginally greater than the level of 1.700$/t. The average price stood at $1.810/t, down by approximately 14%.

Quarterly decline followed the premia for Aluminium products. In relation to 2018 billets' premia recorded a marginal decline compared to the plates which met a decline of 10%.

The API Index for Alumina, after its unprecedented rise in 2018, was decreased by 30% during 2019 as the circumstances that led to the explosive rise in prices during previous year ceased to exist (US sanctions which affected the largest producer of alumina and aluminium outside China, as well as the partial cessation of the world's biggest factory in Alumina production «ALUNORTE»).

The performance of the USD against Euro was strengthened, with the EURO/USD parity at 1.12 for 2019 compared to 1.18 of the corresponding period of the previous year

CO2 emissions' price which impacts not only directly but also indirectly the production cost was increased by 55% over the average price of 2018, stabilizing at a level of 25€/t from the second quarter of 2019 onwards.

Raw materials' (except bauxites) and Natural Gas decreased prices compared to 2018 led also to the decrease of production costs.

The successful hedging policy which was implemented since 2018 led to positive results especially in the LME where unlike market prices the Company achieved an increase of about 15% compared to the prices of 2018. This policy at the same time led to the reduction of the negative impact of CO2 emissions having prepurchased at lower prices than those formed on the market.

Since the beginning of 2019, and in order to protect the industry from the emerging problems in alumina and aluminium prices, a new competitiveness program for Metallurgy under the name "HEPHAESTUS" has been launched. The program is expected to last for two years and includes initiatives for cost reduction in raw materials, transport and energy. It also includes initiatives for the increase of production, particularly through the introduction of secondary aluminum into production, which improves the environmental footprint of Metallurgy, in addition to the improvement of economic results.

To this end, EPALME was acquired at the end of May 2019, which specializes in the production of secondary aluminium billers. Moreover, a new slab casting facility was installed and put into operation at the end of 2019 at the AOG plant. The additional capacity provided by the new facility will be covered by the purchase of recycled aluminium. The aim of the "HEPHAESTUS" program, regarding the increase in aluminium production, is to increase the production capacity to 250kt per year (with the participation of secondary metal by about 65kt / year (EPALME & AOG)).

In November 2019, Metallurgy sector joined the Aluminium Stewardship Initiative – ASI.

Outstanding performance was recorded in the safety of employees at the AOG plant, since 2019 has been a year without any accidents with work time loss..

EPC & Infrastructure

Financial Information

The financial results of 2019, reflect a positive course of the EPC & Infrastructure Sector (EPC Projects), proving its durability. More specifically, EPC Project Sector turnover for 2019 came up to € 665.8 million compared to the € 367.3 million of 2018.

The main factors for the above course of the EPC Sector are:

a) The project «Engineering, Procurement and Construction of a 300 MWp Photovoltaic Power Plant» in the Talavan area of Spain (TALASOL), with a contractual value of € 192.5 million, which in the current period recorded a turnover of € 129.4 million.

b) The continuation of the project «Engineering, Procurement, and Construction (EPC) of a 250 MW Power Plant» in Ghana, with a contractual value of $ 369 million, which recorded a turnover of € 116.47 million.

c) The project «Engineering, Procurement and Construction of a up to 170.65 MWp Photovoltaic Power Plant» located in the municipality of Pica, Tarapaka Region, in Chile (ATACAMA), with a contractual value of $ 107.6 million, which in the current period recorded a turnover of € 84.5 million.

d) The project «Procurement, Engineering and Construction of a 100 MWp Photovoltaic Power Plant» in the Zhambyl area of Kazakstan (MKAT), with a contractual value of $ 78.4 million and KZT 5,118.7 million, which recorded a turnover of € 78.2 million.

e) The project «Longridge Project Great Britain, Preston, Storage Batteries Project (with a total power of 49 MW) with a contractual value GBP 27.16 million, which in the current period recorded a turnover of € 30.8 million.

f) The project «Integrated engineering, procurement and construction services (EPC) in four universities, which includes hybrid power production units with renewable sources and energy storage, street lighting and training centers as well as operation and maintenance services» in Nigeria, with a contractual value of NGN 12.6 billion (approx. €31.2 million), which in the current period recorded a turnover of € 24.8 million.

g) The continuation of the project «Construction of remaining infrastructure, permanent way, signaling-telecommanding, telecommunications and electrical engineering works for the tunnel facilities for the new railway line Kiato-Rododafni» with a contractual value of € 250.6 million, which in the current period recorded a turnover of € 23 million.

h) The project «Procurement, Engineering and Construction of a 28 MWp Photovoltaic Power Plant» in the area Kyzylorda of Kazakstan (NOMAD) with a contractual value of $ 21.6 million and KZT 1,444.3 million, which recorded a turnover of € 22.2 million.

i) The continuation of the project «Engineering, Procurement, and Construction (EPC) of a 192 MW Power Plant» in Ghana, with a contractual value of $ 186.2 million, which in the current period recorded a turnover of € 18.7 million.

Earnings before interest, tax, depreciation and amortization (EBITDA) for the EPC Sector in 2019 reached € 51.2 million.

Significant events in 2019

In the early 2019, MYTILINEOS S.A. signed a contract for the construction of the Freight Center in Thriasio Plain, Western Attica, Greece, for an initial contractual amount of €109mn. The contract was signed with the consortium ETVA VIPE (Industrial Areas) and Goldair (THEK S.A), who are the Project's Concession Holders for the 60-year duration of the concession contract. The Thriasio Transit Project relates to the Design and Construction of the first Logistics Park in Greece, including the development of warehouses and supporting buildings covering a total surface of 235,000m2 within a land plot of 588,000m2, owned by GAIAOSE. In addition to the construction of building facilities, a road and a railway network will be constructed within the park aimed at supplying the warehouses. This combination of transport will be the first in the Greek logistics market.

Within 2019, MYTILINEOS S.A. also signed a contract with JAVNO PODJETJE ENERGETIKA LJUBLJANA, Ljubljana’s energy company, engaged in electrical and thermal production, transmission and distribution, operating Slovenia’s largest District Heating System. The contract involves the Engineering, Procurement and Construction of a new Combined Heat and Power

(CHP) plant in Ljubljana, Slovenia, substituting to a large extent coal with natural gas, thus reducing coal consumption by 70%. This new dual fuel (natural gas or extra light fuel oil) combined heat and power plant with total electrical power output of 110MW, is expected to make a vital contribution to meeting the electricity and district / process heating needs of Ljubljana's citizens. The contract value amounts to €118 million.

In 2019, METKA EGN signed with Total Eren turnkey Engineering, Construction & Procurement contracts, for two photovoltaic ("PV") projects in Kazakhstan, totaling a capacity of 128 MWp. Specifically, the first Project ("Nomad") is a 28 MWp PV power plant located close to the village of Zhalagash in the Kyzylorda region and the second Project ("M-KAT") is a 100 MWp PV Power Plant located next to the village of Shu in the Zhambyl region. METKA EGN is now one of the preferred suppliers of Total Eren. This achievement reflects the trust, know-how and reliability which METKA EGN has attained in the market. The total contractual value of the projects amounts approximately to 117 million USD.

METKA EGN has also signed a contract with Atacama Solar S.A., a subsidiary of the solar independent power producer Sonnedix, to undertake the EPC and O&M of the Atacama Solar II 170,65MWp PV project located in the municipality of Pica, Tarapaca Region, in Chile. The scope of the project includes the engineering, procurement and construction (EPC) of the Atacama Solar II plant, as well as a contract for the operation and maintenance (O&M) services for two years. The total contract value of the project amounts to 109 million USD.

In 2019, MYTILINEOS S.A. also announced the agreement for the acquisition of the remaining stake (49.9%) that it does not already own in METKA EGN Ltd. Following the completion of the transaction, MYTILINEOS SA will become the sole shareholder (100%) of METKA EGN Ltd. This transaction takes place within the framework of MYTILINEOS' overall energy plan, which will now include a platform for the construction, operation, financing and resale of photovoltaic power generation and storage units in Greece, but mainly in the international market. The total acquisition of METKA EGN ensures obvious synergies: The exceptional know-how developed in recent years by METKA EGN will benefit from increased financial flexibility, an increased ability to secure optimal agreements with suppliers and customers and will especially benefit from its increased size in the context of MYTILINEOS' investment activity in BOT projects.

Through its subsidiary METKA EGN, MYTILINEOS has signed a series of contracts for new Battery Energy Storage Systems (BESS) with its long-term cooperator Gresham House of United Kingdom. The new contracts concern engineering, procurement and construction of four new units, as well as the expansion of the energy storage systems in four operational units into batteries. The total installed power of the new projects surpasses 150MW with more than 275MWh storage in batteries. The value of the new contracts reaches approximately 105 million euros.

Finally, it should be noted that the backlog for the Group's existing projects amounts to € 915 million. The table below shows the expected income for the main projects per country which contribute significantly to the total backlog. Regarding the Libya project, the Company stays vigilant and the works shall begin as soon as the conditions for the project's seamless completion arise.

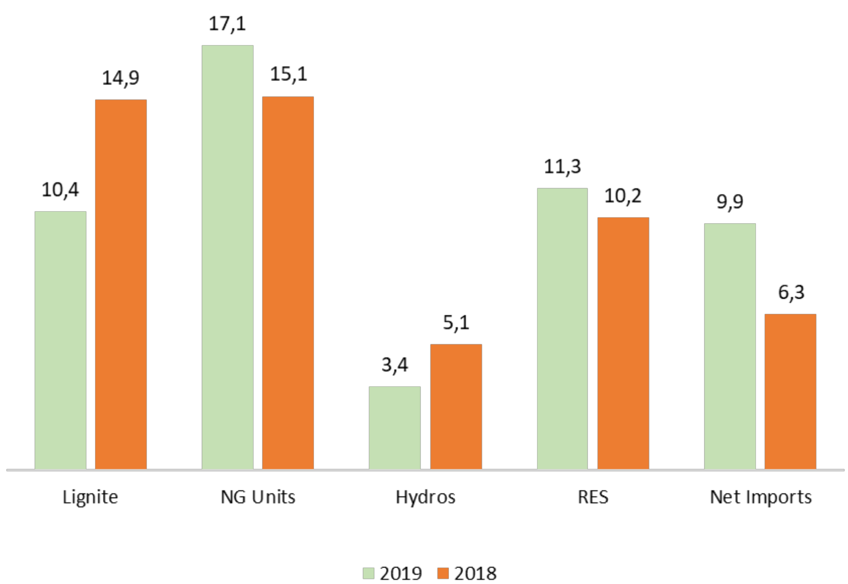
(Amounts in thousands €)	up to 1 year	1-3 years	3-5 years	Total
GHANA	51.983	1.106	0	53.089
LIBYA	0	347.129	0	347.129
GREECE	82.343	66.026	51.134	199.503
UNITED KINGDOM	60.735	-	-	60.735
SPAIN	61.235	-	-	61.235
SLOVENIA	88.202	24.205	0	112.407
OTHER	39.263	40.602	0	79.864
Total	**383.760**	**479.067**	**51.134**	**913.962**

**The table above does not include the amount of € 420 mn., which is the Deir Azzur backlog. The Group has paused the site works, as announced.*

Electric power & gas trading sector

Year 2019 was marked by an increase of 1.3% in electricity demand compared to 2018. The combination of increased demand, lower gas prices (especially in the second half of 2019), higher CO2 prices and lower hydroelectric production resulted in the significantly increased production of NG units (by 13.5% compared to 2018). The average wholesale market price stood at 63.8 € / MWh, increased by 5.7% compared to 2018.

The coverage (by source) of total electricity demand (in TWhs) for 2019 and 2018 is depicted in the following chart:



Both of the above (increased demand & high CO2 price), coupled with the ability to supply NG at highly competitive prices through the purchase of NG and LNG loads, which led to a diversified and flexible Gas Supplies portfolio, as well as the high efficiency, availability and reliability of the Company's units, have resulted in increased production to 5.4 TWh (an increase of 12.1% compared to 2018). The 3 units of MYTILINEOS produced 10.4% of the total demand and 31.6% of the total NG production. The total production of thermal and renewable units of the Company amounted to 5.8 TWh, representing 11.2% of total demand in the interconnected system (including net imports). MYTILINEOS, taking advantage of the size of its NG supply portfolio, due to high own needs, as well as its long experience in the direct supply of both LNG and NG, from a wide network of large international suppliers, continues to create opportunities for supply in competitive terms, while benefiting from the current low market trends. As a result, the cost of gas supply for MYTILINEOS was significantly lower than the average market price in Greece. Due to the above, MYTILINEOS has entered the wholesale market (sales to third parties) both in the Greek market and in the neighboring Balkan markets through exports. The company's broad involvement in the wholesale market has also resulted in the company expanding its portfolio and gaining competitive advantage and access to even more competitive sources of supply. The company's share of total NG imports in Greece in 2019 was over 35%, with 40% of its portfolio reserved for third party sales.

Regarding the supply activity, Protergia is steadily strengthening its presence by representing over 180,000 electricity meters and over 13,000 NG meters in the end of 2019, compared to 129,000 and 4,500 meters respectively in 2018.

On October 2 at a ceremony held in the energy center of Aghios Nikolaos the foundation stone was laid for the construction of the new 826 MW CCGT with General Electric's H-Class turbine. The trial start date of the power plant is set at the end of the fourth quarter of 2021, contributing to the country's transition to an energy mix with a significantly smaller carbon footprint. The project is executed by the company's EPC & Infrastructure segment with notable synergies, ensuring reduced investment cost. Preparatory work for the station's field was conducted during the last two months of 2019.

Three new Wind Parks have been put into operation during 2019, increasing the Company's production capacity from RES to 211 MW, while one additional Wind Park of total capacity of 11 MW is under construction.

Finally, on July 1, 2019, the Company successfully participated in the competitive process of RES projects announced by RAE for an additional 44.0 MW Wind Park and will commence construction in 2020.

Total Impact on Group Sales and EBITDA

Specifically, the effect in Group's turnover and EBITDA during 2019 compared to 2018 is presented below:

A.SALES

Amounts in mil. €	Metallurgy and Mining Sector		EPC & Infrastructure Sector	Power & Gas Sector	Other	Discontinued Operations	Total
	Continued Operations	Discontinued Operations					
Turnover 2018	**549,5**	**1,3**	**367,3**	**608,1**	**1,6**	**(1,3)**	**1.526,5**
Effect from:							
Premia & Prices	(12,0)		15,0	33,5			36,5
Organic $/€ eff.	(7,5)						(7,5)
LME	45,0						45,0
EPC Contrancts			305,8				305,8
Maintenance services			(22,3)				(22,3)
Volumes	13,6			360,7			374,4
CACs 1				(1,2)			(1,2)
Shut-Down income				(5,0)			(5,0)
NG sales				0,0			0,0
Other - One offs	5,5	(0,7)			(1,6)	0,7	3,9
Turnover 2019	**594,2**	**0,7**	**665,8**	**996,1**	**0,0**	**(0,7)**	**2.256,1**

B. EBITDA

Amounts in mil. €	Total		Total
EBITDA 2018	**283,5**		**283,5**
Intrinsic Effect	35,9	Natural Gas	22,4
		New RES	11,7
		Other	1,8
One-off items	15,3	Prior years CO2 rebate	10,2
		BOTAS gas in 2018 results of Power & Gas	3,5
		Price review of BOTAS gas in 2018 results of Metallurgy	3,0
		Other	(1,4)
Market Effect	(92,2)	Aluminium	(45,5)
		Alumina	(40,0)
		€/$ rate effect - Metallurgy	16,8
		CO2 Metallurgy	5,4
		CO2 Power & Gas	(14,0)
		Capacity payments	(1,6)
		Other	(1,9)
Hedging	71,2		71,2
EBITDA 2019	**313,7**		**314,3**

C. Net Profit after minorities

Amounts in mil. €	Metallurgy and Mining Sector		EPC & Infrastructure Sector	Power & Gas Sector	Other	Discontinued Operations	Total
	Continued Operations	Discontinued Operations					
Net Profit after Minorities 2018							**141,2**
Effect from:							
Earnings before interest and income tax (EBIT)	(4,2)	0,9	(5,1)	29,6	(5,2)	(0,9)	15,0
Net financial results							(2,2)
Minorities							(3,7)
Discontinued Operations						0,9	0,9
Income tax expense							(6,3)
Net Profit after Minorities 2019							**144,9**

(1) CACs: Capacity Assurance Certificates

(2) SMP: System Marginal Price

(3) LRUCRESSA: Load representative uplift charge for renewable energy source special account

D. Sales and Earnings before interest, taxes, depreciation, and amortization per Business Unit

(Amounts in thousands €)	Metallurgy			
Sales	***Alumina***	***Aluminium***	***Other***	**Total**
2019	145.342	442.354	7.181	594.877
2018	175.816	370.021	5.001	550.838
EBITDA				
2019	44.117	117.025	594	161.736
2018	83.090	82.596	(3.233)	162.453

(Amounts in thousands €)	EPC & Infrastructure			
Sales	**EPC &**	**Solar Parks**	**O&M & Other**	**Total**
2019	254.209	388.192	23.354	665.755
2018	242.496	85.173	39.660	367.329
EBITDA				
2019	20.293	29.060	1.864	51.217
2018	41.368	4.489	9.002	54.859

(Amounts in thousands €)	Power & Gas				
Sales	**Energy Supply**	**Energy Production**	**Natural Gas Supply**	**RES**	**Total**
2019	387.399	320.448	246.258	42.015	996.121
2018	258.133	271.296	50.790	27.856	608.074
EBITDA					
2019	596	55.696	14.096	30.527	100.914
2018	8.938	35.219	(2.019)	18.235	60.373

*The Companies which are consolidated with equity method and own Renewable Energy Units with capacity of 16MW are not included in the amounts of RES.

(Amounts in thousands €) **Sales**	**Other**	**Discontinuing Operations**	**Total**
2019	0	(662)	(662)
2018	1.609	(1.337)	272
EBITDA			
2019	(3.250)	2.538	(712)
2018	2.371	3.503	5.874

The Group's policy is to monitor its performance on a month to month basis thus tracking on time and effectively the deviations from its goals and undertaking necessary actions. The group evaluates its financial performance using the following generally accepted Key Performance Indicators (KPI's):

-EBITDA (Operating Earnings Before Interest, Taxes, Depreciation & Amortization): The Group defines the «Group EBITDA» quantity as profits/losses before tax, itemized for financial and investment results; for total depreciation (of tangible and intangible fixed assets) as well as for the influence of specific factors, i.e. shares in the operational results of associates where these are engaged in business in any of the business sectors of the Group, as well as the influence of write-offs made in transactions with the aforementioned mentioned associates.

- ROCE (Return on Capital Employed): This index is derived by dividing profit before interest, taxes, depreciation & amortization, to the total capital employed by the Group, these being the sum of the Net Position; Total Debt; and Long - term forecasts.

- ROE (Return on Equity): This index is derived by dividing profit after tax by the Group's Net Position.

- EVA (Economic Value Added): This metric is derived by multiplying the total capital employed with the difference (ROCE – Capital Expenditure) and constitutes the amount by which the financial value if the company increases. To calculate the capital expenditure, the Group uses the WACC formula – « Weighted Cost of Capital».

The Weighted average cost of capital is calculated as, the quotient of Equity Capital to Total Capital Employed (Equity Capital and Debt) multiplied by the return on Equity* plus the quotient of Debt to Total Capital Employed (Equity Capital and Debt) multiplied by the return on Debt adjusted by the company tax rate (due to tax saving on interest paid).

$$WACC = \frac{E}{E+D} r_E + \frac{D}{E+D} r_D (1 - Tc)$$

Where

E Equity Capital

D Debt

rE Return on equity

rD Return on debt

Tc Tax rate

*Return on Equity is calculated by utilizing the “Capital Asset Pricing Model” (CAPM) and is equal to risk-free rate of return plus a risk premium multiplied by beta coefficient that reveals the variability of the stock in relation to market fluctuations.

WACC for 2019 equals 7.25% and is based on Group’s country exposure.

The above indicators for 2019 compared to 2018 are as follows:

EBITDA & EVA in thousands €

	2019	2018
EBITDA	313.155	283.559
ROCE	9,4%	10,2%
ROE	9,1%	9,4%
EVA	49.687	24.662

III. Significant information

During the reporting period, the Group proceed to the following:

- In the early 2019, MYTILINEOS S.A. signed a contract for the construction of the Freight Center in Thriasio Plain, Western Attica, Greece, for an initial contractual amount of €109mn. The contract was signed with the consortium ETVA VIPE (Industrial Areas) and Goldair (THEK S.A), who are the Project's Concession Holders for the 60-year duration of the concession contract. The Thriasio Transit Project relates to the Design and Construction of the first Logistics Park in Greece, including the development of warehouses and supporting buildings covering a total surface of 235,000m2 within a land plot of 588,000m2, owned by GAIAOSE. In addition to the construction of building facilities, a road and a railway network will be constructed within the park aimed at supplying the warehouses. This combination of transport will be the first in the Greek logistics market. The first phase of the construction project will begin once the concession contract has become enforce, scheduled within the second quarter of 2019, and has duration of 24 months.

- On 16.01.2019, MYTILINEOS S.A. announced that the acquisition of all the shares (50%) that MOTOR OIL (HELLAS) CORINTH REFINERIES SA held in the company M AND M NATURAL GAS SA has been completed. Henceforth, MYTILINEOS SA is the sole shareholder (100%) of M AND M NATURAL GAS SOCIETE ANONYME.
- On 21.02.2019, MYTILINEOS S.A. signed the agreement for the acquisition of 60% in ZEOLOGIC SA, a company headquartered in Thessaloniki, that provides innovative solutions in solid and liquid waste treatment. ZEOLOGIC, is a Greek start-up company set-up in 2014, to take advantage of the internationally patented technology based on the geochemical processing (Geochemical Active Clay Sedimentation - GACS) for liquid and solid waste treatment. ZEOLOGIC treats in its own facilities and supplies the waste treatment units it executes, with the required chemical consumables to ensure their long-term operation. The strategic cooperation with MYTILINEOS will enable ZEOLOGIC to penetrate new international markets and further to develop its innovative technologies into new applications. At the same time MYTILINEOS S.A. and more specific EPC & Infrastructure Projects Business Unit will benefit from this participation by further extending its activity in the area of Environmental Projects and circular economy.
- On 04.04.2019, MYTILINEOS S.A. also signed a contract with JAVNO PODJETJE ENERGETIKA LJUBLJANA, Ljubljana’s energy company, engaged in electrical and thermal production, transmission and distribution, operating Slovenia’s largest District Heating System. The contract involves the Engineering, Procurement and Construction of a new Combined Heat and Power (CHP) plant in Ljubljana, Slovenia, substituting to a large extent coal with natural gas, thus reducing coal consumption by 70%. The scope of the project includes the supply, installation and commissioning of 2 Siemens gas turbines and 2 heat recovery steam generators with pertaining equipment, including all necessary construction works and pipeline connections to the existing steam turbine and to the points of contact with the remaining existing devices. The project will be completed within 30 months post the project’s commencement date, which, subject to normal permitting procedures, was the 1st half of 2019. The contract value amounts to €118 million.
- On 13.05.2019, MYTILINEOS S.A. announced that its subsidiary METKA EGN has recently signed an EPC contract with Eni Tunisia B.V. to undertake the engineering, procurement and construction of an innovative hybrid electricity production system at the ADAM oil concession located in the Tataouine governorate of Tunisia. The scope of the project includes the installation of 5 MW of solar power together with a battery energy storage system, integrated with existing gas turbines in an off-grid set-up. The energy produced will be consumed on-site, enabling the upstream operations to significantly reduce gas consumption and therefore avoiding 6,500 tonnes/year of CO2

equivalent emissions. Through this new project METKA EGN is working with Eni for the first time, while supporting Eni in its drive to decarbonize its operations by introducing renewable energy in the countries where it operates worldwide. The project duration is eight months after which METKA EGN will also carry out operations and maintenance services for the project for two years.

- On 17.05.2019, MYTILINEOS S.A. signed the CMP contract – 99595/2019 with IPTO SA (Independent Power Transmission Operator) in a consortium with the Chinese Sieyuan Electric Co. Ltd. The project refers to the construction of the new Extra High Voltage Center in Corinth and is one of the main projects of the "Corridor B" of the Expansion of the 400 kV System to the Peloponnese. This particular project, combined with the "Corridor A" projects, will eliminate the network overload of Peloponnese. The contract includes the engineering, procurement of materials and turnkey construction of the EHV GIS 400kV / 150kV in Corinth, equipped with 400/150kV kV GIS equipment installed in buildings, two 400/150/30kV/ autotransformers, 280/280/60MVA each, with the corresponding 30kV, 50MVAr Shunt Reactors, installed outdoor and automatic digital protection and control system. In addition to the construction of the project, MYTILINEOS also undertakes the contract for the maintenance of the digital control and protection system of the GIS for ten (10) years, after the Provisional Acceptance of the project. The contract for the project was signed on May 16 and its duration will be 26 months from the date of signing. The contract value amounts to €20.6 million.
- On 03.06.2019, MYTILINEOS S.A. announced the formal completion of the acquisition of 97.87% of the outstanding share capital of EP.AL.ME. S.A. (“EPALME”) with effective date 30 May 2019. As noted in the original announcement of 23.10.2018, EPALME is active in the industrial production, processing and trading of metals, mostly aluminium alloys and derivative products. As part of MYTILINEOS’ ongoing commitment to fair competitive practices, the following conditions will apply: (a) provision of services for the reprocessing scrap of aluminium to customers of EPALME is not be conditional upon the supply of primary aluminium of MYTILINEOS (ex-AoG), (b) the supply of primary aluminium produced by MYTILINEOS to customers does not depend on whether they also reprocess scrap alumunium by EPALME, (c) EPALME's existing customer network will be retained, on the basis they remain creditworthy, solvent and subject to the existing contractual terms between them, and (d) no customer will be bound to bind their respective clients with any exclusivity clause in respect of secondary aluminum supply and reprocessing services in written or oral agreements. The above commitments are set for a period of three (3) years from the date of issue of no. 682/03.04.2019 of the Hellenic Competition Commission. MYTILINEOS retains the right to request that the HCC review above commitments before the end of the period, in the event there is a change in the competitive conditions in the relevant markets.
- On 05.06.2019, MYTILINEOS S.A. in a Joint Venture with XANTHAKIS S.A. announced the signing of the A.S. 1509 contract with ERGA OSE S.A., for the «Modernization of the existing metric single railway line of Isthmos – Loutraki including electrification». The project refers to the extension of the Suburban Railway line to the section Isthmos-Loutraki, with electrification, in order to be interconnected with the existing high-speed suburban railway line of Athens Airport-Corinthos-Kiato-Aegio. Aside from the track works with electrification, the joint venture MYTILINEOS

-XANTHAKIS has undertaken the renovation of existing building facilities of the Isthmos Rail Station, as well as its surrounding areas. In addition, new platforms will be constructed in the Isthmos Station and the Rail Stops of Kazino and Loutraki, in addition to the installation of modern automatic Level Crossing systems. The Contract for the project was signed on the 4th of June and the duration of the project is 18 months from the signing date. The Contract value net of VAT is €6.4m and is financed by the Greek Public Investment Plan.

- On 19.06.2019, MYTILINEOS S.A. announced the record date for the beneficiaries of interest payment for the fourth Interest Payment Period, according to the terms of the dated 27.06.2017 common bond loan issued by "MYTILINEOS HOLDINGS SA", i.e. from 27.12.2018 to 27.06.2019. The gross interest amount for the second Interest Payment Period, which corresponds to 300,000 bonds currently traded on the Athens Exchange, is euro 4,701,666.67 i.e. euro 15.6722222222 per bond and has been calculated at an annual interest rate of 3.10% (before tax). The payment of the accrued interest to the bondholders took place through the "Hellenic Central Securities Depositary S.A." (ATHEXCSD) on Thursday, June 27th, 2019.
- Decisions of Annual General Meeting of the Shareholders of MYTILINEOS S.A.

  The Annual General Meeting of the Shareholders of the company took place on June 24 2019, and the following decisions, among others, were taken:

  1. Submission and approval of the annual and consolidated financial statements for the financial year 01.01.2018 - 31.12.2018, the relevant Board of Directors' and Statutory Auditor's reports, and the Statement of Corporate Governance.
  2. Approval of the appropriation of the results for the fiscal year 2018 (01.01.2018 - 31.12.2018), the distribution of dividend and payment of fees from the profits.
  3. Approval of the overall management of the board of directors for the fiscal year 01.01.2018 – 31.12.2018 and discharge the statutory auditors of the Company from any liability for damages for the audit of the financial statements for the same fiscal year.
  4. Election of the Audit Firm GRANT THORNTON S.A. to carry out the regular audit of the Company's individual and consolidated financial statements for the current fiscal year 01.01.2019-31.12.2019, the review of the of the interim financial statements for the period 01.01.2019-30.06.2019 as well as to issue the annual tax certificate and set their remuneration.
  5. Approval of the remuneration policy for the members of the Board of Directors in accordance with article 110 of the law 4548/2018.
  6. Approval of the amendment of article 1 of the Company's articles of association - change of the corporate name and distinctive title of the Company to "MYTILINEOS S.A." and "MYTILINEOS" respectively.
  7. Approval of the amendment, abolishment and renumbering of the Company's articles of association in order to adapt to the relevant provisions of the new law 4548/2018 in accordance with article 183 of the law 4548/2018, as presented for approval.

8. Approval of the submission of applications for the inclusion under the provisions of development law 4399/2016 of investment plans relating to the alumina and aluminum production facilities at Agios Nikolaos, Viotias.
9. Approval of the establishment of a special reserve account using taxed reserves, for the purpose of covering the Company's own participation in the framework of the investment plan involving the construction of a wind park with an initial output capacity of 13.8 MW.

- On 24.06.2019, MYTILINEOS S.A. also announced the agreement for the acquisition of the remaining stake (49.9%) that it does not already own in METKA EGN Ltd. Following the completion of the transaction, MYTILINEOS SA will become the sole shareholder (100%) of METKA EGN Ltd. This transaction takes place within the framework of MYTILINEOS' overall energy plan, which will now include a platform for the construction, operation, financing and resale of photovoltaic power generation and storage units in Greece, but mainly in the international market.
- In July 2019, METKA EGN signed with Total Eren turnkey Engineering, Construction & Procurement contracts, for two photovoltaic ("PV") projects in Kazakhstan, totalling a capacity of 128 MWp. Specifically, the first Project ("Nomad") is a 28 MWp PV power plant located close to the village of Zhalagash in the Kyzylorda region and the second Project ("M-KAT") is a 100 MWp PV Power Plant located next to the village of Shu in the Zhambyl region. Both Projects will be the first PV power plants using single-axis trackers in Kazakhstan and are expected to enter operation by the end of 2019. Once completed, Nomad and M-KAT are expected to generate 225 GWh per year together, enough to supply the needs of about 40,000 Kazakh people while saving about 300,000 tons of CO_2 per year. The total project cost for Nomad and M-Kat for Total Eren amounts to US$ 157 million.
- On 17.07.2020, MYTILINEOS S.A. announced commencement of the construction of the new electrical power plant. After completing all the required permitting procedures MYTILINEOS, leveraging off the expertise of its EPC Business Unit (under the brand name "METKA"), will begin construction one of the largest natural gas fired powered combined cycle (Combined Cycle Gas Turbine – CCGT) power stations in Europe within the fourth quarter of this year. The 826MW new CCGT station will be constructed within the company's Energy Center in Aghios Nikolaos, in the Voiotia region of Central Greece. The station will be operated by a GE H-Class gas turbine with a thermal efficiency of more than 63%, rendering the plant as the most efficient across Europe. The projected investment cost will be €300m. The new job creation will be mainly covered by local regional residents, as per MYTILINEOS' standard practice. The commissioning of the new plant is estimated toward the 4th quarter of 2021.
- On 12.08.2019, MYTILINEOS S.A. announced that its subsidiary METKA EGN has also signed a contract with Atacama Solar S.A., a subsidiary of the solar independent power producer Sonnedix, to undertake the EPC and O&M of the Atacama Solar II 170.65 MWp PV project located in the municipality of Pica, Tarapaca Region, in Chile. The scope of the project includes the engineering, procurement and construction (EPC) of the Atacama Solar II plant, as well as a contract for the operation and maintenance (O&M) services for two years. The project is expected to be completed in December 2020 and the production is estimated to cover the needs of more than 100,000 households, while

contributing in the avoidance of the emission of around 200,000 metric tons of CO_2 per year. The total cost of the investment for Sonnedix is of $ 180 mio (€ 160 mio).

- On 30.08.2019, MYTILINEOS S.A. announced that the Annual General Meeting of the Company's Shareholders, held on June 24, 2019, resolved, among others, to change the Company's business name from "MYTILINEOS HOLDINGS S.A." to "MYTILINEOS S.A." with the distinctive title "MYTILINEOS". On 17.07.2019 the Ministry of Finance and Development by its decision that was posted on the General Corporate Registry on the same day, approved the relevant amendment of the Company's articles of association. As of Tuesday, September 3rd, 2019 the Company's business name on the Athens Exchange changed to "MYTILINEOS S.A." with the distinctive title "MYTILINEOS".
- On 02.09.2019, MYTILINEOS S.A. announced that its subsidiary METKA EGN has entered an agreement for a 10-year electricity supply contract (PPA) with Coles, Australia's second largest super market chain. The electricity will derive exclusively from renewable sources. Specifically, 220 GW/h will be produced annually to power Australia's electricity system through three privately owned by METKA EGN photovoltaic parks in the New South Wales Region. With the use of solar energy, carbon dioxide emissions will be reduced by 180,000 tonnes per year. Coles' wide network of stores will cover 10% of its energy needs by purchasing 70% of the power generated by the three METKA EGN projects with total capacity of 120MW.
- On 22.11.2019, MYTILINEOS S.A. announced the successful pricing of its inaugural international offering (the "Offering") of €500.0 million aggregate principal amount of 2.5% senior notes due 2024 (the "Notes"), at an issuance price of 100%, to be issued by its direct subsidiary, Mytilineos Financial Partners S.A.. The proceeds from the Offering will be used for general corporate purposes and to pay costs and expenses related to the Offering. The Offering is scheduled to settle on 29 November 2019, subject to the satisfaction of customary closing conditions. Citigroup Global Markets Limited, HSBC Bank plc and J.P. Morgan Securities plc are acting as Joint Physical Bookrunners, Credit Suisse Securities (Europe) Limited, Goldman Sachs International and Nomura International plc are acting as Joint Bookrunners and Alpha Bank A.E., Eurobank Ergasias S.A.¸ National Bank of Greece S.A. and Piraeus Bank S.A. are acting as Lead Managers in connection with the Offering.
- On 17.12.2019, MYTILINEOS S.A. announced the record date for the beneficiaries of interest payment for the fifth Interest Payment Period, according to the terms of the dated 27.06.2017 common bond loan issued by "MYTILINEOS S.A.", i.e. from 27.06.2019 to 27.12.2019. The gross interest amount for the fifth Interest Payment Period, which corresponds to 300,000 bonds currently traded on the Athens Exchange, is euro 4,727,500.00 i.e. euro 15.7583333333 per bond and has been calculated at an annual interest rate of 3.10% (before tax). The payment of the accrued interest to the bondholders took place through the "Hellenic Central Securities Depositary S.A." (ATHEXCSD) on Friday, December 27th, 2019.
- On 19.12.2019, MYTILINEOS S.A. announced a series of new battery energy storage systems (BESS) contracts for its subsidiary METKA EGN with its long-term client Gresham House in the United Kingdom. The new contracts include full turn-key engineering, procurement and construction (EPC) solutions for four new sites as well as expansion of the battery energy storage systems at four existing sites. Total installed capacity of the new projects exceeds

150MW, with more than 275MWh of new battery energy storage. These systems are supporting increased penetration of intermittent renewables into the energy mix. More specifically, they provide ancillary services necessary to ensure the reliability and stability of the grid, and to also generate revenues by storing energy at times of low demand and releasing it back to the grid when there is increased demand. The value of the new contracts amounts to approximately €105m.

These new BESS projects follow on from the similar projects completed in 2017 and 2018 for the same client, which provided Fast Frequency Response (FFR) and other ancillary services to the National Grid in the UK. Execution of the projects is already advanced, with one of the new sites and the expansions already completed, while the remainder of the portfolio will be completed in Q1 2020. Upon completion, METKA EGN will have installed battery energy storage systems in the United Kingdom with a total capacity of 230MW with energy storage of 315MWh, further strengthening its positioning as one of Europe's market leading solution providers for utility scale battery energy storage systems.

IV. PROSPECTS – RISKS AND UNCERTAINTIES FOR THE YEAR AHEAD

A. Prospects for 2020

Metallurgy and Mining Sector

In the Metallurgy and Mining sector, the growth rate of the global aluminium demand is expected to remain positive, while at the same time supply is increasing due to planned start ups / expansions in several aluminium plants outside China, leading to a positive balance of quantities. As a result, stocks are expected to rise internationally to the highest levels of the decade, leading to a corresponding pressure on international aluminum prices.

The emergence and spread of the coronavirus has affected the real economy and movement of goods and has raised market concerns. This led to the decline of all values, including the LME, while strengthening the dollar against other currencies. In the meantime, however, the FED has announced a monetary loosening program that has weakened the dollar.

Raw material and NG prices experience already a downward trend, which is expected to continue, improving the production cost and reducing the negative effect of low selling prices on profit and loss.

Metallurgy sector has already started to take steps towards the digital evolution of the industry (Industry 4.0) and more specifically in the field of "digital smelter", through collaboration with General Electric. This collaboration is expected to deliver reduced electricity consumption to Electrolysis. At the same time, working groups have been formed for the creation of new ideas regarding the implementation of Industry 4.0 to other industrial activities.

EPC & Infrastructure Sector

For the EPC Sector, 2020 is expected to be a year of transition, development and new opportunities. The Group is oriented towards the development of its activities in demanding countries, with its status and know-how giving it a special place in the global market. If there are investment opportunities, the Group shall utilize its significant financing capabilities to create bigger added value for its clients and shareholders. The EPC Sector's strategy aims to an increased backlog of projects taken within 2020, a timely execution of the existing contracts and the undertaking of new projects and investments in targeted markets. The prospects and planning for the EPC Sector's separate activities are as follows:

- MYTILINEOS continues the construction of a new natural gas-powered plant of 826MW at its energy center in Agios Nikolaos of Viotia. Abroad, MYTILINEOS continues the construction of the projects in Ghana, Nigeria, and Slovenia. Having now a leading position in the undertaking and construction of natural gas-powered power plants, the Company claims new projects of 500MW in Europe and Sub-Saharan Africa.
- Possessing the relevant experience, MYTILINEOS claims an important share for power transport networks in Greece, Europe and Africa.
- MYTILINEOS possesses the highest contractor certificate in Greece and part of its business plan is to selectively participate in undertaking infrastructure, building, environmental and other private projects mainly within Greece, through construction contracts, public private partnership, or even concession agreements.
- MYTILINEOS' factories in Volos Magnesia's shall continue and expand within 2020 the industrialization of special constructions with high added value and technological level, for clients in the markets of Germany and United States.
- In the Waste Management sector, there are high expansion possibilities for MYTILINEOS, based on its increased know-how in circular economy solutions. Specifically, it expands to solid waste management through the development of biogas production and waste management units, taking into selective consideration cases of project financing. In the sludge and liquid waste sector, the Company implements its plan for a systematic entering initially in Europe, Middle East and Africa, using the added value and special know-how of its subsidiary Zeologic which acts as a pioneering technological provider in this market.
- The Sector shall continue to claim hybrid/off-grid projects, capitalizing the experience and knowledge from completed similar ones. At the same time, it shall continue to implement its strategy for expansion and growth of its presence in significant energy upgrade and energy saving projects, both in the Greek and selected foreign markets. Finally, it will intensify its presence in projects concerning new technologies combined with the supply of energy solutions, aiming to develop new, differentiated activities with added value for the sector.
- In view of the upcoming completion of the full acquisition of its subsidiary METKA EGN and already being established as one of the largest Solar PV and energy storage developers worldwide, a new business unit (BU), International Renewables and Storage Development (RSD) is created. The RSD Sector is also transformed to an important developer, in order to strengthen the powered projects' (BoT) sales. This activity offers much better

margins compared to the conventional EPC, evident also in the recent sale of 47MW PV's in Greece. The BoT establishment effort is achieved through acquiring permits and constructing more BoT projects. Combined to the globally accelerated investments in projects connected with climate change, the RSD Sector aims to stabilize its financial sizes in 2020 and place a solid basis for further growth in the years to come.

Risks and Uncertainties

Delays in auctioning and/or on contractualization of new EPC projects in Greece and abroad, could have a negative impact on the replenishment of the Company's construction backlog, and its future income.

Electric power & gas trading sector

MYTILINEOS possessing installed power of ~1,4 GW from operational thermal power stations and RES projects, has gained the position of the largest private vertically integrated electricity and NG company. Thereby, the company has reached the critical size needed in order to benefit as much as possible from the expected full deregulation of the local market of electric power and NG.

In 2020, the financial results of the Electric Power & Gas Trading Sector are expected to improve due to:

- the decrease of the natural gas price due to:
  - oversupply of LNG, in the supply of which MYTILINEOS has a significant advantage over its competitors due to its experience and an extensive supplier network.
  - access to competitive and flexible sources of Natural Gas through direct long-term contracts with major international producers and suppliers.
  - expanding gas trading activity in the wholesale market both in Greece and in neighboring countries (exports).
- the increase of the installed capacity of Renewable Energy Sources by having the three new Wind Parks, with total capacity of 34.5 MW, in full operation throughout the year and putting into operation one additional 11 MW Wind Park.
- the increased volume of electricity and NG supply.
- the expansion of the electricity trading activity to additional countries.

V. Business Risk Management

Financial risk management aims and policies

The Group's activities give rise to multiple financial risks, including the current and interest rate related risks; the volatility in market prices; credit risks; and liquidity risks. The Group's risk management program aims at containing potential negative influence to its financial results, as this may arise from the inability to predict financial markets and the volatility with respect to cost and sales variables.

The essential risk management policies are determined by the Group's Management. The risk management policy is applied by the Corporate Treasury Department. The latter acts as a service centre, operating under specific Management - approved lines.

Credit Risk

The Group does not exhibit any considerable concentration of credit risk in any of the contracted parties. Credit risk originates from available cash and cash equivalents, derivative financial instruments and deposits at banks and financial institutions; also from exposure to client derived credit risk.

Regarding commercial and other claims, the Group is not theoretically exposed to significant credit risks; as of the multifaceted nature of the Group's activities, there is no significant concentration of credit risk with respect to its commercial requirements, as this is allocated over a high number of clients. However, the atypical conditions that dominate the Greek market and several other markets in Europe are forcing the Group to constantly monitor its business claims and also to adopt policies and practices to ensure that such claims are collected. By way of example, such policies and practices include insuring credits where possible; pre-collection of the value of product sold to a considerable degree; safeguarding claims by collateral loans on customer reserves; and receiving letters of guarantee.

To minimize credit risk on cash reserves and cash equivalents; in financial derivate contracts; as well as other short term financial products, the Group specifies certain limits to its exposure on each individual financial institution and only engages in transactions with creditworthy financial institutions of high credit rating.

The tables below summarize the maturity profile of the Group’s financial assets as at 31.12.2019 and 31.12.2018 respectively:

MYTILINEOS GROUP

	Past due but not impaired				Non past due but not impaired	Total
(Amounts in thousands €)	0-3 months	3-6 months	*6-12 months*	> 1 year		
Liquidity Risk Analysis - Trade Receivables						
2019	117.932	73.614	28.797	41.638	828.821	1.090.802
2018	64.778	33.004	23.892	28.437	665.930	816.042

MYTILINEOS S.A.

	Past due but not impaired				Non past due but not impaired	Total
(Amounts in thousands €)	0-3 months	3-6 months	*6-12 months*	> 1 year		
Liquidity Risk Analysis - Trade Receivables						
2019	92.472	61.591	22.540	40.482	264.713	481.798
2018	33.725	6.959	2.685	25.910	319.889	389.168

Liquidity Risk

Liquidity risk is related with the Group's need for the sufficient financing of its operations and development. The relevant liquidity requirements are the subject of management through the meticulous monitoring of debts of long term financial liabilities and also of payments made on a daily basis.

The Group ensures that there is sufficient available credit facilities to be able to cover its short-term business needs, after the calculation of cash flows arising from the operation as well as cash and cash equivalents which are held. The funds for long-term liquidity needs ensured by a sufficient amount of loanable funds and the ability to sell long-term financial assets.

The tables below summarize the maturity profile of the Group's liabilities as at 31.12.2019 and 31.12.2018 respectively:

MYTILINEOS GROUP

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2019	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	0	0	916.341	90.109	1.006.450
Short Term Loans	16.769	669	0	0	17.438
Leasing liabilities	268	268	1.018	0	1.553
Trade and other payables	620.523	6.010	21.808	213	648.554
Other payables	43.206	104.507	1.213	20.021	168.947
Current portion of non - current liabilities	32.198	28.444	0	0	60.642
Total	**712.964**	**139.899**	**940.379**	**110.343**	**1.903.585**

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2018	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	0	0	460.165	73.863	534.028
Short Term Loans	10.679	18.233	0	0	28.912
Leasing liabilities	0	0	0	0	0
Trade and other payables	242.635	152.499	20.450	0	415.585
Other payables	(106.163)	225.056	10.401	14.914	144.208
Current portion of non - current liabilities	16.788	24.013	0	0	40.801
Total	**163.939**	**419.801**	**491.016**	**88.777**	**1.163.533**

MYTILINEOS S.A.

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2019	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	0	0	353.239	0	353.239
Short Term Loans	4	0	0	0	4
Leasing liabilities	147	147	505	0	798
Trade and other payables	312.350	6.010	21.808	0	340.168
Other payables	149.515	3.540	1.213	0	154.269
Current portion of non - current liabilities	8.666	8.666	0	0	17.332
Total	**470.682**	**18.363**	**376.764**	**0**	**865.809**

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2018	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	0	0	369.323	0	369.323
Short Term Loans	267	0	0	0	267
Leasing liabilities	0	0	0	0	0
Trade and other payables	199.354	65.778	19.618	0	284.750
Other payables	98.013	10.050	0	14.914	122.977
Current portion of non - current liabilities	8.666	13.916	0	0	22.582
Total	**306.300**	**89.744**	**388.941**	**14.914**	**799.899**

It must be noted that the above table does not include liabilities to clients from the performance of construction projects, as the maturity of such values cannot be assessed. Moreover, cash-advances from customers, construction contacts liabilities as well as the provisions and accrued expenses are not included.

Market Risk

Price Risk

Goods prices that are mainly determined by international markets and global offer and demand result in the Group's exposure to the relevant prices fluctuation risk.

Goods' prices are connected both to variables that determine revenues (e.g. metal prices at LME) and to the cost (e.g. natural gas prices) of the Group's companies. Due to its activity, the Group is exposed to price fluctuation of aluminium (AL), zinc (Zn), lead (Pb) as well as to price fluctuation of natural gas, as production cost.

As regards price fluctuation of metals, the Group's policy is to minimize risk by using financial derivative instruments.

Exchange rate risk

The Group develops activity at international level and is therefore exposed to exchange rate risk that arises mainly from the US dollar. Such risk primarily stems from commercial transactions in foreign currency as well as from net investments in foreign financial entities. For the management of such risk, the Group's Financial Management Department establishes financial derivative and non-derivative instruments with financial organizations for the account and in the name of the Group's companies.

At the Group level, such financial instruments are considered to constitute compensation means for the exchange rate risk of specific assets, liabilities or future commercial transactions

Interest rate risk

The Group's assets that are exposed to interest rate fluctuation primarily concern cash and cash equivalents. The Group's policy as regards financial assets is to invest its cash in floated interest rates so as to maintain the necessary liquidity while achieving satisfactory return for its shareholders. In addition, for the totality of its bank borrowing, the Group uses floating interest rate instruments. Depending on the level of liabilities in floating interest rate, the Group proceeds to the assessment of interest rate risk and when necessary examines the necessity to use interest bearing financial derivative instruments. The Group's policy consists in minimizing its exposure to interest bearing cash flow risk as regards long-term funding.

Effect from risk factors and sensitivities analysis

The effect from the above mentioned factors to Group's operating results, equity and net results as at 31.12.2019 and 31.12.2018 presented in the following table:

2019

LME AL (Aluminium)	$/t	+ 50	- 50
EBITDA	m. €	8,3	(8,3)
Net Profit	m. €	8,3	(8,3)
Equity	m. €	8,3	(8,3)

API (Alumina)	$/t	+ 10	- 10
EBITDA	m. €	2,9	(2,9)
Net Profit	m. €	2,9	(2,9)
Equity	m. €	2,9	(2,9)

Exchange Rate €/$	€/$	-5%	+5%
EBITDA	m. €	26,6	(24,7)
Net Profit	m. €	26,8	(24,9)
Equity	m. €	26,8	(24,9)

BRENT	$/t	- 50	+ 50
EBITDA	m. €	0,3	(0,3)
Net Profit	m. €	0,3	(0,3)
Equity	m. €	0,1	(0,1)

NG Price	€/MWh	- 5	+ 5
EBITDA	m. €	12,6	(12,6)
Net Profit	m. €	12,6	(12,6)
Equity	m. €	12,6	(12,6)

CO2 (€/t)	€/t	- 1	+ 1
EBITDA	εκ. €	2,0	(2,0)
Net Profit	εκ. €	2,0	(2,0)
Equity	εκ. €	2,0	(2,0)

2018

LME AL (Aluminium)	$/t	+ 50	- 50
EBITDA	m. €	0,1	(0,1)
Net Profit	m. €	0,1	(0,1)
Equity	m. €	0,1	(0,1)

API (Alumina)	$/t	+ 10	- 10
EBITDA	m. €	2,8	(2,8)
Net Profit	m. €	2,8	(2,8)
Equity	m. €	2,8	(2,8)

Exchange Rate €/$	€/$	-5%	+5%
EBITDA	m. €	(7,3)	7,5
Net Profit	m. €	(5,7)	5,9
Equity	m. €	(5,7)	5,9

BRENT	$/t	- 50	+ 50
EBITDA	m. €	0,3	(0,3)
Net Profit	m. €	0,3	(0,3)
Equity	m. €	0,5	(0,5)

NG Price	€/MWh	- 5	+ 5
EBITDA	m. €	12,4	(12,4)
Net Profit	m. €	12,4	(12,4)
Equity	m. €	12,4	(12,4)

CO2 (€/t)	€/t	- 1	+ 1
EBITDA	εκ. €	2,2	(2,2)
Net Profit	εκ. €	2,2	(2,2)
Equity	εκ. €	2,2	(2,2)

The Group's exposure in price risk and therefore sensitivity may vary according to the transaction volume and the price level. However the above sensitivity analysis is representative for the Group exposure in 2019.

VI. PAYMENTS TO GOVERNMENTS REPORT

Mytilineos Group, according to article 6 of law 3557/2007, paid to the Hellenic Government, for the year ended at 31st of December 2019, an amount of 86 thousand Euros, due to the mining activity of its subsidiary company.

The above mentioned amount is related to the Mining Rights of Delphi-Distomon SA subsidiary company.

VII. NON FINANCIAL INFORMATION

Introduction

The present non-financial information report has been prepared in accordance with the requirements of the European Non-Financial Information Directive. Contains information about MYTILINEOS performance in the subject areas defined in the “Non-Financial Information Report” of Circular 62784/2017 in accordance with the provisions of Law 4403/2016 in conjunction with the provisions of Law 4308/2014, regarding **material** environmental, social and governance issues (ESG).

The report’s data boundaries refer to the main Business Sectors of MYTLINEOS and its major subsidiaries within the Greek territory, including the worksites it holds, through its EPC & Infrastructure Projects Sector, in countries abroad. Data from Zinc/Lead Metallurgy and Natural Gas Trading business are not included.

Continuously improving the disclosure of ESG information

The technological innovation, the spread of information and data, as well as the rapidly evolving environmental, social and economic conditions, are reshaping every aspect of the society including the business environment. Climate change, the related transformation of the energy sector and the digital revolution are affecting and will continue to affect MYTILINEOS business. Understanding the upcoming changes, the Company continues to adapt to them, operating in a responsible manner throughout its operations, ensuring its consistent commitment to the Sustainable Development.
(MYTILINEOS Corporate Social Responsibility policy):
(https://www.mytilineos.gr/el-gr/corporate-social-responsibility-policy/about-corporate-social-responsibility),

In order to increase transparency and to further improve the disclose of the way in which ESG issues are handled by MYTILINEOS, the report contains information both on the identification process and the management of each Material issue focusing on the following aspects:

a) the description of the effects
b) the risks with potential impact on the Company's business model or its financial competence,
c) the practices adopted to address the risks and
d) the results of the relative corporate policies.

Also, to allow a better understanding, the aforementioned information is supported by the principles of key international non-financial reporting frameworks including **the GRI Standards**, **the international, the Corporate Social Responsibility Standard ISO 26000**, and the two core sections of **International Integrated Reporting Council (IIRC)** Guidelines: "The Capitals" and "The Value Creation for the Organization & Others". Moreover, specific ESG key performance indicators (KPIs)

have been developed and maintained by the Company, that largely cover the requirements of domestic and international investment initiatives (including the new ESG Reporting Guide published by the Athens Exchange in 2019) and respond to Sustainability / ESG / Socially Responsible Investment (SRI) analysts' questions and assessments.
(Visit the follow link for access to more information:
https://www.mytilineos.gr/el-gr/participation-in-socially-responsible-investment/details)

Partnerships and commitments at national and international level.

MYTILINEOS focusing on sustainable development and on the creation of value for its social partners, expands its partnerships and has become a member of several national, European, international and sectoral initiatives, in which with an active role. Likewise, the Company undertakes collaborative action to support the achievement of the most relevant, with its business activity, **Global Sustainable Development Goals** (Agenda 2030), while its commitment to doing business in a responsible way is reflected in its renewed participation in the **UN Global Compact** and the endorsement of its principles.
(Visit the follow link for access to more information:
https://www.mytilineos.gr/en-us/memberships-initiatives-and-standards/about-corporate-social-responsibility)

FTSE4Good

MYTILINEOS, following an independent evaluation that took place in June 2019, by the FTSE International Organisation, is now included as a **constituent of the Financial Times Stock Exchange 4Good (FTSE4GOOD)** Emerging Index, for its long-term commitment to sustainable development.
The FTSE4Good Series have been designed and developed by FTSE Russell, aiming to identify companies that better manage environmental, social and governance (ESG) risks. These indexes are an important investment tool for evaluating listed companies on sustainable development, aiming at socially responsible investments

[1]Apart from the Financial Position issue, which is covered in detail within the present Report. Information on managing the other significant issues (such as supply chain and other working practices) is reported in the Company's Sustainable Development Report 2019.

Materiality assessment process **ESG ATHEX : A-G2**[2]

The Materiality process, i.e. the process of identifying, understanding and prioritizing sustainability issues is a key element in the responsible operation of MYTILINEOS.

Seeking to provide the fullest possible information to its shareholders, to investors and to the other groups of its Social Partners, the Company's approach to Materiality is organized on two levels: (a) on the level of financial issues, so as to allow its financial growth, performance and position to be evaluated; and (b) on the level of non-financial issues, that reflect its significant economic, environmental and social impacts and influence the decisions of its Social Partners.

Through the Materiality process for Non-Financial sustainability issues, MYTILINEOS formulates and enriches its Sustainable Development strategy, aimed at operating responsibly in all its activities.

This is a constantly evolving process, in which the assessment of the material issues carried out by each Business Activity Sector forms the basis for the materiality process which takes place centrally, and vice versa. At the same time, the Company's open dialogue with its Social Partner groups provides this process with new inputs on an annual basis.

In 2019, the company upgraded its Materiality assessment process by implementing a new online information platform providing access to quality information on all identified Sustainable Development issues, thus improving the annual internal procedure of updating them.

The topics were examined in terms of the extent to which they affect the Company's ability to meet its business goals and, more importantly, of their impact on Sustainable Development, taking also into account the respective priorities at national level.

They were also correlated with the significance attached to them by the key groups of its Social Partners, based on the findings of a relevant field survey of 1,222 individuals, bodies and organizations.

The results of this process are presented in the table below:

TABLE OF MATERIAL AND OTHER SIGNIFICANT SUSTAINABLE DEVELOPMENT ISSUES

Capitals[1]	Material issues 2019	Relevant SDGs[2]	ESG[3] criteria
Financial	Financial position	SDG 8	
Industrial	Pollution prevention	SDG 14, SDG 15	E
Natural	Rehabilitation & Biodiversity	SDG 15	
	Energy & Air emissions	SDG 7, SDG 13	
	Water management	SDG 6	
	Cyclical economy	SDG 9, SDG 12	
	Climate Change adaptation	SDG 13	
	Management of raw and other materials		
Human	Occupational Health & Safety	SDG 3, SDG 8	S
	Human rights	SDG 10	
	Employment	SDG 5, SDG 8, SDG 9	
	Employee Training & Development		
	Equal opportunities & diversity		
	Common Corporate Culture		
Social	Sustainability of local communities	SDG 11	
	Emergency response plans	SDG 3, SDG 12	
	Customer Health & Safety		
	Customer privacy		
	Supply chain management		
	Communication & Marketing		
	Anti-Corruption & Anti-bribery	SDG 16	G
	Legal compliance		

A detailed presentation of the Materiality assessment process is included within the MYTILINEOS Sustainable Development Report 2019 (*https://www.mytilineos.gr/en-us/csr-reports/publications*)

[3] Classification of Material issues according to the Capitals used by the Company within its activity spectrum, based on its Business Model.

[4] Sustainable Development Goals (Linking the Sustainable Development Goals to the relevant Material issues. These linkages are based on the internal analysis according to the SDG Compass tool).

[5] **E**nvironment - **S**ocial - **G**overnance: Correspondence of Material issues to the set of Environmental, Social and Governance considerations that can impact the Company's ability to generate value and to formulate effective long-term strategies

Environmental Issues (ESG)

Environmental policy

The measurement of the MYTILINEOS business activity impact on the natural environment is a is a continuous and evolving process.

The Company **is committed to stabilize and reduce its environmental footprint**, through the implementation of **an integrated Environmental Management System** in all its Business Sectors and through investments to upgrade its production processes taking advantage of new developments in related technologies, as well as by adopting and applying Best Available Techniques. **Certified according to the international standard ISO 14001/2015**.

The system is also supported by individual **environmental policies**, by specific investments **to upgrade the production process taking advantage of new technological developments**, as well as by the implementation of the Best Available Techniques per activity Sector.

Core elements of the MYTILINEOS Environmental policy:

- Adherence to the agreements and commitments that MYTILINEOS has undertaken over and above its statutory obligations.

- Integration of Sustainable Development principles in the Company’s decision-making and operation processes.

- Assessment of the impacts of the Company's activities on the environment, identification and assessment of potential risks, adoption of the necessary preventive measures, conduct of regular inspections and drills in order to confirm their implementation and evaluate their efficiency.

- Control and reduction of air emissions, in tandem with correct management and continuous reduction of solid and liquid waste, employing recovery, reuse and recycling techniques where feasible.

- Responsible use of energy, water and other natural resources.

- Protection of biodiversity and ecosystems.

- Prevention of all identified pollution risks.

• Readiness and effective response to emergency environmental incidents and correction of all deviations by implementing corrective action plans.

• Study, maintenance and evolution of appropriate prevention and suppression means, especially in cases where installations are modified.

• Correction of all confirmed deviations, by introducing and implementing improvement / restoration plans and preventive action plans.

• Continuous briefing, training and awareness-raising activities for personnel in all Business Sectors, adapted to the duties and needs of each employee and promoting an environmentally responsible culture.

• Acknowledgment of Social Partners' needs and expectations regarding environmental issues, demonstrating increased awareness of them and promoting a climate of cooperation.

• Encouraging associates (contractors, suppliers, clients) to act in connection with environment-related issues and strengthening of their environmental conscience.

• Organization of regular internal and external inspections to assess the performance of the Environmental Management System, the achievement of the targets set and the application of the relevant regulations and principles.:

MYTILINEOS as a member of the international initiative «ASI»

In November 2019, MYTILINEOS joined the international Aluminium Stewardship Initiative (ASI) as a Production & Transformation member..

The ASI Standard sets out 59 criteria under the three main pillars (Governance -Environment - Society) covering major issues such as climate change, biodiversity and human rights, with a view to ensuring compliance of the aluminium value chain with sustainability commitments.

For MYTILINEOS, joining the ASI initiative reflects its solid commitment, fully aligned with the vision of the European Union, to move swiftly towards carbon-neutral production, as well as to achieve the target of 100% RES sourcing for its Metallurgy Sector by 2030.

Environmental legislation:

A key element in MYTILINEOS business activity is compliance with the environmental legislation; this is an issue of paramount importance, not falling short in significance of issues the company manages in the context of its ongoing and responsible development. This stance, constituting a key component of the company's overall environmental policy, is primarily based on the principle of adhering to the stipulations of the law, to the agreements and commitments taken voluntarily through its Business Activity Sectors. Additionally, monitoring compliance with the approved environmental licenses (Environmental Terms Approval Decisions) for the company's operational units, is a process conducted internally, on a regular basis and by specialized personnel in each Business Sector, as well as annually, by a recognised independent organisation that undertakes to audit and certify the environmental management system in place.

List with the Company's approved environmental licenses: *http://www.mytilineos.gr/Uploads/Adeies_Egkrishs_Perivallontikon_Oron.pdf*

Material issues

Rehabilitation & Biodiversity:

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT: 4.00

SIGNIFICANCE TO STAKEHOLDERS: 3.46

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Sustainable Development Goal

► **Key Challenges/Impacts**:

The key challenge for the Company is to safeguard diversity and restore the natural landscape in usable land areas associated with bauxite mining activities as well as the development and operation of Renewable Energy Sources (RES) projects.

► **Major risks:**

- Negative impacts from the Company's activities on the flora and fauna in protected areas or in areas of a high biodiversity value, are a permanent potential risk. Failure to monitor and manage these risks may cause delays in obtaining relevant permits for future projects, as well as loss of the Company's "social license" with a negative impact on its reputation and financial position.

- Any deviation from the Environmental Terms Approval Decisions may cause both the degradation of the natural environment and the suspension of the project with immediate financial consequences for the Company.

Management / Risks control practices:

- In the Metallurgy Sector, the area of the aluminium production plant does not fall under any category of area protected by law, while the mining activity carried out by DELPH-DISTOMON company, a subsidiary of MYTILINEOS, which concerns primarily underground holdings in the area of Fokida, is performed with respect to the area's biodiversity. Before each new mining activity begins, Environmental Impact and Environmental Rehabilitation Studies are carried out and used as the basis, not only for the mining phase, but also for the rehabilitation phase. The points where mining will take place, to be followed by rehabilitation, are pinpointed with precision, and the planning for each mining exploitation is developed considering the need to minimise alterations to the natural environment and the landscape.

Measures taken to prevent significant adverse effects on the environment:

- Use of the existing road network and prohibition of opening new roads.
- Use of existing access land works and open-air installations.
- Prohibition of depositing or managing sterile limestone waste from the mining process on the soil.
- Systematic maceration of all mining work areas for dust emission suppression.
- The management of all types of non-hazardous waste complies with the provisions of the applicable laws, while the disposal of this waste takes place only through certified bodies/contractors.

Moreover, a detailed mapping of the form and type of the vegetation is carried out, so that rehabilitation can be based on the unique features of the local ecosystem. **The environmental policy** of DELPHI-DISTOMON *(https://www.alhellas.com/en-us/enviromental-policy/enviromental-policy)* **emphasizes its commitment** to the protection of biodiversity and helps further contain any adverse effects, which are already quite limited in scope and temporary in nature.

Moreover, the Company is committed to securing the financial resources required to support adherence to the environmental terms and the performance of rehabilitation works, whose costs are included in advance in the budget of the corresponding project.

The closing-down and remediation plan for every site is specified by the Environmental Terms Approval Decision, while the project manager is obliged to submit to the competent Environment Department of the Regional Unit of Fokida, in the first month of each year, a topographical diagram (to a scale of 1:2000) together with a technical report, which presents and describes the progress of the remediation works.

DELPHI-DISTOMON has been systematically active for more than 47 years in environmental rehabilitation, and all its completed mining exploitation sites have been rehabilitated.

Environmental restoration is carried out with the systematic tree planting and seeding of approximately 15-20,000 tree/seeds per year, while during 2019 alone, **19,532 forest seedlings were planted**.

To this day, DELPHI-DISTOMON has planted approximately 1,158,000 trees covering a total afforested area measuring over 1.8 km2. In addition, 72.5 km of fencing have been installed (to protect the planted trees), together with a 715 km long network of watering-irrigation pipes for those trees.

It should also be mentioned that over the last 6 years, on average, 250,000 tons of sterile limestone are produced during the mining process. This amount has been deposited **on existing surface and underground construction sites, thus, not a single square meter of land had to be reserved for depositing this type of waste.**

- In the Electric Power sector and with respect to the activities which concern the construction and operation of wind farms located near or inside areas designated as Special Protection Areas, a key prerequisite is the development of the respective environmental impact studies foreseen (specific ecological assessment, annual monitoring of the protected area), to confirm that there are no impacts or, in cases where there are impacts, to describe the measures which may be adopted in order for these impacts to be avoided. **In line with the above, the impacts in the locations of the Company's activities are negligible in terms of pollution (gaseous, solid or liquid waste), the movement of animals is not obstructed as there is no fencing, and the disturbance to the local population of birds is negligible, while where this is necessary, technical systems for the protection of birds are installed.** In what furthermore concerns the restoration of the environment, the Company applies and systematically promotes the obligation to reforest areas destroyed by fire (areas under reforestation), in accordance with the applicable laws and the instructions of the corresponding Forest Departments. Over the next two years, it is estimated that the Company will reforest over 570,000 m2 of such areas in total.

▶ **Results:**

During 2019, **no incidents occurred involving a deterioration of biodiversity** as a result of the Company's activities, while the work scheduled for the rehabilitation of used areas was carried out as planned.

Concerning to mining operations, at the end of 2019: (a) the total area of land used in mining operations stood at 120,000 m2, **down by 4.8%** compared to 2018; (b) the total area of land under restoration stood at 206,000 m2, **also down by 6.8%** from the previous year; while (c) the area of land restored since the start of our mining activity as a percentage over the total area of land used in mining operations stood at **82.7%, up by 1.4%** from 2018.

In what regards the activities concerning the construction and operation of wind farms, in 2019 two bird population monitoring studies were carried out, in compliance with the relevant Environmental Terms Approval Decisions, while reforestation of **a total area of 572,000 m2** was successfully completed. The Sustainable Development Report 2019 presents in detail the limited impact of the construction and operation of the Company's wind farms located in protected areas (e.g. NATURA 2000 network).

Energy & Air emissions:

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT: 3.90

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.54

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Related Sustainable Development Goals

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

ESG ATHEX Metrics ID:

C-E1, C-E2, C-E3, A-E1, SS-E1, SS-E2

▶ **Key Challenges/Impacts:**

The Company's electric power generation and aluminium production activities are the primary sources of its energy consumption and carbon dioxide (CO2) emissions, with significant operating costs. The CO2 emissions contribute to the greenhouse effect and reinforce the phenomenon of climate change, with impacts on the natural and man-made environment. The focus on energy efficiency and the mitigation of the CO2 emissions are key environmental challenges for the Company.

Major risks:

- Any deviations from the industrial emissions legislation in force or from amendments thereto, may cause atmospheric pollution and result in penalties affecting the Company's financial results as well as its capability to retain the existing or to attract new employees, customers, investors or other business partners.
- A further increase in the price of CO2 emission allowances (€/tn), as this may be shaped by the future EU policies on energy and climate, is likely to affect future compliance costs, either directly or indirectly through the electricity consumption.

Management / Risk control practices:

MYTILINEOS, is committed to stabilizing and reducing emissions to minimize the impact on air quality in the areas where it operates. The Company:

- Is systematically following the relevant developments in the legislation and takes preventive measures in order to minimize any potential adverse effects.
- Invests in renewable energy sources and in the use of digital industrial methods at the stages of production with the aim of saving energy.
- By developing its activity in recycling aluminum scrap from end-of-life products and by acquiring the relevant know-how, it greatly strengthens its efforts to substantially reduce both its energy footprint and the air emissions from the stages of its production process.
- By systematically applying Best Available Techniques (BATs) to its production processes, as well as by using more environment-friendly fossil fuels, such as natural gas, in nearly all its industrial units, it aims to improve its energy efficiency and reduce dust emissions.
- Ensures the proper maintenance and the best possible operation of the machinery in its industrial plants, while investing in their modernization, where feasible, with new technological installations.
- Monitors on a monthly basis its CO2, Fluorine and PFCs (Perfluorocarbons) emissions and implements timely corrective actions and for the implementation of appropriate technical interventions to ensure that the annual emissions are below its statutory allowance and are maintained at the lowest possible level. In key production units, such as for example in the Combined Heat and Power (CHP) plant, an online parameter monitoring system is applied, which automatically activates alarms if the maximum limits set are exceeded.
- Carries out checks of other pollutants (NOx, SOx and dust) by means of continuous and periodic sampling measurements. In the Aluminum production plant, equipment has been installed to monitor and record dust emissions and take measurements in accordance with the environmental legislation and the Company's standards. Measures to suppress diffuse dust are also taken, such as maceration of roads and raw materials and tree-planting.

- In all its existing industrial plants, has obtained all the statutory greenhouse gas emission licenses. Moreover, appropriate emission monitoring and reporting infrastructure has been deployed and is in operation.
- Participates, through the Metallurgy and Electric Power sectors, in the EU Emissions Trading Scheme (EU ETS), according to which from 2013 onwards all procedures for calculating and verifying air emissions comply with the EU ETS Phase III (2013-2020) regulations, under which compliance costs are higher due to the allocation of fewer allowances relative to the actual emissions.

The Company might be obliged to undertake significant investments in the future, as a result of the requirement for compliance with the new, amended legislation and the new regulations.

► **Results:**

- The total energy consumption from the business activity of MYTILINEOS in 2019 has **increased by 8.5%** compared to 2018, mainly due to the increase in production and, consequently, the extended working hours of the thermal plants of the Company's Electric Power and Natural Gas Trading sector.
- Energy consumption from conventional energy sources, such as natural gas**, increased by 10.8%**, while overall electricity consumption remained almost unchanged, recording a slight **decrease by 0.6%.**
- Despite the increase in overall consumption, in terms of energy intensity indicators, improvements were noted. More specifically: a) **reduction by 15.3%** in energy consumption **per ton of alumina produced** as a result of lower production and thus lower consumption of gas and steam, **b) reduction by 1.8%** in energy consumption **per ton of alumina produced** due to the work quality inspections carried out, the improvements in equipment and processes, the optimization of parameters and sensitization of the personnel involved, through custom-developed action plans. On the contrary, in the Electric Power sector, **the energy consumption in production per TJ of electric power has barely increased by 1.2%.**
- The Metallurgy and Electric Power sectors of MYTILINEOS generate 99% of the Company's direct and indirect carbon dioxide (CO2) emissions. Direct (Scope 1) emissions result primarily from the alumina and aluminium production process (consumption of fuels and chemical processing as part of the production process) and from the generation of electricity (consumption of natural gas), while indirect (Scope 2) emissions correspond primarily to the consumption of electric power. In 2019**, direct emissions increased by almost 10%** as a result of the corresponding increase in gas consumption for electricity generation, while **indirect emissions also increased slightly by 1.2%**, mainly due to the inclusion of three new subsidiaries as well as of the new MYTILINEOS headquarters in the sustainability reporting boundaries.

- In terms of CO2 direct and indirect emissions intensity ratios (metric tons of CO2 emissions per product produced), compare to 2018, were recorded the following:

- **reduction by 1.1%** in the production of hydrated Alumina,

- **increase by 2.1%** in the production of Aluminum,
- **reduction by 5.1%** per Tj of electricity produced mainly due to the increased production from Renewable Energy Sources

- Regarding other significant air emissions:
- the increased electric power production causes **the 15.7% increase** of the **nitrogen oxide (NOx) emissions**,
- **the sulphur oxide (SOx) and fluorine emissions recorded, decrease by 0.5% and 1.2% respectively**, while
- the **PFCs emissions were increased by 6%** despite the constant efforts, systematic checks and appropriate technical interventions applied to their control, in the process of electrolysis of anhydrous alumina to produce primary aluminum.

Pollution Prevention :

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT: 3.80

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.64

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Related Sustainable Development Goals

► **Key Challenges/ Impacts:**

The main challenges for the Company are the effective prevention of the likelihood of any form of pollution of the natural environment from the Company's production activity and any major industrial accidents.

► **Major Risks:**

- The possible deterioration of the quality of the air and of surface and ground waters, and the pollution of the soil from industrial accidents are permanent potential risks.
- In addition, key production and transport activities of the Company involve the risk of leakages, following unforeseen malfunctions or accidents, into the marine environment, since they are adjacent to it.

Failure to prevent and manage the above risks could have a significant impact on the Company's financial and industrial capital, reducing the value generated by increasing the financial costs for dealing with these incidents, through possible administrative sanctions as well as possible inability to carry out the business activities.

Management/ Risk control practices:

Pollution risk management is directly linked to the safe, socially and environmentally responsible operation of all the Company's facilities. Thus, preventive and repressive response measures are implemented in all Business Activity Sectors.

In the case of the Metallurgy sector, an Industrial **Safety Management System** is in place, covering all the sector's activities, for preventing and responding to major industrial accident hazards by ensuring a series of actions and parameters aimed at preventing the occurrence of such incidents. The main objective is to avoid any incident involving a downgrading of the environment. The preventive measures consist of the following: **(a)** Strict compliance with the approved Environmental Terms of the Metallurgy activity, **(b)** compliance with the measures foreseen in the Safety Study (SEVESO III – implementation of JMD 172058/2016), **(c)** implementation of Best Available Techniques in the management of industrial waste, **(d)** good knowledge of and training in Emergency Plans (EPs) and **(e)** systematic monitoring of water and soil quality. An example is the discharge of the seawater used in the cooling systems of the Combined Heat and Power (CHP) plant of the Metallurgy sector, where in addition to the strict compliance with the relevant provisions of the law determining the framework for preventing any environmental impact, the Company commissions, an authoritative organization (Hellenic Centre for Marine Research - HCMR) to conduct a research study to monitor the status of living organisms on the Antikyra Gulf seabed. The studies carried out by the Company in accordance with the applicable Environmental Terms are communicated every year, together with their results, in accordance with the applicable provisions, to the competent authorities (the Ministry of Environment and Energy and the Water Management Directorate of the Decentralized Regional Administration). The findings of the recent studies carried out in, 2018 and 2019, reveal that the ecological status is stable, with improvement trends recorded at several observation stations. These studies will be continued for at least five more years.

In more detail, the preventive and suppressive pollution response measures in all Business Sectors are detailed in the Company's Sustainable Development Report 2019, available at the following address:
(*https://www.mytilineos.gr/en-us/csr-reports/publications*)

Results:

During 2019, there were no incidents of any kind of pollution of the natural environment by the production activity, nor industrial accidents in the overall Company's business activity, while air emissions remained below the legally imposed levels for another year.

Water management:

Materiality assessment process results

IMPACT ON SUSTAINABLE DEVELOPMENT: 3.70

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.44

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Related Sustainable Development Goal

6 CLEAN WATER AND SANITATION

ESG ATHEX Metrics ID:
SS-E3, SS-E4

The water needs of the Company's production plants, particularly in the Metallurgy and Electricity sectors, as well as of the human activities of its local communities, require the withdrawal and use of significant water quantities.

Recognizing the importance of this natural capital, MYTILINEOS undertakes projects and initiatives aimed at the efficient water management and saving as well as the controlled management of water discharges.

Since 2016 the Company, aiming to continuously improve and enrich its practices in this area, participates voluntarily in the **CDP – Water Security** global sustainable development initiative, by disclosing comprehensive water management data, comparing its impact and performance with those of the largest companies globally.

- **Key Challenges/Impacts:**

Ensuring the responsible withdrawal, consumption and discharge of water, given that the Company is a major user of seawater and consumer of ground water in specific business activity sectors and areas.

- **Major risks:**

- Possible future changes to the water withdrawal limits and the water discharge parameters in the Environmental Terms Approval Decisions of the Company's industrial plants – especially in (Metallurgy and Electric Power sectors - is a potential risk which may result in increased capital expenditures and operational maintenance costs associated with the development of alternative water reserves.

- Potential reduction of aquifer reserves (ground water) which the Company uses both for its production activities and to meet the water needs of its local communities, is also a potential risk which may lead to reduced or discontinued production, complaints from the local communities, and increased operating costs using water from public utilities as an alternative source.

▸ **Management / Risk control practices:**

- The use of water in all the Company's activities complies strictly with the Environmental Terms Approval Decisions of all its industrial plants.

- Water withdrawals from ground water in the Metallurgy sector are obtained from a controlled **network of low-depth drills which allows the water to be renewed naturally after withdrawal (renewable sources).**

- Water recycling and re-use programs are implemented, to the maximum possible extent, in the production processes or secondary uses, in the Metallurgy sector, together with rainwater collection and utilization practices.

- Water consumption targets are set on an annual basis for each production sector.

- As regards the management of the liquid waste and water discharges resulting from MYTILINEOS' activity, this is fully controlled and takes place in accordance with the parameters determined by the environmental terms and regulations under which the facilities of the company's Business Sectors have obtained their environmental permits. In the Metallurgy sector, which produces that largest quantity of liquid waste, the largest part of this waste is recycled within the production process itself.

- To identify and assess the future potential of regulatory changes to sustainability issues, including water, the Company communicates regularly the competent authorities and with the regulatory bodies.

▸ **Results:**

- In 2019, no water withdrawal source was negatively affected by the activity of MYTILINEOS.
- In total, 170.8 million m3 of water withdrawn, **590 thousand m3 less than in 2018**, while the amount of used water returned to the water basins after qualitative and in accordance with the approved environmental terms per activity sector was 164.2 million m3, decreased by 1.54 million m3 from 2018. As a result, the **water consumption** reached **6.6**

million m3, a significant increase of **13.6%** from the previous year. The increased consumption was mainly related to seawater consumed during the cooling process of the thermal plants of the Electricity Sector, which recorded additional operating hours, as of 2018, due to the increase of energy production.

- In addition, the amount of water reused in other units of the Company, **preventing an equivalent volume of water withdrawals**, amounted **to 6.7 million m3** (2018: 5.06 million m3), corresponding to 3.93% of the total volume of withdrawn water, **increased by 30% from 2018**.
- In addition, in the Metallurgy Sector, where the **significant** drinking and industrial water saving **initiative "Black Belt Project"** is implemented, there has been **a remarkable reduction in the consumption of drinking water in the aluminum plant by 29.5% (ie 67,000 m3) since 2018**, after the replacement of water cooled air conditioners (which used drinking water for their operation) with air-cooled air conditioners.

- Finally, in 2019, MYTILINEOS participated for the 4th consecutive year, in the international sustainable development initiative CDP - Water Security. According to the evaluation results, the Company's performance improved in **6 out of the 11 individual assessment areas, maintaining its place in the "MANAGEMENT LEVEL" which affirms that MYTILINEOS takes coordinated action on water management issues.** The Company's official report and the relevant CDP evaluation are available from the its corporate website, at the following address:
  (https://www.mytilineos.gr/en-us/participation-in-socially-responsible-investment/details#tab-cdp-water)

Circular economy (Waste management):

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT: 2.90

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.53

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Related Sustainable Developments Goals

ESG ATHEX Metrics ID:
SS-E5

Key Challenges/Impacts:

- The management of all hazardous and non-hazardous waste (especially of bauxite residues) with emphasis on reuse, recycling and utilization methods.

- The reduction of the amount of waste sent to landfilled, thus helping minimize the impact on the environment and on human health as well as reduce operating costs.

Major risks:

- The gradual reduction of available bauxite disposal sites constitutes a key environmental risk in the Metallurgy sector of MYTILINEOS, with possible negative effects on the company's financial performance.

Management / Risk control practices:

- The management and reduction of waste are key elements of the Company's environmental policy. A network for the collection of waste for reuse and recycling has been designed and is in operation in every production facility, employing a labelling and numbering system for the collected waste. In cases where recycling cannot be completed internally, waste is forwarded to specialized licensed waste contractors.

- The Company continues to consistently invest in the installation of pilot units for the development of research on the utilization of bauxite residues, by participating in European programs concerning the use of energy-efficient "green" technologies for the production of useful products and materials, as well as for the development of technologies for the extraction of rare earth elements. In this context, a part of the bauxite residues, on an annual basis, are converted by specific processes into cast iron (raw material for the steel industry) as well as into molded stone wool which is used to meet internal needs of the plant.

- In the Metallurgy sector, which accounts for 99% of the Company's total waste (of which 95% are bauxite residues), the aluminium production plant maintains and uses specially configured sites for the final disposal of waste (Controlled Landfill for Hazardous Waste and Controlled Landfill for Non-Hazardous Waste) in the area of Agios Athanasios, while bauxite residues (non-hazardous waste) are deposited at the same gradient with that of the natural relief of the disposal site.

► **Results:**

- In 2019, the **Company's total waste declined by 8%,** mainly due to the individual reduction by 8.7% in non-hazardous waste in the Metallurgy Sector.
- The **total waste reused, recycled and utilized in various ways**, either by the Company itself or through third parties, **reached 18.4%** (2018: 17.7%) of total waste (including bauxite residues), **recording an increase by 3.9%.**

- In 2019, a total of 141,000 tons of bauxite residues were made available to the cement industry and for other uses, **a quantity increased by 13% compared to 2018** (corresponding to an additional 22,000 tons).

- Finally, MYTILINEOS environmental R&D activities **is focused on the exploitation of bauxite residues and the implementation of innovative methods for the production of alumina from alternative sources**. In 2019, the programs **"SCALE", "REMOVAL" and "ENSUREAL"** were continued, **with €1.5 million investments** at the aluminium plant involving the installation of one pilot unit for the production of Scandium concentrate and one pilot pyrometallurgy unit, which are expected to operate in 2020. At the same time, the Company's Metallurgy sector launched its participation in two new five-year research projects, "BIORECOVER" and "AlSiCa", in which it will provide know-how and by-products from the alumina production process.

Climate Change adaptation:

Materiality assessment process results

IMPACT ON SUSTAINABLE DEVELOPMENT:3.00

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.52

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Relative Sustainable Development Goal

ESG ATHEX Metrics ID:
A-E2

► **Key Challenges/Impacts:**

MYTILINEOS owns coastal industrial facilities and operates, through the EPC & Infrastructure Projects sector, in countries where the effects of climate change are more intense. Also, Company's mining activity, related to natural resources, it may face a range of challenges and problems caused by the changes in the climate. The main challenge for the Company, is to assess the vulnerability of its business activities to climate change, considering existing and expected climate events and the impacts that these are projected to have.

- **Major risks:**

In the context of the above challenge, in the coming years the Company may have to take action for ensuring its adaptation to climate changes which are considered important for operation of its industrial plants, such as: the destruction of infrastructure due to extreme weather conditions, the reduction of available water resources due to lower rainfall, the loss of working days due to extreme temperatures, the integration of climate change into the planning, monitoring and operation of mining activities, the need to reinforce the measures and actions for the protection and restoration of the environment etc., all of which burden the Company financially.

- **Management / Risk control practices:**

Given that MYTILINEOS's future investments will be largely determined by its climate change strategy, the Company has already incorporated in its strategic priorities the implementation of a study to identify the risks and opportunities of climate change on its activity.
By 2021, the Company plans to adapt to the climate-related financial risk disclosures framework, by following the recommendations of the **Task Force on Climate-Related Financial Disclosures (TCFD)** regarding the analysis of the risks and impacts of climate change, as well as its inclusion in the **CDP – Climate Change** international initiative.

Concerning the efforts to tackle climate change, the Company:

- Is expanding the development and utilization of Renewable Energy Sources.
- Is systematically investing in the optimization of the production processes of the Metallurgy Sector with new technological equipment, while the target it has set for 2030 is to secure electrification exclusively from renewable sources, reducing its industrial environmental footprint to zero.
- Promotes the expansion of the use of Natural Gas, as a stage of mild transition to the “green energy” era, in all its industrial plants as well as in its new business investments in the Electric Power sector such as the new gas-fired combined cycle (CCGT) power plant, whose construction began in 2019 and will be ready in late 2021. The plant will employ cutting-edge technology which will make it the most powerful and energy-efficient power plant in the country and one of the largest power plants in Europe.

ESG KPIs

Environmental metrics*	ESG ATHEX[1] metrics	2019	2018	Dif (%)
• Percentage of industrial plants and RES units with ISO 14001- 2015[2] certification		**87.5%**	95.2%	-8%
• Total Bauxite consumption (ton)		**1,871,395**	1,873,622	-0.1%
• Total Natural Gas consumption (mio Nm^3)		**1,133.7**	1,031.4	10%
• Total Water consumption (mio m^3)	SS-E3	**6.6**	5.7	13,6%
• Environmental expenditures (mio €)[3]		**61.0**	25.0	144%
• Direct emissions GHG (Scope 1, CO_2 thousand ton / year)	C-E1	**2,797.8**	2,555.7	9.5%
• Indirect emissions GHG (Scope 2, CO_2 thousand ton / year)	C-E2	**1,841.2**	1,819.6	1.2%
• Other emissions (Scope 3, CO_2 ton / year)[4]	A-E1	**1,828,1**	2,577.2	-29%
• Total NOx emissions (ton / year)	SS-E2	**1,553.3**	1,342.3	15.7%
• Total SOx emissions (ton / year)		**3,634.0**	3,651.1	-0.5%
• Dust emissions (ton / year)		**94.3**	74.2	27%
• Fluorine emissions (ton / year)		**258.3**	261.5	-1.2%
• PFC's emissions (ton / year)		**104,923.4**	98,912.9	6%
• Specific CO_2 emissions (t CO_2 Scope 1 & 2 / ton of Bauxite produced)		**0.012**	0.019	-36.8%
• Specific CO_2 emissions (t CO_2 Scope 1 & 2 / ton of Alumina produced)		**0.602**	0.609	-1.1%
• Specific CO_2 emissions (t CO_2 Scope 1 & 2 / ton of primary cast Aluminum produced)		**10.59**	10.37	2.1%
• Specific CO_2 emissions (t CO_2 Scope 1 & 2 / TJ of electricity produced)		**92.4**	94.1	-1.8%
• Specific CO_2 emissions (t CO_2 Scope 1 & 2 / ton of processed metal produced)		**5.5**	7.3	-24.6
• Total Energy production (TJ)		**21,197.6**	18,565.3	14.2%
• Energy production from RES (% of total energy production)		**6.4%**	4.7%	36.2%
• Total Energy consumption (TJ)	C-E3	**53,730.9**	49,535.6	8.5%
• Electricity consumption (% of the total energy consumption)		**19.2%**	21%	-8.6%
• Specific energy consumption (Gj / ton of Bauxite produce)		**0.1**	0.1	0%
• Specific energy consumption (Gj / ton of hydrated Alumina produced)		**8.3**	9.8	-15.3%
• Specific energy consumption (Gj / ton of primary cast Aluminum produced)		**48.8**	49.7	-1.8%
• Specific energy consumption (Gj / ton of secondary cast Aluminum produced)		**4.8**	-	-
• Specific energy consumption (Tj / Tj of energy produced)		**1.7**	1.68	1.2%
• Total water withdrawals (mio m^3)	SS-E3	**170.8**	171.4	-0.4%
• Total water withdrawal from surface waters (mio m^3)		**162.2**	162.9	-0.4%
• Total water withdrawal from groundwater supplies (mio m^3)		**8.2**	8.1	1.2%
• Total water withdrawal from public water supply utilities (m^3)		**94,778**	99,836	-5.1%
• Saving water volume in production process (% of total water withdrawals)		**3.9%**	2.9%	34.5%
• Water consumption / ton of ton of hydrated Alumina produced (m^3)		**3.98**	4.09	-2.6%
• Water consumption / ton of primary cast Aluminum produced (m^3)		**2.43**	2.49	-2,4%
• Total solid waste (thousands of tons)		**845.4**	918.4	-7.9%
• Total hazardous waste (thousands of tons)	SS-E5	**21.1**	20.2	4.4%
• Total non - hazardous waste (thousands of tons)		**824.3**	898.2	-8.2%
• Solid waste reused or recycled (% of the total solid waste production)		**18.4%**	17.7%	3.9%
• Rehabilitation percentage of usable areas from the mining activity		**82.3%**	81.1%	1.4%
• Incidents of non-compliance with environmental laws and regulations & relevant fines		**0**	0	0%

*The environmental metrics data may vary slightly from the corresponding verified data published in the Company's Sustainable Development Report 2019.

[1]ATHEX ESG Disclosure Guide (where C: Core Metrics A: Advanced Metrics, SS: Sector Specific Metrics)

[2]Three new plants were added (2 industrial and 1 RES). Two of those are scheduled to be certified with ISO 14001-2015 by 2021.

[3]Environmental Expenditures: Costs of waste disposal, emissions management, purchase of CO2 rights, environmental remediation and costs of overall prevention and environmental management.

[4]The quantity of Scope 3 emissions includes the categories of product transportation, business travels and employee commuting and is covered by the EPC & Infrastructure Projects Sector, excluding the category of employee commuting wherein the performance of the Electric Power sector is included.

Social Issues (ESG)

This category includes issues from the Company’s Human and Social Capital.

Material issues

Occupational Health & Safety

Materiality assessment process results

IMPACT ON SUSTAINABLE DEVELOPMENT: 4.00

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.72

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Related Sustainable Development Goal

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

ESG ATHEX Metrics ID:
SS-S6

Key Challenges/Impacts:

Because of the nature of their operation, the Company's activity sectors are linked to Occupational Health and Safety risks (light accidents, accidents with work time loss, occupational diseases and fatalities) which can have significant or less significant social impacts, not only for the employees themselves and their families but also for third parties such as the employees of independent contractors, the Company's business partners, student trainees and trainee employees as well as all types of visitors to their premises. In addition, these issues cause impacts involving loss of employee satisfaction and morale, increased accident/absenteeism costs and adverse effects on the image and reputation of MYTILINEOS.

Major risks:

- Direct or Indirect Accident Risks: Indirect Accident Risks create the conditions which lead to accidents and include the physical layout, functionality, access-evacuation routes, lighting and temperature of work areas. Direct Accident Risks lead to accident or occupational illness and include natural, chemical and biological factors.

- Non-Accidental Risks involving organisational, psychological and ergonomic factors that may not lead to an accident but affect the employees’ mental and physical health in the short or the long run.

► **Management / Risk control practices:**

- Occupational Health and Safety is a line of responsibility that begins from the Management and Directorates General and stretches along all stages of production of every MYTILINEOS Business Sector. To address these risks, the company strictly implements security systems and safety measurements to assess their impact on the human body and to identify any need for interventions in all workplaces (offices and industrial facilities).

  At the same time, continuous progress and improvement highly depends on both preventive actions undertaken and broader experience that the company gains from any incident and near accident, while educating and training the personnel is crucial in order to maintain and further develop an accident prevention mentality.
- The Company applies in all its Business Units an Occupational Health & Safety Management System designed to minimize risk, by allowing the continuous adoption of measures to prevent and minimize accidents and occupational diseases, providing for ongoing employee training and strengthening a safe work culture. The system is certified in accordance with **the OHSAS 18001 and the ISO 45001-2018 international standards, covering by the end of 2019, 70,4% and 7,4% of the Company's total production plants respectively.** MYTILINEOS is already in the process of transitioning the certification of its Occupational Health and Safety management system to all new production units to the **new ISO 45001-2018 standard**, which is expected to be completed by the end of 2021

Key elements of the MYTILINEOS Occupational Health and Safety policy::

- Full compliance with the applicable laws on Occupational Health & Safety and with other relevant rules and regulations..
- Identification and assessment of occupational risks and adoption of measures to control and mitigate them.
- Establishment of preventive action programs to improve work conditions, as well as of preventive and corrective action plans, procedures and instructions, to ensure that risks are minimized or altogether eliminated.
- Systematic measurement, assessment and effort to reduce the levels of exposure to harmful factors, and continuous monitoring of the employees' health.
- Open and transparent communication on all issues regarding Health and Safety.
- Briefing, awareness raising and training of employees in Health and Safety issues, to eliminate incidents at the workplace.
- Systematic inspection of the organisation and of the processes and procedures in place, to ensure their continuous updating and improvement, the respect of rules and the achievement of the targets set.
- Constant efforts to ensure alignment with the relevant international standards and the implementation of Occupational Health and Safety best practices.

Results:

MYTILINEOS' highest priority, daily, is the Health & Safety of its employees across the range of its business activities. The Company continues to strive constantly towards achieving the only acceptable objective of "NO ACCIDENT AND NO OCCUPATIONAL DISEASE", one of the leading challenges in the industry.
The Company's key concern is to sustain the Health & Safety indicators at the lowest possible level in all its facilities (offices, industrial plants and construction sites).

Safety conditions and performance in almost all MYTILINEOS activities are assessed on an annual basis. In 2019, **35 inspections and audits were successfully carried out in all** the Company's Business Units either by customers or by independent experts. Additionally, 2019 **was a year during which significant progress was made in nearly all Occupational Health and Safety indicators**, for both direct and indirect personnel.

More specifically:

Direct employees:

- **The zero work related fatalities and occupational diseases targets were achieved.**
- One (1) lost time accident was recorded, **resulting in a significant decline in the number and in the lost time accidents rate by 80% and 84% respectively**, compared to the previous year.
- The lost day rate (due to accidents) **stood at 0.29 days per 200,000 working hours, down by 84.7%** from the corresponding figure for 2018.
- The total number of visits to the medical stations **stood at 27, down by 47% from 2018**.
- In the Metallurgy Sector, **one year of operation without accidents with interruption of work was completed.**
- More emphasis was placed, for another year, on the prevention of major accidents through training. A total **of 18,937 training hours** of Health and Safety were implemented in all Business Units, representing **an increase by 40% from the corresponding figure for 2018, in which participated almost 65% of the direct employees.**

Indirect Employees:

- The target of **zero work related fatalities** was achieved.
- Seven (7) lost time accidents were recorded**, resulting in a decline by 22% and 37% respectively, in the number of accidents and in the lost time accidents rate**, compared to the previous year.
- A total of 44 visits to the medical stations were recorded, the same as in 2018.
- More than 3,600 indirect employees were trained in Health and Safety issues.

These improvements are due both to the availability and use of individual and collective protection measures at work, but also to the continuing training of workers and supervisors on Occupational Safety and Health issues.

MYTILINEOS recognises that the best approach to fulfilling its core Health and Safety objectives and commitments is by constantly striving to create a uniform culture, through information updates, training and awareness raising activities addressed to all employees. The Company's relevant awareness-raising practices in this area are presented in the following address:https://www.mytilineos.gr/en-us/ygeia-asfaleia/ygeia-asfaleia

More detailed information, within the Company's Sustainable Development Report 2019:
(https://www.mytilineos.gr/en-us/csr-reports/publications)

Employment

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT: 3.70

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.36

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Related Sustainable Development Goals

ESG ATHEX Metrics ID:
C-S1, C-S3

As an employer, MYTILINEOS contributes to one of the most widely accepted social goals, namely to improve living standards through full-time and safe employment and decent work. The company's labor practices comply as a minimum with all the provisions of the legislation force and respect the fundamental principles laid down in the International Labor Organization's (ILO's) Declaration on Fundamental Principles and Rights at Work.

- **Key Challenges/Impacts:**

- Employment, as an internationally recognized objective related to economic and social progress, is considered as extremely important topic for the MYTILINEOS Business Sectors, because of the high localization and large number of employees. Creating opportunities for long-term employment benefits not only the Company's business activities but also has a positive impact on its local communities, contributing to their sustainability.

- In addition, issues concerning decent working conditions (such as, for example working environment, wages, benefits, working time, rest periods, leaves of absence, disciplinary practices and redundancy practices, protection of motherhood and other welfare issues) are of top priority for the Company, as they directly affect employee satisfaction and are key factors for their retention.

► **Major risks:**

- The decrease of employee satisfaction, commitment and effectiveness as well as the departures of talented employees which may result from their lack of adaptability to changes in corporate organization and in processes, and to their difficulty in integrating the Company's values and in understanding its Code of Business Conduct, as these have changed following the completion of the Company's corporate restructuring. This risk may result in the loss of valuable knowledge and expertise gained through their employment, as well as in loss of the financial investment and of the time required for their training. The Company may also incur increased costs for the renewal of specialist personnel.

► **Management /Risk control practices:**

- To address these risks, the Company has implemented systems and practices concerning: (a) the timely and continuous provision to employees of information about changes in structures and processes due to the corporate restructuring, and (b) the development of programs for formulating the new integrated corporate culture, based on the employees' shared values and their behaviors.

Key elements of the Company's approach to Employment

- Attraction and retention of competent executives, continuous improvement of employer-employee relations and implementation of modern systems for employee performance evaluation.
- Promotion of the Code of Business Conduct to all personnel and ensuring that the latter fully understand it, and avoidance of direct or indirect discrimination in all work practices.
- Recognition of the importance of healthy and secure employment for all personnel and business partners, and continuous improvement of such conditions.
- Ensuring the flow of information and the timely communication of organizational changes, through the appropriate communication channels, which include: e-mails, SharePoint application and non-electronic means of communication, such as evening consultation events with top hierarchy, written announcements posted in production work areas and, more generally, open communication with employees through the role of the HR-Business Partner in each Business Sector.

- Protection of the personal data of employees, allowing their use only by authorized persons and only in cases where this is required by the law for purposes related to the functioning of industrial relations and to the Company's business activity.
- Exclusion of any possible arbitrary or discriminatory practice in terminating employment relationships with employees and boosting local employment at domestic and international level based on the Company's activity.

► **Results:**

- In 2019, the Company established a new, revised recruitment policy and procedure. The purpose of the policy is to ensure adherence to meritocracy and equal treatment in the selection of personnel, based on the candidate's capabilities and their suitability given the requirements of the particular jobs, as well as optimal leverage of the employees' potential with regard to their development and career path prospects in the Company.

- Direct employment, as recorded at the end of 2019, significantly **increased by 16.7%,** driving the total number of the Company's employees up to **2,436,** while 90% of them are employed in Greece.

- **281 new jobs** were created, covering the Company's business needs, across all its Business Activity Sectors.

- Total new hires reached 665 with **24% of them being women, increasing their employment rate to 18%** (2018: 17.4%). Also, 45% **of new hires were for young workers (<30 years),** a significant **10% increase** in their direct employment rate compared to 2018.

- **The employee turnover rate (5.16% in 2019) has relatively improved compared to 2018 (5.8%). The employee retention rate for full-time employees was over 90%,** confirming, for another year, the Company's intention to maintain long-term relationships with its employees.

- At the same time, MYTILINEOS is steadily supporting, through indirect employment, a substantial number of jobs (more than 1,200 in 2019), by entrusting tasks that are important for its operation (such as mining, construction of new projects, maintenance services, transport etc.) to specialized contractors.

More detailed information is presented in the Sustainable Development Report 2019, at the following address:
(https://www.mytilineos.gr/en-us/csr-reports/publications)

Human Rights

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT: 4.00

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.42

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Relative Sustainable Development Goals

ESG ATHEX Metrics ID:
C-S5

Human Rights and especially labor rights are a vital issue for all employees, for the regulatory authorities and for the local communities.

- **<u>Key Challenges/Impacts:</u>**

The key challenge for MYTILINEOS is to secure the continued protection of Human Rights (with a focus on the labor band). Company's priority is to ensuring its avoidance of any participation of the Human Rights violations incidents, which may be caused by third parties such as: another enterprise, by State bodies, natural persons or other groups, as well as of further strengthening a working environment that promotes the inclusion and the improvement of employees on a personal and professional level.

- **<u>Major risks:</u>**

- As there is no formal due diligence procedure for safeguarding the protection of Human Rights, MYTILINEOS recognizes risks related to human rights, both within its working environment and in the business environment of its main suppliers and partners. These risks (such as activities that may affect or involve children, culture of corruption, inequalities in the workplace, limitation of human rights at the level of local communities etc.) may affect the Company's financial, human and social capital, through their likely impact on its reputation and its "social license" to operate, and may lead to legal sanctions as well as to emergency measures beyond those imposed by normal business conditions.
- Moreover, through the EPC & Infrastructure Projects sector, the Company owns work sites in countries abroad and cooperates with suppliers of developing countries in the Middle East and Africa, where there is a risk of occurrence of

incidents of Human Rights restriction or violation, which may even cause the suspension of works for some time, at a direct financial cost to the Company.

- **Management /Risk control practices:**

- MYTILINEOS is committed to the first six Principles of the UN Global Compact, which are based on, among others, the internationally recognized principles on the protection of Human Rights, as these are defined in the Universal Declaration on Human Rights. The specific commitment of MYTILINEOS to monitor and publish the effects in this field, as well as the Code of Business Conduct, which is addressed to all levels in the Company's hierarchy, promote the protection and respect of Human Rights, mitigating the likelihood of such incidents occurring in the Company's work environment.
- MYTILINEOS monitors the relevant labor legislation (national, European, ILO), including reports on child labor, respect for human rights and work conditions, and is fully aligned with the collective bargaining agreements and the relevant international conventions. The Company's employees may without any restriction whatsoever participate in trade unions and professional associations.
- The Company, through the basic mechanism provided for in Code of Business Conduct for reporting violations of the Code (anonymous or named reports by phone, fax, post, as well as by e-mail to the Regulatory Compliance Division), enables its employees to raise any concerns, as well as to report incidents of Human Rights violations. Moreover, the Company warrants that no action shall be taken against any employee who reports in good faith any actual or alleged inappropriate conduct.
- As regards its activity in developing countries, MYTILINEOS takes all requisite measures to comply with the applicable laws. Safe work management is governed by a series of actions that must be followed, to ensure that the Health & Safety system for employees is property implemented and the appropriate measures are taken. At the same time, the contracts signed with contractors and suppliers include an explicit provision about the Company's Code of Business Conduct, to safeguard the respect of Human Rights and to prevent conditions of corruption and bribery.
- **Finally, the Company undertakes to regularly assess the main operational units of its Business Sectors for any effects on key Human Rights protection areas,** in accordance with the methodology proposed by the **Global Compact (Global Compact Self-Assessment Tool - Human Rights section)** and to publish the relevant findings. This process is supported by both daily communication and employee management procedures and systems implemented by the General Management of Human Resources.

- **Results:**

- In 2019, **no incident of Human Rights violation was reported to the General Management of Human Resources or to the Regulatory Compliance Division** through the formal procedure in place for reporting violations of the company's Code of Business Conduct.

- According to the results of self-assessment, **no areas were identified in which the deficiencies observed could jeopardize the protection of Human Rights in the Company's activities.** The areas explored in the self-assessment process are described in detail in the Sustainable Development Report 2019, which is available at the following address:

(https://www.mytilineos.gr/en-us/csr-reports/publications)

Sustainable local communities

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT: 3.63

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.45

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

► **Key Challenges/Impacts:**

Social engagement reinforces the preventive approach policy adopted by MYTILINEOS, mitigating the unpredictable non-financial risks and contributing to the preservation of its “social license” to operate along with its good reputation. This is a constantly evolving effort taking various forms, whose combination results in the Company's commitment to respond to the diverse expectations of its local communities, by actively contributing to the growth of the local employment and economy, to the protection of the environment, to the promotion of health and safety, to the efforts to combat poverty, to strengthening social inclusion and ensuring access to education, and to assist in development of the professional skills of the new generation.

► **Major risks:**

- The Company’s failure to promptly identify and manage the often changing social, economic and cultural characteristics of its local communities may negate the existing assumption that the Company is fully integrated in these communities and has common interests with them. This may affect the preservation of the Company’s “social license” to operate and thus also restrict its future growth.

► **Management / Risk control practices:**

- The General Management of each Business Sector of MYTILINEOS is responsible for managing relationships with the local communities where that Business Sector operates. The main objective is to identify any negative impacts from the Company’s business activity and to minimize them through its responsible business conduct and activity.

- Moreover, a Corporate Social Responsibility team has been appointed and is operating in each Business Sector. This team is managing the implementation of the Company's social policy, the annual Stakeholder engagement process, the use of local social media and the organization of visits of members of the local community to the Company's facilities, when this is requested.
- The Company communicates with its local communities in a clear and transparent way, opting for an "open door" policy, applied in the areas where the Company's industrial plants are located.
- The collaboration of MYTILINEOS with the wider society as well as with the local communities where its operations are located is ongoing, multi-dimensional and substantial. The initiatives taken by the Company are linked to the needs of each community and of the wider region and are shaped through an open dialogue with the local social partners, by conducting surveys for the identification of material issues as well as opinion surveys, and by organizing annual thematic or general open consultations with representatives of the local communities for following up and discussing specific topics of local interest.

Key elements of the MYTILINEOS social policy:

- **Enhancing local employment:** As the core activities of MYTILINEOS are primarily located in the Greek regions, the Company acknowledges and accepts its share of the responsibility to contribute to the development and preservation of the prosperity of the local communities. In all the geographical regions where the Company's operations are located, its human resources come in their majority from the local population.

- **Supporting local economic growth:** All Business Sectors of the Company subscribe to the same principle, the selection of local and, by extension, local suppliers, as a matter of priority, to purchase products and services based on their specific needs and requirements. (For information on this topic, please consult the 1st study on the MYTILINEOS Socio-economic Impact in Greece, available at the following address: *https://www.mytilineos.gr/en-us/how-we-create-value/how%20we%20create%20value#tab-mytilineos-socio-economic-impact-in-greece)*

- **A substantial contribution through the annual Social Investment Program implementing social programs and initiatives:** The Company aspires to help strengthen social cohesion, strategically seeking to maximize its mobilization by participating in selected actions in sectors directly connected to: (a) its culture and corporate values, (b) the impacts of its business activity, (c) the basic social needs that have emerged during the financial crisis and continue to exist, and (d) the Sustainable Development Goals.

- In tandem with the above and building on its constructive relation with social bodies over the years, MYTILINEOS applies a specific way of managing and evaluating social requests, which enhances transparency and ensures the sustainability of its social investments.

(More information is available at the following address: https://www.mytilineos.gr/en-us/empraktos/).

- Executives in each Business Sector manage the Company's relations with its local communities and, in collaboration with the Corporate Social Responsibility central service of MYTILINEOS, implement the Annual Stakeholder Consultation process at local level, in order to record local needs and explore new partnership opportunities.

► **Results:**

- **Stakeholder Engagement**

ESG ATHEX Metrics ID: A-S1

The company due to its multi-level business activity dealing with a wide range of social groups. These different groups are recorded, ranked and characterized as company's **"key Stakeholder groups",** based on specific criteria according to the **International AA1000 Stakeholder Engagement Standard (SES).**

(More information is available at the following address: https://www.mytilineos.gr/en-us/csr-core-subjects/csr-core-subjects#tab-stakeholder-engagement)

For the last nine years, MYTILINEOS has been consistently holding its established Open Social Dialogue events with its Stakeholder groups. The Company is one of Greece's pioneers in this field, as this approach establishes the conditions for defining new attitudes and practices in its relationships with Stakeholders, taking as its starting point the characteristics of its Business Sector. In line with the above, the Metallurgy Sector of MYTILINEOS held its 5th consecutive thematic consultation with its Stakeholders, entitled: **"Education - Skills Development and Creation of quality jobs"** The purpose of the consultation was to hold a constructive social dialogue between the Company and representatives from the academic community, education providers, business and local bodies, journalists and employees, on the contribution of the State, the civil society and the business community to the achievement of Global Sustainable Development Goal 4 (Quality Education).
The 40 participants, through the six working groups they divided and after the cooperation between them, acknowledged the lack of professional skills development which is inextricably linked to current unemployment rates. In this context, more than 30 proposals were submitted, of which about 10 were concerned MYTILINEOS.

- **Local employment and growth:** MYTILINEOS taking into consideration the results of 2019, **created more than 900 new jobs over the last 10 years.** Moreover, the Company, acknowledging its significant share of the responsibility to generate income in its local communities, pursued its policy of boosting local employment, **with more than 9 out 10 direct and indirect employees coming from the local population.**
- Additionally, supporting the national and local supply chain with revenue generating products, services, jobs **(retaining more than 1,200 indirect jobs to direct suppliers throughout the company's activities in 2019)** and wages consumed in the market and generate induced jobs, wages and taxes paid in the State.

- In 2019, the Company, continuing to implement its **social policy** through the three-year Social Contribution Program "IN PRACTICE" (2016-2019), **increased its social investment by 51.5%, from 2018, to over €3.4 million**, implementing actions in social sectors directly contributing to the Global Sustainable Development Goals (SDGs) and the respective national priorities.

- The following are **the Company's key social programs implemented centrally in 2019**, with a significant impact on specific sub-targets of the Global Sustainable Development Goals. Other Company's social actions & initiatives are presented in the Sustainable Development Report 2019 available at the following address:
(https://www.mytilineos.gr/en-us/csr-reports/publications)

ACTIONS AGAINST POVERTY AND UNEMPLOYMENT

Relative Sustainable Development Goal

1 NO POVERTY

- **"Holistic Support for Families in Economic Difficulty and Social Exclusion"** program, in collaboration with the Association "Together for the Child".

- Impact: The program has improved the living conditions of 22 families, directly benefiting 57 people (30 adults & 27 children), through diverse and targeted interventions in various areas of their lives. For 7 months, all beneficiaries were offered food, psycho-social support and education, together with extracurricular activities for children and, most importantly, **support for adults who were able to work, to help their integration into the labor market. At the end of the programme, 5 members of different families (38.5%) had already joined the labor market, while another 4 were motivated and are currently in the process of taking job interviews**.

- **Support program for the "Medium-Term Accommodation Facility for Women at Risk"** in collaboration with the partnership with "Médecins du Monde" (MdM).

- Impact: Recognizing the lack in accommodation facilities for homeless women and mothers with children, MYTILINEOS **was the first company to support "RAMONA", the new medium-term accommodation facility of MdM.** With this initiative, the Company has contributed substantially to the objective of finding sustainable integration solutions for these individuals, which it closely monitors in collaboration with MdM. More specifically, the Company: (a) covered the maintenance costs for the building where the Facility is housed, (b) provided a total of 19 women and 7 children, ruling out all forms of discrimination, with accommodation in their own individual rooms with private shower and a refrigerator, as well as with personal and baby hygiene products, food and coverage of their subsistence expenses for a period of 9 months.

- **Program "#skills4engineers"**, in collaboration with the Social Enterprise "Knowl".

- Impact: The 3-month intensive skills development cycle #skills4enginers was completed with great success, while the results of the program's evaluation are also particularly positive. In particular, **1,415 training hours were offered covering 36 subject areas**, thanks to the **invaluable contribution of 41 distinguished Advisers/Trainers** with many years of professional experience. **A total of 18 young engineers have already found jobs that matched their professional goals**, out of a total of 27 participants/beneficiaries who have successfully completed the program, while the remaining 9, fully empowered and motivated by the programme, continue to actively seek a job in the labor market. It should be noted that many of them have received job offers and are crediting it to the program, thanks to which they also feel surer and more confident of themselves in seeking job that is closer to their immediate interests.

REDUCING FOOD INSECURITY

Relative Sustainable Development Goal

- **"DIATROFI" program,** in collaboration with the "PROLEPSIS" Institute.

- Impact: MYTILINEOS ensured the distribution of 25,000 healthy meals in total, for the third consecutive year, **to 250 students of 6 schools of its local communities**, reducing the individual high food insecurity indexes while at the same time helping the students improve their dietary habits.

REDUCING INFANT AND CHILD MORTALITY

Sustainable Development Goal

- **Program "Upgrading of Emergency Departments in Hospitals and Pediatric Clinics in the country",** in collaboration with the "Pediatric Trauma Care" Society
- Impact: By offering the necessary medical equipment, MYTILINEOS has helped upgrade **3 new Emergency Departments** at: (1) the General Argos Hospital - Nauplio Hospital Unit, (2) the Pediatric Clinic of the Health Centre of Ithaca, and (3) the ER of the Pediatric Clinic of the University General Hospital of Katerini, **which serve more than 22,000 children on an annual basis**. Moreover, it issued 30,000 custom-designed leaflets on **"Safety at School", "Safety at Home" and "Play Sports with Safety",** which were distributed in 40 presentations of the "Child Accident Prevention" program **informing 2,475 people (children, parents and teachers).**

- **ACCESS TO HEALTH SERVICES FOR ALL**

- **"Making children smile" program, in collaboration with the "**mission ANTHROPOS" organization
- Impact: The Company offered **free dental checks to 500 children from vulnerable social groups, as well as dental treatment to 350 of them, ruling out all forms of discrimination.** The children who participated in the program were between the ages of 6 and 18 and come from the Social Services of Municipalities, Public Benefit Foundations and non-profit organizations, all of them based in the Prefecture of Attica.

EDUCATIONAL EQUIPMENT / SCHOOL INFRASTRUCTURE

Sustainable Development Goal

4 ΠΟΙΟΤΙΚΗ ΕΚΠΑΙΔΕΥΣΗ

- **"Lending Libraries" program»,** in collaboration with the "Greek Book Club".

Impact: MYTILINEOS **created 7 new school libraries** in an equal number of schools in the Prefectures of Magnesia and Preveza, **which already serve 1,352 children and 116 teachers**.

- **"School electronic equipment renewal" program**

Impact: The Company offered to **6 schools** in the Prefectures of Viotia and Attica 6**0 new computers and screens**, covering their requests for modern electronic equipment.

SCHOLARSHIPS

- **“Scholarships” program**

  Impact: The Company **secured 20 scholarships for children of its employees** who are students, in the framework of its collaboration with the Athens University of Economics and Business for the implementation of the 10th Youth Entrepreneurship Summer School. It also offered **5 scholarships** to the University of Piraeus scholarship program for young people from financially disadvantaged families.

SKILLS DEVELOPMENT & PROMOTION OF S.T.E.M. EDUCATION

- **“#Skills4engineers” program,** in collaboration with the Social Enterprise «Knowl».

  Impact: **The professional skills of 303 people were strengthened** with the implementation of 2 skills development open seminars. One on **“Project Management”** (154 participants) and one with the subject **“How 2 skill the engineers”** (149 participants), both of which received very high satisfaction scores from all participants for their overall organization, educational content and trainers.

- **“S.T.E.M. Education - Educational Robotics”** program, in collaboration with the Educational Robotics & Science Organization “WRO Hellas”.

  Impact: **25 educational robotics sets were offered to an equal number of schools** that could not purchase them, **covering 35% of all new schools that benefited from the program during 2019**. The equipment will remain with the schools permanently, to be used by as many students wishing to do so as possible.

  In addition, we provided **2 robots and 18 robot kits** to the **Centre for Educational Robotics and Sciences of Crete**, to be used for holding more than **100 educational workshops** covering the entire range of S.T.E.A.M. subjects during the 3rd Educational Robotics and S.T.E.A.M. Festival of Crete,

Sustainable Development Goal

LOCAL INFRASTRUCTURE & SUSTAINABLE CITIES

- MYTILINEOS, delivering on its commitment to provide safe schools for children in the areas stricken by the recent wildfires, undertook and completed the energy efficiency upgrade and the improvement of the safety and functionality of the Gymnasium-Lyceum School Complex and the adjoining Indoor Gym of the Municipality of Rafina-Pikermi, choosing to make the most modern interventions to the outer shell of the buildings and to their electromechanical (E/M) systems.

  Impact: The interventions made maximized energy savings for the School Complex and the Indoor Gyn, **achieving savings of 45% and 40%, respectively, compared to the previous situation. Moreover, additional interventions were made, including:** Energy Fire protection study, installation of a new lift and other improvements for persons with reduced mobility, installation of a lightning protection and surge arrester system, and maintenance and enrichment of green areas. **With a total value exceeding €700,000, this particular social investment currently covers all educational and athletic needs of 1,700 school students and children from various areas of the Municipality of Rafina and other adjacent municipalities.**

- Also, in a gesture intended to strengthen solidarity, MYTILINEOS donated to the Fire Department six all-terrain fire trucks each with a capacity of 600 liters of water.

- Impact: This particular initiative contributes significantly to the upgrading of the equipment and technical means which the Hellenic Fire Department requires in order to cover its daily operational needs, while at the same time it has a wider reach across all of society, as it will serve to protect the life and the property of the Greek people as well as the countr's forest wealth.

- **Program “Information and awareness-raising of the school community on forest fire prevention and response, forest protection policies and practices”,** in collaboration with the Hellenic Society for the Protection of Nature.
  The program comprises the following main activities: (a) oak tree-planting and seeding action in areas affected by fires, (b) provision by highly qualified scientists of detailed information on fire prevention (with a possible small-scale pilot research activity involving the identification of fire hazards in a settlement), and (c) creation and production of a “10 Do’s and Don'ts of correct tree planting” poster, together with an informative leaflet with instructions and details on correct planting, for distribution to all participating schools.

- Impact: The expected results of the program, scheduled to be completed at the end of the school year 2019-2020, focus on: (a) achieving a fuller understanding of the importance and value of forests, (b) providing the best possible information on the prevention of forest fires, and (c) raising awareness of the problems caused at national and global level by the depletion of forest areas and having a significant impact on society at large, thereby enhancing the environmental awareness **of almost 1,000 school students and 50 educators of 50 schools**.

Emergency Response Plans

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT:3.30

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.60

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Relative Sustainable Development Goals

- **Key Challenges/Impacts:**

The Company's high degree of readiness and prompt response to extraordinary incidents both within and outside the boundaries of its activity, ensuring the uninterrupted operation of both its industrial plants and its operational installations (underground mining sites and construction sites).

- **Major risks:**

The Company recognizes as a risk the low degree of readiness and response to extraordinary incidents (fires, explosions, high volume materials, land subsidence, release of chemical substances to the environment, transportation of products, waste, natural hazards such as weather conditions and seismic events, health and safety incidents and other hazards) with serious consequences for the employees, the local community and the natural environment but also for the smooth operation of its activities and thereby for its reputation and its financial results.

- **Management / Risk control practices:**

Appropriate Emergency Prevention and Response Plans (for fire, explosion, leakages, natural phenomena, extreme weather conditions etc.) are applied in all Business Sectors of the Company, in order to deal effectively with all incidents that result in deviations from their normal operation with serious consequences for the environment and for the health and safety of employees and the local communities.

- In the Metallurgy sector, an Emergency Response System has been developed in the facilities of Ag. Nikolaos, Viotia, covering the following areas: (a) an integrated Internal Emergency Plan (IEP) with special evacuation plans, (b) systematic training of personnel, and (c) planning and implementation of readiness drills in accordance with the annual plan and adaptation to the requirements of the IEP.
- In the Electric Power sector, a package of emergency response measures is applied in the sector's energy complexes, RES plants and offices, comprising the following: (a) Emergency Team or Emergency Manager, (b) documented Emergency Incident/Accident Response Procedures, (c) implementation of Emergency Management Plans, and (d) implementation of personnel drills and training exercises in accordance with the special Evacuation Plans and the Building Emergency Instructions.
- In the EPC & Infrastructure Projects sector, each construction site has its own emergency plan, appropriate to the nature of its activities and to the risks identified and assessed. The emergency plans are documented, accessible and clearly communicated to all personnel, who are trained to understand these plans and to learn their role and responsibilities in the event of an emergency.

► **Results:**

- In 2019, new Emergency and First Aid Teams were organized in the 3 buildings of MYTILINEOS Headquarters, receiving relevant training.
- A total of **44 readiness exercises were carried out in the production units of the Electric Power and Metallurgy sectors.**

- Specifically, in the Metallurgy Sector **16 exercises were carried out** that were focused on three main categories: **a) handling accidents, b) fire, c) freeing locked-in/trapped people – interventions in enclosed spaces and at height**, while 129 employees in total participated. The exercises were carried out in the context of the operation of **"Mobile Emergency Response Unit"**, which consists of 18 Fire Protection Team employees. The staff is well trained in fire safety and facility maintenance, and this team is actively supported by approximately 100 volunteer firefighters from the rest of the plant's units who are properly trained and are periodically retrained. In addition to conducting and analyzing emergency response exercises, the fire protection unit has the appropriate certified, mobile equipment and related means of assistance to help the local authorities address incidents in the wider area with effective and timely assistance when needed.

Customer Health & Safety

Materiality assessment process results:

IMPACT ON SUSTAINABLE DEVELOPMENT:2.3

SIGNIFICANCE FOR THE SOCIAL PARTNERS: 3.6

(Scale 0-4, where 0=Not significant at all & 4=Very significant)

Relative Sustainable Development Goals

Protecting the health and safety of customers and consumers includes the provision of products and services that are safe and do not present risks when used or consumed. MYTILINEOS emphasizes to the quality of its products as an important factor for its growth. Its products and services must be safe, irrespectively of any existing legal and regulatory safety requirements.

► **Key Challenges/Impacts:**

- In Metallurgy sector, the impacts of the company's primary products on health and safety are related to the final use of the secondary products to result from its manufacturing clients. The Company is committed to ensuring the optimal quality of the products it offers (Alumina and primary Aluminum), in accordance with the expectations and requirements of its clients.

- In EPC & Infrastructure Projects sector, in addition to taking into account the internationally applicable regulations on the design of all manufacturing projects, the Company monitors in detail their quality metrics and characteristics, in order to ensure that the stated requirements of the clients are met.

- In Electric Power sector, it is very important for MYTILINEOS to ensure the highest possible availability of its thermal plants for the generation of electric power, as well as the continuous improvement of the quality of the energy supplied and of the services accompanying it, while at the same time taking advantage of new developments in areas such as electromobility, energy efficiency and energy clearing.

- **Major risks:**

Any deviation from the quality specifications of the Company's products and services affects its responsible operation, which in turn impacts on its customers' satisfaction levels, its good reputation and credibility and, by extension, its financial results.

- **Management / Risk control practices:**

All Company's Business Activity Sectors apply an **ISO 9001/2015** certified Environmental Management System, which is supported by individual Quality policies.

- In the Metallurgy sector, a key player in the quality program, which is the Company's laboratories, systematically control all production stages, from raw materials to finished products. In this respect, the officially issued Safety Data Sheets (SDS) describe the risks associated with the product as well as all necessary precautions which must be taken to avoid these risks. The Company is committed to and takes steps to ensure the best quality in its products, in response to the expectations and requirements of its clients, providing them with products (Alumina and primary Aluminum) and related services that fully meet their quality requirements. Moreover, the sector's activities have been aligned with the provisions of the EU "REACH" Regulation on the effective management of the chemical substances used in industrial processes, while methodologies for the identification and analysis of operational risks as well as of opportunities for improvement, such as risk assessment, are also applied in the framework of ISO 9001/2015. Finally, the sector's quality control laboratory has been accredited by the Hellenic Accreditation System S.A. (ESYD) in accordance with the requirements of the ISO 17025:2005 International Standard, for the chemical analysis of bauxites, alumina and aluminium and its alloys.

- In the EPC and Infrastructure Projects sector, in all stages of the manufacturing process the strictest international quality criteria and the requirements of specialized international specifications and codes are applied, in order to ensure the quality of the heavy and/or complex metal structures which the sector undertakes to produce. For every construction project undertaken by the Company and prior to the start of construction, a Hazard and Operability Study (HAZOP) is carried out. The purpose of this study is to identify and assess problems which may represent risks to personnel or equipment, and which have not been identified at the project study and design stages.

- In the Electric Power and Gas Trading sector, the target is to ensure the reliable supply of electricity and natural gas to businesses, professionals and households, meeting the customers' needs for competitive prices through a range of specially configured, modern and reliable energy conservation procedures, advices & services.

- **Results:**

In 2019, there were no cases of non-compliance with regulations and voluntary codes related to the impact on health and safety of the MYTILINEOS products and services.

- In the Metallurgy sector, where labelling requirements apply to the products for sale (aluminium billets and slabs, and calcined and hydrated alumina), for every consignment of aluminium, a “Certificate of Conformity” is issued containing all the necessary product information and especially information concerning substances which may have an environmental or social impact.

- In the EPC & Infrastructure Projects sector, the Company’s projects and are in full agreement with the terms of the respective contracts and with the Company’s contractual obligations to its customers, to whom all Health, Safety and Environment related information is delivered, such as: (a) Instructions for use, maintenance and disposal for the entire equipment and all the materials supplied (Operation & Maintenance Manuals), (b) labelling of all materials and equipment (trademarks, warnings and related instructions) in a clearly visible position, and (c) instructions for use-recycling, in the form of Material Safety Data Sheets (MSDS) for all hazardous materials.

ESG KPIs

Social metrics*	ESG ATHEX[1] metrics	2019	2018	Dif (%)
• Number of direct employees		**2,436**	2,087	16.7%
• Number of indirect employees		**1,226**	1,292	-5.1%
• Employee turnover[2]	C-S3	**5.16%**	5.8%	-11%
• Percentage of full-time employees covered by business collective agreements	C-S6	**53%**	60%	-11.6%
• Full time employee's retention rate		**93%**	90%	3.3%
• Percentage of women (direct employees)	C-S1	**18%**	17.4%	3.4%
• Percentage of women in positions with extended responsibility[3]	C-S2	**17.7%**	18.8%	-5.8%
• Percentage of employees <30 years old (direct employees)		**12%**	10.9%	10%
• Percentage of employees who received formal performance evaluation reviews[4]		**55.9%**	72.9%	-23.3%
• Training man hours (direct employees)	C-S4	**59,788**	43,949	36%
• Average training hours per employee		**24.5**	21.6	13.4%
• Total training cost (€)	A-S2	**406,322**	392,362	3.5%
• Training cost per employee (€)		**166**	188	-11.7%
• Human Rights violation incidents[5]		**0**	0	0%
• Discrimination incidents		**0**	0	0%
• Percentage of industrial plants and RES units with OHSAS 18000 certification		**70.4%**	80%	-2,75%
• Percentage of industrial plants and RES units with ISO 45001-2018 certification		**7,4%**	0	
• Work-related fatalities (direct & indirect employees)	SS-S6	**0**	0	0%
• Lost Time Injury incidents (direct employees)		**1**	5	-80%
• Lost Time Injury incidents (indirect employees)		**7**	9	-22%
• Lost Time Injury rate per 200,000 working hours (direct employees)		**0.04**	0.25	-84%
• Lost Time Injury rate per 200,000 working hours (indirect employees)		**0.17**	0.27	-37%
• Lost days due to accidents per 200,000 working hours (direct employees)		**0.29**	1.9	-84.7%
• H&S training man hours (direct & indirect employees)		**47,017**	46,580	0.9%
• New jobs[6]		**281**	45	524%
• Percentage of employees from local communities		**93.6%**	93.6%	0%
• Social investments (εκ. €)		**3.47**	2.29	51.5%
• Incidents of non-compliance with laws & regulations in terms of labour and social issues		**0**	0	0%

*The social metrics data may vary slightly from the corresponding verified data published in the Company's Sustainable Development Report 2019.

[1]ATHEX ESG Disclosure Guide (where C: Core Metrics A: Advanced Metrics, SS: Sector Specific Metrics)

[2]Number of voluntary departures to the average number of direct employees of the Company per year. (fixed-term contracts expire are not included).

[3]Percentage on the total company's executives.

[4]Percentage on the total number of direct employees. The respective percentage on the total number of eligible employees reaches 93% increased by 13% compared to 2018. The term eligible includes the employees who fulfill the prerequisites to be included in the performance's annual evaluation procedure. Any employees working in the company for less than 6 months are not included, nor are some special employees' categories based on the role/object.

[5]Issues included such as: forced & child labor, health and safety, working hours, pay and staff permits, fair treatment, freedom of association, restriction of population rights of local communities etc.

[6]Number of new hires – Number of total departures per year.

Governance Issues (ESG)

The section does not include the Corporate Governance information, which is presented in detail in the corresponding section “Statement of Corporate Governance” of this Report.

Material issues

Anti-Corruption & Anti- Bribery

Evaluation of the issue in the Materiality process:

IMPACT ON SUSTAINABLE DEVELOPMENT: 3.5

SIGNIFICANCE FOR THE STAKEHOLDERS: 3.7

(On a 0-4 scale (where 0=Not significant at all & 4=Very significant)

Sustainable Development Goal

MYTLINEOS acknowledges that corruption, bribery, fraud and money laundering undermine the moral environment of businesses and have a wide range of negative effects that include violations of Human Rights, adverse impacts on the environment, distortion of healthy the competition and impediments to the distribution of wealth and to economic development. These effects represent a major hindrance to sustainable development, have a disproportionate impact on poor communities, and corrode the very fabric of society.

- **Key Challenges / Impacts:**

Addressing corruption and bribery is of major significance for MYTILINEOS, because: (a) it can contribute to improved risk identification, assessment and management, as well as to the Company's compliance with the laws, which for MYTILINEOS is a non-negotiable principle in every geographical region or country where it operates; (b) it can serve its business goals (such as fulfilling the relevant tendering requirements for construction projects) and (c) it can strengthen the Company's protection against fraud, embezzlement and abuse, further enhancing its corporate image.

Major Risks:

- By undertaking turn-key energy projects in developing countries with a high risk of corruption, according to the annual Transparency International Corruption Index, MYTILINEOS may be exposed to risks involving facilitation payments or the extension of other benefits to the local partners in order to ensure the continuation of the projects’ smooth operation.
- Any deviation from the Company’s principles and ethical practices compromises its good reputation and credibility, the confidence of the social partners in it and, by extension, its financial results and its ability to undertake new projects.

Management / Risks control practices:

Addressing corruption and bribery is a key element of the MYTILINEOS Code of Business Conduct and its Suppliers and Business Partners Code of Conduct. Moreover, **the reference for the Company when it comes to addressing corruption and bribery, is the principle of integrity, which relates to its long-standing commitment to zero tolerance of 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**.

- MYTILINEOS has been formally committed to the 10th principle of UN Global Compact, whereby ‘Businesses should work against corruption in all its forms, including extortion and bribery and facilitation payments’. This principle acts as a catalyst in establishing a culture of ethics across the company.

- MYTILINEOS applies both prevention and detection systems and controls to ensure that suppliers are properly selected, disputed payments are avoided and the payments due are made correctly and are entered in the Company’s accounting books in an accurate and transparent manner.

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- In countries with a high risk of corruption, the Company establishes a Grievance Mechanism to which all direct or indirect employees have access for the purpose of submitting complaints, made anonymously or under the complainant's name, of violations of the Company’s policies on personal data protection, bribery and corruption, human rights or the Company’s Code of Business Conduct. The Company protects complainants from eventual retaliation, on condition that the complaint is made in good faith, even if it is not corroborated by the result of the investigation undertaken in response to it.

- MYTILINEOS’ s “Suppliers & Business partners Code of Conduct” aims at tackling conditions of Corruption and Bribery in the supply chain. Unannounced audits on suppliers intend to secure the code's application and to offer recommendations for corrective measures likely to be required.

Key elements of the MYTILINEOS policy on the prevention of corruption and bribery:

- Analysis of the prevailing conditions and identification of potential risks or threats which may encourage the occurrence of such incidents in the corporate environment, through a third-party screening and due diligence process. This practice covers corporate activities that involve the risk of occurrence of incidents of corruption and bribery, such as charitable contributions, sponsorships, gifts and hospitality, third-party audits in relation to lists of individuals or entities subject to restrictions in connection with the financing of terrorism and human rights violations, mediation services and advisory services, and aims to create prevention procedures where these do not exist.

- Ensuring that all transactions carried out on behalf of the Company by its shareholders, employees and major business partners and suppliers, are characterized by a high level of integrity. Through designated procedures, applying primarily in the Purchases-Procurement Departments and in project management for the selection of suppliers and other business partners, the conditions under which every single transaction takes place are checked annually, in order to identify and eliminate those that may possibly lead to incidents of corruption or fraud.

- The Company's operation as a "Responsible Corporate Citizen", which is reflected by its participation in international transparency advocacy initiatives (UN Global Compact), national working groups and, more generally, its commitment to ethical business practices and sound corporate governance.

  The Legal and Regulatory General Central Support Function, which owns the Compliance Division of the company, has been entrusted the creation and implementation of mechanisms to safeguard the company protection from corruption and bribery at both preventive and control levels.

► **Results:**

- In 2019, MYTILINEOS applied all necessary internal procedures to safeguard its policy. Through the audit mechanisms applied in the Purchases-Procurement Departments of the Company's Activity Sectors, having examined the selection of business partners as well as all kinds of transactions, **no confirmed incidents of corruption** were identified resulting in the removal or in disciplinary action against employees for on the grounds of corruption, nor any corruption-related incidents leading to the termination or the non-renewal of cooperation with business partners or public court cases against the Company or its employees for corruption.

- The Regulatory Compliance Division undertook and completed the renewal of the Code of Business Conduct, which attaches increased emphasis to the importance of ethical business culture for the Company in all its activities and to the priority given by the Management to transparent procedures and zero tolerance of violations of the rules and policies in place. The renewal process gave particular emphasis to the importance of anti-corruption and anti-bribery practices, the safeguarding of healthy competition, the protection of personal data and the through screening of business partners prior to the conclusion of agreements, laying down rules and responsibilities for all employees in their daily work.

- Moreover, the Company mapped and classified its employees according to the type of their work and the extent of their exposure to the risks of corruption and personal data breach. For each one of the above categories, relevant educational material was created with a view to providing employees with effective related training (in 2020), by means of a training program whose contents cover theory, analysis of case studies relevant to their daily work, activities intended to raise their awareness of impending risks and a methodology for incident response and, where required, escalation.

- Finally, in July 2019 the criminal proceedings against Mr. Evangelos Mytilineos, Chairman and CEO of the Company, regarding accusations of bribery allegedly committed in 2003, were discontinued.

Legal & Regulatory Compliance

Evaluation of the issue in the Materiality process:

IMPACT ON SUSTAINABLE DEVELOPMENT: 4

SIGNIFICANCE FOR THE STAKEHOLDERS: 3.7

(On a 0-4 scale (where 0=Not significant at all & 4=Very significant)

Sustainable Development Goal

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

For MYTILINEOS, making every possible effort to ensure that its business activities are carried out in complete harmony and compliance with, and fully adhere to, the applicable laws and the operating principles that govern the activities concerned, in every geographical region or country where the Company operates, is a fundamental and non-negotiable principle. Compliance with the legislation (environmental, social and product-related) is a core element of the Company’s business activity and a major issue of equal importance with the other issues that the Company is managing in the context of its continuous and responsible development. This view 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 voluntary commitments made by its Business Units.

- **Key Challenges / Impacts:**

Maintaining regulatory compliance at environmental, social and product level, in order to ensure that the overall corporate activity is lawful and corresponds to high standards of responsible entrepreneurship, strengthening the climate of trust between the Company and its Social Partners interacting with it (customers, employees, suppliers, administrative authorities etc.).

- **Major Risks:**

- Risks of an economic nature, which may arise from possible unfavorable outcomes of legal disputes regarding non-compliance with the legislation in general, and which may impact MYTILINEOS either directly, such as for example in the form of fines, or indirectly by affecting its reputation and commercial position.

- Possible non-compliance of the Company with its obligations under the environmental legislation and, more specifically with the terms of the environmental permits of its industrial plants. In this case, the competent authorities may impose fines or sanctions, and may also withdraw or refuse to renew permits and approvals in the event of a breach of the applicable regulations.

- The Company operates in countries with emerging economies, where institutional functions may be affected by political conditions and changes there to. This could negatively affect the activities of MYTILINEOS in the context of obtaining and maintaining permits and approvals.

The prementioned potential risks could have a significant impact on the profitability, financial position and cash flows of MYTILINEOS and, consequently, on its ability to meet its obligations.

- **Management / Risks control practices**

- In order to prevent the aforementioned risks, the Company: (a) complies with the legal and regulatory requirements of the geographical regions in which it operates, even if such laws and regulations are not adequately implemented; (b) ensures that its relations and activities comply with the established and applicable institutional framework; (c) is kept informed of its applicable legal obligations; and (d) reviews its compliance with applicable laws and regulations on a regular basis.

- Additionally, monitoring compliance with the approved environmental licenses (Environmental Terms Approval Decisions) for the Company's operational units, is a process conducted internally, on a regular basis, in each Business

Unit, by qualified personnel, as well as annually, by a recognized independent organization, which undertakes to audit and certify the Company's environmental management system.

- In addition, as a member of the UN Global Compact, the Company strives to ensure that its business practices are fully aligned with the Compact's internationally recognized Ten Principles. Furthermore, under its Corporate Social Responsibility Policy which it has in place, the Company undertakes to adopt a responsible, sustainable and ethical business conduct that is regularly evaluated on the basis of the results achieved, and to improve its environmental and social performance as well as its performance regarding transparency and corporate governance.

- **Results:**

Compliance with the applicable legislation, as well as the updating and implementation of the environmental rules concerning the activity of MYTILINEOS, in 2019, **resulted in the absence of incidents of non-compliance with the legislation and with the applicable regulations at environmental, social and economic level.**

ESG KPIs

Governance metrics	ESG ATHEX[1] metrics	2019	2018	Dif (%)
• Corporate Governance Code		**United Kingdom Corporate Governance Code - 2018**	**Greek Corporate Governance Code - 2013**	
• Code of Business Conduct	C-G2	**3rd Edition 2019**	2nt Edition 2016	
• Suppliers & Partners Code of Conduct		**3rd Edition 2019**	2nt Edition 2018	
• Diversity policy		**Yes**	Yes	
• Board Members		**11**	11	0%
• Board duration (years)		**4**	4	0%
• Average age of Board Members (years)		**58.6**	57.6	
• President duality		**Yes**	Yes	
• Appointment of independent Vice-Chairman[2]		**No**	No	
• Executive Members on the Board		**3**	3	0%
• Non - executive Members on the Board		**8**	8	0%
• Independent Members on the Board		**7**	7	0%
• Non - Independent Members on the Board		**4**	4	0%
• Independent, Non - executive Members on the Board		**7**	7	0%
• Women on the Board		**2**	2	0%
• Voting standard		**Majority**	Majority	
• Number of the Board meetings		**50**	58	
• Number of members attending <75% of the Board meetings		**0**	0	0%
• Remuneration and Nomination Committee		**Yes**	Yes	
• Percentage of Independent Members on the Remuneration and Nomination Committee		**100%**	100%	0%
• Audit committee		**Yes**	Yes	
• Percentage of Independent Members on the Audit Committee		**100%**	100%	0%
• Corporate Social Responsibility Committee		**Yes**	Yes	
• Political contributions		**Not allowed**	Not allowed	
• Monetary losses from Code of Business Conduct violations (€)	SS-G1	**0**	0	0%
• Confirmed incidents of non-compliance with legal and regulatory legislation (environmental, economic, labor & social issues)		**0**	0	0%
• Confirmed incidents of corruption or bribery		**0**	0	0%

[1]ATHEX ESG Disclosure Guide (where C: Core Metrics A: Advanced Metrics, SS: Sector Specific Metrics)

[2]Although there is no Independent Vice President, one of the improvements that were made in the context of the reorganization of the company's Board of Directors in 2018 was the appointment of a Lead Independent Director.

VIII. Other Information for the Group and the Company

Group Structure

Companies included in the consolidated financial statements and the method of consolidation are presented in the following table:

	NAME OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	COUNTRY OF INCORPORATION	CONSOLIDATION METHOD	PERCENTAGE 31.12.2019	
				Direct %	Indirect %
1	**MYTILINEOS S.A.**	**Greece**	-	-	-
2	SERVISTEEL	Greece	Full	99,98%	0,00%
3	RODAX ROMANIA SRL	Romania	Full	0,00%	100,00%
4	ELEMKA S.A.	Greece	Full	83,50%	0,00%
5	DROSCO HOLDINGS LIMITED	Cyprus	Full	0,00%	83,50%
6	BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A.	Greece	Full	0,00%	62,63%
7	METKA BRAZI SRL	Romania	Full	100,00%	0,00%
8	POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	Turkey	Full	100,00%	0,00%
9	DELFI DISTOMON A.M.E.	Greece	Full	100,00%	0,00%
10	DESFINA SHIPPING COMPANY	Greece	Full	100,00%	0,00%
11	ST. NIKOLAOS SINGLE MEMBER P.C.	Greece	Full	100,00%	0,00%
12	RENEWABLE SOURCES OF KARYSTIA S.A.	Greece	Full	3,05%	96,95%
13	SOMETRA S.A.	Romania	Full	92,79%	0,00%
14	STANMED TRADING LTD	Cyprus	Full	0,00%	100,00%
15	MYTILINEOS FINANCE S.A.	Luxembourg	Full	100,00%	0,00%
16	RDA TRADING	Guernsey Islands	Full	0,00%	100,00%
17	MYTILINEOS BELGRADE D.O.O.	Serbia	Full	0,00%	100,00%
18	MYVEKT INTERNATIONAL SKOPJE	FYROM	Full	0,00%	100,00%
19	MYTILINEOS FINANCIAL PARTNERS S.A.	Luxembourg	Full	100,00%	0,00%
20	MYTILINEOS INTERNATIONAL COMPANY AG "MIT Co"	Switzerland	Full	0,00%	100,00%
21	GENIKI VIOMICHANIKI S.A.	Greece	Full	Joint Management	Joint Management
22	DELTA PROJECT CONSTRUCT SRL	Romania	Full	95,01%	0,00%
23	FOIVOS ENERGY S.A.	Greece	Full	0,00%	100,00%
24	HYDROHOOS S.A.	Greece	Full	0,00%	100,00%
25	HYDRIA ENERGY S.A.	Greece	Full	0,00%	100,00%
26	EN.DY. S.A.	Greece	Full	0,00%	100,00%
27	THESSALIKI ENERGY S.A.	Greece	Full	0,00%	100,00%
28	NORTH AEGEAN RENEWABLES	Greece	Full	100,00%	0,00%
29	MYTILINEOS HELLENIC WIND POWER S.A.	Greece	Full	80,00%	0,00%
30	AIOLIKI ANDROU TSIROVLIDI S.A.	Greece	Full	79,20%	1,00%
31	MYTILINEOS AIOLIKI NEAPOLEOS S.A.	Greece	Full	79,20%	1,00%
32	AIOLIKI EVOIAS PIRGOS S.A.	Greece	Full	79,20%	1,00%
33	AIOLIKI EVOIAS POUNTA S.A.	Greece	Full	79,20%	1,00%
34	AIOLIKI EVOIAS HELONA S.A.	Greece	Full	79,20%	1,00%
35	AIOLIKI ANDROU RAHI XIROKOBI S.A.	Greece	Full	79,20%	1,00%
36	METKA AIOLIKA PLATANOU S.A.	Greece	Full	79,20%	1,00%
37	AIOLIKI SAMOTHRAKIS S.A.	Greece	Full	100,00%	0,00%
38	AIOLIKI EVOIAS DIAKOFTIS S.A.	Greece	Full	79,20%	1,00%
39	AIOLIKI SIDIROKASTROU S.A.	Greece	Full	79,20%	1,00%
40	HELLENIC SOLAR S.A.	Greece	Full	100,00%	0,00%
41	SPIDER S.A.	Greece	Full	100,00%	0,00%
42	GREEN ENERGY A.E.	Bulgaria	Full	80,00%	0,00%
43	PROTERGIA AGIOS NIKOLAOS POWER SOCIETE ANONYME OF GENERATION AND SUPPLY OF ELECTRICITY (ex ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.)	Greece	Full	100,00%	0,00%
44	METKA INDUSTRIAL - CONSTRUCTION S.A. (ex ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.)	Greece	Full	100,00%	0,00%
45	ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	Greece	Full	0,00%	100,00%
46	ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	Greece	Full	0,00%	100,00%
47	HORTEROU S.A.	Greece	Full	0,00%	100,00%
48	KISSAVOS DROSERI RAHI S.A.	Greece	Full	0,00%	100,00%
49	KISSAVOS PLAKA TRANI S.A.	Greece	Full	0,00%	100,00%
50	KISSAVOS FOTINI S.A.	Greece	Full	0,00%	100,00%
51	AETOVOUNI S.A.	Greece	Full	0,00%	100,00%
52	LOGGARIA S.A.	Greece	Full	0,00%	100,00%
53	IKAROS ANEMOS SA	Greece	Full	0,00%	100,00%
54	KERASOUDA SA	Greece	Full	0,00%	100,00%
55	AIOLIKH ARGOSTYLIAS A.E.	Greece	Full	0,00%	100,00%
56	MNG TRADING	Greece	Full	100,00%	0,00%
57	KORINTHOS POWER S.A.	Greece	Full	0,00%	65,00%
58	KILKIS PALEON TRIETHNES S.A.	Greece	Full	0,00%	100,00%
59	ANEMOROE S.A.	Greece	Full	0,00%	100,00%
60	PROTERGIA ENERGY S.A.	Greece	Full	0,00%	100,00%
61	SOLIEN ENERGY S.A.	Greece	Full	0,00%	100,00%
62	ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME (EX OSTENITIS S.A.)	Greece	Full	100,00%	0,00%
63	METKA RENEWABLES LIMITED	Cyprus	Full	100,00%	0,00%
64	AIOLIKH TRIKORFON S.A.	Greece	Full	0,00%	100,00%
65	MAKRYNOROS ENERGEIAKH S.A.	Greece	Full	0,00%	100,00%
66	RIVERA DEL RIO	Panama	Full	50,00%	0,00%
67	METKA-EGN LTD	Cyprus	Full	50,10%	0,00%
68	METKA-EGN LTD	Cyprus	Full	0,00%	50,10%
69	METKA-EGN SpA	Chile	Full	0,00%	50,10%
70	METKA-EGN USA LLC	Puerto Rico	Full	0,00%	50,10%
71	METKA EGN KZ LLP	Kazakhstan	Full	0,00%	50,10%
72	METKA EGN MEXICO S. DE.R.L. C.V	Mexico	Full	0,00%	50,10%
73	METKA-EGN UGANDA SMC LTD	Uganda	Full	0,00%	50,10%
74	METKA-EGN JAPAN LTD	Japan	Full	0,00%	50,10%
75	METKA POWER WEST AFRICA LIMITED	Nigeria	Full	100,00%	0,00%
76	METKA INTERNATIONAL LTD	United Arab Emirates	Full	100,00%	0,00%
77	METKA POWER INVESTMENTS	Cyprus	Full	100,00%	0,00%
78	AURORA VENTURES	Marshal Islands	Full	100,00%	0,00%

Changes on Group's structure are being stated in detail on note 1.3.

	NAME OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	COUNTRY OF INCORPORATION	CONSOLIDATION METHOD	PERCENTAGE 31.12.2019	
				Direct %	Indirect %
79	PICADO MARINE INC	Marshal Islands	Full	0,00%	100,00%
80	DOMENICO MARINE CORP	Marshal Islands	Full	0,00%	100,00%
81	PROTERGIA THERMOELEKTRIKI S.A.	Greece	Full	100,00%	0,00%
82	MTRH Developmnet GmbH	Austria	Full	0,00%	100,00%
83	Energy Ava Yarz LLC	Iran	Full	0,00%	100,00%
84	MTH Services Stock	Austria	Full	0,00%	100,00%
85	METKA EGN SARDINIA SRL	Sardinia	Full	0,00%	50,10%
86	METKA EGN FRANCE SRL	France	Full	0,00%	50,10%
87	METKA EGN SPAIN SLU	Spain	Full	0,00%	50,10%
88	METKA EGN KOREA LTD	Korea	Full	0,00%	50,10%
89	METKA GENERAL CONTRACTOR CO. LTD	Korea	Full	0,00%	50,10%
90	METKA EGN AUSTRALIA PTY LTD	Australia	Full	0,00%	50,10%
91	METKA EGN SINGAPORE PTE LTD	Singapore	Full	0,00%	50,10%
92	METKA EGN APULIA SRL	Italia	Full	0,00%	50,10%
93	VIGA RENOVABLES SP1 SL	Spain	Full	0,00%	50,10%
94	VIGA RENOVABLES SP2 SL	Spain	Full	0,00%	50,10%
95	METKA EGN AUSTRALIA PTY HOLDINGS LTD	Australia	Full	0,00%	50,10%
96	ZEOLOGIC A.B.E.E	Greece	Full	60,00%	0,00%
97	EP.AL.ME. S.A.	Greece	Full	97,87%	0,00%
98	TERRANOVA ASSETCO PTY LTD	Australia	Full	0,00%	50,10%
99	WAGGA-WAGGA OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
100	WAGGA-WAGGA PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
101	JUNEE OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
102	JUNEE PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
103	COROWA OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
104	COROWA PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
105	MOAMA OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
106	MOAMA PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
107	KINGAROY OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
108	KINGAROY PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
109	GLENELLA OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
110	GLENELLA PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
111	TAEAHN INCORPORATION CO.	Korea	Full	0,00%	50,10%
112	J/V METKA – TERNA	Greece	Equity	10,00%	0,00%
113	THERMOREMA S.A.	Greece	Equity	40,00%	0,00%
114	FTHIOTIKI ENERGY S.A.	Greece	Equity	0,00%	35,00%
115	IONIA ENERGY S.A.	Greece	Equity	49,00%	0,00%
116	BUSINESS ENERGY AIOLIKH ENERGEIAKH TROIZINIAS S.A.	Greece	Equity	0,00%	49,00%
117	METKA IPS LTD	Dubai	Equity	50,00%	0,00%
118	INTERNATIONAL POWER SUPPLY AD	Bulgaria	Equity	10,00%	0,00%
119	ELEMKA SAUDI	Saudi Arabia	Equity	0,00%	34,24%
120	MY SUN	Italy	Full	0,00%	100,00%
121	METKA CYPRUS PORTUGAL HOLDINGS	Portugal	Full	0,00%	100,00%
122	JVIGA KOREA TAEAHN Inc.	Korea	Full	0,00%	100,00%
123	METKA EGN AUSTRALIA HOLDINGS TWO PTY LTD	Australia	Full	0,00%	100,00%
124	ΜΥΤΙΛΗΝΑΙΟΣ ΑΙΟΛΙΚΗ ΑΛΒΑΝΙΑΣ ΕΠΕ	Albania	Full	100,00%	0,00%
125	METKA CYPRUS PORTUGAL 2	Portugal	Full	0,00%	100,00%
126	METKA CYPRUS PORTUGAL 3	Portugal	Full	0,00%	100,00%
127	SELEYKOS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
128	ARITI ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
129	EKAVI ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
130	KALIPSO ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
131	KIRKI ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
132	ILIDA ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
133	ANTIGONOS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
134	ANTIKLEIA ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
135	LISIMAHOS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
136	INO ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
137	ANTIPATROS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
138	MENANDROS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
139	METKA EGN SOLAR 1	Spain	Full	0,00%	100,00%
140	METKA EGN SOLAR 2	Spain	Full	0,00%	100,00%
141	METKA EGN SOLAR 3	Spain	Full	0,00%	100,00%
142	METKA EGN SOLAR 4	Spain	Full	0,00%	100,00%
143	METKA EGN SOLAR 5	Spain	Full	0,00%	100,00%
144	METKA EGN SOLAR 6	Spain	Full	0,00%	100,00%
145	METKA EGN SOLAR 7	Spain	Full	0,00%	100,00%
146	METKA EGN SOLAR 8	Spain	Full	0,00%	100,00%
147	METKA EGN SOLAR 9	Spain	Full	0,00%	100,00%
148	METKA EGN SOLAR 10	Spain	Full	0,00%	100,00%
149	METKA EGN SOLAR 11	Spain	Full	0,00%	100,00%
150	METKA EGN SOLAR 12	Spain	Full	0,00%	100,00%
151	METKA EGN SOLAR 13	Spain	Full	0,00%	100,00%
152	METKA EGN SOLAR 14	Spain	Full	0,00%	100,00%
153	METKA EGN SOLAR 15	Spain	Full	0,00%	100,00%
154	RADIANT SOLAR HOLDINGS LIMITED	Cyprus	Full	0,00%	100,00%
155	GREENSOL HOLDINGS LIMITED	Cyprus	Full	0,00%	100,00%

Related Party transactions

The related party transactions mentioned below are on a pure commercial basis. The Group or any of its related parties has not entered in any transactions that were not in an arm's length basis, and do not intent to participate in such transactions in the future. No transaction had any special terms and there were no guarantees given or received.

In the tables below presented the intercompany transactions and balances between the Company, its subsidiaries and the BoD members for the fiscal year 2019 and 2018 and the intercompany balances at 31.12.2019 and 31.12.2018 accordingly:

Benefits to executives at Group and Parent level:

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**31/12/2019**	**31/12/2018**	**31/12/2019**	**31/12/2018**
Short term employee benefits				
- Wages of Key Management and BOD Fees	15.295	9.040	13.425	7.482
- Insurance service cost	350	323	203	197
- Other remunerations	0	45	0	0
	15.645	**9.408**	**13.628**	**7.679**
Pension Benefits:				
- Defined contribution scheme	9	9	0	0
Total	**15.654**	**9.417**	**13.628**	**7.679**

(Amounts in thousands €)		MYTILINEOS GROUP 31/12/2019	MYTILINEOS S.A. 31/12/2019
Stock Sales	SERVISTEEL	-	82
Stock Sales	ELEMKA S.A.	-	3
Stock Sales	DELFI DISTOMON A.M.E	-	660
Stock Sales	RENEWABLE SOURCES KARYSTIA S.A.	-	22
Stock Sales	PROTERGIA THERMOILEKTRIKI S.A.	-	10.429
Stock Sales	KORINTHOS POWER S.A.	-	96.693
Stock Sales	POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	-	5.540
Stock Sales	AIOLIKI ANDROU TSIROVLIDI S.A.	-	27
Stock Sales	AIOLIKI EVOIAS PIRGOS S.A.	-	12
Stock Sales	AIOLIKI EVOIAS HELONA S.A.	-	0
Stock Sales	AIOLIKI EVOIAS DIAKOFTIS S.A.	-	0
Stock Sales	AIOLIKI SIDIROKASTROU S.A.	-	44
Stock Sales	HELLENIC SOLAR S.A.	-	24
Stock Sales	SPIDER ENERGY S.A.	-	25
Stock Sales	YDROXOOS .S.A.	-	3
Stock Sales	AIOLIKI TRIKORFA S.A.	-	9
Stock Sales	M&M GAS Co S.A.	-	14.547
Stock Sales	METKA - EGN Ltd Cyprus	-	315
Stock Sales	METKA - EGN Ltd UK	-	130
Stock Sales	EP-AL-ME S.A.	-	3.643
Stock Sales	TATOI CLUB	217	217
Stock Sales	ELEMKA S.A.	-	8.116
Stock Purchases	DELFI DISTOMON A.M.E	-	18.553
Stock Purchases	PROTERGIA THERMOILEKTRIKI S.A.	-	1.857
Stock Purchases	AIOLIKI EVOIAS PIRGOS S.A.	-	452
Services Sales	AIOLIKI EVOIAS HELONA S.A.	-	190
Services Sales	AIOLIKI EVOIAS DIAKOFTIS S.A.	-	255
Services Sales	SPIDER ENERGY S.A.	-	1.437
Services Sales	M&M GAS Co S.A.	-	1.627
Services Sales	ELEMKA S.A.	-	4
Services Sales	ANEMODRASI RENEWABLE ENERGY SOURCES S.A	-	3
Services Sales	ANEMOROI RENEWABLE ENERGY SOURCES S.A	-	3
Services Sales	PROTERGIA THERMOILEKTRIKI AGIOU NIKOLAOU S.A.	-	3
Services Sales	METKA S.A	-	3
Services Sales	DELFI DISTOMON A.M.E	-	17

Services Sales	RENEWABLE SOURCES KARYSTIA S.A.	-	264
Services Sales	PROTERGIA THERMOILEKTRIKI S.A.	-	197
Services Sales	GENERAL INDUSTRY S.A DEFENCE MATERIAL	-	3
Services Sales	CHORTEROU S.A	-	3
Services Sales	KISSAVOS DROSERI RAHI S.A.	-	3
Services Sales	AETOVOUNI S.A	-	3
Services Sales	KISSAVOS PLAKA TRANI S.A.	-	3
Services Sales	KISSAVOS FOTINI S.A	-	3
Services Sales	LOGGARIA S.A.	-	3
Services Sales	CORINTHOS POWER S.A	-	12.462
Services Sales	ALUMINIUM OF GREECE	-	3
Services Sales	PROTERGIA ENERGY S.A.	-	5
Services Sales	ANEMOROI S.A.	-	3
Services Sales	KILKIS PALAION TRIETHNES S.A.	-	3
Services Sales	KERASOUDA S.A.	-	3
Services Sales	IKAROS ANEMOS S.A.	-	3
Services Sales	AIOLIKI ARGOSTYLIA S.A	-	3
Services Sales	NORTH AGEAN RENEWABLES S.A.	-	3
Services Sales	MYTILINEOS HELLENIC WIND POWER S.A.	-	16
Services Sales	AIOLIKI ANDROU TSIROVLIDI S.A.	-	101
Services Sales	MYTILINEOS AIOLIKI NEAPOLEOS S.A.	-	3
Services Sales	AIOLIKI EVOIAS PIRGOS S.A.	-	38
Services Sales	AIOLIKI EVOIAS POUNTA S.A	-	3
Services Sales	AIOLIKI EVOIAS HELONA S.A.	-	16
Services Sales	AIOLIKI ANDROU RAHI XIROKABI S.A.	-	3
Services Sales	METKA AIOLIKI PLATANOU S.A	-	3
Services Sales	AIOLIKI SAMOTHRAKIS S.A	-	3
Services Sales	AIOLIKI EVOIAS DIAKOFTIS S.A.	-	24
Services Sales	AIOLIKI SIDIROKASTROU S.A.	-	107
Services Sales	HELLENIC SOLAR S.A.	-	156
Services Sales	SPIDER ENERGY S.A.	-	168
Services Sales	EN. DY. S.A	-	3
Services Sales	THESSALIKI ENERGY S.A.	-	3
Services Sales	YDRIA ENERGY S.A	-	3
Services Sales	YDROXOOS .S.A.	-	8
Services Sales	FOIVOS ENERGY S.A	-	3
Services Sales	AIOLIKI TRIKORFA S.A.	-	78
Services Sales	MAKRINOROS S.A.	-	5
Services Sales	M&M GAS Co S.A.	-	1.236
Services Sales	DESFINA	-	3
Services Sales	MYTILINEOS FINANCIAL PARTNERS S.A.	-	4.954
Services Sales	SOLIEN S.A.	-	5
Services Sales	St. Nikolaos IKE	-	53
Services Sales	METKA POWER WEST AFRICA LIMITED	-	80
Services Sales	ELIA S.A.	366	366
Services Sales	METKA INTERNATIONAL LTD	-	1.068
Services Sales	PPR	-	434
Services Sales	METKA POWER WEST AFRICA LIMITED	-	86

Services Sales	METKA INTERNATIONAL LTD	-	197
Services Sales	POWER PROJECTS	-	1.987
Services Sales	METKA POWER WEST AFRICA LIMITED	-	203
Services Sales	METKA EGN LTD (CYPRUS)	-	499
Services Sales	METKA EGN LTD (ENGLAND)	-	505
Services Sales	METKA EGN USA LLC	-	306
Services Sales	METKA EGN KZ LLP	-	96
Services Sales	METKA EGN SpA	-	28
Services Sales	METKA EGN AUSTRALIA LTD	-	10
Services Sales	METKA EGN FRANCE SRL	-	3
Services Sales	METKA EGN SPAIN SLU	-	680
Services Purchases	SERVISTEEL S.A.	-	1.009
Services Purchases	ELEMKA S.A.	-	183
Services Purchases	DELFI DISTOMON A.M.E	-	19
Services Purchases	RENEWABLE SOURCES KARYSTIA S.A.	-	9
Services Purchases	CORINTHOS POWER S.A	-	17
Services Purchases	AIOLIKI ANDROU TSIROVLIDI S.A	-	17
Services Purchases	AIOLIKI SIDIROKASTROU S.A.	-	16
Services Purchases	HELLENIC SOLAR S.A.	-	3
Services Purchases	YDROXOOS .S.A.	-	0
Services Purchases	AIOLIKI TRIKORFA S.A.	-	9
Services Purchases	ELIA S.A.	5.243	5.068
Services Purchases	TATOI CLUB	233	118

(Amounts in thousands €)		MYTILINEOS GROUP 31/12/2019	MYTILINEOS S.A. 31/12/2019
Receivables from Related Parties	SERVISTEEL S.A.	0	8
Receivables from Related Parties	ELEMKA S.A.	0	917
Receivables from Related Parties	STANMED TRADING LTD	0	311
Receivables from Related Parties	ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	0	86
Receivables from Related Parties	ANEMOROI RENEWABLE ENERGY SOURCES S.A.	0	44
Receivables from Related Parties	PROTERGIA THERMOILEKTRIKI AGIOU NIKOLAOU S.A.	0	13
Receivables from Related Parties	METKA S.A.	0	9
Receivables from Related Parties	METKA BRAZI SRL	0	353
Receivables from Related Parties	DELFI DISTOMON A.M.E	0	1.727
Receivables from Related Parties	RENEWABLE SOURCES KARYSTIA S.A.	0	3.278
Receivables from Related Parties	PROTERGIA THERMOILEKTRIKI S.A.	0	5.792
Receivables from Related Parties	GENERAL INDUSTRY S.A. DEFENSE MATERIAL	0	53
Receivables from Related Parties	CHORTEROU S.A.	0	915
Receivables from Related Parties	KISSAVOS DROSERI RAHI S.A.	0	1.013
Receivables from Related Parties	AETOVOUNI S.A.	0	257
Receivables from Related Parties	KISSAVOS PLAKA TRANI S.A.	0	1.096
Receivables from Related Parties	KISSAVOS FOTINI S.A.	0	836
Receivables from Related Parties	LOGGARIA S.A.	0	286
Receivables from Related Parties	CORINTHOS POWER S.A	0	12.253
Receivables from Related Parties	ALUMINIUM OF GREECE	0	573
Receivables from Related Parties	PROTERGIA ENERGY S.A.	0	6
Receivables from Related Parties	ANEMOROI S.A.	0	4
Receivables from Related Parties	KILKIS PALAION TRIETHNES S.A.	0	4
Receivables from Related Parties	KERASOUDA S.A.	0	4
Receivables from Related Parties	IKAROS ANEMOS S.A.	0	402
Receivables from Related Parties	POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	0	12.569
Receivables from Related Parties	AIOLIKI ARGOSTYLIA S.A.	0	58
Receivables from Related Parties	NORTH AGEAN RENEWABLES S.A.	0	76
Receivables from Related Parties	MYTILINEOS HELLENIC WIND POWER S.A.	0	32.735
Receivables from Related Parties	AIOLIKI ANDROU TSIROVLIDI S.A.	0	315
Receivables from Related Parties	MYTILINEOS AIOLIKI NEAPOLEOS S.A.	0	4
Receivables from Related Parties	AIOLIKI EVOIAS PIRGOS S.A.	0	48
Receivables from Related Parties	AIOLIKI EVOIAS POUNTA S.A	0	4
Receivables from Related Parties	AIOLIKI EVOIAS HELONA S.A.	0	44
Receivables from Related Parties	AIOLIKI ANDROU RAHI XIROKABI S.A.	0	5
Receivables from Related Parties	METKA AIOLIKI PLATANAOU S.A.	0	4
Receivables from Related Parties	AIOLIKI SAMOTHRAKIS S.A.	0	29
Receivables from Related Parties	AIOLIKI EVOIAS DIAKOFTIS S.A.	0	53
Receivables from Related Parties	AIOLIKI SIDIROKASTROU S.A.	0	331
Receivables from Related Parties	HELLENIC SOLAR S.A.	0	2.930
Receivables from Related Parties	SPIDER ENERGY S.A.	0	6.767

Receivables from Related Parties	EN. DY .S.A.	0	4
Receivables from Related Parties	THESSALIKI ENERGY S.A.	0	4
Receivables from Related Parties	YDRIA ENERGY S.A.	0	14
Receivables from Related Parties	YDROXOOS S.A.	0	31
Receivables from Related Parties	FOIVOS ENERGY S.A.	0	44
Receivables from Related Parties	GREEN ENERGY A.E	0	186
Receivables from Related Parties	AIOLIKI TRIKORFA S.A.	0	551
Receivables from Related Parties	MAKRINOROS S.A.	0	46
Receivables from Related Parties	M&M GAS Co S.A.	0	3.422
Receivables from Related Parties	DESFINA S.A.	0	37
Receivables from Related Parties	Mytilineos International Trading Company AG (MIT Co)	0	204
Receivables from Related Parties	SOLIEN S.A.	0	20
Receivables from Related Parties	St Nikolaos IKE	0	5
Receivables from Related Parties	METKA-EGN Ltd Cyprus	0	1.327
Receivables from Related Parties	METKA-EGN Ltd UK	0	1.439
Receivables from Related Parties	METKA-EGN USA LLC	0	650
Receivables from Related Parties	METKA POWER WEST AFRICA LIMITED	0	1.212
Receivables from Related Parties	METKA RENEWABLE LTD CYPRUS	0	24.615
Receivables from Related Parties	METKA EGN Chile SpA	0	15
Receivables from Related Parties	METKA EGN KZ LLP	0	96
Receivables from Related Parties	METKA EGN FRANCE SRL	0	3
Receivables from Related Parties	METKA EGN SPAIN SLU	0	426
Receivables from Related Parties	METKA EGN AUSTRALIA PTY LTD	0	10
Receivables from Related Parties	METKA EGN SINGAPORE PTE LTD	0	1.713
Receivables from Related Parties	METKA Power Investments	0	9
Receivables from Related Parties	EP-AL-ME S.A.	0	74
Payables to Related Parties	SERVISTEEL S.A.	0	868
Payables to Related Parties	ELEMKA S.A.	0	2.562
Payables to Related Parties	STANMED TRADING LTD	0	35
Payables to Related Parties	RDA TRADING	0	3
Payables to Related Parties	METKA BRAZI SRL	0	18
Payables to Related Parties	RENEWABLE SOURCES KARYSTIA S.A.	0	6
Payables to Related Parties	PROTERGIA THERMOILEKTRIKI S.A.	0	142
Payables to Related Parties	CORINTHOS POWER S.A	0	30
Payables to Related Parties	POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	0	137
Payables to Related Parties	AIOLIKI ANDROU TSIROVLIDI S.A.	0	14
Payables to Related Parties	AIOLIKI EVOIAS PIRGOU S.A.	0	342
Payables to Related Parties	AIOLIKI EVOIAS HELONA S.A.	0	152
Payables to Related Parties	AIOLIKI DIAKOFTIS S.A.	0	187
Payables to Related Parties	AIOLIKI SIDIROKASTROU S.A.	0	12
Payables to Related Parties	HELLENIC SOLAR S.A.	0	2
Payables to Related Parties	SPIDER ENERGY S.A.	0	985
Payables to Related Parties	YDROXOOS S.A.	0	0
Payables to Related Parties	AIOLIKI TRIKORFA S.A.	0	8
Payables to Related Parties	M & M GAS Co S.A.	0	263
Balance from sales/purchases of stock/services pa	MYTILINEOS FINANCIAL PARTNERS S.A.	0	500
Balance from sales/purchases of stock/services pa	Mytilineos International Trading Company AG (MIT Co)	0	165
Payables to Related Parties	METKA-EGN Ltd Cyprus	0	1

Dividend Policy

The BOD will propose to the General Assembly of the Shareholders (GA) the distribution of dividend of amount 0,3600 / share, while in 2018 the BOD had proposed the distribution of dividend of amount 0,3600 / share. The distribution is subject to the approval of the General Assembly of the Shareholders (GA).

Post Balance Sheet events

- On 15.01.2020, the subsidiary of MYTILINEOS, ZEOLOGIC S.A. announced the signing of an agreement with FAIRDEAL MARINE SERVICES FZE, for the construction of the first treatment plant of oily sludge as well as of sludge arising from flue gas treatment systems. This plant will be installed at the FAIRDEAL Group premises in Fujairah of the United Arab Emirates and it is the first environmental project of ZEOLOGIC S.A. in the Middle East. The facility's design will be based on the internationally patented treatment method (Geochemical Active Clay Sedimentation - GACS) for liquid and solid waste treatment, with exclusive rights of use held by ZEOLOGIC. Based on the GACS method, the waste becomes 'Non Hazardous' after its treatment and thus the treated waste can be safely disposed.
  ZEOLOGIC and FAIRDEAL Group envisage the installation of more plants using this technology in the Persian Gulf region, addressing the recognized environmental problems of the region and the need to install state of the art infrastructure to support Green Shipping.
- On 03.02.2020, MYTILINEOS S.A. decisively contributed to the energy upgrading of public areas in the municipalities and undertook the street lighting project in Volos Municipality in the context of a joint venture with its subsidiary ELEMKA. During the project, the conventional street lights shall be replaced; the existing street lights, despite their short life cycle and erratic luminosity, are nevertheless highly energy consuming. The new framework to be used will adopt the most state-of-the-art solutions in the lighting technologies and will offer, besides a more regulated and high quality light, an improved visible luminous efficacy and a better ambiance in the urban environment; it will additionally save up to 55% of the electricity supply, reducing thus the cost and the Municipality's energy footprint.
  The joint venture MYTILINEOS-ELEMKA was chosen by an electronic international tender declared by Volos Municipality, budgeted at 14,297,339.64€ plus VAT. The scope of the contract covers the supply, installation and 12-year maintenance (not including the 12 months for installation) and in particular:
  1. The installation of the new luminaires using new LED technology to improve and upgrade the municipality's level of lighting, in the Municipal Communities of Volos and Nea Ionia.
  2. The improvement of maintenance planning, by operating a 'Telecontrol-Telemanagement and Energy control system' (SLMS), in the System for Public Areas Lighting (Street Lighting).
  3. The use of preventive maintenance systems through a PC (failure recording methodology, priority list, remedy planning and check, reporting and statistics monitoring).

- On 06.02.2020, MYTILINEOS S.A. announced its corporate reorganizational changes. The Board of Directors of MYTILINEOS approved on 4.2.2020 the proposals of the Chairman and CEO of the company Evangelos Mytilineos as follows:
  1. In view of the upcoming completion of the full acquisition of its subsidiary METKA EGN and already being established as one of the largest Solar PV and energy storage developers worldwide, a new business unit (BU), International Renewables and Storage Development (RSD) is created, under the leadership of Nikos Papapetrou as General Manager.
  2. In line with international best practices and the ongoing developments in the Greek Energy sector, the Gas Trading BU is being integrated with the Electric Power BU, in line with the reporting treatment as a sole BU in the Company's annual accounts. Dinos Benroubi will be the General Manager of the Consolidated Power and Gas BU, while Panagiotis Kanellopoulos, former Gas Trading BU General Manager, assumes the position of Deputy General Manager responsible for Natural Gas issues.
  3. With sustainability increasingly evolving from a peripheral activity into a key element of the Company's operational strategy, the existing Investor Relations and Corporate Governance central function is redesignated as Corporate Governance and Sustainable Development, under the leadership of Dimitris Papadopoulos as General Manager. This newly redesigned central function will aim to become a "center of excellence" for MYTILINEOS in ensuring sustainable development initiatives are implemented across all business lines and that corporate strategy is aligned with the company's sustainability goals.

  In addition to the above, the following changes have also been approved:
  1. Evangelos Chrysafis, Executive Vice President of the Company's Board of Directors, assumes from his position enhanced duties for regulatory and corporate strategic issues related to the Energy sector.
  2. Petros Selekos, assumes the role of General Manager for Legal and Regulatory Affairs.
  3. The existing Investor Relations central function will report to the Chief Financial Officer, Ioannis Kalafatas.
  4. The Communication and Marketing Strategy central function is being upgraded with Vivian Bouzali as General Manager.

  The above changes will be effective from Monday, February 10, 2020.
- On 13.02.2020, MYTILINEOS S.A. signed an agreement with Motor Oil (Hellas) SA for the sale of a group of operational solar power parks totalling 47MW, through its newly designated Business Unit, International Renewable and Storage Development (RSD) and more specifically, through the sale of certain participations of its subsidiary METKA EGN LTD. The solar parks are located within Northern and Central Greece and the total consideration was €45.8m.

  The solar parks became operational in the second half of 2019 and have a secured revenue stream via a 20-year Power Purchase Agreement ("PPA") through the Greek Renewable Energy operator (DAPEEP). The RSD business unit of MYTILINEOS already has internally approved solar power development investments projects of approximately

540MW, in Australia, Cyprus, Mexico, South Korea, Spain and the UK, with a goal of developing and transferring at least 1,500MW of solar power plant and storage development projects over the next five years.
The transaction is part of the broader strategy of the solar development business model ("Build-Operate-Transfer ("BOT") being rolled out through the newly created RSD business unit of MYTILINEOS. The business model leverages the global construction and development expertise of MYTILINEOS' subsidiary, METKA-EGN, having completed more than 1.2 gigawatt of solar power plants and 200 megawatts of energy storage projects in more than five continents.

- On 13.03.2020, MYTILINEOS S.A. announced that the acquisition of the remaining 49.9% stake in METKA EGN LTD was formally completed. As a result MYTILINEOS is the sole shareholder (100%_) of METKA EGN LTD.
  METKA EGN LTD is already a material part of MYTILINEOS, constituting the mail pillar for the 4th Business Unit of the Company, the International Renewables and Storage Development Business Unit (RSD).

- On 31 December 2019, the World Health Organization ("WHO") was informed that a limited number of cases of pneumonia, of an unknown cause, were detected in Wuhan, Hubei. On 7 January 2020, Chinese authorities identified a new type of coronavirus (COVID-19) as the cause. The first cases of COVID-19 were confirmed in Hong Kong on 23 January 2020. Since 31 December 2019, the development and spread of COVID-19 has resulted in the occurrence of a multitude of associated events. In March 2020, WHO declared the COVID-19 a pandemic.

  Mytilineos, as a responsible social partner and enterprise is greatly concerned about the situation, the rapid spread of the virus and its effect on its operations but also on the economy and the broader society. At the present time, the safety of its employees is the ultimate priority. To that end, Mytilineos has implemented the following initiatives through a special task force, (the "Task Force") that reports to senior management, monitoring all developments and assessing potential impacts of Covid-19.

  The Task Force, adhering to all protocols from the WHO and other relevant authorities, has already put in place a business continuity plan which is currently in full implementation. It has established and maintains clear internal and external protocols for regular and emergency communication with employees and other key stakeholders.

  Business travel has been limited and remote-work schemes are in place, wherever possible. Additional resource planning for staff who perform business-critical functions has also been put forth to minimize the risks of any operational disruption.

  The Company has taken the following additional actions:

  - Back-up arrangements in case employees responsible for health and safety are unable to perform their roles

- Special arrangements for vulnerable employees
- Ensured that staff from high-risk areas are re-patriated
- Introduced policies regarding staff self-isolation
- Established procedures requiring staff to report if they feel unwell or are absent, and to report possible infection or exposure to the virus or concerns involving others they have been in contact with at work.

While we are not in a position to quantify or assess the full level of impact, potential risk factors that could affect our business are the following:

- Our business operations could be negatively impacted due to disruptions to business operations from quarantines of employees, customers and suppliers in Greece and other areas affected by the outbreak. At the current time, we have had no incidents within our areas of operation.

- Regarding our customers, we are reviewing the situation in Italy carefully, as this region represents a significant % of our aluminium exports. Our relationships with these customers are of many years and at this current time, we continue to supply them with aluminum. Given the uncertainty of the situation, we are not in a position to assess whether and to what extent there will be a disruption in the future.

- We may see disruptions in our supply chain and logistics which could affect our ability to deliver our products.

- Reduced demand in our metallurgy business and electricity consumption is a risk, should the situation continue to deteriorate.

- Potential delays in the execution of third-party construction projects in either Engineering, Construction and Procurement Business Unit (“EPC”) Business Unit or Renewables and Storage Development (“RSD”) Business Unit

In addition to the ongoing operational risk management due to the COVID-19 outbreak, we have placed a heightened level of oversight toward protection of our healthy financial standing. Currently, our strong balance sheet and low leverage of [1.35x] net debt/EBITDA and a total liquidity that exceeds 1bn € with no material maturities until mid-2022, is an important mitigant to manage the current uncertainty. In light of these developments and given the uncertainties of the situation, we are undergoing a reassessment process for our Capex plan which could potentially lead us to defer or even cancel projects depending on the developments of the current situation.

Any potential impact to our results will depend on, to a large extent, ongoing developments, almost all of which are beyond our control. The Greek authorities' decision to implement quarantines and other emergency public health measures, though temporary in nature, may continue and increase depending on developments in the virus' outbreak.

As a result, because of the uncertainty surrounding the COVID-19 outbreak, the financial impact related to the outbreak and response to the coronavirus cannot be reasonably estimated at this time.

Evangelos Mytilineos

Chairman & Chief Executive Officer

MYTILINEOS S.A.

3. Explanatory report

Information regarding the issues of article 4 paragraph 7-8 of L.3556/2007 of MYTILINEOS S.A.

This explanatory report of the Board of Directors is submitted to the Ordinary General Shareholders' Meeting and contains detailed information regarding the issues of paragraph 7 and 8 of article 4 L.3556/2007, as in force.

I. Company's Share Capital Structure

The share capital of the Company amounts to one hundred thirty-eight millions six hundred four thousand four hundred twenty-six euros and seventeen cents (€138.604.426,17), divided into one hundred forty-two millions eight hundred ninety-one thousand one hundred sixty-one (142.891.161) registered shares with a nominal value of €0,97 each.

The shares of the Company are all listed on the Securities Market of the Athens Exchange [Sector "Industrial Goods & Services"].

The rights of the Company's shareholders with respect to their shares are proportional to the share capital stake to which the paid-in share value corresponds. Each share incorporates all the rights and obligations that are stipulated by the Law and Company's Articles of Association, and more specifically:

- The right to dividends from the annual profits or liquidation profits of the Company. A percentage of 35% of the net profits following deduction of the statutory reserves and other income statement credits, which do not constitute only statutory earnings, is distributed from the profits of each year to the shareholders as an initial dividend while the distribution of an additional dividend is resolved upon by the General Meeting. The General Meeting determines the added dividend. Dividends are entitled to each shareholder who is registered in the Shareholders' Register held on behalf of the Company by the "Hellenic Exchanges – Athens Stock Exchange" on the date of approval of the financial statements by the Ordinary General Shareholders' Meeting. The payment date and the payment method of the dividend are available through the media appointed by L. 3556/07. The right to receive payment of the dividend is subject to a time limitation and the respective unclaimed amount goes to the State upon the lapse of five (5) years from the end of the year during which the General Meeting approved the distribution of the said dividend.

- The right to reclaim the amount of one's contribution during the liquidation or, similarly, the writing off of the capital representing the share, provided that this is resolved upon by the General Meeting,

- The right of pre-emption according to their participation in the existing share capital at every share capital increase of the Company (including increase in kind) or issuance of convertible bonds into shares or cash and at undertaking new shares, including increases in kind or issuance of convertible bonds into shares.

- Each shareholder is entitled to request the annual financial statements along with the relevant reports of the Board of Directors and the Auditors of the Company.
- Shareholders participate in the Company's General Meeting which constitute the following rights: in person presence or by delegate, vote, participation in discussions, submission of proposals on the items of the agenda, entry of one's opinion on the minutes of the Meeting and finally the right to vote.

The General Meeting of Company's Shareholders retain all its rights and obligations during the winding up (according to paragraph 4 of article 33 of the Articles of Association). The shareholders' responsibility is limited to the nominal value of the shares held.

II. Restrictions for transferring Company shares

The transfer of Company shares takes place based on procedures stipulated by the law under which the Company is liable, while there are no restrictions set by the Articles of Association for transfer of shares.

III. Important Indirect/Direct participations according to articles 9-11 of L.3556/07

On 31.12.2019 Mr. Evangelos Mytilineos held indirectly, through "ROCALDO LTD", "KILTEO LTD" and "FREZIA LTD (chain of controlled undertakings), 37,919,549 common registered voting shares issued by the Company and the respective voting rights, i.e. 26.537% of the voting rights of the Company, while he had no direct ownership of shares or voting rights.

On publication date 19.3.2019, the shareholders that hold more than 5% of the total voting rights of the Company are the same as above.

IV. Shares with special control rights

There are no Company shares that provide special control rights to their holders.

V. Restrictions on voting rights

No restrictions on voting rights emanate from the Company shares according to the Articles of Association.

VI. Agreements between Company shareholders

Notwithstanding share pledge agreements that may from time to time be notified to the Company, which according to standard practice include provisions regarding the transfer of voting rights to the pledgee in case of breach or failure to fulfil secured obligations, the Company is not aware of any agreements among its shareholders, which would result in restrictions on the assignment of its shares or exercise of the voting rights stemming from such shares.

VII. Regulations regarding the assignment and replacement of BoD members and amendments of the Articles of Association

The Company's Articles of Association (article 21), within the powers vested by Law 4548/2018 as it is now in force, provide the following regarding the appointment and substitution of its members of the BoD:

1. The Board of Directors may elect members in substitution of members who resigned, died or forfeited their office in any other manner; this election is done provided such substitution cannot feasibly be done from substitute members, if any, elected by the General Meeting. Such election by the Board of Directors is effected by means of a decision of the remaining members, provided they are at least three (3), and is valid for the remainder of the term of the substituted member. The election decision is submitted to the publication formalities pursuant to Law 4548/2018 and is announced by the Board of Directors to the immediately following General Meeting session; the General Meeting may replace the elected members, even if no such item is included in the General Meeting agenda.
2. In case of resignation, death or forfeiture, in any other manner, of director status, the remaining directors (BoD members) may continue to run and represent the company even without substituting the members in question as per the preceding paragraph, provided their number exceeds one half of the number of members as it stood prior to the occurrence of the said events. In all cases, such members may not be less than three (3).
3. In all cases, the remaining BoD members, irrespective of the number thereof, may call the General Meeting for the sole purpose of electing a new Board of Directors.
4. The substitution of BoD members pursuant to the preceding paragraphs is in conformance with and subject to the provisions of the law concerning the participation of independent non executive members in the Board of Directors.

The provisions of the Company's Articles of Association regarding the amendment of the provisions thereof do not deviate from the provisions of the Law 4548/2018.

VIII. Responsibility of the BoD for a) the issuance of new shares or b) acquisition of own shares according to C.L. 2190/1920

a) According to the provisions of article 5 par. 8 of the Company's Articles of Association in conjunction with the provisions of article 24 par. 1(b) and (c) of Law 4548/2018, the Company's Board of Directors has the right, following a relevant decision by the General Shareholder's Meeting, for a period not exceeding five years, to increase the Company's share capital with the issuance of new shares, through a decision by the Board of Directors that is made with a majority of at least two thirds (2/3) of its total members. In this case, the Company's share capital may be increased by an amount not exceeding three times the share capital the capital existing on the date on which the Board has the power to raise the capital. This power of the Board of Directors may be renewed by the General Meeting for a period that may not exceed five years per instance of renewal.

b) According to the provisions of article 49 of Law 4548/2018, the Company may, following a relevant decision by the General Shareholder’s Meeting, acquire its shares corresponding to a maximum of 10% of its paid-up share capital. Such decisions by the General Shareholder’s Meeting are implemented by the Board of Directors or the persons to whom the Board of Directors has delegated the relevant competence. There is currently no relevant decision by the General Meeting. However, the Company's Board of Directors has convened an Extraordinary General Meeting of shareholders for March 27, 2020, which is required to approve a 24-month Own Shares Acquisition Plan, pursuant to Article 49 of Law 4548/2018. The Own Shares Acquisition Plan will be implemented in accordance with the applicable legal and regulatory framework.

IX. Significant agreements put in force, amended or terminated in case of a change in the Company’s control following a public offer

There are no significant agreements of the Company that become effective, are amended or terminated in the event of change in the control of the Company following a public offer.

There are however loan and other agreements, which provide, as it is common in such agreements, the right of the lending banks or bondholders or the Company’s counterparty, to request under certain conditions the early repayment of the loans/bonds or the termination of the respective agreements in the event of change in the control of the Company, though such right is not granted specifically in case the change of control in the Company results from a public offer.

X. Agreement between the Company and BoD members or employees

There is no agreement between the Company and the BoD members or staff providing for the payment of any compensation specifically in the event of resignation or dismissal without cause, or termination of their mandate or employment as a result of a Public Acquisition Offer.

Evangelos Mytilineos

Chairman & Managing Director
MYTILINEOS S.A.

4. Statement of Corporate Governance

This Statement constitutes a special part of the Management Report, in accordance with articles 152 and 153 of Law 4548/2018.

1. <u>COMPLIANCE OF THE COMPANY WITH THE UK CORPORATE GOVERNANCE CODE 2018</u>

Up to and including financial year 2018, MYTILINEOS S.A. (the "Company") has subscribed voluntarily to the "Hellenic Corporate Governance Code for Listed Companies" (hereinafter the "Code"). As of 01.01.2019, following a relevant resolution of the Company's Board of Directors, adopted on 15.11.2018 and aimed at ensuring transparency and responsible operation in all areas of activity, the Company voluntarily adopted the UK Corporate Governance Code (THE UK CORPORATE GOVERNANCE CODE - 2018), https://www.mytilineos.gr/en-us/corporate-governance-code/presentation, which is posted on the Company's website and on the website of the Financial Reporting Council, UK https://www.frc.org.uk/directors/corporate-governance-and-stewardship/uk-corporate-governance-code. Based on the highest international standards of entrepreneurship, the Company strives for closer engagement with its investors, with the ultimate aim of unlocking further value for its shareholders. Drawing on the best corporate governance practices, the Company formulates its strategy and develops the general directions, policies, values and principles that govern its operation, while ensuring transparency and safeguarding the interests of its shareholders.

1.1 BOARD LEADERSHIP AND COMPANY PURPOSE

<u>Principle A: The role of the board</u>

The Board sets the tone with regards to the standards of corporate governance. To this end the Board decided to voluntarily adopt the UK Corporate Governance Code as from 01.01.2019, recognizing that the Code is widely recognized as best standard of corporate governance.

The Board operates effectively for the longer-term interests and sustainability of the Company. The Board is diverse, and its members possess the appropriate level of knowledge, skills and expertise required to deliver upon expectations. The Company demonstrates a clear division of responsibilities between Management and the Board: The Executive Committee is supported by a) the Financial, the Capital Allocation and the Energy & Regulatory Matters Committees and b) the Metallurgy, the Energy and the EPC business units Committees and is supervised by the Board.

As a responsible industrial company, MYTILINEOS integrates sustainability considerations as part of its main purpose. The Company's business model is at the centre of its operations. 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 wider society , in general, its overall contribution to Sustainable Development. Detailed analysis is provided in the Management Report section of the 2019 Annual Report.

To offer a better understanding of the Company's business model, use is made of key performance indicators together with descriptions of the interrelationships between the resources utilised. This information is available at http://scorecard.mytilineos.gr/.

The board has appointed three of its members to the CSR committee to oversee how MYTILINEOS creates value across all sectors of its business activity and how it creates a significant value chain with strong social and economic impact.

Additionally the independent adviser EY drafted the 2017 socio-economic impact report, which will be reviewed every two years. The 2019 report will become available on the company's website : https://www.mytilineos.gr/en-us/csrreports/publications by end Q3 2020.

Principle B: Purpose, values and culture

The board approved the company's vision, mission and values as part of its strategy. The board reviews the strategy of the company annually.

The company's 2016 Code of Business Conduct was reviewed and revised in 2019, to take into account the company structure that followed the merger, and was approved by the board. Major improvements include IT security, insiders' dealings, money laundering, customs controls and employee commitment to abide by the Code. Further improvements of moderate nature include the new vision, mission and corporate values, conflict of interest, healthy competition and antibribery and corruption.

Principle C: Resources, risks and controls

The Audit Committee within its remit to oversee the company's internal controls and risk management systems, proposed to the Management to undertake an assessment of the system of internal controls using the COSO 2013 Framework. The Management shall assign assessment of internal control of central functions to external consultants in accordance to standard tender process.

Principle D: Shareholder and stakeholder engagement

The company interacts with a broad range of social groups. These different groups are recorded, ranked and characterized as company's "key Stakeholder groups", based on specific criteria according to the international AA1000 Stakeholder Engagement Standard (SES) and in correlation with:

- the position they hold within the company's sphere of influence,
- the degree of significance and relativity attributed to or existing in company's activities and
- the way they affect the company's ability to fulfill its vision and mission.

The company's synergies with its Stakeholders are shaped in the context of the company's contribution to the Sustainable Development Goal 17 that seeks to strengthen partnerships to support and achieve the ambitious targets of the 2030 Agenda without exclusions, built on a common vision, principles and values. The company promotes regular communication with its Stakeholder groups; the frequency of such communication stems from the type of relationship built with each group, aiming to understand their expectations and respond promptly to matters concerning them, preserving and strengthening at the same time its "social license to operate".

Additionally, MYTILINEOS has developed a specific Stakeholders Consultation process. This practice expresses the company's longstanding principle to engage with its Stakeholders through a systematic and sincere dialogue. As a corporate institution, the Stakeholders Consultation process, has been carried out consistently on annual basis since 2011 and is subject to self-assessment and self-improvement procedures.

- Stakeholder Engagement Process https://www.mytilineos.gr/en-us/csr-core-subjects/csr-core-subjects#tab-stakeholder-engagement
- Results of the Stakeholder Engagement Process 2019 (detailed analysis is provided in the 2019 Annual Report in the Non-financial disclosure report section and in the 2019 Sustainable Development Report which will be available by the AGM 4 June 2020.

Principle E: Workforce policies and practices

The Code of Conduct serves as a record of the general principles which define the responsible business conduct and the ethical rules that all the employees and business partners of MYTILINEOS are expected to follow, as well as a record of the commitments of the Company's Management towards its people. The Code ensures that all Company activities adhere to the principle of integrity, thus safeguarding its reputation, which is its most valuable intangible asset and, as any other asset, should not only be protected but should also be further developed, by ensuring that the conditions that will allow this are in place. Cases involving violations of the Code may be made by mentioning the reporting person's identity or anonymously.

Additionally, the Remuneration Policy for the Directors contributes to the Company's business strategy and long-term interests and sustainability by encouraging the Executive Director to focus on sustained long-term value creation by providing a fair and appropriate level of fixed remuneration and a balance of short and long-term incentives to ensure there is focus on short term objectives that will over time build to create long-term value creation, as well as long-term goals. The remuneration policy for the Executive Directors, as for all employees, is based on the principle of paying fair and reasonable remuneration for the best and most appropriate person for the role while ensuring that the Company pays fairly and competitively and in the longer-term interests and sustainability of the Company.

The Remuneration Committee and Board of Directors receive periodic updates on the wider employee remuneration structure and practices within the Company, which are considered when establishing and revisiting the Policy. This is to ensure that remuneration practices and structure are as consistent as possible across the Company.

Last but not least the Company aims to apply the principle of Diversity (based, among other basic parameters, on gender, age, experience, skills and knowledge) to the composition of its Board of Directors, of its executive management team and of all direct employees in all its activities, where this is feasible. To this end, the Company in its diversity policy sets as its objective the achievement of targets concerning the representation of women on the board, senior executives and direct employees. The diversity policy is disclosed in the company's Corporate Governance Statement together with related targets

Provision 1. Reporting on actions to generate long-term value

The board reviews and discusses the company's strategy in every meeting with physical attendance. The strategy is presented by the CEO and the competent Business Unit (hereafter "BU") General Manager (hereafter "GM"). The overall strategy is reviewed at board level with the CEO and the GM of Strategy and M&A annually, at the end of Q3 followed by the strategy of each BU. Further, the board takes deep dives in key strategical issues.

Provision 2. Monitoring and reporting on culture

The Code of Conduct was reviewed and revised by the Board. It applies to the board, the management and the workforce. Cases involving violations of the Code may be made by mentioning the reporting person's identity or anonymously. The Code of Conduct is published on the Company's website https://www.mytilineos.gr/en us / codesand-policies / of-mytilineos # tab-code-of-conduct.

Non-Financial KPIs are disclosed in the 2019 annual report in the Non-financial disclosure report section. Their selection is based on ESG approach and is linked to the Company's ability to generate value and are thus material to sustainable development and its stakeholders. Also, they form an understanding of how those ESG issues impact its corporate performance and the Company's ability to implement its strategy. The KPIs have been defined in accordance with the GRI STANDARDS.

The remuneration policy supports its short and long-term business plan, so as to continue creating value for customers, shareholders, employees and the Greek economy. The level of fixed pay for Directors is established on the basis of paying no more than is necessary, always supporting the Company's longer-term interests and sustainability.

The Policy provides for variable compensation arrangements for Executive Directors to further align the Executive Directors' interests with those of the Company as the performance conditions used will be based on indicators of the long-term success and sustainability of the Company. The remuneration policy is disclosed on the Company's website https://www.mytilineos.gr/en-us/codes-and-policies/of-mytilineos.

Diversity policy and targets are disclosed in the relevant section of the Corporate Governance Section 1.5.

Provision 3. Engagement with shareholders

The (executive) Chairman engages with the company's major institutional shareholders throughout the year in various ways: during the AGM, through conference calls held on the occasion of half year and annual results, in the annual gathering of domestic institutional investors held at the company's headquarters, as well as during one to one meetings with key institutional investors, both upon request but also before significant corporate events initiated by the company. The Chair also holds an extensive Q&A session with minority shareholders during the AGM. Shareholders' concerns, if any, are discussed with the board and a Lead Independent Director is available to investors should the need arise.

The Company engages with shareholders and proxy advisors and in 2020 this effort has been strengthened through the organization of a targeted corporate governance roadshow, organized with the help of an external consultant, Velos Advisory. The Company intends to maintain an active dialogue with the stewardship teams of its key investors both ahead of the Annual General Meeting and throughout the year, with the participation of board members, the Chair of the RemCo and the Company Secretary.

Provision 4. Actions to be taken if significant votes against

The recommendations of the Management for the resolutions regarding the Annual Shareholders' General Meeting dated 24th June 2019 were voted for by the majority of the shareholders, more than 80% of the represented paid up share capital. In case 20% or more of votes are cast against a recommendation of the Management for a shareholder resolution in the future, the Company, when announcing voting results, shall also explain what actions it intends to take to consult shareholders who voted against in order to understand the reasons behind the result. The Company shall also announce no later than six months after said shareholder meeting the results of such consultation and the actions taken and, in any case, provide a summary thereof in the annual report".

Provision 5. Engagement with stakeholders and workforce representation

Full account of how the board takes into account the interests of various stakeholders' groups is provided in the 2019 Sustainable Development Report which becomes available by the time of the AGM in June 2020 on the website [https://www.mytilineos.gr/el-gr/corporate-social-responsibility/of-mytilineos]. As part of its engagement process MYTILINEOS has developed a specific Stakeholders Consultation process (https://www.mytilineos.gr/Uploads/Social_Partners_Consultation_Process_2018_en.pdf). This practice expresses the company's longstanding principle to engage with its Stakeholders through a systematic and sincere dialogue. As a corporate institution, the Stakeholders Consultation process, has been carried out consistently on annual basis since 2011 and is subject to self-assessment and self-improvement procedures.

For the purpose of setting remuneration the Remuneration & Nomination Committee and Board of Directors receive periodic updates on the wider employee remuneration structure and practices within the Company, which are considered when establishing and revisiting the Remuneration Policy. In addition, the Committee and Board of Directors are provided with information on remuneration trends across the Company including average pay increases along with any relevant economic data, such as the rate of inflation to take into account when operating the Policy.

Provision 6. Whistleblowing

The Company expects its employees to report serious violations of the Code of Conduct, when they become aware of them or when these are brought to their attention. This will allow the Company to address and rectify the matter – , before it becomes a violation of the law or a health and safety risk or jeopardizes the Company's reputation. In cases involving violations of the Code, the competent bodies of the Company shall investigate thoroughly the reports made, while at the same time observing the confidentiality of the relevant information, unless otherwise provided for by the law. Cases involving violations of the Code may also be reported by phone, fax or post, as well as by electronic mail (mentioning the reporting person's identity **or made anonymously**), in accordance with the provisions of the relevant policy of the Business Unit in which they work.

Additionally , the Company may set up a grievance mechanism or whistleblowing channel or reporting line if required by the contractor, when doing business in countries with an increased corruption risk (as in reference to the Corruption Perception Index by Transparency International) that pose a bribery and corruption risk for the Company.

Provision 7. Conflicts of interest

Each member of the Board has a duty of loyalty to the Company. Board members act with integrity and in the Company's interests and safeguard the confidentiality of information that is not publicly available. They must not have a relationship of competition with the Company and should avoid any position or activity that creates or appears to create a conflict between their personal interests and those of the Company, including holding positions on the board of directors or the management of competitor companies, without permission from the General Meeting of the Company's shareholders. Board members must contribute their experience and devote to their duties the necessary time and attention. Prior to their appointment, they should notify the Board of Directors of their other professional commitments, including significant non-executive commitments, to companies and non-profit institutions, and should report to the Board any changes in such commitments, as soon as these arise.

Finally, the Internal Audit Department reports to the Audit Committee any cases of conflict of the private interests of Board members with the interests of the Company, which (cases) it ascertains in the performance of their duties.

Provision 8. Director concerns and resignations

Pursuant to the Company's articles of association (available on the website) and Greek Company Law 4548/2018 on the request of a member of the Board of Directors, the Chairman is required to record in the minutes a summary of such member's opinion.

1.2 DIVISION OF RESPONSIBILITIES

Principle F: The role of the chair

The Chairman coordinates and directs the Board's meetings and overall functioning. He heads the Board of Directors and is responsible for convening meetings, determining the agenda and ensuring the proper organisation of the Board's activities and the efficient conduct of its meetings. The Chairman is also responsible for ensuring the provision of timely and accurate information to the Board members, as well as for effective communications with all shareholders, seeking to guarantee the fair and equitable treatment of the interests of all shareholders.

The Chairman sets the board agenda assisted by the Company Secretary.

Principle G: Board balance and decision-making

The board has 11 members (10 members as of 1/1/2020 because 1 independent member resigned on 31/12/2019 and will be replaced by AGM 2020) out of which three are company executives including the CEO, two members are non-executive, one of which is the Lead Independent Director (to be replaced by an independent member by AGM 2020) and the other is the Vice Chair A', and six members are independent. Both board committees, i.e. the Audit committee and the Remuneration & Nomination Committee are 100% independent. The division between the executives and the board is clear as described in the articles of association. The Company updated its articles of association at the AGM 2019 to comply with the revised Greek company Law 4548/2018 and the Shareholder Rights Directive II. Although no limits to other appointments and commitments have been set formally, avoiding overboarding is in the remit of the combined Rem Nom Committee. Executive board members cannot hold other executive seats, unless these are in the same group, without the permission of the general meeting of shareholders. Non-executive board members' other assignments are considered at the nomination process as to avoid overboarding and reviewed every year by the RemNom committee. Other appointments and commitments are reported in section 2.3.1. of the corporate governance statement.

Principle H: The role of non-executive directors

For each appointment, the RemNom Committee prepares a description of the role, capabilities and personal attributes required for the particular appointment. Further it develops criteria for identifying and evaluating director candidates. In developing these criteria and recommending nominees, the Committee shall take into consideration such factors as it deems appropriate. These factors may include judgment, skill, diversity, experience with businesses and other organizations of comparable size, , the interplay of the candidate's experience with the experience of other Board members, and the extent to which the candidate would be a desirable addition to the Board and any committees of the Board. The Committee may seek services of and commission an external advisor to support it in the nomination process.

The skills matrix link to be added of the Board of Directors and the biographies of each individual member are available on the company's website https://www.mytilineos.gr/en-us/board-of-directors/list]..

Although no limits to other appointments and commitments have been set formally, avoiding overboarding is in the remit of the combined Rem Nom Committee. Executive board members cannot hold other executive seats, unless these are in the same group, without the permission of the general meeting of shareholders. Non-executive board members' other assignments are considered at the nomination process as to avoid overboarding and reviewed every year by the RemNom committee. Other appointments and commitments are reported in section 2.3.1. of the corporate governance statement.

Principle I: Board policies and processes

The board has appointed the Corporate Governance Director of the Company as Company Secretary so to have the necessary guidance and advice on corporate governance issues. The board committees worked together with Company Secretary to draft their terms of references which to be subsequently approved by the board.

Provision 9 Chair and chief executive

Currently the board Chair is also the CEO of the company. The board is considering the separation of the Chair – CEO role but given that 80% of the board's composition was changed in mid-2018 the board supported the dual role, to familiarize itself the with the new structures that were put in place during the restructuring of the Company. The Company still intends to split the roles when the organization - both at Board and Management level - is fully prepared and equipped to operate under a new paradigm, while ensuring the vision, strategy and transformation of the Company is being materialized. Further safeguards have been put in place to mitigate concerns over the combined role: the board attains a high level of independence; both the Audit Committee and the Remuneration and Nomination Committee have full independence and, in compliance with international best practice and the request of our institutional investors, the Company has also appointed a Lead Independent Director who is available to engage with our investors and act as the voice of the Board on governance related matters. The Company intends to strengthen this role of the Lead Independent Director by the 2020 AGM, to counterbalance the combined role even further.

Provision 10. Independence of directors

Independent board members are approved as such by the shareholders at the time they stand for election. As mentioned in the terms of reference of the combined Remuneration &Nomination Committee, it is in the Committee's remit to review the independence of the non- executive directors before appointment. To this end the Committee reviews the

- the balance of the number of independent non-executive directors;
- o the length of service of independent non-executive directors;
- o any situational conflict which a director may have with the interests of the Group and
- o any other relevant matter.

As of 2019 the RemNom Committee reviews the independence of board members annually and such review is included in the report on the Committees work.

Provision 11. Half the board to be independent

As at 31/12/2019 the board consisted of 11 members out which 6 (54%) were independent. As of 1/1/2020 board independence stands at 50% as one independent member resigned. It is in the intention of the company to strengthen the independence its board by the 2020 AGM.

Provision 12. Senior independent director

The Lead Independent Director is charged with coordinating the Board's Executive and Non-Executive Members and ensuring effective communication between them. He also chairs the procedure concerning the evaluation of the Chairman by the Board Members, as well as the meetings of the Board's Non-Executive members. Finally, he is available and attends the General Meetings of the Company's shareholders, in order to discuss matters pertaining to corporate governance, as and when the need arises.

The Company intends to strengthen the role of the LID as of 2020 even further.

Provision 13. Role of non-executive directors

It is up to the shareholders to cast vote on appointing and removing board members whether executive or non-executive or independent non-executive, according to Greek law. It is up to the Remuneration &Nomination Committee to identify individuals believed to be qualified to become Board members, to review the qualifications of such candidates, and to recommend to the Board the nominees to stand for election as directors at the annual meeting of shareholders. It is part of the Committee's remit to approve the performance measures and targets of the Company's CEO, executive Chair and the executive board members remuneration schemes and to assess their performance against these targets.

Both board committees, Audit and RemNom, consist only of independent board members. Also two independent members sit on the CSR Committee in order to transfer board feedback.

Provision 14. Written responsibilities and attendance

The roles and responsibilities of the Chair, CEO, Lead Independent Director and board committees are included in the Company's articles of association which have been approved by the shareholders at the 2019 AGM. Furthermore the aforementioned roles and responsibilities are part of the company's by laws which also include internal policies and processes and to this end they are not made public. Nevertheless the terms of reference of the board committees which portray the remit, the functioning, and the reporting responsibilities of the committee in detail, are approved by the board and can be seen on Company's website. Also a detailed account of the meetings, the agenda and the individual attendance of directors as well as a summary of their work during the year are reported in the annual report.

Provision 15. Other appointments

Prior to appointment, the board considers external demands on directors time who are proposed by the board to the shareholders for appointment. The board considers all external commitments of executive and non-executive directors including the not-for-profit ones. No director holds more than five external appointments. Two executive directors hold non-executive positions in non-listed companies none of whom is the CEO.

Provision 16. Company secretary

The board has appointed a Corporate Secretary. The Corporate Secretary is charged with minuting the meetings of the Board of Directors and of the Board Committees. The responsibilities of the Corporate Secretary include ensuring the efficient flow of information between the Board of Directors and the Board Committees, as well as between the Executive Management Team and the Board of Directors. The Corporate Secretary formulates the induction programme intended for Board members immediately after their election, and ensures that they are provided with ongoing information and training on Company-related matters. Finally, the Corporate Secretary ensures the efficient organisation of the shareholder's meetings and the good communication in general of the latter with the Board of Directors, with a view to ensuring the Board's compliance with the applicable legal and regulatory requirements.

1.3 COMPOSITION, SUCCESSION AND EVALUATION

Principle J: Board appointments and succession planning

The RemNom Committee is responsible for making recommendations to the Board on appointments against objective criteria and with due regard for the benefits of diversity on the board, including gender, breadth of experience, amongst other criteria. It is in the Committee's remit to prepare a description of the role, capabilities and personal attributes required for a particular appointment; to develop criteria for identifying and evaluating director candidates. Also the Committee as part of it remit to care for the orderly succession and make recommendations for appointment and reappointment by the Board of both executive directors and independent non-executive directors shall draft a succession policy and plan in 2020 for.

The Company has adopted a Diversity Policy in which it acknowledges that diversity at the workplace in the broader sense may increase the potential for accessing a greater range of solutions to issues of business strategy, thus increasing its competitive advantage. The Company has set measurable targets concerning the representation of women by 2020.

Principle K: Skills, experience and knowledge

In addition to the above, it is up to the RemNom Committee to make recommendations for approval by the Board of the membership of Board committees. Fewer than seven (7) and no more than fifteen (15) members. The current Board of Directors was elected by the General Meeting of the Shareholders on 07.06.2018 for a term of four (4) years, due to expire on 06.06.2022. The Board skill matrix is available in section 2.2 of the corporate governance statement.

The list of qualifications of the BoD members and their CVs is available on the Company's website [https://www.mytilineos.gr/en-us/board-of-directors/list].

Principle L: Board and director evaluation

It is in the RemNom Committee's remit to establish and oversee an objective and rigorous evaluation process of the Board and committees of the Board. The chair of the committee has overall responsibility for the process and should involve the board vice chair A' and the senior independent director as appropriate; the board vice chair A' leads the process that evaluates the board and the senior independent director leads the process that evaluates the chair of the board. Board, committee and individual board and committee members evaluations shall take place every year and externally facilitated every three or sooner and the outcomes of board evaluation shall be shared and discussed with the board and inform and influence the succession process.

In November 2019 the RemNom Co commissioned a Board effectiveness review (processes and behaviours with focus on key issues) of the Board and its Committees for the board that was appointed at the AGM 2018, facilitated evaluation by Egon Zehnder.

The methodology used was qualitative questionnaire followed by structured face-to-face interviews with each Board member, covering both Board processes and behaviours. Also the external consultant observed a Board session. Findings and recommendations will to be presented to the RemNom and then to the Board before AGM 2020 . The board shall agree on action plan and progress will be monitored by the RemNom Committee.

Provision 17. Nomination committee

The RemNom Committee was established by the Board of Directors resolution of 07.06.2018 and is composed of three (3) independent non-executive Board members. The Committee is supported by the Company Secretary. The Chair of the board is not a member of the committee.

The Company sought to achieve the optimum diversity of skills, views, competences, knowledge, qualifications and experience, including gender representation, in the composition of the Board. Support and assistance was provided by Egon Zehnder, who advised on the process of identifying needs, candidate assessment and selection of directors.

The selection and assessment process that the Company adopted was as follows:

The process of need identification involved profiling the required skill set and projected needs, key competencies functional skill sets and industry backgrounds for the members of the Company's Board. Based on these, role specifications were prepared, and the search strategy was defined.

The identification of potential candidates included individual early due diligence and background checks, in order to prepare a list of candidates who were then interviewed by the Company.

The core competencies used for assessing all individual candidates were the following:

- Board results orientation
- Strategic orientation
- Collaboration & influencing
- Independence & integrity

Additional Selection Criteria:

In addition to the core competences, account was also taken of the following experiences, skills and qualities, so as to ensure that the Board as a whole would be credible and knowledgeable with sufficient business acumen, and able to properly evaluate corporate performance and support the Management, as well as to provide directions and guidance where and as required:

- Understanding of finance, strategy, technology, marketing, leadership and international know-how
- Integrity, accountability, sound judgment, confidence, incisiveness
- Diversity in terms of age, gender and professional experience.

After reviewing the potential conflicts of interests of the nominees, the Company cane to the conclusion that no such conflicts existed.

Provision 18. Director election

The board has a term of four years and all of its members are subject to re-election. Elections take place every four years as required by Greek company law. The current board was appointed by the 2018 AGM. Nominees were submitted unbundled to the General Meeting of the Shareholders for approval.

Provision 19. Length of service of Chair

The Chair serves over 27 years. However, since the merger of the company in 2017 the length of service for the Chair is 3 years. Mr. Mytilineos is the architect of the company strategy currently underway, so his vision, knowledge, and involvement are integral to its materialization.

The RemNom Co is working on overall succession planning, in order to ensure a stronger Board and a pipeline of talent to address the strategic challenges going forward. The aim is to complete this process by the end of 2020. Meanwhile, the role of the LID and overall board independence will be strengthened within 2020.

Provision 20. Appointment process

As per the appointment of the current board support and assistance was provided by an external consultant, Egon Zehnder, who advised on the process of identifying needs, candidate assessment and selection of non-executive directors. The consultant mentioned above has no other connection with the company or individual directors.

Provision 21. Board evaluation

In November 2019 the RemNom Co commissioned a Board effectiveness review (processes and behaviors with focus on key issues) of the Board and its Committees for the board that was appointed at the AGM 2018, facilitated by Egon Zehnder.

The methodology used was qualitative questionnaire followed by structured face-to-face interviews with each Board member, covering both Board processes and behaviors. Also, the external consultant observed a Board session. Findings and recommendations will to be presented to the RemNom and then to the Board before AGM 2020 . The board shall agree on action plan and progress will be monitored by the RemNom Committee.

Provision 22 Evaluation follow-up

Once the evaluation has been concluded the RemNom Committee will monitor that possible weakness identified will be addressed.

Provision 23. Reporting on the Nomination Committee

The appointment process for the first board following the merger in AGM 2018 was externally supported by Egon Zehnder. In developing criteria for identifying and recommending nominees and also for evaluating director candidate's clear diversity targets were included.

There were no appointments during 2019. For future appointments the RemNom Committee shall prepare a description of the role, capabilities and personal attributes required for a particular appointment. Essential feedback for new appointments will come from the board effectiveness review which is underway together with the succession planning which is scheduled to be completed by year end 2020.

The Committee reviewed the non-executive directors as for:

- the balance of the number of independent non-executive directors;
- the length of service of independent non-executive directors;
- any situational conflict which a director may have with the interests of the Company.

By end 2019 the length of service on the board of the LID exceeded 9 years so the LID could not be considered independent. Also, one independent board member resigned at 31/12/2019. Following recommendation of the Committee the Board will appoint an independent board member as LID and will nominate a suitable independent candidate for the vacant board seat by AGM 2020. Thus, Independence stood at 50% at yearend but it is expected to rise to 64% in 2020.

The company has drafted a diversity policy for board members and senior executives and reports clear targets shown in detail in section 6 Diversity policy of the Corporate Governance Statement. Currently gender diversity at board level stands at 18% aiming for 27% by year end 2020.

1.4 AUDIT, RISK AND INTERNAL CONTROL

Principle M: Internal and external audit

The Audit Committee of the Company has been established with the purpose of assisting the Board of Directors to fulfil its oversight responsibilities of the audit procedures for complying with the legal and regulatory framework regarding: (a) financial information, (b) internal audit, (c) the system of internal controls and the risk management system, and (d) supervision of the (external) statutory audit of the Company's individual and consolidated financial statements.

While all members of the Board individually and collectively have a duty to act in the interests of the company, the Committee has a particular role, acting independently from the executive Board Members, to ensure that the interests of shareholders are properly protected in relation to financial reporting and internal control and risk management systems. However, the Board has overall responsibility for the Company's approach to risk management and the system of internal controls.

The Committee reviewed and revised its terms of reference to comply with EU and national legislation also taking into account of the provisions of the United Kingdom Corporate Governance Code - 2018, and of the FRC Guidance on Audit Committees 2016

Principle N: The company's position and prospects

At the end of each business year, the Board of Directors prepares the annual financial statements, the annual consolidated financial statements and the management report.

The financial statements constitute a single comprehensive set and give a fair presentation of the recognized assets, liabilities, equity, income, expenses, profit and loss, as well as the cash flows of the period concerned, as the case may be, in conformance with the law. More specifically, the Board of Directors is required to prepare, pursuant to the above provisions: (a) the Balance Sheet or Financial Position Statement, (b) the Income Statement, (c) the Statement of Equity Change, (d) the Cash Flow Statement, (e) the Notes to the Financial Statements.

The management report provides:

(a) A fair review of the development and performance of the Company business and its position, together with a description of the principal risks and uncertainties faced by the Company;

(b) A review that presents a balanced and comprehensive analysis of the development and performance of the Company business and position, consistent with the size and the complexity of the Company;

(c) To the extent necessary for an understanding of the development, performance or position of the Company, the said analysis shall include both financial and, where appropriate, nonfinancial key performance indicators relevant to the particular business of the Company, including information on environmental and labor issues. In the context of this analysis, the report includes, where appropriate, references and additional explanations on the amounts shown in the annual financial statements.

In the management report the Company includes:

(a) a nonfinancial statement that includes information, to the extent necessary for an understanding of the development, performance, position and impact of its activities in relation, as a minimum, to environmental, social and labor issues, the respect of human rights, anti-corruption and anti-bribery practices

(b) the corporate governance statement; this statement is included as a separate part in the management

Principle O: Determining and managing risks

The Board defines the strategy and the risk management policy of the Company.

The Company has defined risk as a set of uncertain and unpredictable situations that may affect all its activities, its business operation and its financial performance, as well as the implementation of its strategy and the achievement of its goals.

In line with this approach, it has established a specific risk management approach in all its areas of activity where certain risks have been recognized. This approach consists of the following steps:

- Identification and assessment of risk factors
- Planning of the risk management policy
- Implementation and evaluation of the risk management policy.

All senior executives are involved in the identification and initial assessment of risks.

With regard to Non-Financial Information, since 2010 the Company has introduced a specific Stakeholder engagement process for evaluating the materiality of the sustainability issues which are related to its activity sectors. This process, combined with the corresponding prioritization of these issues by the Company's Business Units, is at the core of the accountability policy applied by the Company.

The process for determining the material sustainability issues is an ongoing exercise that is constantly developed and improved. The purpose of this process is to highlight the issues that reflect the Company's significant environmental and social impacts and influence substantially the decisions of its Stakeholders.

By identifying and understanding the material sustainability issues, the Company formulates and develops its uniform business strategy and its aims, targets and social and environmental initiatives.

Last but not least, the Company conducts regular internal audits to ensure the appropriate and effective implementation of the risk identification and assessment processes and of the management policies for such risks.

Provision 24 Audit committee composition

The Audit Committee consist of non-executive Board Members and of members elected by the General Meeting of shareholders. The member elected by the AGM, though not a board member remained on the Committee in order to ensure continuity and support the new committee members in their work. The term of office of the Committee members is four years. The Committee members as a whole have competence relevant to the sectors in which the Company operates and at least one of its members is a chartered accountant, on dispensation or retired, or has a proven track record in auditing and accounting Appointments to the audit committee are made by the Board on the recommendation of the Company's RemNom Committee. The Committee Chair is appointed by the committee members. The chair of the board cannot be a member of the Committee.

Provision 25 Role of the audit committee

When requested by the Board the Committee assesses whether the annual financial report, including the annual financial statement and the management report, reflects in a true, fair, balanced and understandable manner the development, performance and financial position of the company and of the businesses included in group consolidation, taken as a whole.

The Committee considers and examines the most significant issues and risks that may have an impact on the Company's annual and interim financial statements and other periodic financial information, as well as the critical judgments and estimates made by Management in their preparation. For the above issues and risks the Committee has regard to matters communicated to it by the External Auditor, as well as his view of Management's estimates, and informs the Board.

The Board has ultimate responsibility for the Company's internal control and risk management systems, including the System of Financial Internal Controls and the Financial Risk Management System. It is in the Audit Committee's remit to oversee them and to inform the Board accordingly. There is no separate risk committee at board level.

The Committee has primary responsibility for the appointment of the key audit partner (external auditor). This includes negotiating the fee and scope of the audit, initiating a tender process, influencing the appointment of an engagement partner and making formal recommendations to the board on the appointment, reappointment and removal of the external auditors.

The Internal Audit Division is functionally independent of any other organizational unit of the Company. The Director of the Internal Audit Division is appointed by the Board on recommendation of the Committee. It is up to the Committee to ensure that the internal audit functions in accordance with the International Standards for the Professional Practice of Internal Auditing. The Committee reviews and approves the role of the Internal Audit Division, approves the annual audit program and monitor, inspects and examines the effectiveness of its work.

The Committee assesses the independence and objectivity of the external auditor annually, taking into consideration national and EU legislation and also assesses the appropriateness of the provision of non-audit services by the external auditor. The Committee considers the annual statement of independence from the statutory auditor and discusses with the auditor the threats to their independence and the safeguards applied to mitigate those threats. The Committee considers whether, taken as a whole and having regard to the views, as appropriate, of the external auditor, Management and Internal Audit, those relationships appear to impair the auditor’s independence and objectivity.

The Committee assesses the effectiveness of the audit process considering of mind-set and culture; skills, character and knowledge; quality control; and judgment, including the robustness and perceptiveness of the auditors in handling key judgements, responding to questions from the Committee, and in its commentary where appropriate on the systems of internal control.

The Committee is responsible for approving non-audit services, that are not prohibited by law. The Committee ensures that the provision of such services does not impair the External Auditor’s independence or objectivity by applying judgement, including assessing:

- threats to independence and objectivity resulting from the provision of such services and any safeguards in place to eliminate or reduce these threats to a level where they would not compromise the auditor’s independence and objectivity;
- the nature of the non-audit services;
- whether the skills and experience of the audit firm make it the most suitable supplier of the non-audit service;

- the fees incurred, or to be incurred, for non-audit services both for individual services and in aggregate, relative to the audit fee, including special terms and conditions (for example contingent fee arrangements); and
- the criteria which govern the compensation of the individuals performing the audit.

The Committee reports to the board during each of the board meetings.

Provision 26. Reporting on the audit committee

The Audit Committee met ten (10) times in 2019. All the committee members attended the meetings and dealt with the following topics:

Financial statements

The Company's Finance General Division informed the Audit Committee of the Company's Financial Statements, both at company as well as at consolidated level, which were prepared in accordance with the IFRS for the year ended December 31, 2018. At the same time, the Audit Committee also was informed regarding the main accounting assumptions the Company adopted for preparing the Financial Statements and regarding the key issues the Finance Division considered while preparing these Statements. The Audit Committee drafted an explanatory report for the Board of Directors and recommended that the Board approve the Statements. In this report, the Audit Committee explained to the Board how the mandatory audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in this process.

The Company's Finance General Division also informed the Audit Committee of the Company's Condensed Interim Financial Statements both at individual as well as at the consolidated level, which were prepared in accordance with the IFRS for the period between 1.1.2019 and 30.6.2019. During the presentation, the Audit Committee again was informed of the main accounting assumptions adopted by the Company for regarding the main accounting assumptions the Company adopted for preparing the Condensed Interim Financial Statements, which do not differ from those the Company adopted in 2018. The Audit Committee drafted an explanatory report for the Board of Directors and recommended that the Board approve these Financial Statements.

The Internal Audit Division (IAD)

The IAD presented its Annual Report on the 2018 Operations to the Audit Committee. The Audit Committee approved the IAD’s Annual Audit Plan for 2019, which was drafted after the Division’s risk assessment so as to prioritize areas for audit. The Audit Committee also approved the revision / update of the IAD's annual audit plan for the second half of 2019. The Audit Committee also was informed of the audits the IAD conducted and the reports it issued at the end of 2018 and during 2019 on the following issues:

- Compliance with IFRS 15 - Revenue from Contracts with Customers
- Diagnostic review - Sometra
- Extraordinary Accounting Audit
- Cash and Check Counts
- Certification of Contracting Works at the Delphi - Distomon AME subsidiary
- Sampling of the inventory at the Volos plant of the EPC Business Unit
- Certification of the Metallurgy Business Unit's Contracting Works (Part II)
- The process of selecting external partners for the Strategy and M&A Division
- The process of selecting external partners for the Communication and Strategic Marketing Division
- The process of selecting external partners for the Legal and Regulatory Division
- The Human Resources Central Function
- Direct debit - without purchase order expenses
- Indirect Sales - B2C External Affiliate Network and Energy Business Unit
- Indirect Sales - B2B External Affiliate Network of the Energy Business Unit
- METKA EGN Limited - Operational
- Selected areas of "The Best" economies program
- METKA EGN Limited - Bank and Parent Co Guarantees
- Inventory management of the Delphi-Distomon subsidiary (Metallurgy Business Unit)
- The System of the Company's Internal Procedures at the Central Functions and Operations
- Explosives management of the Delphi-Distomon AME subsidiary (Metallurgy Business Unit)
- Procurements of the Project Procurement Division of the EPC Business Unit

The Audit Committee was informed of the follow-up of the agreed action plans up to 30.6.2019. Also, it was briefed on the process of drawing up the proposed audit plan and the Internal Audit Division's budget for 2020.

The Audit Committee drafted the annual evaluation of Mr. Antonis Papageorgiou, the IAD Director. The Audit Committee approved a presentation to the Board of Directors of the findings of PwC's and the IAD's first phase audit of the Company information systems.

External Auditors

Following a proposal by the Company's Finance Division, the Audit Committee proposed to the Board of Directors that Grant Thornton be reappointed as External Auditors for the audit of the Company's and the Group's Financial Statements for the year ended 31 December 2019.

The External Auditors presented to the Audit Committee their reports on the audit of the Company and Group Financial Statements for the year 2018, also their review of the Condensed Interim Financial Statements for the first half of 2019. The main issues the Auditors examined during their audits were discussed.

The External Auditors also presented to the Audit Committee their special report, as provided by the new legislation (Law 4449/2017 and E537 / 2014), on their audit of the Company and Group Financial Statements for the year ended 31 December 2018.

The External Auditors confirmed their independence to the Audit Committee and presented their audit plan for the audit of the Company and Group Financial Statements for the year ended 31 December 2019.

Following various requests by the External Auditors regarding the provision of services to the Company, beyond audit services, the Audit Committee having ascertained that the relevant legislation permits this to be conducted by the Company's External Auditors, moreover and that fees for these services do not affect the External Auditors’ independence, the Committee approved the provision of such services

Meetings with Company executives and other issues

The Audit Committee met with the Company's executives and was informed of the progress of their work. The Chief of Staff and the Risk Officer of the company briefed the Audit Committee on the “risk mapping” process. The Chief of Staff also briefed the Committee on the "Assessing the competence of central functions and central support functions in the COSO 2013 framework" project.

The Audit Committee was informed of a letter from the Hellenic Capital Market Commission and the Company's proposed response.

The Audit Committee approved its plan of work for 2019 and drafted reports to the Board of Directors on the Committee’s activities for the year ended December 31, 2018, and for the quarters ended March 31, 2019, June 30, 2019, and September 30, 2019.

Provision 27. Confirm the annual report is fair, balanced and understandable

The directors certify that the annual financial statements of the Company drawn up in accordance with the applicable accounting standards, reflect in a true manner the assets and liabilities, equity and results of the Company, as well as of the businesses included in Group consolidation, taken as a whole and also that the report of the Board of Directors reflects in a true manner the development, performance and financial position the Company and of the businesses included in Group consolidation, taken as a whole, including the description of the principal risks and uncertainties.

Provision 28. Risk assessment

Financial and non-financial risk assessment is provided the Management Report included in the Annual Report.

Provision 29. Risk management and internal controls

Discussed in section 5 of the Corporate Governance Statement

Provision 30. Going concern statement

In the annual and half-yearly financial statements, the board states that such statements have been compiled based on the historic cost principle as amended by the readjustment of specific asset and liability items into market values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

Provision 31. Viability statement

Currently the company does not comply with this provision as Greek legislation does not include a “safe harbour” or similar provision.

1.5 REMUNERATION

Principle P: Long-term focused remuneration

At the 2019 AGM shareholders approved a new Board Remuneration Policy, compliant with SRDII, and effective for four years from 2019 unless earlier revised and/or amended by virtue of another General Meeting’s resolution. The Policy was prepared with the help of an external consultant, Korn Ferry, and is in accordance with the EU Shareholder Rights Directive, as incorporated into Greek legislation by virtue of Law 4548/2018.

The Policy applies to the remuneration of all Company's members of the Board of Directors. The Policy sets out details of both (i) the current rights and obligations; and (ii) the terms under which future remuneration may be offered to current and / or new Directors during the Term.

The Policy considers European best practices for listed entities, whilst reflecting the current Executive Directors' remuneration arrangements. In addition, the Policy takes into consideration the provisions of the Company's articles of association, the Company's corporate governance code and the Company's Bylaws.

In short the board remuneration policy is as follows:

Executive Directors of the Board

Principles of Remuneration Policy

The remuneration policy for the Executive Directors contributes to the Company's business strategy and long-term interests and sustainability by:

- Providing a fair and appropriate level of fixed remuneration that does not result in over reliance on variable pay and undue risk taking, thereby encouraging the Executive Director to focus on sustained long-term value creation.
- Providing a balance of short and long-term incentives to ensure there is focus on short term objectives that will over time build to create long-term value creation, as well as long-term goals.
- Expecting Executive Directors to acquire and retain shares in the Company thereby being aligned to the long-term performance and sustainability of the Company and its shareholders.
- Including long-term incentives where the reward is delivered in shares which aligns Executive Directors to shareholder interests and value, as well as the performance of the Company over the longer term.
- Requiring performance measures in any long-term incentive to be measured over the longer-term.

Short-Term Incentive Plan

Form of compensation	Cash
Value determination (on-target performance)	CEO: up to 125% of fixed remuneration Other Executive Directors: up to 50% of fixed remuneration
Targets	• Financial targets (at least 60% weight) • Non-financial targets (up to 40% weight) NB: To activate the Short-Term Incentive Program, the Company must achieve at least 85% of the EBITDA target. In addition, the Short-Term Incentive Program pay-out is subject to the achievement of a predefined target in terms of environmental, health and safety, as well as corporate social responsibility criteria. In case those are not met, the pay-out is decreased according to the level of achievement.
Scenario maximum performance	Up to 200% of the on-target incentive payout

Long-Term Incentive Plan

Form of compensation	Shares or in cash equivalent, provided the Executive Director to buy company shares at 30% of total value granted and hold them for 2 years
Value determination (on-target performance) for granted shares	CEO: 100% of fixed remuneration Other Executive Directors: 60% of fixed remuneration
Criteria for vesting	Enterprise Multiple
Scenario maximum performance	150% of the on-target incentive payout
Vesting Schedule	30% on year 5, 30% on year 6, 40% on year 7

Non-Executive Directors of the Board

Key Remuneration Principles

The Non-Executive Directors are paid a basic board fee which is fixed and covers for the time required to perform their duties. This fixed fee covers for the time to attend in Board meetings and includes travelling and preparation time. Supplemental fees may be paid to the Non-Executive Directors for additional responsibilities and activities, which exceed the scope of the duties assigned including but not limited to, attending site visits, and meetings with management.

There is no performance-based variable pay or pension provided to the non- executive Chairman or Non-Executive Directors.

Reasonable business expenses incurred by the Non-Executive Directors in carrying out their duties may be reimbursed by the Company such as professional courses, purchasing reading material to ensure they are up to date on any relevant matters, taking into account any internal policy that is applicable.

The complete remuneration policy document is available on the Company's website at the address https://www.mytilineos.gr/en-us/general-meetings/of-mytilineos-shareholders.

Principle Q: Transparent remuneration procedures

The Remuneration and Nomination Committee of the Company (the "Committee") has worked with all relevant units of the Company, as well as an independent remuneration consultant (Korn Ferry), to arrive at this Policy, which has been recommended to and approved by the Board of Directors by virtue of a resolution dated May 9, 2019.

The process for the approval of the Policy (and any amendments thereto) is determined by the Company's articles of association and Law 4548/2018.

The Committee submitted the Policy for approval to the Board of Directors. No member of the Board of Directors was present when their own remuneration is discussed. Once agreed by the Board of Directors, the Policy was submitted for approval at the Company's Annual General Meeting of Shareholders.

The Committee will consider regularly whether the Policy continues to be aligned to the Company's business strategy or whether amendments should be recommended to the Board of Directors. Every four years (or earlier on a need for change) on the recommendation of the Committee, the Board of Directors will seek the Shareholders' approval of any new Policy.

Principle R: Exercising discretion

The aim of this Policy is to ensure the Company is remunerating its Directors on the basis of the Company's short and long-term business plan, so as to continue creating value for customers, shareholders, employees and the Greek economy.

The level of fixed pay – salary and board fees – for both Executive and Non-Executive Directors is established on the basis of paying fair and reasonable remuneration for the best and most appropriate person for the role, taking into account the level of responsibility, as well as the knowledge and experience required to deliver upon expectations, while ensuring that the Company pays no more than is necessary, always supporting its longer-term interests and sustainability.

The Policy provides for variable compensation arrangements for Executive Directors to further align the Executive Directors' interests with those of the Company as the performance conditions used will be based on indicators of the long-term success and sustainability of the Company.

The Policy does not include any variable compensation for Non-Executive Directors to ensure that there is no conflict of interest in the decision making of the Non-Executive Directors and their ability to challenge management's risk-taking decisions.

Provision 32. Remuneration committee composition

The Remuneration and Nomination Committee was constituted as a Committee of the Board of Directors of in accordance with the Articles of Association and the Company bylaws.

The role of the Committee is to assist the Board to fulfil its responsibility to shareholders to ensure that the remuneration policy and practices of the Company reward fairly and responsibly, with a clear link to corporate and individual performance, and to set the procedures and lead the process for Board appointments, to consider and make recommendations individuals as members of the Board, for Board approval, having regard to legal, statutory and regulatory requirements, investor guidelines and the UK Corporate Governance Code.

The Committee comprises of three members, all of whom are Independent Non-Executive Directors. The Chair of the Committee, who is also Independent Non-Executive Director, has been appointed by the Board. The Chair of the Committee had not served on a remuneration committee prior to his appointment, however as of 1 /1/2020 a new chair was appointed who has over 15 years' experience in Rem committees of international companies. The Chair of the Board cannot be a member of the Committee. In the absence of the Committee Chair the remaining members present shall elect one of themselves to chair the meeting.

Provision 33. Role of the remuneration committee

The committee has not delegated responsibility but submits the policy for executive director remuneration to the board for approval. Fixed pay for the Chair, who is also the CEO currently, and for the executives of the Company is set by the Company taking into account levels of pay at other companies of a similar size for roles of similar scope and responsibility. Additionally, the contract for the Chair/CEO has been approved by a resolution of the general meeting of shareholders.

The remuneration policy for the Executive Directors, as for all employees, is based on the principle of paying fair and reasonable remuneration for the best and most appropriate person for the role while ensuring that the Company pays fairly and competitively and in the longer-term interests and sustainability of the Company.

The Committee and Board of Directors receive periodic updates on the wider employee remuneration structure and practices within the Company, which are considered when establishing and revisiting the Policy. This is to ensure that remuneration practices and structure are as consistent as possible across the Company, while acknowledging that the structure of remuneration for Executive Directors is necessarily different to that of less senior employees as a result of their role and ability to impact the performance of the business.

In addition, the Committee and Board of Directors are provided with information on remuneration trends across the Company including average pay increases along with any relevant economic data, such as the rate of inflation to take into account when operating the Policy.

Provision 34. Non-executive director remuneration

The remuneration of the non-executive directors is determined by the board as set out in the Board Remuneration Policy. The remuneration of non-executive directors is not comparable to the structure of remuneration for the employees and executive directors of the Company. The Non-Executive Directors are paid a basic board fee which is fixed and covers for the time required to perform their duties. Supplemental fees may be paid to the Non-Executive Directors for additional responsibilities and activities, which exceed the scope of the duties assigned including but not limited to, attending site visits, and meetings with management.

Provision 35. Use of remuneration consultants

The RemNom committee appointed an independent remuneration consultant, Korn Ferry to work with the committee in drafting the policy. The consultant assisted the Committee in their engagement with the Management Team and worked with all the relevant units of the company. To arrive at the policy the consultant discussed discuss with the Committee the requirements of L.4548/2018, which transposed the SRDII, and the UK Corporate Governance Code.

Provision 37. Discretion and recovery

Temporary derogations from the Policy may be allowed in exceptional circumstances, for example in circumstances of recruitment or retention, where it is considered by the Board of Directors necessary to serve the long-term interests and sustainability of the Company as a whole, or to assure its viability. Any derogation is required to be considered and approved by the Board of Directors. The elements of the Policy from which a derogation is possible are those which determine short and long-term incentives.

Payments under the short-term incentive scheme will be subject to recovery for a period of at least 3 years from payment in the event of certain specified events including misstated financial statements of previous years or otherwise erroneous financial data used to calculate such short-term incentive scheme payouts and misconduct.

Provision 38. Pension Contributions

Retirement allowance is offered to executives in order to provide market competitive retirement benefits for recruitment and retention purposes. The Company may operate -is not, currently- a defined contribution pension plan in which the Executive Directors may participate. The maximum contribution from the Company for Executive Directors is up to 25% of Fixed Pay.

Provision 39. Contract periods and bonuses on appointment and departure

The remuneration committee should ensure compensation commitments in directors' terms of appointment do not reward poor performance. They should be robust in reducing compensation to reflect departing directors' obligations to mitigate loss.

In case of termination of contractual arrangements with Executive Directors at the initiative of the Company, notice periods and termination payments shall be as provided by the applicable law provisions each time. Currently, according to law, notice periods are up to 4 months based on the years of employment while the maximum amount for severance are 12 monthly salaries based on the years of employment.

Additionally, Executive Directors of the Board, in their capacity as such, are not entitled to severance payments or other compensation by the Company, for loss of office or otherwise howsoever arising. Reward to executive investors is provided for achieving short-term personal, strategic and financial Company performance and for value creation over the longer term through the use of long-term performance targets and awards of shares.

Last, payments under both the short-term and long-term incentive schemes will be subject to recovery for a period of at least 3 years from payment in the event of certain specified events including misstated financial statements of previous years or otherwise erroneous financial data used to calculate such short-term incentive scheme payouts and misconduct.

Provision 40. Design remuneration policies

The remuneration policy for the Executive Directors, as for all employees, is based on the principle of paying fair and reasonable remuneration for the best and most appropriate person for the role while ensuring that the Company pays fairly and competitively and in the longer-term interests and sustainability of the Company.

Shareholder voting guidelines on Executive Directors’ remuneration and best practice were taken into consideration as part of the process in formulating the Board Remuneration Policy.

The Committee and Board of Directors receive periodic updates on the wider employee remuneration structure and practices within the Company, which are considered when establishing and revisiting the Policy. Also the General Manager of Human Resources is invited to attend all or part of any meeting of the Committee to provide input on employment trends.

Provision 41. Reporting on the remuneration committee

The RemNom Committee held seven (7) meetings. Two of the Committee members attended all of the meetings but one (1) member who attended six (6) meetings. As it was the first time a remuneration policy was drafted for the new board that was appointed following the merger, in compliance with SRD II the Committee devoted almost 100% of its work on the remuneration policy. The work of The Committee is described in more detail above in the rest of section 1.5 “Remuneration” in the corporate governance statement.

The Committee prepares a remuneration report which is clear and understandable and provides a comprehensive overview of all types of remuneration regulated by the remuneration policy for the most recent financial year, containing as a minimum the information set out in article 112 of Law 4548/2018. The report also includes all types of benefits given or owed to the persons whose remuneration has been included in the remuneration policy, in the most recent financial year, irrespective of whether these are newly-elected or older members of the Board of Directors.

The remuneration report for the most recent financial year is submitted for deliberation to the ordinary General Meeting, as an item in the agenda. The vote of shareholders on the remuneration report is of an advisory nature. The Board of Directors is expected to explain in its next remuneration report how the above result of the vote at the ordinary General Meeting was taken into account.

2. COMPOSITION AND FUNCTIONING OF THE BOARD OF DIRECTORS

2.1 Role and responsibilities of the Board

2.1.1. The Board of Directors, acting collectively, exercises the Management of the Company. It is responsible for managing (administering and disposing of) the Company's assets as well as for representing it, with the aim of strengthening its economic value and profitability and of safeguarding the Company's interests. The Board of Directors holds regular meetings at least once per month, and extraordinary meetings whenever important issues arise or decisions need to be made. The regular meetings of the Board of Directors are usually attended by all Board members. Thus far, the Board of Directors has never postponed making a decision because of lack of quorum.

According to the Articles of Association and the Company's Internal Regulations of Operation, the Board of Directors has the following basic competences:

- Setting the strategic directions, including the sale or other disposal of the Company's shares, the acquisition of any enterprise or the proposal for the merging of the Company with another enterprise, which are submitted for final approval by the General Meeting of the Company's shareholders.
- Adopting and implementing the general policy on the basis of the recommendations and suggestions made by the General Managers and Directors heading the Company's Business Units and Central Functions.
- Managing and disposing of the Company's assets as well as representing the Company judicially or extra-judicially.
- Drafting the Company's annual budget and business plan, defining and meeting its efficiency objectives, monitoring the Company's progress and controlling major capital expenditure.
- Performing a full and effective internal audit of all the Company's activities.
- Monitoring the effectiveness of the Corporate Governance principles, based on which the Company operates, and making the necessary changes when needed.
- Defining the strategy and the risk management policy of the Company
- Selecting, managing and developing the Company's senior executives and defining the policy for their remuneration.
- Appointing an internal auditor and defining his/her remuneration.
- Defining the accounting principle that the Company follows.
- Making a brief presentation of the proceedings to the General Meeting of the Company's shareholders.

- Preparing annual reports which state in detail all the transactions between the Company and its associated companies in accordance with the applicable laws.
- Formulating, promoting and implementing the core values and principles of the Company, which govern its relations with all parties whose interests are linked to those of the Company.

2.1.2. Executive, Non-Executive and Independent Members of the Board

The Executive Members of the Board deal with the issues involved in the day-to-day Management of the Company and supervise the implementation of the Board's resolutions.

Non-Executive Members are charged with supervising the implementation of the Board's resolutions as well as with other issues or areas of activity of the Company that have been specifically assigned to them by resolution of the Board of Directors.

The Independent Non-Executive members are the members that have no business transaction or other commercial relation with the Company which could influence their independent judgement. In that sense, it is not possible to consider as an Independent member of the Board of Directors any person that: (a) has a business or other professional relation with the Company or with one of its associated companies within the meaning of IFRS 24, as applicable in each case, which influences its business activity and especially when this person is an important supplier of goods or services or a key customer of the Company, (b) is Chairman or General Manager of the Company or is Chairman or General Manager or Executive member of the Board of Directors of one of its associated companies within the meaning of IFRS 24 or has a relation of dependent or paid employment with the Company or with one of its associated companies, (c) has a second degree kindred relationship with or is the spouse of an executive member of the Board of Directors or a senior executive or a shareholder holding the majority of the share capital of the Company or one of its associated companies within the meaning of IFRS 24 (d) has been appointed in accordance with article 79 of L. 4548/2018. The Independent Non-Executive members of the Board may submit separate reports to the General Meeting.

The rules regarding the representation of the Company and the persons authorised to bind it are defined by special decisions of the Board of Directors.

2.1.3. Role of the Chairman

The Chairman of the Board of Directors coordinates and directs the Board’s meetings and overall functioning. He heads the Board of Directors and is responsible for convening meetings, determining the agenda and ensuring the proper organisation of the Board’s activities and the efficient conduct of its meetings. The Chairman is also responsible for ensuring the provision of timely and accurate information to the Board members, as well as for effective communications with all shareholders, seeking to guarantee the fair and equitable treatment of the interests of all shareholders. In the event that the Chairman is absent or prevented from attending, he is replaced in all his responsibilities and powers by the Vice-Chairman A’, who is in turn replaced, when absent or prevented from attending, by the Vice-Chairman B’.

2.1.4. Role of the Non-Executive Vice-Chairman A’

The Board’s Vice-Chairman A’ replaces the Chairman of the Board in all of the latter’s responsibilities and powers, in the event that the latter is absent or prevented from attending. The Vice-Chairman A’ also chairs the procedure cornering the evaluation of the Board of Directors. Finally, he follows up on and ensures the smooth and effective collaboration and communication between the Board Committees and the Board of Directors.

2.1.5. Role of the Lead Independent Director

The Lead Independent Director is charged with coordinating the Board’s Executive and Non-Executive Members and ensuring effective communication between them. He also chairs the procedure concerning the evaluation of the Chairman by the Board Members, as well as the meetings of the Board’s Non-Executive Members. Finally, he is available and attends the General Meetings of the Company’s shareholders, in order to discuss matters pertaining to corporate governance, as and when the need arises.

2.1.6. Role of the CEO

The CEO follows up on and checks the implementation of the Company’s strategic goals, monitors its day-to-day management and sets out the guidelines for the Company's Business Units and Central Functions. He supervises and ensures the smooth, orderly and effective operation of the Company in accordance with the strategic goals, the business plans and the action plan, as these are specified by the resolutions of the Board of Directors and of the General Meeting of the Company’s Shareholders. The CEO sits on and reports to the Board of Directors and implements the Company’s strategic choices and key decisions.

2.1.7. Role of the Corporate Secretary

The Board of Directors appoints a Corporate Secretary. The Corporate Secretary is charged with minuting the meetings of the Board of Directors and of the Board Committees. The responsibilities of the Corporate Secretary include ensuring the efficient flow of information between the Board of Directors and the Board Committees, as well as between the Executive Management Team and the Board of Directors. The Corporate Secretary formulates the induction programme intended for Board members immediately after their election and ensures that they are provided with ongoing information and training on Company-related matters. Finally, the Corporate Secretary ensures the efficient organisation of the shareholder's meetings and the good communication in general of the latter with the Board of Directors, with a view to ensuring the Board's compliance with the applicable legal and regulatory requirements.

2.2. Size and composition of the Board

Soon after the merger, the Company evaluated the structure of its Board of Directors, taking into account best corporate governance practices, and proposed a new Board which was elected by the Annual General Meeting of 07.06.2018. More specifically, in considering the Board's structure the Company set as a goal to maximise the independence and strengthen the capabilities of the Board as a body and the relevant practices applied, by attracting members that collectively could contribute the functional and industry competences required, so that the Company could tackle the challenges in its business development going forward.

In line with the above, the Company sought to achieve the optimum diversity of skills, views, competences, knowledge, qualifications and experience, including gender representation, in the composition of the Board.

Support and assistance was provided by Egon Zehnder, who advised on the process of identifying needs, candidate assessment and selection of directors.

The selection and assessment process that the Company adopted was as follows:

The process of need identification involved profiling the required skill set and projected needs, key competencies functional skill sets and industry backgrounds for the members of the Company's Board. Based on these, role specifications were prepared and the search strategy was defined.

The identification of potential candidates included individual early due diligence and background checks, in order to prepare a list of candidates who were then interviewed by the Company.

The core competencies used for assessing all individual candidates were the following:

- Board results orientation
- Strategic orientation
- Collaboration & influencing
- Independence & integrity

Additional Selection Criteria:

In addition to the core competences, account was also taken of the following experiences, skills and qualities, so as to ensure that the Board as a whole would be credible and knowledgeable with sufficient business acumen, and able to properly evaluate corporate performance and support the Management, as well as to provide directions and guidance where and as required:

- Understanding of finance, strategy, technology, marketing, leadership and international know-how
- Integrity, accountability, sound judgment, confidence, incisiveness
- Diversity in terms of age, gender and professional experience.

After reviewing the potential conflicts of interests of the nominees, the Company cane to the conclusion that no such conflicts existed.

The final list of nominees submitted unbundled to the General Meeting of the Shareholders for approval. Elected Board members serve a term of four years.

According to the Company's Articles of Association, the Board of Directors should be composed of no fewer than seven (7) and no more than fifteen (15) members.

The board has 11 members (10 members as of 1/1/2020 because 1 independent member resigned on 31/12/2019 and will be replaced by AGM 2020) and was elected by the General Meeting of the Shareholders on 07.06.2018 for a term of four (4) years, due to expire on 06.06.2022.

The Board of Directors appointed Mrs Leda Condoyanni as new Corporate Secretary, with Mr Panagiotis Psarreas as her deputy.

The board profile matrix is as follows. Biographical details are available on the website https://www.mytilineos.gr/en-us/board-of-directors/list .

Board profile matrix

Name	Status	Committees	Age	Gender	Tenure in office (as at 31.12.2019)	Business leadership	Finance	BoD membership experience	International Exposure	Specialisation	Academic experience	International Capital Markets
Evangelos Mytilineos	Chairman & CEO	-	65	M	27 years and 9 months	P	P	P	P	Metallurgy, Electir Power & Natural Gas, EPC		
Spyridon Kasdas	Vice-Chairman A΄- Non-Executive Member	-	73	M	1 year and 7 months	P		P	P	Metallurgy, Mines		
Evangelos Chrisafis	Vice-Chairman B΄- Executive Member	-	56	M	1 year and 7 months			P		Legal & Regulatory Affairs, Energy		
Christos Zerefos	Lead Independent Director - Independent Non-Executive Member	-	76	M	11 years and 7 months				P	Environment, Climate Change	P	
Panagiota Antonakou	Independent Non-Executive Member	Corporate Social Responsibility Committee (non BoD)	45	F	1 year and 7 months	P			P	IT, Marketing		
Emmanouil Kakaras	Independent Non-Executive Member	Remuneration & Nomination Committee	57	M	1 year and 7 months			P	P	Energy	P	
Konstantina Mavraki	Independent Non-Executive Member	Remuneration & Nomination Committee, Corporate Social Responsibility Committee (non BoD)	43	F	1 year and 7 months	P	P		P	Finance, Commodities		P
Dimitrios Papadopoulos	Executive Member	Corporate Social Responsibility Committee (non BoD)	57	M	1 year and 7 months	P	P	P		Banks, Investments		P
Ioannis Petrides	Independent Non-Executive Member	Remuneration & Nominattion Committee Chair, Audit Committee	61	M	1 year and 7 months	P	P	P	P	Consumer products		P
Alexios Pilavios	Independent Non-Executive Member	Audit Committee Chairman	66	M	1 year and 7 months		P	P		Asset Management, Capital Market Supervision, Banks		P
Constantine Cotsilinis	Independent Member of the Audit Committee (non-Board member) elected by the General Meeting of the Shareholders	Audit Committee	74	M	2 years and 7 months			P		Auditing, Supervision, Chartered Accountant		
SECRETARIAT												
Leda Condoyanni	Corporate Secretary	Remuneration & Nomination Committee	58	F	1 year and 7 months	P	P	P	P	Corporate Governance, Asset Management, Corporate Affairs	P	
Vasiliki Prantzou	Audit Committee Secretary	Audit Committee	38	F	6 years					Legal		
Panagiotis Psarreas	Deputy Corporate Secretary	Remuneration & Nomination Committee	39	M	7 years					Communication		

Mr. George Chryssikos, submitted his resignation from his position as an independent non-executive board member, as well as from his position as Chair of the Remuneration and Nomination Committee, for personal reasons, effective from 31.12.2019. Pursuant to article 21 of the Company's articles of association, the board of directors decided to continue to function in a ten-member composition until the 2020 Annual General meeting.

2.3. CONFLICTS OF INTEREST

Each member of the Board has a duty of loyalty to the Company. Board members act with integrity and in the Company's interests and safeguard the confidentiality of information that is not publicly available. They must not have a relationship of competition with the Company and should avoid any position or activity that creates or appears to create a conflict between their personal interests and those of the Company, including holding positions on the board of directors or the management of competitor companies, without permission from the General Meeting of the Company's shareholders. Board members must contribute their experience and devote to their duties the necessary time and attention. Prior to their appointment, they should notify the Board of Directors of their other professional commitments, including significant non-executive commitments, to companies and non-profit institutions, and should report to the Board any changes in such commitments, as soon as these arise.

Finally, the Internal Audit Department reports to the Audit Committee any cases of conflict of the private interests of Board members with the interests of the Company, which (cases) it ascertains in the performance of their duties.

2.3.1. Other professional commitments of the Board members

- Evangelos Mytilineos: (a) Vice-Chairman, Hellenic Federation of Enterprises (SEV) and (b) Board member, Foundation for Economic & Industrial Research (IOBE)
- Spyridon Kasdas: Board member, Council for Sustainable Development of the Hellenic Federation of Enterprises (SEV)
- Christos Zerefos: (a) Chairman of the Board (executive), Mariolopouilos-Karaginis Foundation for Environmental Science and (b) Chairman of the Board (non-executive), "Biomedical Sciences and Technologies S.A." of the Biomedical Research Foundation of the Academy of Athens

- Dimitrios Papadopoulos: (a) Administrator, SO & PEN Private Company (from 18/9/2019), (b) Board member (non-executive), Praktiker Hellas Commercial S.A., and (c) Board member (independent non-executive) of ATHEX-listed GRIVALIA PROPERTIES (until 16/5/2019)
- Ioannis Petrides: (a) ex Chairman of the Board (independent non-executive) - Refresco N.V., listed on the Amsterdam Stock Exchange, (b) Board member (independent non-executive) of privately-held PUIG S.A. and Chair of the Audit Committee, (c) Board member (independent non-executive) of privately-held CyPet Ltd., d) Senior Industry Advisor, Triton Partners Private Equity Frankfurt
- Alexios Pilavios: (a) Chairman (non-executive) Alpha Asset Management AEDAK, (b) Vice-Chairman (non-executive)) ABC Factors S.A., (c) Vice Chair (non-executive) of ATHEX-listed Hellenic Exchanges S.A., (d) Chairman (non-executive) of the Athens Exchange Clearing House and (e) Board member (non-executive) of the Hellenic-American Educational Foundation
- Emmanouil Kakaras: (a) Academic Staff Member, CERTH / CPERI (Centre for Research and Technology Hellas / Chemical Process and Energy Resources Institute), (b) Professor, School of Mechanical Engineering, National Technical University of Athens (NTUA, on part-time basis), (c) Management Board Senior Vice-President (executive), Mitsubishi Hitachi Power Systems Europe GmbH and (d) Board member (non-executive), EU Turbines Association.
- Panagiota Antonakou: Board member, Foundation for Economic & Industrial Research (IOBE)
- George C. Chryssikos: (a) CEO of ATHEX-listed GRIVALIA PROPERTIES and Board member in companies of the Grivalia Group, (b) Board member (non-executive) of ATHEX-listed Eurobank Ergasias S.A. , α) Grivalia Management Company Executive Chair (from 18/03/2019), Chair and CEO (from 27/09/2019), β) Eurobank Ergasias S.A., non executive board member (from 28/06/2014) , Non-executive Vice Chair (from5/4/2019), board member in companies of the Eurobank Ergasias S.A. group (ex Grivalia Properties Group) γ) Grivalia Hospitality S.A., non-executive Chair) δ) GRIVALIA PROPERTIES ATHEX-listed CEO (until 16/5/2019) και, ε) PRAKTIKER HELLAS Commercial S.A. non-executive board member (until 25/4/2019)
- Evangelos Chrisafis: (a) Board member (non-executive)m GOLDEN SOLAR S.A. and (b) Vice-Chairman of the Board (non-executive), GOLDEN YACHTING MARITIME COMPANY OF PLEASURE YACHTS.
- Konstantina Mavraki: (a) General Manager, Barak Group, (b) Trustee, Hellenic Hope charity.

2.4. MEETINGS OF THE BOARD OF DIRECTORS

During 2019, the Board of Directors of the Company held 58 meetings. The table below shows the Board members' attendance of the meetings of the Board of Directors and of the Board Committees:

Meetings of the Board of Directors during 2019

Composition of the Board of Directors	Status	Meetings during 2019 (Total 58)	Attendance rate of meetings
Evangelos Mytilineos	Chairman & CEO	58	100%
Spyridon Kasdas	Vice-Chairman A' – Non-Executive Member	58	100%
Evangelos Chrisafis	Vice-Chairman B' – Executive Member	58	100%
Christos Zerefos	Lead Independent Director – Independent Non-Executive Member	58	100%
Panagiota Antonakou	Independent Non-Executive Member	58	100%
Emmanouil Kakaras	Independent Non-Executive Member	58	100%
Konstantina Mavraki	Independent Non-Executive Member	57	98%
Dimitrios Papadopoulos	Executive Member	58	100%
Ioannis Petrides	Independent Non-Executive Member	58	100%
Alexios Pilavios	Independent Non-Executive Member	58	100%
George Chryssikos	Independent Non-Executive Member	57	98%

Concerning the number of Board meetings, we note that pursuant to the Greek Law, the Articles of Association of the Company and the relevant resolutions of the General Meetings of the shareholders regarding the delegation of authorities within the Board of Directors, collective action by the Board is required for a number of matters, such as for providing a corporate guarantee in favour of any third party, including companies associated with the Company. Taking also into consideration the Company's extensive activities in Greece and abroad via its EPC, Metallurgy, Electric Power and Gas Trading Business Units, the

Board of Directors must often act collectively, in the sense that there is a requirement for a relevant resolution which must be reflected in the minutes of the respective Board's meeting.

However, it should be noted that no administrative or other costs incur for the Company as a result of these resolutions. The relevant minutes of the Board's resolutions are drafted and are signed by circulation by all members of the Board, without a prior meeting of the Board taking place, pursuant to art. 94 of L. 4548/2018. More specifically, out of the total number of 58 minutes of the Board's meetings during 2019, 52 of them were drafted and were signed by all members of the Board without a prior meeting of the Board taking place.

2.5. EVALUATION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

The Remuneration and Nomination Committee which was established on 07.06.2018 is also responsible for the periodic evaluation of the size and composition of the Board of Directors, as well as for submitting proposals on the desired profile of the Board for the latter's consideration. This procedure is chaired by the Board's Non-Executive Vice-Chairman A'.

Η Επιτροπή με την υποστήριξη εξωτερικού συμβούλου, της εταιρείας Egon Zehnder, ξεκίνησε των Νοέμβριο 2019 την αξιολόγηση της λειτουργίας του Διοικητικού Συμβουλίου η οποία αναμένεται να ολοκληρωθεί εντός του 2020. Εκτενέστερη αναφορά γίνεται στο κεφάλαιο 1.3 της δήλωσης εταιρικής διακυβέρνησης.

2.6. INDUCTION PROGRAMME FOR NEW BOARD MEMBERS

Immediately after the new Board members assumed their duties, an induction programme specifically developed for them was implemented: this included visits to the Company's production sites, informative meetings, presentations and discussions with key members of the Management, aimed at helping new members to understand the purpose and nature of the Company's business activities. The programme also relied on support provided by the Board's executive members, as well as by previous Board members, so as to ensure the fullest possible briefing and swift integration of the new Board members.

More specifically, during the second half of 2018, the Induction Programme consisted of extensive briefings by the Chairman & CEO on all activities and on matters of critical and material significance for the Company, as well as on individual matters covering strategy, operations and Management, as well as detailed presentations of the Company's Business Units by means of corresponding briefings by the

General Manager Strategy, Mergers & Acquisitions, the Chief of Staff, the General Manager Electric Power and the Director Gas Trading. A visit was also organised and attended by all new Board members to the Company's aluminium plant in Aspra Spitia, Viotia, where they were given a guided tour of the plant by the General Manager of the Metallurgy Business Unit and had the opportunity to discuss with the local plant managers. The new Board members were also briefed by the Legal Department Manager and the Corporate Secretary on their obligations in accordance with the Code of Conduct, the Company's Internal Regulations of Operation, the stock exchange legislation, the policy on the protection of personal data, the Company's corporate governance framework and the overall policies and procedures which govern the operation of the Company.

Finally, individual meetings of the new Board members were also held with the Company's General Managers, as well as special meetings of the members of the Audit Committee and the Remuneration and Nomination Committee with the Directors responsible for Internal Audit, Compliance, Finance, and with the Chief of Staff, the Human Resources General Manager and the External Auditors of the Company.

2.7. DIRECTORS' REMUNERATION

The board remuneration policy is presented in section 1.5 of the Corporate Governance Statement and is also available on the Company's website https://www.mytilineos.gr/en-us/general-meetings/of-mytilineos-shareholders.

3. COMPOSITION AND FUCTIONING OF THE BOARD COMMITEES

The Board of Directors is assisted in its work by the following Committees, which, in order to ensure the best possible performance of their tasks, may retain the services of financial, legal and other specialist consultants.

3.1. THE AUDIT COMMITTEE

The Audit Committee, in accordance with the Company's Internal Regulations of Operation and with the Committee's own Regulation Code, which was approved and put into effect by the Committee's Decision dated 3.11.2009 and subsequently amended by the Resolution of the Company's Board of Directors of 11.05.2017 and 24.06.2019, following a relevant proposal submitted by the Committee, reports through its Chairman to the Board of Directors by means of drawing up and submitting regular or ad hoc reports and works closely with the Company's Internal Audit Division.

According to the Company's Internal Regulations of Operation, the Audit Committee consists of at least three members, who in their majority must be independent within the meaning of the provisions of Law 3016/2012, as in force, and is either an independent committee or a committee of the Board of Directors. In particular, the Committee is composed of Non-Executive Members of the Board of Directors and of members who are elected by the General Meeting of the shareholders. The Committee's Chairman is appointed by its members or elected by the General Meeting of the Company's shareholders and is independent of the Company. At least one member of the Committee must be a certified auditor-accountant in suspension or retirement or have sufficient knowledge of auditing and accounting. In accordance with the Committee's Regulation Code, the term of office of its members is commensurate with that of the Board Directors, unless otherwise decided by resolution of the General Meeting or of the Board of Directors acting under the General Meeting's authority, and the Committee may elect a Secretary responsible for keeping the minutes of its meetings. The members of the Committee and its Secretary are prohibited from undertaking activities external to the Company, which might hinder independent decision-making and give rise to conflicts of interest. Every member of the Committee is provided with appropriate information and training and is appropriately remunerated in relation to the time devoted to the Committee's work.

The Audit Committee meets at least four (4) times per year and its key responsibilities are to monitor the statutory audit of the Company's individual and consolidated financial statements, the financial reporting process and the effectiveness of the internal control systems, including the provision to the Internal Audit Department of general guidelines on the audit framework and the activities to be audited, to examine the activities of the Internal Audit Department, with a view to assessing its effectiveness, to receive regular updates on the progress of the activities of the Internal Audit Department and to confirm that significant problems and weaknesses identified, as well as the related recommendations, have been notified to and discussed in a timely manner with the Management, which has taken the necessary corrective actions. Additionally, the Audit Committee has the right, when it considers this to be necessary, to request from the Internal Audit Department or from third parties any information it deems necessary in order to properly carry out its work.

The Audit Committee is today composed of two independent non-executive members of the Board of Directors and one member, who was elected by the General Meeting of the Company's shareholders o0n 07.06.2018 and, according to the statement made by the Company, meets the requirements of article 44 of Law 4449/2017 and the provisions on independence of Law 3016/ 2002. The term of office of the Committee's office has a duration of four years, which is commensurate with that of the Board members, and is due to expire on 06.07.2022. The Committee took up its composition by its decision of 07.06.2018.

The Committee meets at regular intervals, at least four (4) times per year, and also holds extraordinary meetings when required.

During 2019 the Audit Committee held 10 meetings. Members attended all meetings in full.

Composition of the Audit Committee 2019

Composition of the Audit Committee	Status	Tenure in office	Meetings during 2019 (10)	Attendance rate of meetings
Alexios Pilavios	Chairman	07.06.2018 – 07.06.2022	10/10	100%
Ioannis Petrides	Member	07.06.2018 – 07.06.2022	10/10	100%
Constantine Cotsilinis	Member	07.06.2018 – 07.06.2022	10/10	100%

The Committee's Secretary is lawyer Mrs Vassiliki Prantzou.

The duties and responsibilities of the Audit Committee and its Regulation Code are posted on the Company's website www.mytilineos.gr at the following address: www.mytilineos.gr/el-gr/committees/and-external-auditors

The Audit Committee discussed the following issues during the fiscal year 2019

DATE OF MEETING	AGENDA
18.01.2019	1. Informing the statutory auditors and the Finance Division of the progress of the regular audit and of key audit matters 2. Drafting of the Committee's report to the Board of Directors on the Committee's activities for during 2018 3. Adoption of the Committee's work program for 2019 4. Adoption of the Internal Audit Division's audit plan for 2019 5. Presentation of the Internal Audit Division's audit reports 6. Approval of bids by External Auditors Grant Thornton for provision of permitted services to the Company.

15.02.2019	1. Approval of the Internal Audit Division's Annual Report of 2018
22.03.2019	1. Risk Officer's report on the course of risk mapping 2. Initiation of the tender procedure for recruiting a consultant on issues of organising an internal audit system 3. Report by the Statutory Auditors and the Financial Services Directorate on the audit of the 2018 Annual Financial Statements. 4. Recommendation to the Board of Directors for approval of the 2018 Annual Financial Statements. 5. Presentation of the Internal Audit Division's audit reports - Sampling of the inventory at the Volos plant of the EPC Business Unit - Certification of the Metallurgy Business Unit's Contracting Works (Part II) - The process of selecting external partners for the Strategy and M&A Division - The process of selecting external partners for the Communication and Strategic Marketing Division - The process of selecting external partners for the Legal and Regulatory Division 6. Scheduling of other Committee business (budget monitoring, appointment of a statutory auditor etc.)
18.04.2019	1. Drafting of the Committee's report to the Board of Directors on the Committee's activities during the first quarter of 2019 2. Briefing by the Director of the Internal Audit Division regarding a presentation of the Internal Audit Division to the Executive Committee 3. Presentation of the Internal Audit Division's audit reports - Confirmatory check of selected areas of "The Best" economies program - METKA EGN Limited - Internal Audit Report on 'Bank and Parent Co Guarantees'

	4. Planning of proposal for appointing statutory auditors for the current fiscal period 5. Evaluation of the Director of the Internal Audit Division
09.05.2019	1. Recommendation to the Board of Directors for appointing the statutory auditors for fiscal 2019 following a proposal by the Company's Finance General Division 2. Approval of bids by External Auditors Grant Thornton for provision of permitted services to the Company.
28.05.2019	1. Briefing by the Chief of Staff and the Risk Officer on the completion of risk mapping 2. Meeting with Chief Financial Officer (briefing on joint audit) 3. Annual evaluation of the Director of the Internal Audit Division 4. Presentation of the Internal Audit Division's audit reports - Indirect Sales - B2C External Affiliate Network and Energy Business Unit - Indirect Sales - B2B External Affiliate Network of the Energy Business Unit - Audit of METKA EGN CYPRUS 5. Amendment of the Committee's Terms of Reference
11.07.2019	1. Presentation of management letter by representatives of Grant Thornton 2. Scheduling of statutory audit work and cooperation with the Audit Committee in the context of the review of the Company's six-month financial statements 3. Approval of bids for provision of permitted non-audit services to the Company. 4. Presentation of the Internal Audit Function's audit reports - Bank account reconciliations - Protergia Retail Store Management - Safety-Health-Environment at the Ag. Nikolaou plant (Metallurgy Business Unit) - METKA EGN – Third Party Services in Cyprus 5. Additional comments regarding the annual evaluation of the Director

	of the Internal Audit Division
06.09.2019	1. Update / Presentation by the Company's Finance Division and the statutory auditors in the context of the review of the Company's semi-annual and consolidated financial statements (30.06.2019) 2. Report by the Committee to the Company's Board of Directors on the review of the Company's six-month individual and consolidated financial statements (30.06.2019) 3. Report by the Committee to the Board of Directors on the Committee's activities in the second quarter of 2019. 4. Presentation of PwC's and the Internal Audit Division's findings during Phase I of the audit. - Briefing by the the Director of the Internal Audit Division on the findings of audits: - in inventory management of the Delphi-Distomon subsidiary - in the System of the Company's Internal Procedures at the Central Services and Operations - in MKAT-Project execution in Kazakhstan 5. Review / update of the Internal Audit Division's annual audit plan and the Audit Committee's annual action plan
01.11.2019	1. Briefing of the Committee by the Chief of Staff on the "Assessing the competence of central and support services processes in the COSO 2013 framework" project. 2. Briefing by the Director of the Internal Audit Division regarding his presentation to the executive committee on weaknesses in the company's internal control system. 3. Preparation for the presentation by the Committee of PwC's and the Internal Audit Division's findings during Phase I of the information technology systems audit. 4. Preparation of the Committee's report to the Board for the third quarter 5. Report by the Director of the Internal Audit Division on the audit findings: - regarding the explosives' management of the Delphi-Distomon

	AME subsidiary (Metallurgy Business Unit) - regarding the procurements of the Project Procurement Division of the EPC Business Unit
29.11.2019	1. Updating the Audit Division's Terms of Reference - a draft proposal by the Director of the Internal Audit Division based on the fundamental principles for the professional implementation of an Internal Audit as derived from International Standards and the Code of Ethics of the Institute of Internal Auditors (IIA). 2. Report by the Director of the Internal Audit Division regarding the Internal Audit Division's proposed budget for 2020. 3. Report by the Director of the Internal Audit Division regarding the follow-up of the agreed action plans by 30.06.2019. 4. Request for the statutory auditor to provide permitted services beyond regular auditing, specifically to perform pre-agreed audit procedures in the context of the preparation of the first IFRS 1 financial statements for fiscal year 2019 of the subsidiaries EPALME S.A. and ZEOLOGIC S.A.

3.2. THE REMUNERATION AND NOMINATION COMMITTEE

Purpose:

The Remuneration and Nomination Committee is responsible for the following:

- proposing to the Board the remuneration of each individual executive Board member, including bonuses, incentive payments and share options;
- reviewing and making proposals to the Board on the total annual package of variable compensation in the Company;
- reviewing regularly the salary of executive board members and other contractual terms, including severance payments and pension arrangements;
- making proposals to the Board on any business policy related to remuneration;
- reviewing the annual remuneration report;
- determining selection criteria and appointment procedures for Board members;

- periodically assessing the size and composition of the Board and proposing a desired Board profile for consideration by the Board;
- leading the process for nominee identification and selection;
- making proposals to the board for the nomination of board members.

The Remuneration and Nomination Committee meets regularly, at a frequency allowing it to efficiently perform its work. It draws up its Regulation Code, which sets out the Committee's role and responsibilities, and posts it on the Company's website.

Establishment and composition:

The Remuneration and Nomination Committee was established by the Board of Directors resolution of 07.06.2018 and is composed of three (3) independent non-executive Board members. The Committee's Secretary is the Corporate Secretary Mrs Leda Condoyanni, with the Deputy Corporate Secretary Mr Panagiotis Psarreas as her deputy.

Composition of the Remuneration and Nomination Committee	**Status**	**Tenure in office**	**Meetings from 2019**	**Attendance rate of meetings**
George Chryssikos	Chair	07.06.2018 – 31.12.2019	7/7	100%
Emmanouil Kakaras	Member	07.06.2018 – 07.06.2022	6/7	97%
Konstantina Mavraki	Member	07.06.2018 – 07.06.2022	7/7	100%

The duties and responsibilities of the Remuneration and Nomination Committee are posted on the Company's website www.mytilineos.gr, at the following address: https://www.mytilineos.gr/en-us/committees/and-external-auditors#tab-remunerations-committeehttps://www.mytilineos.gr/en-us/committees/and-external-auditor.

The Committee's terms of reference is currently under development.

The Remuneration and Nomination Committee discussed the following issues

22/01/2019	Agenda items: **1.** Approval of minutes of meeting of 6th November 2018, **2.** Discussion of Board Members' Remuneration Policy, **3.** Discussion on the Committee's draft Terms of Reference, **4.** Preparation for Committee Chair's report to the Board of Directors on the Committee's work between November 2018 and January 2019.
27/03/2019	Agenda items: **1.** Approval of minutes of meeting of 22nd January 2019, **2.** Discussion of Executive Board Members' Remuneration Policy, **3.** Preparation for Committee Chair's report to the Board of Directors on the Committee's work between January and March 2019.
15/04/2019	Agenda items: **1.** Approval of minutes of meeting of 27th March 2019, **2.** Discussion on the Committee's draft Terms of Reference
09/05/2019	Agenda items: **1.** Approval of minutes of meeting of 15th April 2019, **2.** Recommendation to the Board regarding "Executive Board Members' Remuneration Policy"
06/06/2019	Agenda items: **1.** Approval of minutes of meeting of 9th May 2019, **2.** Discussion on the Committee's draft Terms of Reference
11/09/2019	Agenda items: **1.** Approval of minutes of meeting of 6th June 2019, **2.** Adoption of the Committee's Terms of Reference, **3.** 2019 Remunerations Report; selection of consultant, 4. Board evaluation, 5. Board Members' Succession Plan
23/12/2019	Election of successor to resigned Chair during 2019

3.3. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Purpose:

The CSR Committee act in an advisory capacity to the Company's CEO in connection with monitoring and ensuring the correct implementation of Corporate Social Responsibility in the Company in terms of policies, targets, actions and results in connection with environmental, social and ethical issues in the internal as well as the external environment of the Company.

Establishment and composition:

The Corporate Social Responsibility Committee was established by the Board of Directors resolution of 17.11.2010. Its composition, as amended by the Board of Directors resolution of 07.06.2018, comprises seven (7) members, as follows:

- Three (3) members of the Company's Board of Directors, of which one (1) executive member and two (2) independent non-executive members.
- The Special Advisor to the CEO on CSR.
- The Human Resources General Manager.
- The Corporate Social Responsibility Manager.
- The Corporate Communication Manager

The Chairman is appointed by the Committee members in a meeting of the Committee held for this purpose and may be replaced by unanimous decision of the Committee members.

Composition of the CSR Committee 2019

Composition of the CSR Committee	Status	Tenure in office	Meetings during 2019 (6)	Attendance rate of meetings
Sophia Daskalaki-Mytilineou	Chair	01.01.2018 – 07.06.2022	6/6	100%
Dimitrios Papadopoulos	Member	07.06.2018 – 07.06.2018	6/6	100%
Panagiota Antonakou	Member	07.06.2018 –	6/6	100%

		07.06.2018		
Konstantina Mavraki	Member	07.06.2018 – 07.06.2018	5/6	100%
Dimitra Brakatselou	Member	07.06.2018 – 07.06.2018	6/6	100%
George Galanis	Member	07.06.2018 – 07.06.2018	6/6	100%
Trantafilia Lanara	Member	07.06.2018 – 07.06.2018	6/6	100%

Polytimi Boudali is the CSR Committee Secretary

The items discussed in these meetings are presented in the following table:

25/01/2019	**1.** Presentation and ratification by the CSR Committee of Substantive Sustainable Development matters in 2018 2. CSR 2018 Action Plan Report **3.** Presentation and discussion of the 2019 Action Plan
05/03/2019	1.Approval of donation of a (1) special vehicle to the Hellenic Police
13/06/2019	1.Approval of donation of a (1) special vehicle to the Hellenic Police
27/08/2019	1.Approval of donation of a (1) special vehicle to the Hellenic Police
12/09/2019	1.Approval of donation of a (1) special vehicle to the Hellenic Police
05/11/2019	1.CSR 2019 Action Plan Report 2. Presentation and ratification of the results of the 2019 Substantiveness process 3. MYTILINEOS Sustainability Reporting Strategy and new trends

4. GENERAL MEETING OF THE SHAREHOLDERS AND SHAREHOLDER'S RIGHTS

4.1. FUNCTIONING AND KEY POWERS OF THE GENERAL MEETING

The General Meeting of the Company's shareholders is the supreme corporate body, having authority to decide on any matter relevant to the Company. Shareholders exercise their rights relevant to the administration of the Company only through their participation at the General Meeting. More specifically, the General Meeting is the sole body with the authority to decide on the following:

(a) Revival or dissolution of the Company, as well as amendments to its Articles of Association, with share capital increases and reductions being understood as amendments thereto for the purposes hereof;

(b) Election of members of the Board of Directors and Auditors;

(c) Approval of the overall management activities pursuant to article 108 of Law 4548/2018 and discharge of Auditors from any liability for damages;

(d) Approval of the annual and any consolidated financial statements;

(e) Appropriation of the annual profits;

(f) Approval of the payment of emoluments or emolument advances under article 109 of Law 4548/2018;

(g) Approval of the remuneration policy and the remuneration report;

(h) Merger, split, conversion, revival, term extension or dissolution of the Company;

(i) Appointment of liquidators, and

(j) Any other matter specified in the applicable legislation.

Not coming under the provisions of the preceding paragraph are the following:

(a) Share capital increases or share capital readjustment acts explicitly vested in the Board of Directors under the law, increases imposed under the provisions of other legislation;

(b) The amendment or harmonization of provisions in the Articles of Association by the Board of Directors when so explicitly provided by law;

(c) The election pursuant to the Articles of Association, under article 21, of directors in the place of directors who resigned, died or forfeited their office in any other manner;

(d) The absorption, under art. 35 and 36 of Law 4601/2019, of a societe anonyme by another societe anonyme holding one hundred per cent (100%) or ninety per cent (90%) or more of the former's shares, respectively;

(e) The option to distribute interim dividends pursuant to paragraphs 1 and 2 of art. 162 of Law 4548/2018;

(f) The option to distribute (under para. 3 of art. 162 of Law 4548/2018) profits or voluntary reserves within the current business year under a BoD resolution which is submitted to the publication formalities.

The shareholders' General Meeting's legal decisions also bind the shareholders who are absent or disagree.

The shareholders' General Meeting is convened by the Board of Directors, by the full Auditor of the Company upon the latter's request to the Chairman of the Board of Directors, by minority shareholders or, when the conditions applicable are in place, by another person or body explicitly provided for under the law. The General Meeting is held at the Company's seat or in the region of another municipality within the prefecture where the Company has its seat or in another municipality neighbouring the one where the Company has its seat, at least once a year, always in the first semester from the expiry of each fiscal year. The General Meeting can also be held in the municipality where the seat of the Stock Market where the Company's shares are listed. The Board of Directors can convene an extraordinary shareholders' General Meeting, when deemed necessary.

The General Meeting, with the exception of repeat meetings and the similar ones, should convene at least within twenty (20) full days before the one set for its convocation. It is clarified that non-working days are taken into account in calculating the 20-days time limit. The publication day of the invitation to the General Meeting and the day of the meeting are not taken into account. The invitation to the General Meeting contains as a minimum the following information: the building, with exact address details; the date and time of the meeting; the agenda items, clearly defined; the shareholders entitled to participate; precise instructions on the manner in which shareholders shall be able to participate at the meeting and exercise their rights in person or by proxy or even remotely; the rights of the shareholders, with reference of the time period within which any such right may be exercised or, alternatively, the deadline by which such rights may be exercised; detailed information on such rights and terms for the exercise thereof must be made available by means of express reference in the notice to the Company website; the procedure for the exercise of the voting right by proxy and in particular the forms used by the Company for this purpose as well as the means and methods provided in order for the Company to receive electronic notices for the appointment and recall of proxies; determination of the date of record, with explicit mention of the fact that only those persons having shareholder status as at such date shall have the right to participate and vote at the General Meeting; the place where the complete text of the documents and draft resolutions shall be available as well as the manner that these may be obtained, and the Company website address, where the information regarding the rights of the shareholders prior to the General Meeting shall be available. No invitation is required if shareholders representing the total of the share capital are presented or represented and no one objects to its convocation and decision taking.

Remote participation at the General Meeting is possible using audiovisual or other electronic means, without the shareholder being physically present at the place where the General Meeting is held. In addition, remote participation at the vote is permitted, by electronic means or by correspondence, to be taken prior to the General Meeting session. Under a resolution passed by the Board of Directors the aforementioned options are given effect, any one or all of them, in respect of one or more General Meeting sessions or for a specified time period, the relevant technical and procedural details are specified, and procedures are adopted for establishing the participant's identity and the origin of the vote, as well as for securing the electronic or other connection.

The General Meeting is in quorum and validly meets on the items on the agenda when a percentage of at least twenty per cent (20%) of the paid-up share capital is represented. If such a quorum is not achieved in the first Assembly, a repeat one is convened within twenty (20) days from the date of the postponed meeting by invitation of the Board of Directors sent at least ten (10) days before. The repeat meeting is in quorum and validly meets on the items on the agenda whatever the part of the paid-up share capital represented. A new invitation is not required, if the original invitation specified the place and time for repeat sessions in case no quorum is present at the original General Meeting session, provided the adjourned and the reiterative sessions are a minimum of five (5) clear days apart.

The decisions of the General Meeting are taken with the absolute majority of the votes represented in the meeting. The General Meeting is exceptionally considered to be in quorum and validly meets on the items on the agenda if at least one half (1/2) of the paid-up share capital are represented, in the case of decisions pertaining to a change of the nationality of the Company, a change of the business object of the Company, increase of shareholders' obligations, ordinary increase of share capital unless imposed under the law or effected by means of capitalization of reserves, share capital reduction except when it is in accordance with para. 5 of article 21 of Law 4548/2018 or para. 6 of article 49 of Law 4548/2018, a change in the manner of appropriation of profits, merger, split, conversion, revival, term extension or dissolution of the Company, the granting or renewal of power to the Board of Directors for share capital increase, pursuant to para. 1 of art. 24 of Law 4548/2018, as well as in all other cases in which the law specifies that the General Meeting shall adopt resolutions under a qualified quorum and majority. Resolutions for these matters are passed with by a majority of two thirds (2/3) of the votes represented at the General Meeting.

The General Meeting is provisionally chaired by the Chairman of the Board of Directors or, the if the Chairman is unable to attend, by his Deputy, appointed by the Board of Directors by special decision to this purpose. Secretarial duties are performed by the secretary appointed by the Chairman. After the list of the shareholders with a right to vote is approved, the meeting continues with the election of its Chair and a secretary who also acts as a teller.

The discussions and decisions of the General Meeting are restricted to the items on the agenda. The agenda is prepared by the Board of Directors and includes the proposals of the Board to the General Meeting and possible proposals made by the auditors or shareholders representing one twentieth (1/20) of the paid-up share capital. For the items discussed for which decisions are taken, minutes are kept, signed by the Chair and the Secretary. The list of the shareholders present or represented in the General Meeting is recorded at the beginning of the minutes.

4.2. RIGHTS OF SHAREHOLDERS AND THEIR WAY OF EXERCISE

The shareholders exercise the rights relevant to the Company's administration only with their participation in the General Meeting. Each share provides the right of one vote in the General Meeting.

Right to participate and vote at the General Meeting have only the natural persons or legal entities who appear as shareholders of the Company in the Dematerialized Securities System File of the Company, which is kept electronically with the company "Greek Central Securities Depository SA" (ATHEXCSD) at the beginning of the fifth (5th) day prior to the original general meeting (record date). The aforementioned record date applies in the case of postponed or repeated meeting, given that the adjourned meeting or repeated meeting is not more than thirty (30) days from the record date pursuant to article 124 par. 6 of law 4548/2018. It is noted that in the case of repeated general meeting no new invitation will be published, in accordance with the provisions of article 130 of law 4548/2018.

Proof of shareholding status may be evidenced by any means and in any case based on information received by the Company directly through electronic connection with ATHEXCSD' files. Those entitled to participate and vote at the General Meeting are only the individuals who qualify as shareholders on the said record date. In case of non-compliance with the provisions of article 124 of law 4548/2018, the shareholders may participate at the General Meeting only after permission by the general meeting.

Exercise of said rights does not presuppose blocking of the beneficiary's shares nor adherence to any other similar procedure, which restricts the possibility of the sale and transfer of such shares during the period between the record date and the relevant ordinary general meeting.

1. Shareholders who are entitled to participate at the annual general meeting may cast their vote either in person or by proxy. Each shareholder may appoint up to three (3) proxies. Legal entities participate at the ordinary general meeting by appointing up to three (3) natural persons as their representatives. However, if a shareholder holds shares in the Company, which appear in more than one securities' account, such restriction does not prevent such shareholder to appoint different proxy for the shares that appear in each securities' account in relation to the ordinary general meeting. A shareholder may appoint a proxy for one or more general meetings and for specific timeframe. The proxy casts vote according to the instructions of the shareholder, if any. Non-compliance of the proxy with the received instructions does not affect the validity of the general meeting's resolutions, even if such proxy's vote was decisive for achieving the majority.

2. Appointment as well as revocation or replacement of the shareholder's representative takes place in writing and is submitted to the Company's headquarters at least forty eight (48) hours prior to the scheduled ordinary general meeting. The proxy is obliged to notify the Company, prior to the commencement of the ordinary general meeting, of any specific fact, which might be useful to the shareholders, in their assessment of the risk the proxy serving interests other than their own. Conflict of interest may arise in particular in cases where the proxy: a) is a controlling shareholder of the Company or is a legal person or entity controlled by such shareholder; b) is a member of the Board of Directors or in general of the management of the Company or of a controlling shareholder, or of another legal person or entity controlled by such shareholder; c) is an employee or an auditor of the Company or of a controlling shareholder, or of another legal person or entity controlled by a controlling shareholder; d) is a spouse or a first degree relative of a natural person referred to in cases a to c above.

4.3. OTHER RIGHTS OF THE SHAREHOLDERS

According to article 121 paragraph 4 of law 4548/2018, the shareholders have the following rights provided for in article 141 paragraphs 2, 3, 6 and 7 of law 4548/2018:

i) Article 141 paragraph 2 of law 4548/2018: At the request of shareholders representing 1/20 of the paid-up share capital, the board of directors is obliged to include additional items in the agenda of the general meeting, provided that the relevant request is received by the board of directors at least fifteen (15) days prior to the general meeting. The additional items must be published or disclosed under the responsibility of the board of directors in accordance with article 122 of law 4548/2018 at least seven (7) days prior to the general meeting. The request to include additional items in the agenda must be accompanied by a justification or by a draft decision to be adopted by the general meeting. The revised agenda must be published in the same manner as the previous agenda, thirteen (13) days before the date of the general meeting and at the same time must be also made available to shareholders on the Company's website, along with the justification or the draft decision submitted by the shareholders, in accordance with article 123 paragraph 4 of law 4548/2018. If these additional items are not published, the requesting shareholders are entitled to request the adjournment of the general meeting in accordance with article 141 paragraph 5 of law 4548/2018 and to make the publication themselves, in accordance with the second subparagraph of this paragraph (and article 141 paragraph 2 of law 4548/2018) at Company's expense.

ii) Article 141 paragraph 3 of law 4548/2018: Shareholders representing 1/20 of the paid-up share capital, have the right to submit draft decisions which have been included in the initial or revised agenda of the general meeting. Such request must be furnished to the board of directors at least seven (7) days before the date of the general meeting, and said draft decisions are made available to the shareholders according to the provisions of article 123 paragraph 3 of law 4548/2018 at least six (6) days before the general meeting.

iii) Article 141 paragraph 6 of law 4548/2018: Following a request submitted to the Company by any shareholder at least five (5) full days prior to the general meeting, the board of directors is obliged to provide to the general meeting the requested specific information on the Company's affairs, to the extent that this may be useful for the assessment of the items on the agenda. The board of directors may provide a single response to shareholders' requests with the same content. The obligation to provide information does not apply in the event that the information requested is already available on the Company's website, especially in the form of questions and answers. At the request of shareholders representing 1/20 of the paid-up share capital, the board of directors is obliged to announce to the ordinary general meeting the amounts that have been paid during the last two years to each member of the board of directors or to the Company's managers, as well as any benefits that were granted to them for any reason or on the basis of their contract with the Company. In all the above cases, the board of directors may refuse to provide such information for substantive ground, as recorded in the minutes. Such a reason may be, in the circumstances, the representation of the requesting shareholders to the board, in accordance with articles 79 or 80 of law 4548/2018. In the cases of this paragraph, the board of directors may respond in a single application to shareholders with the same content.

iv) Article 141 paragraph 7 of law 4548/2018: At the request of shareholders representing at least one tenth (1/10) of the paid-up capital which is submitted to the Company within the period referred to in article 141 paragraph 6 of law 4548/2018, the board of directors is obliged to provide to the general meeting information on the course of the corporate affairs and assets of the Company. The board of directors may refuse to provide such information for substantive ground, as recorded in the minutes. Such a reason might be, as the case may be, the representation of the applicant shareholders on the Board, in accordance with articles 79 or 80 of law 4548/2018, provided that the respective members of the board of directors have received relevant information sufficiently.

v) Article 141 paragraph 8 of law 4548/2018: In the cases referred to in article 141 paragraphs 6 and 7 of law 4548/2018, any question as to the merits or not of the grounds of refusal on the part of the board of directors to provide the requested information, shall be resolved by court's decision, issued in interim injunction proceedings. By the same decision, the court obliges the Company to provide the information denied. The decision is not subject to any legal remedies.

In all above cases, the requesting shareholders must prove their capacity as shareholders, as well as the number of shares they hold, during the exercise of their right, except for in case of the first subparagraph of paragraph 6 of article 141 of law 4548/2018. The shareholding is certified though online connection of the Company with ATHEXCSD.

5. DESCRIPTION OF THE MAIN CHARACTERISTICS OF THE INTERNAL CONTROL SYSTEMS AND RISK MANAGMENT FUNCTION OF THE COMPANY IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS

5.1. FRAMEWORK OF INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT FUNCTION OF THE COMPANY IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS

The reliability of the Company's Financial Statements is ensured by the application of Internal Control and Risk Management Processes. The Company has put in place separate procedures for the monthly, interim and annual Financial Reports.

More specifically, every month the Management Information Systems Department of the Company receives from the Finance Business Partners financial data and information, which it proceeds to check and then use to prepare reports for submission to the Management of the Group. This information is produced in accordance with the International Financial Reporting Standards. Every month, the Management of the Group is updated on the changes to the consolidated key financial indicators by means of relevant management reports. This monthly monitoring approach, coupled with the checking of the consolidated financial statements and the analyses performed on the latter are the key tools used in the quality and consistency control of the financial results.

With regard to the Interim and Annual consolidated Financial Statements, the Company employs an advanced software tool to consolidate the financial results and statements, as well as to generate reports for the Management as well as for investors and other interested parties. This software tool is automatically updated with data from the Group’s accounting monitoring program and includes controls to ensure accurate transfer and accounting recognition of the input data. The Management Information Systems Department ensures the smooth operation of the software tool and checks the integrity and correctness of the consolidated Financial Statements and other reports, providing the Chief Finance Officer, the External Auditors and the Management of the Company with all necessary information.

The External Auditors examine the consolidated Interim and Annual Financial Reports and report to the Audit Committee on the progress and results of their audits for each reporting period. The Audit Committee is informed of the procedure and schedule for the preparation of the Financial Statements by the Group Chief Finance Officer and holds meetings with the Management / the responsible executives during the preparation of the financial reports. It obtains from the Chief Finance Officer the necessary information on the Group’s performance and consolidated Financial Statements and reports to the Board of Directors accordingly. During these meetings, the Audit Committee is also informed about the management of financial risks and assesses the effectiveness of the risk management system. The Financial Statements (Individual and Consolidated) are approved by the Board of Directors, following a relevant report from the Audit Committee.

5.2. ORGANISATION AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has defined risk as a set of uncertain and unpredictable situations that may affect all its activities, its business operation and its financial performance, as well as the implementation of its strategy and the achievement of its goals.

In line with this approach, it has established a specific risk management approach in all its areas of activity where certain risks have been recognised. This approach consists of the following steps:

- Identification and assessment of risk factors.
- Planning of the risk management policy.
- Implementation and evaluation of the risk management policy.

The Company has established specific and comprehensive Enterprise Risk Management (ERM) processes. All senior executives are involved in the identification and initial assessment of risks, so as to facilitate the work of the Executive Committees of each Business Unit, as well as of the Board of Directors of each legal person, in the planning and approval of specific actions in the context of the approved ERM processes.

With regard to Non-Financial Information, since 2010 the Company has introduced a specific Stakeholder engagement process for evaluating the materiality of the sustainability issues which are related to its activity sectors. This process, combined with the corresponding prioritisation of these issues by the Company's Business Units, is at the core of the accountability policy applied by the Company.

The process for determining the material sustainability issues is an ongoing exercise that is constantly developed and improved. The purpose of this process is to highlight the issues that reflect the Company's significant environmental and social impacts and influence substantially the decisions of its Stakeholders.

By identifying and understanding the material sustainability issues, the Company formulates and develops its uniform business strategy and its aims, targets and social and environmental initiatives.

Last but not least, the Company conducts regular internal audits to ensure the appropriate and effective implementation of the risk identification and assessment processes and of the management policies for such risks.

5.3. INTERNAL CONTROL SYSTEM

1. In addition to everything mentioned herein and described above in connection with the competences of the Audit Committee, the Internal Audit Division of the Company is an independent organisational unit which reports to the Board of Directors. Its competences include, among others, the assessment and improvement of the risk management and internal control systems, as well as the monitoring of the compliance with the established policies and procedures as these are determined by the Internal Regulations of Operation, the legislation in force and the regulatory provisions.

   Moreover, the following are examined and analysed on a continuous basis:

   - The efficiency of the Company's accounting and financial systems, audit mechanisms, quality control systems, health & safety and environmental systems, and business risk management systems.
   - The drafting of the financial statements and of other important data and information intended for disclosure.
   - The reliability, the qualifications and the independence of the chartered auditors.
   - Cases of conflict between the private interests of the members of the Board or executives of the Company and the latter's interests.
   - Relations and transactions of the Company with affiliated companies as well as relations of the Company with companies in whose share capital members of the Company's Board of Directors participate with a percentage of at least 10% or shareholders of the Company participate with a percentage of at least 10%.
   - The legality of the fees and any kind of bonuses to the members of the management with regard to the decisions of the competent bodies of the Company.

2. The Board of Directors re-examines in a continuous and consistent way the corporate strategy and the principal business risks, especially in a constantly changing financial and business environment. Moreover, the Board receives at regular intervals from the Audit Committee reports on the activities of the audits carried out, based on the annual schedule of audits planned by the Company's Internal

Audit Department. The above allow the Board to form a detailed opinion of the effectiveness of the systems, processes and regulations of the Company.

The external auditors do not offer to the Company and to the Group non-audit services which are prohibited, as per the provisions article 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council and of law 4449/2047.

6. DIVERSITY POLICY

Introduction – Purpose:

MYTILINEOS S.A. (the "Company"), remaining engaged in its commitment to the implementation of best Corporate Governance practices and in compliance with the provisions of article 2 of Law 4403/2016, aims to apply the principle of Diversity (based, among other basic parameters, on gender, age, experience, skills and knowledge) to the composition of its Board of Directors, of its executive management team and of all direct employees in all its activities, where this is feasible. To this end, the Company hereby adopts the present Diversity Policy (hereinafter the "Policy").

Vision:

The Company acknowledges that in an era in which flexibility and creativity are the keys to competitiveness, promoting diversity in its administrative, management and supervisory bodies is particularly significant for its further business growth.

The Company also acknowledges that diversity at the workplace in the broader sense may increase the potential for accessing a greater range of solutions to issues of business strategy, thus increasing its competitive advantage.

Basic Principles:

The procedure of searching for and selecting candidates for Board membership or other senior executive positions should take place using merit-based and objective criteria, taking account of the benefits that result from the application of the principle of diversity, including the representation of both genders, in the said procedure.

A precondition for the appointment of a Board member or other senior executive is primarily the existence of the necessary qualifications and the fulfilment of other criteria, as these are specified by the Company. However, the procedure should ensure that women and men will have equal opportunities of being selected as candidates.

If the Company, through its competent bodies (e.g. Committee for the evaluation of candidate Board members or the Human Resources Central Support Function), employs the services of third parties, such as independent consultants, in connection with searching for candidates for Board membership or for senior executive positions, explicit mention should be made of the fact that both women and men are to be proposed.

In the framework of the annual evaluation of the Board of Directors and of its Committees, the members of the Board and of the Committees should take into consideration the balance of all diversity parameters applicable to the Board, as these are mentioned in the present Policy.

Despite the fact that most of its activities are in the heavy industries sector, the Company aims to facilitate the broader possible participation of women and young people in its workforce, where feasible, always in accordance with the requirements and opportunities in each one of its Business Units.

Managing and capitalising on diversity represents a major organisational business challenge for the Company. Investing in the development of managerial skills, so that senior executives can correctly manage a potentially multicultural work environment, is considered necessary.

<u>Measurable targets:</u>

At the time of adoption of the present Policy, the Company sets as its objective the achievement of the following target percentages concerning the representation of women by 2020:

- Up to 27% of the composition of the Board.
- Up to 50% of the total number of independent Board members.
- 20% of senior executives (Directors and General Managers).
- 15% of direct employees.

Scope of application:

The Policy is applied to the procedure for the selection of members of the Company's Board of Directors and is taken into account in the procedures for searching for and selecting senior executives as well as personnel at all other levels of the Company's hierarchy.

Revision procedure:

The Committee for the nomination of candidate Board members is charged with the revision of the present Policy. The Committee may examine any revisions which may be required and propose them to the Board of Directors for approval.

Policy disclosure:

The Policy is posted on the Company's website (www.mytilineos.gr) for the purpose of informing its Stakeholders and the public at large.

In the "Statement of Corporate Governance" section of its Annual Report, the Company reports its performance against the targets set, together with the percentages – by gender and age – of the members of the Board and of the executive management team.

MYTILINEOS S.A. Diversity Indicators by gender and age	2018	2019
Board of Directors		
Men	81,8%	81,8%
Women	18,2%	18,2%
<30 years old	0,0%	0,0%
30-49 years old	27,3%	27,3%
50-70 years old	54,5%	54,5%
>70 years old	18,2%	18,2%
Executive Team		
Men	83,3%	83,3%
Women	16,7%	16,7%
<30 years old	0,0%	0,0%
30-50 years old	33,3%	33,3%
>50 years old	66,7%	66,7%
Directors and Officers		
Men	81,2%	82,2%
Women	18,8%	17,8%
<30 years old	2,4%	0,0%
30-50 years old	65,5%	70,6%
>50 years old	27,3%	29,4%
Administrative employees		
Men	64,6%	65,8%
Women	35,4%	34,2%
<30 years old	10,4%	15,9%
30-50 years old	68,2%	65,4%
>50 years old	21,3%	18,7%

7. RELATED PARTY TRANSACTIONS

Each related company follows the rules on transparency, independent financial management and the accuracy and correctness of its transactions, as stipulated by the law. The Company's transactions with related parties take place for a price or consideration which is equivalent to the one that would apply if the transaction were to take place with some other natural or legal person, under the conditions that prevail in the market at the time when the transaction takes place and, in particular, equivalent to the price or consideration agreed to by the Company when entering into a transaction with any third party. The Company complies fully with all relevant provisions of the laws. In the framework of the application of the International Accounting Standards and of the International Financial Reporting Standards and, in particular, in accordance with IAS 24 "Related Party Disclosures", the Company is obliged to disclose, primarily via periodic financial statements, the transactions between related parties. Related parties to the Company are the persons designated as being related to it in accordance with International Accounting Standard 24, as well as the legal entities they control, in accordance with International Accounting Standard 27. Updates of changes and transactions with related parties are conducted systematically and in any case they are finalized on a quarterly basis. Appropriate forms of the Finance General Division for communication with related parties are kept and are updated as part of the process of locating and identifying transactions and balances. Under the responsibility of the Finance General Division, the information on the transactions between related companies is in the report accompanying financial statements of the Company, for the shareholders' information. The provisions of Articles 99-101 of Law 4548/2018 stipulate that the Company's contracts with related parties, as well as the provision of collateral and guarantees to such parties, are permissible only after approval by the Board of Directors or, as the case may be, by the General Meeting.

8. INFORMATION REQUIRED IN ACCORDANCE WITH ARTICLE 10 par. 1 OF DIRECTIVE 2004/25/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

The information required in accordance with article 10 par. 1 of Directive 2004/25/EC of the European Parliament and of the Council is contained, as per the stipulations of article 4 par. 7 and par. 8 of Law 3556/2007, in the Explanatory Report, which is presented above.

5. Independent Auditor's Report

To the Shareholders of "MYTILINEOS S.A."

2.1 Report on the audit of the separate and consolidated financial statements

Opinion

We have audited the accompanying separate and consolidated financial statements of the company "MYTILINEOS S.A." (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2019, and the separate and consolidated statements of comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries (the Group) as of December 31, 2019, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and the consolidated financial statements of the current annual period. These matters were addressed in the context of our audit of the separate and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition	
Group and Company's revenues arose from differentiated operating segments. Given the complexity of the volume of transactions, the use of IT systems as well as management's judgements and estimates, which include an uncertainty, revenue recognition has been considered as a key audit matter. More specifically, Group revenues arose from electricity retailing are determined though IT systems and include judgments and computations in areas as unbilled revenue from customers. Moreover, Group's construction revenues are determined based on their percentage of completion, as the fraction of actual cost to total estimated cost until the completion of each construction. Group and Company's disclosures for the accounting policy, judgements and estimates used for revenues are included in explanatory notes 2.1.1, 2.2, 2.5, 2.20 and 3.1 of the financial statements.	Our audit approach included, among others, the following procedures: • We assessed the IT systems environment which supports the main sources of revenues, including related internal procedures and controls. • We assessed the correct data transfer from the individual IT systems to the general ledger. • We assessed the judgements for the recognition of unbilled revenue at the end the year ended 31 December 2019. • We assessed the judgements for the recognition of construction revenue as well as the calculation of the percentage of completion at the end of the year ended 31 December 2019. • For the above procedures, where this was deemed appropriate, we used our firm's specialist. • We assessed whether the accounting policies and the methodology applied by management is appropriate and complies with IFRS 15. • We assessed the adequacy of the related disclosures included in explanatory notes 2.1.1, 2.2, 2.5, 2.20 and 3.1 of the financial statements.
Assessment of whether non-current assets may be impaired	
As a at December 31, 2019, the Group has recognized goodwill of €215 mil. (Company: €0), intangible assets of €232 mil. (Company: €87 mil.) and tangible assets of €1.121 mil. (Company: €798 mil.). In addition, as at December 31, 2019 the Company holds investments in subsidiaries of €277 mil. and investments in associates of to €17 mil. (Group: €24 mil.). Goodwill and intangible assets not yet available for use are tested for impairment annually, while intangible assets	Our audit approach included, among others, the following procedures: • We assessed management's procedures for the identification of impairment indications relating to non-current assets. • We assessed management's procedure relating to the preparation of reliable business plans.

with definite useful life, tangible assets and investments in subsidiaries and associates are tested for impairment whenever there are related indications.

Taking into consideration the significant amounts of the non-current assets mentioned above and the use of management's assumptions and estimates for the determination of the relative recoverable amounts, we consider this area as a key audit matter.

Impairment testing requires the determination of recoverable amounts based on the value in use of the assets. Value in use is derived from the discounted cash flow method, based on business plans which incorporate key management's assumptions and estimates.

Management's assumptions and estimates are mainly related to the future prices of LME, petroleum products, gas and electricity. They are also related to the estimation of future exchange rates and discount rates. Furthermore, macroeconomic environment's volatility, competition as well as regulatory developments could affect the operating performance of the Group's cash generating units.

As at December 31, 2019, an impairment loss of €0,4 mil. has been recognized for the Group and the Company in relation to the above categories of non-current assets.

Group and Company's disclosures for the accounting policy, assumption and estimates used for the analysis of the above non-current assets are included in explanatory notes 2.2, 2.4, 2.7, 2.8, 2.9, 3.2, 3.3, 3.4, 3.5 and 3.6 of the financial statements.

- We assessed the reasonableness of management's assumptions and estimates.
- We assessed the mathematical accuracy of discounted cash flow models.
- For the above procedures, where this was deemed appropriate, we used our firm's specialist.
- We assessed the adequacy of the related disclosures included in explanatory notes 2.2, 2.4, 2.7, 2.8, 2.9, 3.2, 3.3, 3.4, 3.5 and 3.6 of the financial statements

Provisions and contingent liabilities

As at December 31, 2019, the Group and the Company are engaged (as defendant or claimant) in numerous and complex litigation claims and arbitration procedures in the course of their operation.

The determination of provisions or disclosures of contingent liabilities and contingent assets which relate to litigation claims and arbitration procedures has been considered as a key audit matter as it includes significant management judgments based on legal advisors' estimations. The estimations relate both to the outcome of each claim and the potential economic impact for the Group and the Company.

Our audit approach included, among others, the following procedures:

- We assessed management's procedures regarding the collection, monitoring and evaluation of the outcome of pending litigation claims.
- We reviewed and assessed legal advisors' responses and discussed them with the management and the legal advisors, where this was deemed appropriate.
- We assessed management's conclusions regarding

Group and Company's disclosures relating to provisions and contingent liabilities are included in explanatory notes 2.2, 2.19, 3.17 and 3.36 of the financial statements.	the effect of pending litigation claims on Group's and Company's financial position. • We assessed the adequacy of the related disclosures included in explanatory notes 2.2, 2.19, 3.17 and 3.36 of the financial statements.

Other Information

Management is responsible for the other information. The other information is included in the Board of Directors' Report, as referred to the "Report on other Legal and Regulatory Requirements" section, in the Declaration of the Board of Directors Representatives but does not include the financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the procedures performed, we conclude that there is a material misstatement therein; we are required to communicate that matter. We have nothing to report in this respect.

Responsibilities of Management and Those Charged with Governance for the separate and consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (art. 44 of Law 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with

ISAs, as they have been transposed in Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs as they have been transposed in Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Company and the Group. We remain solely responsible for our audit opinion..

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1.1 Board of Directors' Report

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 (part B) of L. 4336/2015, we note the following:

a. The Board of Directors' Report includes the Corporate Governance Statement which provides the information required by Article 152 of Law 4548/2018.
b. In our opinion the Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150-151 and 153 - 154 and paragraph 1 (cases c' and d') of article 152 of Law 4548/2018 and the content of the Board of Directors' report is consistent with the accompanying separate and consolidated financial statements for the year ended 31/12/2019.
c. Based on the knowledge we obtained during our audit about the Company "MYTILINEOS S.A." and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

2.1 Separated Financial Statements

Taking into account that management is responsible for preparation of the separated financial statements, which include the separated per activity statement of financial position of the Company and the Group as at December 31, 2019 and the separated per activity income statement before tax of the Company and the Group for the period January 1, 2019 to December 31, 2019 in accordance with the provision of L.4001/2011 and the decision No.43/2014 of Regulatory Authority of Energy (RAE) we note that in our opinion the separated financial statements, as presented in the annex I of the notes of the financial statements of the Company and Group, have been prepared in accordance with the provisions of L.4001/2011 and the decision No.43/2014 of RAE.

3.1 Additional Report to the Audit Committee

Our audit opinion on the separate and the consolidated financial statements is consistent with the additional report to the Audit Committee referred to in article 11 of EU Regulation 537/2014.

4.1 Non Audit Services

We have not provided to the Company and its subsidiaries any prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014.

The allowed services provided to the Company and the Group, in addition to the statutory audit, during the year ended December 31, 2019 have been disclosed in Note 3.20 to the accompanying separate and consolidated financial statements.

5.1 Appointment

We were appointed as statutory auditors for the first time by the General Assembly of shareholders of the Company on June 25, 2003. Our appointment has been, since then, uninterrupted renewed by the Annual General Assembly of shareholders of the Company for 17 consecutive years.

Athens, March 18, 2020

The Certified Public Accountant

Manolis Michalios

I.C.P.A. Reg. No. 25131

Grant Thornton

An instinct for growth™

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

6. Annual Financial Statements

We confirm that the attached Financial Statements are those approved by the Board of Directors of “MYTILINEOS S.A.” at 18.03.2020 and have been published to the website www.mytilineos.gr.

Income Statement

		MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)		1/1-31/12/2019	1/1-31/12/2018	1/1-31/12/2019	1/1-31/12/2018
Sales	3.1	2.256.091	1.526.514	1.569.308	1.226.117
Cost of sales		(1.921.835)	(1.229.125)	(1.344.821)	(995.103)
Gross profit		**334.256**	**297.389**	**224.487**	**231.014**
Other operating income		26.361	21.209	16.872	10.834
Distribution expenses		(7.158)	(9.204)	(5.353)	(7.802)
Administrative expenses		(119.394)	(78.815)	(88.140)	(61.598)
Research & Development expenses		(258)	(138)	0	0
Other operating expenses		(14.545)	(26.217)	(10.068)	(12.013)
Earnings before interest and income tax		**219.263**	**204.224**	**137.799**	**160.434**
Financial income		26.472	12.369	5.893	6.077
Financial expenses		(53.740)	(50.368)	(28.613)	(30.648)
Other financial results		(13.006)	290	(10.148)	15.250
Share of profit of associates		776	401	0	0
Profit before income tax		**179.766**	**166.917**	**104.931**	**151.112**
Income tax expense		(29.454)	(23.166)	(7.454)	(16.179)
Profit for the period		**150.311**	**143.751**	**97.477**	**134.933**
Result from discontinuing operations	3.27	(2.684)	(3.591)	0	(19)
Profit for the period		**147.627**	**140.160**	**97.477**	**134.914**
Attributable to:					
Equity holders of the parent	3.25	*144.891*	*141.158*	*97.477*	*134.914*
Non controlling Interests		*2.736*	*(998)*	*0*	*0*
Basic earnings per share		*1,0140*	*0,9879*	*0,6822*	*0,9442*
Earnings per share		*1,0140*	*0,9879*	*0,6822*	*0,9442*
Summury of Results from continuing operations					
Oper.Earnings before income tax,financial results,depreciation and amortization (EBITDA)		**313.155**	**283.559**	**203.183**	**217.036**
Earnings before interest and income tax		219.263	204.224	137.799	160.434
Profit before income tax		179.766	166.917	104.931	151.112
Profit for the period		150.311	143.751	97.477	134.933
Definition of line item: OperEarnings before income tax,financ.res,depr&amort. (EBITDA)					
Profit before income tax		179.766	166.917	104.931	151.112
Plus: Financial results		40.274	37.708	32.869	9.322
Plus: Capital results		(776)	(401)	0	0
Plus: Depreciation		93.603	78.662	65.384	56.601
Subtotal		**312.866**	**282.886**	**203.183**	**217.036**
Plus: Other operating results (II)		289	673	0	0
Oper.Earnings before income tax,financial results,depreciation and amortization (EBITDA)		**313.155**	**283.559**	**203.183**	**217.036**

The notes on pages 192 to 295 are an integral part of these financial statements.

(*) The Group defines the «Group EBITDA» quantity as profits/losses before tax, itemized for financial and investment results; for total depreciation (of tangible and intangible fixed assets) as well as for the influence of specific factors, i.e. shares in the operational results of associates where these are engaged in business in any of the business sectors of the Group, as well as the influence of write-offs made in transactions with the aforementioned mentioned associates.

Statement of Comprehensive Income

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**1/1-31/12/2019**	**1/1-31/12/2018**	**1/1-31/12/2019**	**1/1-31/12/2018**
Other Comprehensive Income:				
Net Profit/(Loss) For The Period	147.627	140.160	97.477	134.914
Items that will not be reclassified to profit or loss:				
Actuarial Gain / (Losses)	(634)	284	(547)	332
Deferred tax from actuarial gain/(losses)	38	4	31	2
Items that may be reclassified subsequently to profit or loss:				
Exchange Differences On Translation Of Foreign Operations	439	(269)	0	(854)
Other Financial Assets	(1.833)	2.152	0	0
Cash Flow Hedging Reserve	(27.978)	71.033	(28.138)	70.864
Reserve Variation From Tax Rate Revaluation	0	(1)	0	0
Deferred Tax From Cash Flow Hedging Reserve	7.763	(20.368)	7.763	(20.368)
Other Comprehensive Income:	**(22.204)**	**52.835**	**(20.891)**	**49.975**
Total Other Comprehensive Income	**125.423**	**192.994**	**76.587**	**184.888**
Total comprehensive income for the period attributable to:				
Equity attributable to parent's shareholders	122.682	193.478	76.587	184.888
Non controlling Interests	2.741	(484)	0	0

The notes on pages 192 to 295 are an integral part of these financial statements.

Statement of Financial Position

(Amounts in thousands €)		MYTILINEOS GROUP 31/12/2019	MYTILINEOS GROUP 31/12/2018	MYTILINEOS S.A. 31/12/2019	MYTILINEOS S.A. 31/12/2018
Assets					
Non current assets					
Tangible Assets	3.2	1.120.880	1.141.786	797.933	796.859
Goodwill	3.3	214.677	209.313	0	0
Intangible Assets	3.4	231.758	235.277	86.568	87.518
Investments in Subsidiary Companies	3.5	0	0	277.056	239.415
Investments in Associates	3.6	24.026	23.773	17.212	17.212
Deferred Tax Receivables	3.7	112.892	143.030	58.901	84.670
Other Financial Assets	3.10	163	159	37	37
Derivatives	3.10.3	2.938	0	2.938	0
Other Long-term Receivables	3.10.4	68.629	105.019	63.607	58.558
Right-of-use Assets	2.1.3	48.160	0	34.307	0
		1.824.124	**1.858.357**	**1.338.559**	**1.284.269**
Current assets					
Total Stock	3.8	214.377	184.377	155.254	169.612
Trade and other receivables	3.11	1.090.802	799.307	481.798	372.433
Other receivables	3.9	314.494	259.193	318.128	347.857
Financial assets at fair value through profit or loss	3.10.2	63	63	63	63
Derivatives	3.10.3	1.023	31.605	431	29.453
Cash and cash equivalents	3.12	713.037	208.090	145.415	139.656
		2.333.795	**1.482.637**	**1.101.089**	**1.059.076**
Assets		**4.157.919**	**3.340.994**	**2.439.647**	**2.343.345**
Liabilities & Equity					
Equity					
Share capital	3.15.1	138.839	138.839	138.604	138.604
Share premium		193.312	193.312	124.701	124.701
Fair value reserves		(2.571)	17.804	(3.266)	17.109
Other reserves	3.15.2	129.050	130.758	(141.885)	(136.454)
Translation reserves		(10.925)	(11.197)	2.149	2.149
Retained earnings		1.136.639	1.038.862	948.945	902.914
Equity attributable to parent's shareholders		**1.584.344**	**1.508.378**	**1.069.249**	**1.049.025**
Non controlling Interests		49.526	52.671	0	0
Equity		**1.633.870**	**1.561.048**	**1.069.249**	**1.049.025**
Non-Current Liabilities					
Long-term debt	3.10.5	1.006.450	534.028	353.239	369.323
Lease liabilities	2.1.3	44.764	0	31.487	0
Derivatives	3.10.3	0	2.787	0	2.787
Deferred Tax Liability		197.289	212.116	147.584	171.665
Liabilities for pension plans	3.16	16.953	16.273	14.048	13.874
Other long-term liabilities	3.10.7	98.101	129.666	65.768	97.100
Provisions	3.17	12.204	14.130	11.289	13.069
Non-Current Liabilities		**1.375.761**	**908.999**	**623.414**	**667.817**
Current Liabilities					
Trade and other payables	3.13	815.205	608.346	502.662	438.138
Tax payable	3.18	61.711	52.005	49.247	45.541
Short-term debt	3.10.5	17.438	28.912	4	267
Current portion of non-current debt	3.10.5	60.194	35.551	17.332	17.332
Current portion of lease liabilities	2.1.3	5.066	0	4.000	0
Derivatives	3.10.3	20.925	3.222	20.689	2.826
Other payables	3.14	167.699	142.903	153.050	122.397
Current portion of non-current provisions	3.17	49	7	0	0
Current Liabilities		**1.148.288**	**870.946**	**746.984**	**626.502**
Liabilities		**2.524.049**	**1.779.945**	**1.370.398**	**1.294.320**
Liabilities & Equity		**4.157.919**	**3.340.994**	**2.439.647**	**2.343.345**

The notes on pages 192 to 295 are an integral part of these financial statements.

Statement of changes in Equity (Group)

(Amounts in thousands €)	Share capital	Share premium	Fair value reserves	Treasury Stock Reserve	Other reserves	Translation reserves	Retained earnings	Total	Non controlling Interests	Total
					MYTILINEOS GROUP					
Adjusted Opening Balance 1st January 2018, according to IFRS - as published-	138.839	193.311	(32.692)	0	109.767	(10.414)	978.058	1.376.871	54.122	1.430.992
Adjustments due to IFRS 9	0	0	0	0	0	0	(17.223)	(17.223)	0	(17.223)
Change In Equity										
Dividends Paid	0	0	0	0	0	0	(45.725)	(45.725)	0	(45.725)
Transfer To Reserves	0	0	0	0	18.383	0	(18.373)	10	0	10
Impact From Acquisition Of Share In Subsidiaries	0	0	0	0	0	0	967	967	(967)	0
Transactions With Owners	0	0	0	0	18.383	0	(80.354)	(61.971)	(967)	(62.938)
Net Profit/(Loss) For The Period	0	0	0	0	0	0	141.158	141.158	(998)	140.160
Other Comprehensive Income:										
Exchange Differences On Translation Of Foreign Operations	0	0	0	0	0	(783)	0	(783)	515	(269)
Other Financial Assets	0	0	0	0	2.152	0	0	2.152	0	2.152
Cash Flow Hedging Reserve	0	0	70.864	0	169	0	0	71.033	0	71.033
Deferred Tax From Actuarial Gain / (Losses)	0	0	0	0	4	0	0	4	0	4
Actuarial Gain / (Losses)	0	0	0	0	284	0	0	284	0	284
Reserve Variation From Tax Rate Revaluation	0	0	0	0	(1)	0	0	(1)	0	(1)
Dererred Tax From Cash Flow Hedging Reserve	0	0	(20.368)	0	0	0	0	(20.368)	0	(20.368)
Total Comprehensive Income For The Period	0	0	50.496	0	2.608	(783)	141.158	193.478	(484)	192.994
Adjusted Closing Balance 31/12/2018	138.839	193.312	17.804	0	130.758	(11.197)	1.038.862	1.508.378	52.671	1.561.048
Opening Balance 1st January 2019, according to IFRS - as published-	138.839	193.312	17.804	0	130.758	(11.197)	1.038.862	1.508.377	52.671	1.561.048
Adjustments due to IFRS 9	0	0	0	0	0	0	0	0	0	0
Adjusted Opening Balance 1st January 2018	138.839	193.312	17.804	0	130.758	(11.197)	1.038.862	1.508.377	52.671	1.561.048
Change In Equity										
Dividends Paid	0	0	0	0	0	0	(51.441)	(51.441)	0	(51.441)
Transfer To Reserves	0	0	0	0	278	0	(278)	0	0	0
Impact From Acquisition Of Share In Subsidiaries	0	0	0	0	36	0	4.702	4.738	(5.886)	(1.148)
Increase / (Decrease) Of Share Capital	0	0	0	0	(12)	0	0	(12)	0	(12)
Transactions With Owners	0	0	0	0	302	0	(47.017)	(46.715)	(5.886)	(52.601)
Net Profit/(Loss) For The Period	0	0	0	0	0	0	144.891	144.891	2.736	147.627
Other Comprehensive Income:										
Exchange Differences On Translation Of Foreign Operations	0	0	0	0	0	544	(110)	434	5	439
Other Financial Assets	0	0	0	0	(1.560)	(273)	0	(1.833)	0	(1.833)
Cash Flow Hedging Reserve	0	0	(28.138)	0	160	0	0	(27.978)	0	(27.978)
Deferred Tax From Actuarial Gain / (Losses)	0	0	0	0	38	0	0	38	0	38
Actuarial Gain / (Losses)	0	0	0	0	(648)	0	14	(634)	0	(634)
Dererred Tax From Cash Flow Hedging Reserve	0	0	7.763	0	0	0	0	7.763	0	7.763
Total Comprehensive Income For The Period	0	0	(20.375)	0	(2.010)	272	144.795	122.682	2.741	125.423
Closing Balance 31/12/2019	138.839	193.312	(2.571)	0	129.050	(10.925)	1.136.639	1.584.344	49.526	1.633.870

The notes on pages 192 to 295 are an integral part of these financial statements.

Statement of changes in Equity (Company)

	MYTILINEOS S.A.						
(Amounts in thousands €)	Share capital	Share premium	Fair value reserves	Other reserves	Translation reserves	Retained earnings	Total
Opening Balance 1st January 2018, according to IFRS -as published-	**138.604**	**124.701**	**(33.387)**	**(154.606)**	**3.003**	**848.768**	**927.085**
Adjustments due to IFRS 9	0	0	0	0	0	(17.223)	(17.223)
Change In Equity							
Dividends Paid	0	0	0	0	0	(45.725)	(45.725)
Transfer To Reserves	0	0	0	17.819	0	(17.819)	0
Transactions With Owners	**0**	**0**	**0**	**17.819**	**0**	**(80.767)**	**(62.948)**
Net Profit/(Loss) For The Period	0	0	0	0	0	134.914	134.914
Other Comprehensive Income:							
Exchange Differences On Translation Of Foreign Operations	0	0	0	0	(854)	0	(854)
Cash Flow Hedging Reserve	0	0	70.864	0	0	0	70.864
Deferred Tax From Actuarial Gain / (Losses)	0	0	0	2	0	0	2
Actuarial Gain / (Losses)	0	0	0	332	0	0	332
Deferred Tax From Cash Flow Hedging Reserve	0	0	(20.368)	0	0	0	(20.368)
Total Comprehensive Income For The Period	**0**	**0**	**50.496**	**333**	**(854)**	**134.914**	**184.888**
Closing Balance 31/12/2018	**138.604**	**124.701**	**17.109**	**(136.454)**	**2.149**	**902.914**	**1.049.025**

Opening Balance 1st January 2019, according to IFRS -as published-	**138.604**	**124.701**	**17.109**	**(136.454)**	**2.149**	**902.914**	**1.049.025**
Adjustments due to IFRS 9	0	0	0	0	0	0	0
Adjusted Opening Balance 1st January 2018	**138.604**	**124.701**	**17.109**	**(136.454)**	**2.149**	**902.914**	**1.049.025**
Change In Equity							
Dividends Paid	0	0	0	0	0	(51.441)	(51.441)
Impact From Merge Through Acquisition Of Subsidiary	0	0	0	(4.921)	0	0	(4.921)
Transactions With Owners	**0**	**0**	**0**	**(4.921)**	**0**	**(51.441)**	**(56.362)**
Net Profit/(Loss) For The Period	0	0	0	0	0	97.477	97.477
Other Comprehensive Income:							
Cash Flow Hedging Reserve	0	0	(28.138)	0	0	0	(28.138)
Deferred Tax From Actuarial Gain / (Losses)	0	0	0	31	0	0	31
Actuarial Gain / (Losses)	0	0	0	(541)	0	(6)	(547)
Deferred Tax From Cash Flow Hedging Reserve	0	0	7.763	0	0	0	7.763
Total Comprehensive Income For The Period	**0**	**0**	**(20.375)**	**(510)**	**0**	**97.471**	**76.587**
Closing Balance 31/12/2019	**138.604**	**124.701**	**(3.266)**	**(141.885)**	**2.149**	**948.945**	**1.069.249**

The notes on pages 192 to 295 are an integral part of these financial statements..

Cash flow statement

(Amounts in thousands €)		MYTILINEOS GROUP 1/1-31/12/2019	MYTILINEOS GROUP 1/1-31/12/2018	MYTILINEOS S.A. 1/1-31/12/2019	MYTILINEOS S.A. 1/1-31/12/2018
Cash flows from operating activities					
Cash flows from operating activities	7.28	269.638	211.450	232.607	149.090
Interest paid		(20.981)	(30.757)	(21.783)	(20.509)
Taxes paid		(2.466)	(18.051)	0	(15.084)
Net Cash flows continuing operating activities		**246.190**	**162.642**	**210.825**	**113.497**
Net Cash flows discontinuing operating activities		**(1.762)**	**(679)**	**0**	**(19)**
Net Cash flows from continuing and discontinuing operating activities		**244.428**	**161.962**	**210.825**	**113.478**
Net Cash flow from continuing and discontinuing investing activities					
Purchases of tangible assets		(116.917)	(75.702)	(70.251)	(42.481)
Purchases of intangible assets		(10.136)	(8.477)	(5.891)	(4.612)
Sale of tangible assets		2.165	19.401	1.822	150
Dividends received		400	580	400	15.534
Purchase of financial assets held-for-sale		(493)	0	(493)	0
Purchase of financial assets at fair value through profit and loss		0	(564)	0	(564)
Acquisition of associates		(81)	0	0	0
Acquisition /Sale of subsidiaries (less cash)		(6.175)	(480)	(21.175)	(480)
Sale of financial assets held-for-sale		4	0	0	0
Sale of financial assets at fair value through profit and loss		0	951	0	943
Interest received		10.050	12.673	5.265	9.707
Grants received/(returns)		(790)	5.017	(1.135)	2.160
Other cash flows from investing activities		(33)	0	23	0
Net Cash flow from continuing investing activities		**(122.006)**	**(46.600)**	**(91.435)**	**(19.642)**
Net Cash flow from discontinuing investing activities		**0**	**0**	**0**	**0**
Net Cash flow from continuing and discontinuing investing activities		**(122.006)**	**(46.600)**	**(91.435)**	**(19.642)**
Net Cash flow continuing and discontinuing financing activities					
Tax payments		(12)	0	0	0
Dividends paid to shareholders		(52.072)	(45.945)	(52.072)	(41.373)
Proceeds from borrowings		729.950	388.037	0	178.923
Repayments of borrowings		(249.504)	(515.985)	(17.459)	(285.901)
Payment of finance lease liabilities		(4.619)	0	(3.606)	0
Other cash flows from financing activities		(40.495)	105.176	(40.495)	105.176
Net Cash flow continuing financing activities		**383.248**	**(68.717)**	**(113.632)**	**(43.174)**
Net Cash flow from discontinuing financing activities		-	-	-	-
Net Cash flow continuing and discontinuing financing activities		**383.248**	**(68.717)**	**(113.632)**	**(43.174)**
Net (decrease)/increase in cash and cash equivalents		**505.669**	**46.645**	**5.758**	**50.661**
Cash and cash equivalents at beginning of period		208.090	160.940	139.656	88.995
Less: Cash and cash equivalents at beginning of period from discontinuing activity		(425)	0	0	0
Exchange differences in cash and cash equivalents		(297)	506	0	0
Net cash at the end of the period		**713.037**	**208.090**	**145.415**	**139.656**
Cash and cash equivalent		**713.037**	**208.090**	**145.415**	**139.656**
Net cash at the end of the period		**713.037**	**208.090**	**145.415**	**139.656**

The notes on pages 192 to 295 are an integral part of these financial statements.

The cash flows from financing activities of the Group and the Company and specifically the line "Other", include repayments/(payments) of financing under trade agreements.

Notes on the Financial Statements

1. Information about MYTILINEOS HOLDINGS S.A.

1.1 General Information

Mytilineos S.A. is today one of the biggest industrial Groups internationally. The Company, which was founded in 1990 as a metallurgical company of international trade and participations, is an evolution of an old metallurgical family business which began its activity in 1908. During the last decade the Company's has gradually expenses its operations from traditional sectors of international metal's trading to metallurgy in the domains of Integrated Projects and Infrastructure and Electricity and Natural Gas. The Group's objective is to develop synergies between three different operation segments by assigning the role of management and strategy to Mytilineos S.A.

During FY 2017, corporate restructuring was completed through absorption of the subsidiary companies ALUMINUM OF GREECE, METKA, Protergia and Protergia THERMOELECTRIC AGIOS NIKOLAOS by Mytilineos S.A. The only change arising following the Corporate Restructuring is conversion of the non-controlling shareholders of METKA into shareholders of the new entity.

Devoted to continuous growth and progress and aiming to be a leader in all its activities, the Group promotes through its long presence its vision to be a powerful and competitive European Group of "Heavy Industry".

The group's headquarters is located in Athens – Maroussi (8 Artemidos Str., P.C. 151 25) and its shares were listed in the Athens Stock Exchange in 1995.

The financial statements for the year ended 31.12.2019 (along with the respective comparative information for the previous year 2018), were approved by the Board of directors on 18.03.2020 and the approval of the Annual General Meeting of shareholders is pending.

1.2 Nature of activities

During the last ten years the Group's activities have expanded from the traditional sector of international metal's trading to those of construction and energy. The group aims in the development of synergies between the three different areas of activities, by delegating the role of management and strategy formation in Mytilineos Holdings S.A.

Following the decision of the Regular General Meeting of the Company's shareholders as of 01-06-2017, its corporate objective has been amended as follows:

a. Participation in other entities capital, b. Production and manufacture in Greece of alumina and aluminum and their marketing in any country, c. Industrial production of metal structures of various kinds, d. Design, construction, operation, maintenance, management and operation of power plants from every source; e. Production, marketing, supply, transportation and distribution of electricity, f. Performance of all types of construction, repair and dissolution works regarding vessels and defense material in general, g. Production, extraction, acquisition, storage, gasification, transmission, distribution and transfer (including sale/supply) of natural gas, h. Conduct of studies, construction of public and private technical works of any kind, assembly and installation of manufactured constructions and products produced by the Company in Greece and abroad, i. Construction, operation and exploitation of plumbing, sewerage and other related facilities that will serve the purposes of the Company and/or third parties that cooperate with it; j. Production and sale of steam, water (demineralized, for extinguishing etc) k. Rendering various services to third parties cooperating with the Company, such as a) anti-pollution services, b) fire fighting, c) monitoring and recording of air quality, d) collection, transportation, disposal and management of solid and liquid wastes and storm sewage, l. Preparation of feasibility studies, production processes, operation of power stations and thermal production of all kinds, m. Acquisition, construction, sale and resale of real estate and all types of rental leases, installation, construction and exploitation of mines and quarries, factories and industrial departments, n. Rendering consultancy services in the domains of organization, administration and business management, risk management, IT systems, financial management, o. Rendering services in respect of market research, analyzing investment plans, performing studies and projects, commissioning, supervising and managing related projects, risk management and strategic planning, development and organization, and p. Performing all types of business transactions and undertaking all types of operations either directly or indirectly related to the above corporate objective.

The Γroup monitors its performance on Metallurgy & Mining Sector through the subsidiaries "Aluminium S.A." (Alumina–Aluminium) and "Sometra S.A." (Zinc–Lead). Zinc – Lead Sector was the first which effected from the negative economic environment mainly due to the decrease on demand, the increasing prices of coke and the difficulty to find appropriate Raw Materials. All the above mentioned reasons lead the General Assembly of the company on 26.01.2009 to suspend temporary the production activity (note 3.27).

The Group through its subsidiary METKA is the leading and most specialized EPC Constructor in Greece and expanded in competitive markets abroad with value of pending construction contracts amounting to € 914.8 mio (note 3.1).

With a portfolio of 1.2 GW of installed capacity from thermal plants operating since 2012 and over 1,000 MW RES in different stages of development , the Group is established as the as the country's largest independent energy producer.

1.3 Group Structure

The Group Structure as at 31.12.2019 is presented on the following table:

	NAME OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	COUNTRY OF INCORPORATION	CONSOLIDATION METHOD	PERCENTAGE 31.12.2019	
				Direct %	Indirect %
1	**MYTILINEOS S.A.**	**Greece**	-	-	-
2	SERVISTEEL	Greece	Full	99,98%	0,00%
3	RODAX ROMANIA SRL	Romania	Full	0,00%	100,00%
4	ELEMKA S.A.	Greece	Full	83,50%	0,00%
5	DROSCO HOLDINGS LIMITED	Cyprus	Full	0,00%	83,50%
6	BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A.	Greece	Full	0,00%	62,63%
7	METKA BRAZI SRL	Romania	Full	100,00%	0,00%
8	POWER PROJECT SANAYI INSAAT TICARET LIMITED SIRKETI	Turkey	Full	100,00%	0,00%
9	DELFI DISTOMON A.M.E.	Greece	Full	100,00%	0,00%
10	DESFINA SHIPPING COMPANY	Greece	Full	100,00%	0,00%
11	ST. NIKOLAOS SINGLE MEMBER P.C.	Greece	Full	100,00%	0,00%
12	RENEWABLE SOURCES OF KARYSTIA S.A.	Greece	Full	3,05%	96,95%
13	SOMETRA S.A.	Romania	Full	92,79%	0,00%
14	STANMED TRADING LTD	Cyprus	Full	0,00%	100,00%
15	MYTILINEOS FINANCE S.A.	Luxembourg	Full	100,00%	0,00%
16	RDA TRADING	Guernsey Islands	Full	0,00%	100,00%
17	MYTILINEOS BELGRADE D.O.O.	Serbia	Full	0,00%	100,00%
18	MYVEKT INTERNATIONAL SKOPJE	FYROM	Full	0,00%	100,00%
19	MYTILINEOS FINANCIAL PARTNERS S.A.	Luxembourg	Full	100,00%	0,00%
20	MYTILINEOS INTERNATIONAL COMPANY AG "MIT Co"	Switzerland	Full	0,00%	100,00%
21	GENIKI VIOMICHANIKI S.A.	Greece	Full	Joint Management	Joint Management
22	DELTA PROJECT CONSTRUCT SRL	Romania	Full	95,01%	0,00%
23	FOIVOS ENERGY S.A.	Greece	Full	0,00%	100,00%
24	HYDROHOOS S.A.	Greece	Full	0,00%	100,00%
25	HYDRIA ENERGY S.A.	Greece	Full	0,00%	100,00%
26	EN.DY. S.A.	Greece	Full	0,00%	100,00%
27	THESSALIKI ENERGY S.A.	Greece	Full	0,00%	100,00%
28	NORTH AEGEAN RENEWABLES	Greece	Full	100,00%	0,00%
29	MYTILINEOS HELLENIC WIND POWER S.A.	Greece	Full	80,00%	0,00%
30	AIOLIKI ANDROU TSIROVLIDI S.A.	Greece	Full	79,20%	1,00%
31	MYTILINEOS AIOLIKI NEAPOLEOS S.A.	Greece	Full	79,20%	1,00%
32	AIOLIKI EVOIAS PIRGOS S.A.	Greece	Full	79,20%	1,00%
33	AIOLIKI EVOIAS POUNTA S.A.	Greece	Full	79,20%	1,00%
34	AIOLIKI EVOIAS HELONA S.A.	Greece	Full	79,20%	1,00%
35	AIOLIKI ANDROU RAHI XIROKOBI S.A.	Greece	Full	79,20%	1,00%
36	METKA AIOLIKA PLATANOU S.A.	Greece	Full	79,20%	1,00%
37	AIOLIKI SAMOTHRAKIS S.A.	Greece	Full	100,00%	0,00%
38	AIOLIKI EVOIAS DIAKOFTIS S.A.	Greece	Full	79,20%	1,00%
39	AIOLIKI SIDIROKASTROU S.A.	Greece	Full	79,20%	1,00%
40	HELLENIC SOLAR S.A.	Greece	Full	100,00%	0,00%
41	SPIDER S.A.	Greece	Full	100,00%	0,00%
42	GREEN ENERGY A.E.	Bulgaria	Full	80,00%	0,00%
43	PROTERGIA AGIOS NIKOLAOS POWER SOCIETE ANONYME OF GENERATION AND SUPPLY OF ELECTRICITY (ex ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.)	Greece	Full	100,00%	0,00%
44	METKA INDUSTRIAL - CONSTRUCTION S.A. (ex ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.)	Greece	Full	100,00%	0,00%
45	ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	Greece	Full	0,00%	100,00%

	NAME OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	COUNTRY OF INCORPORATION	CONSOLIDATION METHOD	PERCENTAGE 31.12.2019	
				Direct %	Indirect %
47	HORTEROU S.A.	Greece	Full	0,00%	100,00%
48	KISSAVOS DROSERI RAHI S.A.	Greece	Full	0,00%	100,00%
49	KISSAVOS PLAKA TRANI S.A.	Greece	Full	0,00%	100,00%
50	KISSAVOS FOTINI S.A.	Greece	Full	0,00%	100,00%
51	AETOVOUNI S.A.	Greece	Full	0,00%	100,00%
52	LOGGARIA S.A.	Greece	Full	0,00%	100,00%
53	IKAROS ANEMOS SA	Greece	Full	0,00%	100,00%
54	KERASOUDA SA	Greece	Full	0,00%	100,00%
55	AIOLIKH ARGOSTYLIAS A.E.	Greece	Full	0,00%	100,00%
56	MNG TRADING	Greece	Full	100,00%	0,00%
57	KORINTHOS POWER S.A.	Greece	Full	0,00%	65,00%
58	KILKIS PALEON TRIETHNES S.A.	Greece	Full	0,00%	100,00%
59	ANEMOROE S.A.	Greece	Full	0,00%	100,00%
60	PROTERGIA ENERGY S.A.	Greece	Full	0,00%	100,00%
61	SOLIEN ENERGY S.A.	Greece	Full	0,00%	100,00%
62	ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME (EX OSTENITIS S.A.)	Greece	Full	100,00%	0,00%
63	METKA RENEWABLES LIMITED	Cyprus	Full	100,00%	0,00%
64	AIOLIKH TRIKORFON S.A.	Greece	Full	0,00%	100,00%
65	MAKRYNOROS ENERGEIAKH S.A.	Greece	Full	0,00%	100,00%
66	RIVERA DEL RIO	Panama	Full	50,00%	0,00%
67	METKA-EGN LTD	Cyprus	Full	50,10%	0,00%
68	METKA-EGN LTD	Cyprus	Full	0,00%	50,10%
69	METKA-EGN SpA	Chile	Full	0,00%	50,10%
70	METKA-EGN USA LLC	Puerto Rico	Full	0,00%	50,10%
71	METKA EGN KZ LLP	Kazakhstan	Full	0,00%	50,10%
72	METKA EGN MEXICO S. DE.R.L. C.V	Mexico	Full	0,00%	50,10%
73	METKA-EGN UGANDA SMC LTD	Uganda	Full	0,00%	50,10%
74	METKA-EGN JAPAN LTD	Japan	Full	0,00%	50,10%
75	METKA POWER WEST AFRICA LIMITED	Nigeria	Full	100,00%	0,00%
76	METKA INTERNATIONAL LTD	United Arab Emirates	Full	100,00%	0,00%
77	METKA POWER INVESTMENTS	Cyprus	Full	100,00%	0,00%
78	AURORA VENTURES	Marshal Islands	Full	100,00%	0,00%

	NAME OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	COUNTRY OF INCORPORATION	CONSOLIDATION METHOD	PERCENTAGE 31.12.2019	
				Direct %	Indirect %
79	PICADO MARINE INC	Marshal Islands	Full	0,00%	100,00%
80	DOMENICO MARINE CORP	Marshal Islands	Full	0,00%	100,00%
81	PROTERGIA THERMOELEKTRIKI S.A.	Greece	Full	100,00%	0,00%
82	MTRH Developmnet GmbH	Austria	Full	0,00%	100,00%
83	Energy Ava Yarz LLC	Iran	Full	0,00%	100,00%
84	MTH Services Stock	Austria	Full	0,00%	100,00%
85	METKA EGN SARDINIA SRL	Sardinia	Full	0,00%	50,10%
86	METKA EGN FRANCE SRL	France	Full	0,00%	50,10%
87	METKA EGN SPAIN SLU	Spain	Full	0,00%	50,10%
88	METKA EGN KOREA LTD	Korea	Full	0,00%	50,10%
89	METKA GENERAL CONTRACTOR CO. LTD	Korea	Full	0,00%	50,10%
90	METKA EGN AUSTRALIA PTY LTD	Australia	Full	0,00%	50,10%
91	METKA EGN SINGAPORE PTE LTD	Singapore	Full	0,00%	50,10%
92	METKA EGN APULIA SRL	Italia	Full	0,00%	50,10%
93	VIGA RENOVABLES SP1 SL	Spain	Full	0,00%	50,10%
94	VIGA RENOVABLES SP2 SL	Spain	Full	0,00%	50,10%
95	METKA EGN AUSTRALIA PTY HOLDINGS LTD	Australia	Full	0,00%	50,10%
96	ZEOLOGIC A.B.E.E	Greece	Full	60,00%	0,00%
97	EP.AL.ME. S.A.	Greece	Full	97,87%	0,00%
98	TERRANOVA ASSETCO PTY LTD	Australia	Full	0,00%	50,10%
99	WAGGA-WAGGA OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
100	WAGGA-WAGGA PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
101	JUNEE OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
102	JUNEE PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
103	COROWA OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
104	COROWA PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
105	MOAMA OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
106	MOAMA PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
107	KINGAROY OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
108	KINGAROY PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
109	GLENELLA OPERATIONS CO PTY LTD	Australia	Full	0,00%	50,10%
110	GLENELLA PROPERTY CO PTY LTD	Australia	Full	0,00%	50,10%
111	TAEAHN INCORPORATION CO.	Korea	Full	0,00%	50,10%
112	J/V METKA – TERNA	Greece	Equity	10,00%	0,00%
113	THERMOREMA S.A.	Greece	Equity	40,00%	0,00%
114	FTHIOTIKI ENERGY S.A.	Greece	Equity	0,00%	35,00%
115	IONIA ENERGY S.A.	Greece	Equity	49,00%	0,00%
116	BUSINESS ENERGY AIOLIKH ENERGEIAKH TROIZINIAS S.A.	Greece	Equity	0,00%	49,00%
117	METKA IPS LTD	Dubai	Equity	50,00%	0,00%
118	INTERNATIONAL POWER SUPPLY AD	Bulgaria	Equity	10,00%	0,00%
119	ELEMKA SAUDI	Saudi Arabia	Equity	0,00%	34,24%
120	MY SUN	Italy	Full	0,00%	100,00%
121	METKA CYPRUS PORTUGAL HOLDINGS	Portugal	Full	0,00%	100,00%
122	JVIGA KOREA TAEAHN Inc.	Korea	Full	0,00%	100,00%
123	METKA EGN AUSTRALIA HOLDINGS TWO PTY LTD	Australia	Full	0,00%	100,00%
124	ΜΥΤΙΛΗΝΑΙΟΣ ΑΙΟΛΙΚΗ ΑΛΒΑΝΙΑΣ ΕΠΕ	Albania	Full	100,00%	0,00%

	NAME OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	COUNTRY OF INCORPORATION	CONSOLIDATION METHOD	PERCENTAGE 31.12.2019	
				Direct %	Indirect %
125	METKA CYPRUS PORTUGAL 2	Portugal	Full	0,00%	100,00%
126	METKA CYPRUS PORTUGAL 3	Portugal	Full	0,00%	100,00%
127	SELEYKOS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
128	ARITI ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
129	EKAVI ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
130	KALIPSO ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
131	KIRKI ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
132	ILIDA ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
133	ANTIGONOS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
134	ANTIKLEIA ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
135	LISIMAHOS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
136	INO ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
137	ANTIPATROS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
138	MENANDROS ENERGY SMC S.A.	Greece	Full	0,00%	100,00%
139	METKA EGN SOLAR 1	Spain	Full	0,00%	100,00%
140	METKA EGN SOLAR 2	Spain	Full	0,00%	100,00%
141	METKA EGN SOLAR 3	Spain	Full	0,00%	100,00%
142	METKA EGN SOLAR 4	Spain	Full	0,00%	100,00%
143	METKA EGN SOLAR 5	Spain	Full	0,00%	100,00%
144	METKA EGN SOLAR 6	Spain	Full	0,00%	100,00%
145	METKA EGN SOLAR 7	Spain	Full	0,00%	100,00%
146	METKA EGN SOLAR 8	Spain	Full	0,00%	100,00%
147	METKA EGN SOLAR 9	Spain	Full	0,00%	100,00%
148	METKA EGN SOLAR 10	Spain	Full	0,00%	100,00%
149	METKA EGN SOLAR 11	Spain	Full	0,00%	100,00%
150	METKA EGN SOLAR 12	Spain	Full	0,00%	100,00%
151	METKA EGN SOLAR 13	Spain	Full	0,00%	100,00%
152	METKA EGN SOLAR 14	Spain	Full	0,00%	100,00%
153	METKA EGN SOLAR 15	Spain	Full	0,00%	100,00%
154	RADIANT SOLAR HOLDINGS LIMITED	Cyprus	Full	0,00%	100,00%
155	GREENSOL HOLDINGS LIMITED	Cyprus	Full	0,00%	100,00%

Group branches:

Brunches
MYTIL RUSSIA
MYTIL IRAQ
MYTIL JORDAN
MYTIL ALGERIA
MYTIL LIBYA
MYTIL GHANA
PPR JORDAN
PPR ALGERIA
PPR LIBYA
PPR GHANA
METKA EGN (CYPRUS) IRAN
METKA EGN (CYPRUS) GREECE
METKA INTERNATIONAL LIBYA
STE METKA EGN LTD TUNISIA BRANCH
Mytilineos S.A. - BRANCH OFFICE SLOVENIA

In the consolidated financial statements of the ending December 31, 2019 included in addition to (a) the method of total consolidation the companies: i) ZEOLOGIC S.A. which is an acquired company and is consolidated wholly from 31/03/2019 with a percentage of 60%, ii) METKA EGN APULIA SRL which was established by the subsidiary of the Group, METKA-EGN LTD, and is consolidated in total from 03/04/2019 with a percentage of 100% ,III) EP. AL. ME. which is an acquired company and is consolidated in total from 30/05/2019 with a percentage of 97.87%, iv)METKA CYPRUS PORTUGAL HOLDINGS which was established from the subsidiary of the Group METKA-EGN LTD and is consolidated in total from June 2019 with a percentage of 100%, v) METKA EGN SOLAR 1, METKA EGN SOLAR 2, METKA EGN SOLAR 3, METKA EGN SOLAR 4, METKA EGN SOLAR 5, METKA EGN SOLAR 6, METKA EGN SOLAR 7, METKA EGN SOLAR 8, METKA EGN SOLAR 9, METKA EGN SOLAR 10, METKA EGN SOLAR 11, METKA EGN SOLAR 12, METKA EGN SOLAR 13, METKA EGN SOLAR 14, METKA EGN SOLAR 15 which were established from the subsidiary of the Group , METKA-EGN LTD and are consolidated in total from August 2019 with a percentage of 100%, vi) METKA EGN AUSTRALIA HOLDINGS TWO PTY LTD which was established from the subsidiary of the Group METKA-EGN LTD and is consolidated in total from October 2019 with a percentage of 100%,vii) METKA CYPRUS PORTUGAL 2 and METKA CYPRUS PORTUGAL 3 which were established from the subsidiary of the Group METKA-EGN LTD and are consolidated in total from July 2019 with a percentage of 100% and (b) the equity method the company ELEMKA SAUDI, which was acquired on 19/02/2019 and is consolidated with a percentage of 34,24%.

The consolidated financial statements of the period ended 31 December 2019 no longer include companies: (i) PLEASURE FINANCE COMPANY and its subsidiary CHARM SHIPTRADE CORP. Which were made available in February 2019 from 100 % subsidiary of the Group POWER PROJECTS, (ii) EXPEDITION ENTERPRISES LTD and its subsidiary SEALAND MARINE CORP., which were made available in April 2019 by the 100% subsidiary of the Group POWER PROJECTS, (iii) MELODIA VENTURE S.A and its subsidiary UNIQUE SHIPTRADE S.A which were made available in xxx 2019 from 100 % subsidiary of the Group POWER PROJECTS, (iv) STALLENT NAVIGATION LTD and its subsidiary NAVARRA MARITIME INC. which were made available in xxx 2019 from 100 % subsidiary of the Group POWER PROJECTS,(v) INSIGHT MARITIME LIMITED and its subsidiary MIMOSA MARINE CO . which were made available in xxx 2019 from 100 % subsidiary of the Group POWER PROJECTS.

In February 2019, the 100% subsidiary of the group, METKA-EGN AUSTRALIA PTY based in Australia, proceeded with the acquisition of 100% of the share capital of the company Terranova Assetco Pty LTD based in Australia. The company Terranova Assetco Pty LTD owns 100% of companies WAGGA-WAGGA OPERATIONS CO PTY LTD, WAGGA-WAGGA PROPERTY CO PTY LTD, JUNEE OPERATIONS CO PTY LTD, JUNEE PROPERTY CO PTY LTD, COROWA OPERATIONS CO PTY LTD, COROWA PROPERTY CO PTY LTD, MOAMA OPERATIONS CO PTY LTD, MOAMA PROPERTY CO PTY LTD, KINGAROY OPERATIONS CO PTY LTD, KINGAROY PROPERTY CO PTY LTD, GLENELLA OPERATIONS CO PTY LTD, GLENELLA PROPERTY CO PTY LTD and TAEAHN INCORPORATION CO based in Australia. The purpose of this acquisition is the design, supply and construction (EPC) of six power stations and the subsequent resale at the completion of their construction to buyers. The total price of the acquisition of the above companies amounted to an amount of $3.4 million. Total assets of EUR €5.5 million were acquired from this transaction. When examining the requirements of IFRS 3, it was found that the assets acquired and the commitments undertaken by those companies did not constitute an ' undertaking ' in the definition of IFRS 3 and are therefore not included in the scope of the standard, but the specific transactions were accounted for as asset acquisition.

In May 2019, the 100% subsidiary of the group, METKA-EGN KOREA LTD, based in Korea, acquired the company TAEAHN INCORPORATION CO. based in Korea. The purpose of this acquisition is the design, supply and construction (EPC) of a power plant of a total power of 35 MW and the subsequent resale at the completion of its construction. The total price amounted to $0.35 million. Total assets of EUR €0.31 million were acquired from this transaction. When examining the requirements of IFRS 3, it was found that the assets acquired and the commitments undertaken by those companies did not constitute an ' undertaking ' in the definition of IFRS 3 and are therefore not included in the scope of the standard, but the specific transactions were accounted for as asset acquisition.

In July 2019, the 100% subsidiary of the group, METKA-EGN LTD Cyprus, based in Cyprus, acquired the company MY SUN, based in Italy. The total price amounted to € 1 thousand. When examining the requirements of IFRS 3, it was found that the assets acquired and the commitments undertaken by those companies did not constitute an ' undertaking ' in the definition of IFRS 3 and are therefore not included in the scope of the standard, but the specific transactions were accounted for as asset acquisition.

In September 2019, the 100% subsidiary of the group, METKA-EGN LTD Cyprus, based in Cyprus, made a binding agreement of acquisition of the companies RADIANT SOLAR HOLDINGS LTD and GREENSOL HOLDINGS LTD which had at their occupation portfolio in operation of Photovoltaic Parks of total capacity 47MW located in Northern and Central Greece. The above portfolio of Photovoltaic Parks includes the companies: SELEYKOS ENERGY single-member S.A, ARITI ENERGY single-member S.A, EKABI ENERGY single-member S.A, KALYPSO ENERGY single-member S.A, KIRKI ENERGY single-member S.A, ILIDA ENERGY single-member S.A, ANTIGONOS ENERGY single-member S.A, ANTIKLIA ENERGY single-member S.A, LISIMAXOS ENERGY single-member S.A, INO ENERGY single-member S.A, ANTIPATROS ENERGY single-member S.A and MENANDROS ENERGY single-member S.A. The total price amounted to € 3,9 million. Total assets of EUR € 36,7 million were acquired from this transaction. When examining the requirements of IFRS 3, it was found that the assets acquired and the commitments undertaken by those companies did not constitute an ' undertaking ' in the definition of IFRS 3 and are therefore not included in the scope of the standard, but the specific transactions were accounted for as asset acquisition.

1.3.1 Establishment & Acquisition

1.3.1.1 Acquisition of EP.AL.ME. S.A.

In October 2018 the company made a takeover agreement of 97.87% of the OP. S.A. ("EPALME") which was under the approval of the competition committee. In June 2019 the completion of the takeover was announced against Price €10.2 million. Upon receipt of the relevant approval with a date of entry into force on 30/05/2019.

EPALME is active in the industrial production, processing and trading of metals and especially of aluminium alloys and their products. It was founded in 1973 and is the largest independent producer of recycled (second-name) aluminium in Greece. The annual capacity of the unit is 35,000 tons of aluminum and employs 64 people. According to MYTILINEOS's design, through extensive investment in increased production and productivity, production is expected to reach 50,000 tons over a two-years horizon. The incorporation of the newly acquired company into the consolidated financial statements was made by the total consolidation method and contributed to the consolidated results of the six month 2019 sales of €3.9 million. And profit after tax of €0.3 million.

The fair value of all assets acquired and commitments made by the Group and the goodwill arising as at 31/12/2019 has been finalized, according to IFRS 3. Compared to the temporary goodwill, which was calculated at 30/6/2019 at the amount of € 5,1 million, at 31/12/2019 and after the finalization of the valuation of the tangible assets of the acquired company, the goodwill was reduced by € 1,6 million. The measurement of non - controlling interest at 31/12/2019 was based on the proportional share of the current property rights on the recognized amounts of the net assets of the acquired company.

Below are listed the final value of the assets acquired and the commitments made by the group at the date of redemption:

(Amounts in thousands €)	
Tangible Assets	5.557
Intangible Assets	144
Deferred Tax Receivables	312
Other long term receivables	25
Inventories	6.847
Customers and other trade receivables	11.949
Cash and Cash Equivalents	4.541
Long Term Loan Liabilities	(4.829)
Deferred Tax Liabilities	(65)
Other long term liabilities	(458)
Suppliers and other short term liabilities	(7.985)
Short Term Loan Liabilities	(9.087)
Total of assets acquires and liabilities assumed	**6.951**
Cost of acquisition at the date of acquisition of control	10.234
Plus: Proportional percentage of non-controlling interest (2.13%) on the fair value of the net assets at the date of acquisition	147
Minus: Fair value of net assets at the date of acquisition	(6.951)
Total of assets acquires and liabilities assumed	**3.429**

The goodwill emerged mainly from the perspectives related to the expected growth of the sector that operates the acquired company and the more efficient exploitation of its resources.

1.3.1.2 Εξαγορά ZEOLOGIC A.B.E.E.

In March 2019, MYTILINEOS acquired 60% of the company ZEOLOGIC S.A. ("ZEOLOGIC") against price €2 million. The incorporation of the newly acquired company into the consolidated financial statements was done by the method of total consolidation, without any substantial impact on them.

ZEOLOGIC is a newly established Greek company founded in 2014 with the aim of exploiting the international patented technology based on the geochemical process (Geochemical Active Clay Sedimentation-GACS) for the processing of liquids and solids Waste. ZEOLOGIC processes in its own facilities and supplies the waste treatment plants it installs, with the necessary chemical consumables for their long-term operation. Its strategic partnership with MYTILINEOS will allow ZEOLOGIC to penetrate new markets, internationally, and to develop its innovative technologies in new applications.

The fair value of all assets acquired and the liabilities incurred by the group as well as the resulting surplus value are listed below:

ZEOLOGIC

(Amounts in thousands €)	
Property, plant, equipment	243
Other Long Term Assets	33
Inventories	54
Receivables	357
Cash and cash equivalent	46
Long Term Liabilities	(47)
Suppliers and short term Liabilities	(526)
Short term Borrowing	(50)
Total of assets acquires and liabilities assumed	**110**
Cost of acquisition at the date of acquisition of control	2.000
Plus: Proportional percentage of non-controlling interest (40%) on the fair value of the net assets at the date of acquisition	44
Minus: Fair value of net assets at the date of acquisition	(110)
Total of assets acquires and liabilities assumed	**1.934**

1.3.1.3 Absorption of MOBAL GENERAL COMMERCIAL MINING INDUSTRY S.A and DELTA ENERGY S.A

In December 2019, the general trade register approved the absorption of MOBAL GENERAL COMMERCIAL MINING INDUSTRY S.A and DELTA ENERGY S.A by Mytilineos.

The merge was approved according to the provisions of L.4601/2019 and L.4172/2013 according to the Plan of Merge of 30/8/2019.

The Company owns 100% of the shares of the merged companies, who were active in the energy sector through their interests. The merged companies had interests in companies of the energy sector of the Group which are in either development or operation. The activity of MOBAL and DELTA has been reduced and in the context of simplifying the structure of the companies of the Group , it was decided to consolidate the assets of those merged with the assets of Mytilineos.

1.3.1.4 Changes in non-controlling interest

In January 2019, MYTILINEOS acquired 50% of the subsidiary company M AND M SOCIETE anonyme of NATURAL GAS. The company now holds 100% of the subsidiary. The total purchase price amounted to €1.3 million. While the effect of the transaction was deleted directly in the group's own funds, as a result of an increase in the participation rate in an existing subsidiary.

In June 2019 Mytilineos proceeded with a biding offer to acquire the remaining 49,9% of its subsidiary METKA EGN Ltd. Said development will allow MYTILINEOS to control a 100% stake in this subsidiary.

The finalized share purchase agreement provides for a twofold payment scheme regarding the total acquisition price: the first amounts to €9.6mio and is payable immediately after the sign off, while the second is related, among others, to the financial results of the said subsidiary for 2019 and is going to be determined and cleared within 2020. In any case, the total (cumulative) price cannot exceed the amount of €26mio.

Beyond the above amount, the agreement provides also for a conditional payment, the calculation of which relates to the achievement of certain targets and cumulative financial KPIs (key performance indicators) for the period up to 31/12/2024. The calculation of the results regarding the above mentioned targets and financial KPIs and the confirmation of any possible conditional payment will be done within 2025.

The impact of the said transaction was recognized directly through the Equity account as an increase of interest in Subsidiary.

1.4 Significant information

During the reporting period, the Group proceed to the following:

- In the early 2019, MYTILINEOS S.A. signed a contract for the construction of the Freight Center in Thriasio Plain, Western Attica, Greece, for an initial contractual amount of €109mn. The contract was signed with the consortium ETVA VIPE (Industrial Areas) and Goldair (THEK S.A), who are the Project's Concession Holders for the 60-year duration of the concession contract. The Thriasio Transit Project relates to the Design and Construction of the first Logistics Park in Greece, including the development of warehouses and supporting buildings covering a total surface of 235,000m2 within a land plot of 588,000m2, owned by GAIAOSE. In addition to the construction of building facilities, a road and a railway network will be constructed within the park aimed at supplying the warehouses. This combination of transport will be the first in the Greek logistics market. The first phase of the construction project will begin once the concession contract has become enforce, scheduled within the second quarter of 2019, and has duration of 24 months.
- On 16.01.2019, MYTILINEOS S.A. announced that the acquisition of all the shares (50%) that MOTOR OIL (HELLAS) CORINTH REFINERIES SA held in the company M AND M NATURAL GAS SA has been completed. Henceforth, MYTILINEOS SA is the sole shareholder (100%) of M AND M NATURAL GAS SOCIETE ANONYME.
- On 21.02.2019, MYTILINEOS S.A. signed the agreement for the acquisition of 60% in ZEOLOGIC SA, a company headquartered in Thessaloniki, that provides innovative solutions in solid and liquid waste treatment. ZEOLOGIC, is a Greek start-up company set-up in 2014, to take advantage of the internationally patented technology based on the geochemical processing (Geochemical Active Clay Sedimentation - GACS) for liquid and solid waste treatment. ZEOLOGIC treats in its own facilities and supplies the waste treatment units it executes, with the required chemical consumables to ensure their long-term operation. The strategic cooperation with MYTILINEOS will enable ZEOLOGIC to penetrate new international markets and further to develop its innovative technologies into new applications. At the same time MYTILINEOS S.A. and more specific

EPC & Infrastructure Projects Business Unit will benefit from this participation by further extending its activity in the area of Environmental Projects and circular economy.

- On 04.04.2019, MYTILINEOS S.A. also signed a contract with JAVNO PODJETJE ENERGETIKA LJUBLJANA, Ljubljana's energy company, engaged in electrical and thermal production, transmission and distribution, operating Slovenia's largest District Heating System. The contract involves the Engineering, Procurement and Construction of a new Combined Heat and Power (CHP) plant in Ljubljana, Slovenia, substituting to a large extent coal with natural gas, thus reducing coal consumption by 70%. The scope of the project includes the supply, installation and commissioning of 2 Siemens gas turbines and 2 heat recovery steam generators with pertaining equipment, including all necessary construction works and pipeline connections to the existing steam turbine and to the points of contact with the remaining existing devices. The project will be completed within 30 months post the project's commencement date, which, subject to normal permitting procedures, was the 1st half of 2019. The contract value amounts to €118 million.
- On 13.05.2019, MYTILINEOS S.A. announced that its subsidiary METKA EGN has recently signed an EPC contract with Eni Tunisia B.V. to undertake the engineering, procurement and construction of an innovative hybrid electricity production system at the ADAM oil concession located in the Tataouine governorate of Tunisia. The scope of the project includes the installation of 5 MW of solar power together with a battery energy storage system, integrated with existing gas turbines in an off-grid set-up. The energy produced will be consumed on-site, enabling the upstream operations to significantly reduce gas consumption and therefore avoiding 6,500 tonnes/year of CO2 equivalent emissions. Through this new project METKA EGN is working with Eni for the first time, while supporting Eni in its drive to decarbonize its operations by introducing renewable energy in the countries where it operates worldwide. The project duration is eight months after which METKA EGN will also carry out operations and maintenance services for the project for two years.
- On 17.05.2019, MYTILINEOS S.A. signed the CMP contract – 99595/2019 with IPTO SA (Independent Power Transmission Operator) in a consortium with the Chinese Sieyuan Electric Co. Ltd. The project refers to the construction of the new Extra High Voltage Center in Corinth and is one of the main projects of the "Corridor B" of the Expansion of the 400 kV System to the Peloponnese. This particular project, combined with the "Corridor A" projects, will eliminate the network overload of Peloponnese. The contract includes the engineering, procurement of materials and turnkey construction of the EHV GIS 400kV / 150kV in Corinth, equipped with 400/150kV kV GIS equipment installed in buildings, two 400/150/30kV/ autotransformers, 280/280/60MVA each, with the corresponding 30kV, 50MVAr Shunt Reactors, installed outdoor and automatic digital protection and control system. In addition to the construction of the project, MYTILINEOS also undertakes the contract for the maintenance of the digital control and protection system of the GIS for ten (10) years, after the Provisional Acceptance of the project. The contract for the project was signed on May 16 and its duration will be 26 months from the date of signing. The contract value amounts to €20.6 million.

- On 03.06.2019, MYTILINEOS S.A. announced the formal completion of the acquisition of 97.87% of the outstanding share capital of EP.AL.ME. S.A. ("EPALME") with effective date 30 May 2019. As noted in the original announcement of 23.10.2018, EPALME is active in the industrial production, processing and trading of metals, mostly aluminium alloys and derivative products. As part of MYTILINEOS' ongoing commitment to fair competitive practices, the following conditions will apply: (a) provision of services for the reprocessing scrap of aluminium to customers of EPALME is not be conditional upon the supply of primary aluminium of MYTILINEOS (ex-AoG), (b) the supply of primary aluminium produced by MYTILINEOS to customers does not depend on whether they also reprocess scrap alumunium by EPALME, (c) EPALME's existing customer network will be retained, on the basis they remain creditworthy, solvent and subject to the existing contractual terms between them, and (d) no customer will be bound to bind their respective clients with any exclusivity clause in respect of secondary aluminum supply and reprocessing services in written or oral agreements. The above commitments are set for a period of three (3) years from the date of issue of no. 682/03.04.2019 of the Hellenic Competition Commission. MYTILINEOS retains the right to request that the HCC review above commitments before the end of the period, in the event there is a change in the competitive conditions in the relevant markets.
- On 05.06.2019, MYTILINEOS S.A. in a Joint Venture with XANTHAKIS S.A. announced the signing of the A.S. 1509 contract with ERGA OSE S.A., for the «Modernization of the existing metric single railway line of Isthmos – Loutraki including electrification». The project refers to the extension of the Suburban Railway line to the section Isthmos-Loutraki, with electrification, in order to be interconnected with the existing high-speed suburban railway line of Athens Airport-Corinthos-Kiato-Aegio. Aside from the track works with electrification, the joint venture MYTILINEOS -XANTHAKIS has undertaken the renovation of existing building facilities of the Isthmos Rail Station, as well as its surrounding areas. In addition, new platforms will be constructed in the Isthmos Station and the Rail Stops of Kazino and Loutraki, in addition to the installation of modern automatic Level Crossing systems. The Contract for the project was signed on the 4th of June and the duration of the project is 18 months from the signing date. The Contract value net of VAT is €6.4m and is financed by the Greek Public Investment Plan.
- On 19.06.2019, MYTILINEOS S.A. announced the record date for the beneficiaries of interest payment for the fourth Interest Payment Period, according to the terms of the dated 27.06.2017 common bond loan issued by "MYTILINEOS HOLDINGS SA", i.e. from 27.12.2018 to 27.06.2019. The gross interest amount for the second Interest Payment Period, which corresponds to 300,000 bonds currently traded on the Athens Exchange, is euro 4,701,666.67 i.e. euro 15.6722222222 per bond and has been calculated at an annual interest rate of 3.10% (before tax). The payment of the accrued interest to the bondholders took place through the "Hellenic Central Securities Depositary S.A." (ATHEXCSD) on Thursday, June 27th, 2019.
- Decisions of Annual General Meeting of the Shareholders of MYTILINEOS S.A.

The Annual General Meeting of the Shareholders of the company took place on June 24 2019, and the following decisions, among others, were taken:

10. Submission and approval of the annual and consolidated financial statements for the financial year 01.01.2018 - 31.12.2018, the relevant Board of Directors' and Statutory Auditor's reports, and the Statement of Corporate Governance.
11. Approval of the appropriation of the results for the fiscal year 2018 (01.01.2018 - 31.12.2018), the distribution of dividend and payment of fees from the profits.
12. Approval of the overall management of the board of directors for the fiscal year 01.01.2018 – 31.12.2018 and discharge the statutory auditors of the Company from any liability for damages for the audit of the financial statements for the same fiscal year.
13. Election of the Audit Firm GRANT THORNTON S.A. to carry out the regular audit of the Company's individual and consolidated financial statements for the current fiscal year 01.01.2019-31.12.2019, the review of the of the interim financial statements for the period 01.01.2019-30.06.2019 as well as to issue the annual tax certificate and set their remuneration.
14. Approval of the remuneration policy for the members of the Board of Directors in accordance with article 110 of the law 4548/2018.
15. Approval of the amendment of article 1 of the Company's articles of association - change of the corporate name and distinctive title of the Company to "MYTILINEOS S.A." and "MYTILINEOS" respectively.
16. Approval of the amendment, abolishment and renumbering of the Company's articles of association in order to adapt to the relevant provisions of the new law 4548/2018 in accordance with article 183 of the law 4548/2018, as presented for approval.
17. Approval of the submission of applications for the inclusion under the provisions of development law 4399/2016 of investment plans relating to the alumina and aluminum production facilities at Agios Nikolaos, Viotias.
18. Approval of the establishment of a special reserve account using taxed reserves, for the purpose of covering the Company's own participation in the framework of the investment plan involving the construction of a wind park with an initial output capacity of 13.8 MW.

- On 24.06.2019, MYTILINEOS S.A. also announced the agreement for the acquisition of the remaining stake (49.9%) that it does not already own in METKA EGN Ltd. Following the completion of the transaction, MYTILINEOS SA will become the sole shareholder (100%) of METKA EGN Ltd. This transaction takes place within the framework of MYTILINEOS' overall energy plan, which will now include a platform for the construction, operation, financing and resale of photovoltaic power generation and storage units in Greece, but mainly in the international market.

- In July 2019, METKA EGN signed with Total Eren turnkey Engineering, Construction & Procurement contracts, for two photovoltaic ("PV") projects in Kazakhstan, totalling a capacity of 128 MWp. Specifically, the first Project ("Nomad") is a 28 MWp PV power plant located close to the village of Zhalagash in the Kyzylorda region and the second Project ("M-KAT") is a 100 MWp PV Power Plant located next to the village of Shu in the Zhambyl region. Both Projects will be the first PV power plants using single-axis trackers in Kazakhstan and are expected to enter operation by the end of 2019. Once completed, Nomad and M-KAT are expected to generate 225 GWh per year together, enough to supply the needs of about 40,000 Kazakh people while saving about 300,000 tons of CO2 per year. The total project cost for Nomad and M-Kat for Total Eren amounts to US$ 157 million.
- On 17.07.2020, MYTILINEOS S.A. announced commencement of the construction of the new electrical power plant. After completing all the required permitting procedures MYTILINEOS, leveraging off the expertise of its EPC Business Unit (under the brand name "METKA"), will begin construction one of the largest natural gas fired powered combined cycle (Combined Cycle Gas Turbine – CCGT) power stations in Europe within the fourth quarter of this year. The 826MW new CCGT station will be constructed within the company's Energy Center in Aghios Nikolaos, in the Voiotia region of Central Greece. The station will be operated by a GE H-Class gas turbine with a thermal efficiency of more than 63%, rendering the plant as the most efficient across Europe. The projected investment cost will be €300m. The new job creation will be mainly covered by local regional residents, as per MYTILINEOS' standard practice. The commissioning of the new plant is estimated toward the 4th quarter of 2021.
- On 12.08.2019, MYTILINEOS S.A. announced that its subsidiary METKA EGN has also signed a contract with Atacama Solar S.A., a subsidiary of the solar independent power producer Sonnedix, to undertake the EPC and O&M of the Atacama Solar II 170.65 MWp PV project located in the municipality of Pica, Tarapaca Region, in Chile. The scope of the project includes the engineering, procurement and construction (EPC) of the Atacama Solar II plant, as well as a contract for the operation and maintenance (O&M) services for two years. The project is expected to be completed in December 2020 and the production is estimated to cover the needs of more than 100,000 households, while contributing in the avoidance of the emission of around 200,000 metric tons of CO2 per year. The total cost of the investment for Sonnedix is of $ 180 mio (€ 160 mio).
- On 30.08.2019, MYTILINEOS S.A. announced that the Annual General Meeting of the Company's Shareholders, held on June 24, 2019, resolved, among others, to change the Company's business name from "MYTILINEOS HOLDINGS S.A." to "MYTILINEOS S.A." with the distinctive title "MYTILINEOS". On 17.07.2019 the Ministry of Finance and Development by its decision that was posted on the General Corporate Registry on the same day, approved the relevant amendment of the Company's articles of association. As of Tuesday, September 3rd, 2019 the Company's business name on the Athens Exchange changed to "MYTILINEOS S.A." with the distinctive title "MYTILINEOS".

- On 02.09.2019, MYTILINEOS S.A. announced that its subsidiary METKA EGN has entered an agreement for a 10-year electricity supply contract (PPA) with Coles, Australia's second largest super market chain. The electricity will derive exclusively from renewable sources. Specifically, 220 GW/h will be produced annually to power Australia's electricity system through three privately owned by METKA EGN photovoltaic parks in the New South Wales Region. With the use of solar energy, carbon dioxide emissions will be reduced by 180,000 tonnes per year. Coles' wide network of stores will cover 10% of its energy needs by purchasing 70% of the power generated by the three METKA EGN projects with total capacity of 120MW.
- On 22.11.2019, MYTILINEOS S.A. announced the successful pricing of its inaugural international offering (the “Offering”) of €500.0 million aggregate principal amount of 2.5% senior notes due 2024 (the “Notes”), at an issuance price of 100%, to be issued by its direct subsidiary, Mytilineos Financial Partners S.A.. The proceeds from the Offering will be used for general corporate purposes and to pay costs and expenses related to the Offering. The Offering is scheduled to settle on 29 November 2019, subject to the satisfaction of customary closing conditions. Citigroup Global Markets Limited, HSBC Bank plc and J.P. Morgan Securities plc are acting as Joint Physical Bookrunners, Credit Suisse Securities (Europe) Limited, Goldman Sachs International and Nomura International plc are acting as Joint Bookrunners and Alpha Bank A.E., Eurobank Ergasias S.A.¸ National Bank of Greece S.A. and Piraeus Bank S.A. are acting as Lead Managers in connection with the Offering.
- On 17.12.2019, MYTILINEOS S.A. announced the record date for the beneficiaries of interest payment for the fifth Interest Payment Period, according to the terms of the dated 27.06.2017 common bond loan issued by “MYTILINEOS S.A.”, i.e. from 27.06.2019 to 27.12.2019. The gross interest amount for the fifth Interest Payment Period, which corresponds to 300,000 bonds currently traded on the Athens Exchange, is euro 4,727,500.00 i.e. euro 15.7583333333 per bond and has been calculated at an annual interest rate of 3.10% (before tax). The payment of the accrued interest to the bondholders took place through the “Hellenic Central Securities Depositary S.A.” (ATHEXCSD) on Friday, December 27th, 2019.
- On 19.12.2019, MYTILINEOS S.A. announced a series of new battery energy storage systems (BESS) contracts for its subsidiary METKA EGN with its long-term client Gresham House in the United Kingdom. The new contracts include full turn-key engineering, procurement and construction (EPC) solutions for four new sites as well as expansion of the battery energy storage systems at four existing sites. Total installed capacity of the new projects exceeds 150MW, with more than 275MWh of new battery energy storage. These systems are supporting increased penetration of intermittent renewables into the energy mix. More specifically, they provide ancillary services necessary to ensure the reliability and stability of the grid, and to also generate revenues by storing energy at times of low demand and releasing it back to the grid when there is increased demand. The value of the new contracts amounts to approximately €105m.

These new BESS projects follow on from the similar projects completed in 2017 and 2018 for the same client, which provided Fast Frequency Response (FFR) and other ancillary services to the National Grid in the UK. Execution of the projects is already advanced, with one of the new sites and the expansions already completed, while the remainder of the portfolio will be completed in Q1 2020. Upon completion, METKA EGN will have installed battery energy storage systems in the United Kingdom with a total capacity of 230MW with energy storage of 315MWh, further strengthening its positioning as one of Europe's market leading solution providers for utility scale battery energy storage systems.

2. Basis for preparation of the financial statements and basic accounting principles

The consolidated financial statements of MYTILINEOS S.A. as of December 31st 2019 covering the entire 2019 fiscal year, have been compiled based on the historic cost principle as amended by the readjustment of specific asset and liability items into market values, the going concern principle and are in accordance with the International Financial Reporting Standards (IFRS) that have been issued by the International Accounting Standards Board (IASB) and their interpretations that have been issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

According to the IFRS, the preparation of the Financial Statements requires estimations during the application of the Group's accounting principles. Important admissions are presented wherever it has been judged appropriate.

The reporting currency is Euro (currency of the country of the domicile of the parent Company) and all amounts are reported in thousands unless stated otherwise.

2.1 Changes in Accounting Policies

The accounting principles and calculations based upon under the preparation of the consolidated financial statements are the same as those applied for the preparation of the annual consolidated financial statements for FY ended as at 31 December 2018 and successively applied to all the presented periods, apart from the below mentioned amendments, adopted by the Group as at 01/01/2019. The Group proceeded with the first time adoption of IFRS 16 "Leases". The nature and the effect of all the amendments are analyzed in the following paragraphs.

2.1.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2019.

IFRS 16 "Leases" (effective for annual periods starting on or after 01/01/2019)

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognise assets and liabilities arising from a lease. The effect of the new Standard in the consolidated and separate Financial Statements is analyzed in Note 2.1.3.

IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods starting on or after 01/01/2019)

In June 2017, the IASB issued a new Interpretation, IFRIC 23. IAS 12 "Income Taxes" specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The new Interpretation affects the calculation and accounting of income tax.

Amendments to IFRS 9: "Prepayment Features with Negative Compensation" (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met. The amendments do not affect the consolidated/ separate Financial Statements.

Amendments to IAS 28: "Long-term Interests in Associates and Joint Ventures" (effective for annual periods starting on or after 01/01/2019)

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The amendments do not affect the consolidated/ separate Financial Statements.

Annual Improvements to IFRSs – 2015-2017 Cycle (effective for annual periods starting on or after 01/01/2019)

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: IFRS 3 - IFRS 11: Previously held interest in a joint operation, IAS 12: Income tax consequences of payments on financial instruments classified as equity, IAS 23: Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019. The amendments do not affect the consolidated/ separate Financial Statements.

Amendments to IAS 19: "Plan Amendment, Curtailment or Settlement" (effective for annual periods starting on or after 01/01/2019)

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The amendments do not affect the consolidated/ separate Financial Statements.

2.1.2 New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

Revision of the Conceptual Framework for Financial Reporting (effective for annual periods starting on or after 01/01/2020)

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyzes the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on derecognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2020.

Amendments to References to the Conceptual Framework in IFRS Standards (effective for annual periods starting on or after 01/01/2020)

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2020.

Amendments to IAS 1 and IAS 8: "Definition of Material" (effective for annual periods starting on or after 01/01/2020)

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgements. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2020.

Amendments to IFRS 9, IAS 39 and IFRS 7: "Interest Rate Benchmark Reform" (effective for annual periods starting on or after 01/01/2020)

In September 2019, the IASB issued amendments to some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Interest Rate Benchmark reform. The amendments are designed to support the provision of useful financial information by companies during the period of uncertainty arising from the phasing out of interest – rate benchmarks such as interbank offered rates (IBORs). It requires companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The Group will examine the impact of the above on its Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2020.

Amendments to IFRS 3: "Definition of a Business" (effective for annual periods starting on or after 01/01/2020)

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2021)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2022)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. The Group will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

2.1.3 Changes in Accounting Policies

The group and the company proceeded with the adoption of IFRS 16 "leases" from 1 January 2019. IFRS 16 introduces a single model for the recognition of leases in the financial statements. By adopting the standard, the Group as a lessee recognizes in the statement of financial position rights of use of assets and lease obligations, the date when the leased fixed assets are made available for use. The accounting treatment of leases for the lessor remains the same as in IAS 17.

The group and the company applied IFRS 16 using the simplified method of transition. According to this method, the standard is applied retroactively with the cumulative effect of its application being recognized on 1 January 2019. According to the above, the comparative information of 2018 has not been reworded and presented in accordance with IAS 17. Changes in accounting policies regarding leases are analyzed below.

A. As a Lessee

The group and the company lease various assets such as plots, buildings, means of transport and machinery.

As a lessee, with the previous accounting policy, the group and the company classified leases as operating or financing based on the assessment if all risks and benefits related to ownership of a component of the Assets, irrespective of the final transfer or non-ownership of the title of the item. According to IFRS 16, the right to use assets and lease obligations is recognized for most of the leases to which it contracts as a tenant, except for small-value leases, the payments of which were registered with a fixed method in the statement of results throughout the duration of the lease.

The recognized rights to use assets are related to the following categories of assets and are presented in the "Right-of-use Assets":

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**12/31/2019**	**1/1/2019**	**12/31/2019**	**1/1/2019**
Right -of -use Land plots	11.980	12.299	12	16
Right -of -use Properties	33.258	37.189	31.911	35.813
Right -of -use Vehicles	2.819	3.202	2.384	2.784
Right -of -use Equipment	104	153	-	-
Right -of-use Assets	**48.160**	**52.843**	**34.307**	**38.613**

The group reflects the lease obligations on the "long term lease obligations" and "long term lease obligations payable to the next use" in the statement of financial position.

Significant Accounting Policies

Leases are recognized in the statement of financial position as a right to use an asset and a lease obligation, the date on which the leased fixed asset becomes available for use. Each rent is divided between the rental obligation and interest, which is charged to the results throughout the lease, in order to obtain a fixed interest rate for the remainder of the financial liability in each period.

The rights to use assets are initially measured at their cost, and then reduced by the amount of accumulated depreciation and any impairment. The right to use is depreciated in the shortest period between the useful life of the component or its duration, with the fixed method. The initial measurement of the rights of use of assets consists of:

- The amount of the initial measurement of the lease liability,
- Lease payments made on or before the commencement date, reduced by the amount of discounts or other incentives offered,
- Initial costs, which are directly linked to the rent,
- Recovery costs.

Finally, they are adjusted to specific recalculations of the corresponding lease liability.

Lease liabilities are initially calculated at the present value of rents, which were not paid at the start of the lease. Discounted at the imputed rate of the lease or, if this interest rate cannot be determined by the contract, with the differential lending rate

(IBR). The differential lending rate is the cost that the lessee would have to pay to borrow the necessary capital in order to obtain an item of similar value with the leased asset, in a similar economic environment and with similar terms and assumptions.

Lease liabilities include net present value of:

- Fixed leases (including any in-substance fixed leases)
- Variable leases, depending on the rate
- Residual value expected to be paid
- The price of an option to purchase the underlying asset, if the lessor is almost certain to exercise it
- Penalties for termination of a lease if the lessor chooses this option.

After their initial measurement, the lease obligations are increased by their financial cost and are reduced by the payment of rents. Finally, they are reassessed when there is a change: a) to rents due to a change of index, b) to the estimation of the amount of residual value, which is expected to be paid, or c) to the assessment of a choice of purchase or extension, which is relatively Certain that it will be exercised or a right of termination of the contract, which is relatively certain that it will not be practiced.

The group and the company during the transition made use of the following practical facilities provided by IFRS 16 for leases classified as functional, in accordance with IAS 17.

Use of previously made assessments under applying IAS 17 and IFRIC 4 to determine whether a contract contains a lease, or whether a contract is a lease on the date of initial application.

Use of accounting treatment of operating leases for leases with a maturity of under 12 months from 1 January 2019.

Use of a single discount rate on a lease portfolio with similar characteristics.

Excluding initial direct costs for measuring the right-of-use asset at the date of initial application.

B. As a lessor

When tangible assets are leased by leasing, the present value of rents is registered as a requirement. The difference between the gross amount of the claim and the present value of the claim is recorded as deferred financial income. The revenue from the lease is recognized in the usage results during the lease using the net investment method, which represents a constant periodic return. The group and the company do not contract with the status of lessor.

C. Effect on Financial Statements

Effect of IFRS 16 adoption within the period

(Amounts in thousands €)	MYTILINEOS GROUP	MYTILINEOS S.A.
Operating lease commitments disclosed on December 31, 2018	**77.911**	**51.699**
(Less): Leases outside the scope of IFRS 16	(2.775)	(2.775)
(Less): Short-term leases	(1.556)	-
Add / (less): Other adjustments	(811)	362
Total	**72.769**	**49.286**
Weighted average incremental borrowing rate as at 1.1.2019	4,51%	4,37%
Discounted operating lease commitments at 1.1.2019	52.481	38.614
Add / (less): Lease liabilities from repurchase	361	0
Lease Liabilities recognized on January 1, 2019	**52.843**	**38.613**
Long-term lease obligations	47.855	34.563
Short-term lease obligations	4.987	4.051
Total lease Liabilities on January 1, 2019	**52.843**	**38.613**

As a result of the first application of IFRS 16, in relation to leases previously classified as operational, the group recognized €48.1 m in 31/12/2019 Rights of use and €52.84 m Lease obligations while the company €34.3 m. and €38.6 m. respectively.

In addition, in relation to the above leases, the group acknowledged depreciation and financial expenses instead of leasing costs. For the annual period ended on 31/12/2019, the group recognized €6.6 million. depreciation and €2.4 m. financial expenses while the company €5.2 m. and €1.7 m. respectively.

(Amounts in thousands €)	up ot 1 year	1 to 5 years	after 5 years	Total
Lease payments	7.557	22.760	45.659	75.976
Finance charges	(2.202)	(7.015)	(16.930)	(26.146)
Net present values	**5.355**	**15.747**	**28.730**	**49.830**

MYTILINEOS GROUP

(Amounts in thousands €)	Right -of -use Land plots	Right -of -use Properties	Right -of -use Vehicles	Right -of -use Equipment	Right -of-use Assets
1/1/2019 - 1st application IFRS 16	**12.299**	**37.189**	**3.202**	**153**	**52.843**
Additions	746	559	1.406	-	2.711
Depreciation	(798)	(4.370)	(1.452)	(49)	(6.669)
Derecognition	(267)	(120)	(338)	-	(725)
12/31/2019	**11.980**	**33.258**	**2.819**	**104**	**48.160**

2.2 Significant accounting judgments, estimates and assumptions

Preparations of financial statements under IFRS requires the management to apply judgments, make estimates and use assumptions that affect publisized amounts of assets and liabilities as well as disclosures of contingent assets and liabilities as at the financial statements preparation date and publicized amounts of revenue and expenses for the reporting period. The actual results may differ from estimated.

Estimations are reassessed on an on-going basis and are based on both – past experience and other factors, such as expectations of future events deemed reasonable under the current conditions.

2.2.1 Judgments

The applied accounting principles and judgments of the management, apart from those pertaining to estimates, that have the most significant effect on the amounts, recognized in the financial statements, mainly pertain to the following:

- **Recoverability of receivables**

Allowances for doubtful receivables are based on historical date on recoverability of receivables and take into account the expected credit risk. The method, applied by Company, facilitates calculating the expected credit losses over the life of its receivables. The methods is used on past experience, but is adapted in order to reflect projections for the future financial condition of customers and economic environment. Balancing historical data and future financial conditions with the expected credit losses requires applying significant estimates. The amount of the allowance is recognized as an expense in other operating expenses in the income statement.

- **Obsolesce of inventory**

Adequate allowances are made for obsolete, useless and slow moving inventory. Impairment in net realizable value of inventory and other losses are recorded in the income statement for the period when incurred.

2.2.2 Estimates and assumptions

Estimating specific amounts, included or affecting financial statements and related disclosures required making assumptions in respect of values or circumstances that can not be known with certainty at the time of financial statements preparation. Significant accounting estimate is defined as an estimate significant to the company's financial position and results, which requires the most difficult, subjective or complex management judgments, often arising from the need to make estimates regarding the effect of assumptions that are uncertain. The Group assesses such assumptions on an on-going basis, taking into close consideration historical data and experience, discussions with experts, current trends and other methods considered appropriate, under the effective conditions, in line with the projections as to how the change in the future.

Significant accounting estimates and judgments of the Management applied under the preparation of the current financial statements are consistent with those applied in the annual financial statements as of December 31st 2017. The following issues are to be noted following the above and in particular, regarding the financial statements as of 31/12/2018:

- **Goodwill impairment estimates**

The Group tests goodwill for potential impairment on annual basis and whenever events or circumstances indicate that impairment may be effective (ex. a major adverse change in the corporate environment or a decision to sell or dispose of a reporting unit). Determining whether an impairment is effective requires valuation of the respective reporting unit, estimated applying a discounted cash flow method. When deemed available and as appropriate, comparative market multiples are applied in order to verify the results arising from discounted cash flows. When applying the particular method, the Management relies on a number of factors, including actual operating results, future business plans, economic projections and market data.

Should this analysis indicates the existence of goodwill impairment, its measurement requires estimating fair value of every identified tangible or intangible asset. In this case, cash flow approach is applied, as recorded above, by independent appraisers, whenever deemed appropriate.

Other identified intangible assets with defined useful lives, subject to amortization, are tested for impairment through comparing the carrying amount to the aggregation of undiscounted cash flows expected to be generated by the asset. Intangible assets with indefinite lives are tested for impairment on annual basis applying a fair value method such as discounted cash flows.

The Group tests goodwill for impairment annually, in accordance with the accounting principles recorded in Note 3.3. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations, which require the use of accounting estimates.

- **Budgeting of construction contracts**

The accounting treatment of revenues and expenses of a construction contract depends on whether the final result of the contract can be estimated reliably (and is expected to generate profit or loss for the beneficiary). When the result of a construction contract can be estimated reliably then all the respective revenues and expenses related to the contract are recognized during the term of the contract. The Group uses the percentage of completion method to determine the appropriate amount of the respective revenue and expense to be recognized in every period. The percentage of completion is calculated as the contracted cost realized over the total budgeted cost of construction for each project. Therefore, significant management estimates are required with regard to the gross result regarding the completed construction (estimated cost of execution).

- **Income tax**

The Group and the Company are subject to income tax in numerous tax jurisdictions. Significant estimates are required while determining provisions for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognize liabilities for anticipated tax audit issues based on estimates of the extent, to which additional taxes will be imposed. When the final tax outcome of these matters is different from the initially recorded amount, such differences will affect the income tax and provisions for deferred tax in the period when the aforementioned amounts have been determined.

- **Provisions for rehabilitation of environment**

The Group operates in the sectors of Metallurgy, Integrated Construction & Infrastructures, Electricity and Natural Gas Trading. The environmental impacts, potentially to be generated by the aforementioned activities, may cause rehabilitation costs. For the determination of environmental rehabilitation costs and the time they may occur , the Group performs the relevant analyzes and makes assessments using specialized technical and legal consultants. The Group makes a provision in its financial statements for the estimated environmental rehabilitation costs when these are considered probable.

- **Contingent liabilities**

In the ordinary course of its business operations, the Group gets involved in litigations and claim. The Management estimates that none of the resulting settlements would materially affect the financial position of the Group as at December 31, 2018. However, determining contingent liabilities relating to litigations and claims is a complex procedures, involving s judgments as to potential outcomes and interpretation of legislations and regulations.

2.3 Discontinued Operations

The Company Mytilineos S.A. which resulted from the merger of its subsidiaries METKA, ALUMINUM OF GREECE, PROTERGIA and PROTERGIA THERMO AGIOS NIKOLAOS presents separately the result from discontinued operations as described below.

In 2009, applying IFRS 5 "Non-current assets held for sale & discontinued operations", the assets and liabilities of the subsidiary company SOMETRA S.A. were presented separately, regarding which a decision was made on January 26, 2009 on temporary suspension of the production activity of the Zinc-Lead production plant in Romania, and presents also the amounts recognized in the income statement separately from continuing operations. Given the global economic recession, there were no feasible scenarios for the alternative utilization of the aforementioned financial assets.

Consequently, since 2011, by applying par. 13 of IFRS 5 “Non-current assets Held for Sale” Zinc-Lead («SOMETRA S.A.») production ceases to be an asset held for sale and is considered as an asset to be abandoned. The assets of its operations returned to continuing operations while at the same time, it continued to show separately the result of the discontinued operation in the income statement.

On 31/12/2015, SOMETRA S.A., contributed the Zinc-Lead activity, through a spin – off process, to its newly established subsidiary Reycom Recycling S.A. (REYCOM). The said spin - off is part of the "Mytilineos Group" restructuring process, regarding the Zinc-Lead discontinued operation, targeting on the production of Zn & Pb oxides through the development of a recycling operation of metallurgical residues.

Within the same frame, on 29/11/2016 the cross-border merger of the subsidiary REYCOM and the subsidiary company ALUMINUM OF GREECE (ATE) was completed.

2.4 Consolidation

(a) Subsidiaries: Subsidiaries are entities (including special purpose entities) in which the Group holds more than half of the voting rights or has the ability to direct the financial and operating principles followed.
The existence of potential voting rights that are exercisable at the time the financial statements are prepared, is taken into account in order to determine whether the parent exercises control over the subsidiaries.

Subsidiaries are consolidated completely (full consolidation) using the purchase method from the date that control over them is acquired and cease to be consolidated from the date that control no longer exists.
The acquisition of a subsidiary by the Group is accounted for using the purchase method. The paragraph "2.8 Intangible Assets - Goodwill" presents the accounting treatment of goodwill. The acquisition cost of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The individual assets, liabilities and contingent liabilities that are acquired during a business combination are valued during the acquisition at their fair values regardless of the participation percentage. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is immediately transferred to the income statement.

Inter-company transactions, balances and unrealized profits from transactions between Group companies are eliminated in consolidation. Unrealized losses are also eliminated except if the transaction provides indication of impairment of the transferred asset. The accounting principles of the subsidiaries have been amended so as to be in conformity to the ones adopted by the Group.

Transactions with minorities: For the accounting of transactions with minority, the Group applies the accounting principle based on which such transactions are handled as transactions with third parties beyond the Group. The sales towards the minority create profit and losses for the Group, which are booked in the results. The purchases by the minority create goodwill, which is the difference between the price paid and the percentage of the book value of the equity of the subsidiary acquired.

(b) Associates: Associates are companies on which the Group can exercise significant influence but not "control" and which do not fulfill the conditions to be classified as subsidiaries or joint ventures. The assumptions used by the group imply that holding a percentage between 20% and 50% of a company's voting rights suggests significant influence on the company. . Investments in associates are initially recognized at cost and are subsequently valued using the Equity method. At the end of each period, the cost of acquisition is increased by the Group's share in the associates' net assets change and is decreased by the dividends received from the associates.

Any goodwill arising from acquiring associates is contained in the cost of acquisition. Whether any impairment of this goodwill occurs, this impairment decreases the cost of acquisition by equal charge in the income statement of the period.

After the acquisition, the Group’s share in the profits or losses of associates is recognized in the income statement, while the share of changes in reserves is recognized in Equity. The cumulated changes affect the book value of the investments in associated companies. When the Group’s share in the losses of an associate is equal or larger than the carrying amount of the investment, including any other doubtful debts, the Group does not recognize any further losses, unless it has guaranteed for liabilities or made payments on behalf of the associate or those that emerge from ownership.
Unrealized profits from transactions between the Group and its associates are eliminated according to the Group’s percentage ownership in the associates. Unrealized losses are eliminated, except if the transaction provides indications of impairment of the transferred asset. The accounting principles of the associates have been adjusted to be in conformity to the ones adopted by the Group.

(c) Investments in joint ventures: Investments in joint ventures are classified according to IFRS 11” Joint Arrangements”, or “Joint Operation”, or “Joint Venture”. The classification is based upon each participating parties’ rights and obligations arising from the joint arrangement. The Group by assessing the nature and the special characteristics of the investments, classifies, as at 31/12/2017, an investment in joint venture recognized based on the equity method.
Investments in joint ventures according to the equity method are initially recognized at cost and are then adjusted to the Group's share of profits or losses and other comprehensive income of the joint ventures. When the Group's share of losses of a joint venture is equal to or exceeds its interest in that joint venture, the Group does not recognize any further losses unless it has entered into commitments or has made payments on behalf of the joint venture.
Unrealized gains on transactions between the Group and joint ventures are eliminated by the Group's participation in the joint ventures. Unrealized losses are also eliminated unless there is evidence of the transaction for impairment of the asset transferred.

2.5 Segment reporting

MYTILINEOS Group consists of three main operating business segments: a) Metallurgy and Mining, b) EPC and Infrastructure and c) Electric power and gas trading. According to IFRS 8 - Operating Segments, the management monitors the operating result of each business segment individually for decision making regarding resources allocation and performance appraisal.

2.6 Foreign currency translation

(a) Functional currency and presentation currency

The measurement of the items in the financial statements of the Group’s companies is based on the currency of the primary economic environment in which the Group operates (operating currency). The consolidated financial statements are reported in euros, which is the operating currency and the reporting currency of the parent Company and all its subsidiaries.

(b) Transactions and balances

Transactions in foreign currencies are converted to the operating currency using the rates in effect at the date of the transactions.

Profits and losses from foreign exchange differences that result from the settlement of such transactions during the period and from the conversion of monetary items denominated in foreign currency using the rate in effect at the balance sheet date are posted to the results. Foreign exchange differences from non-monetary items that are valued at their fair value are considered as part of their fair value and are thus treated similarly to fair value differences.

The Group's foreign activities in foreign currency (which constitute an inseparable part of the parent's activities), are converted to the operating currency using the rates in effect at the date of the transaction, while the asset and liability items of foreign activities, including surplus value and fair value adjustments, that arise during the consolidation, are converted to euro using the exchange rates that are in effect as at the balance sheet date.

(c) The Group's companies

Operating results and equity of all Group's companies (excluding those opening in hyperinflationary economies), that their operating currency is not the same as Group's, are translated to Group's presentation currency as follows:

(i) Assets and liabilities are presented and translated according to the exchange rate at the balance sheet date.

(ii) Sales and expenses of the Profit and Loss statement are translated according to the average exchange rate of the balance sheet period.

(iii) Foreign exchange differences arising from the above are registered at equity account "Translation Reserve".

Goodwill and fair value revaluation arising from subsidiary acquisition, operating abroad, are registered as assets/liabilities at subsidiary accounts and are converted according to fixing rate at each time.

2.7 Tangible assets

Fixed assets are reported in the financial statements at acquisition cost or deemed cost, as determined based on fair values as at the transition dates, less accumulated depreciations and any impairment suffered by the assets. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.

Subsequent expenditure is added to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Group and their cost can be accurately and reliably measured. The repair and maintenance cost is booked in the results when such is realized.

Depreciation of tangible fixed assets (other than Land which are not depreciated) is calculated using the straight line method over their useful life, as follows:

Buildings	25-35 years
Mechanical equipment	4-30 years
Vehicles	4-10 years
Other equipment	4-7 years

The residual values and useful economic life of tangible fixed assets are subject to reassessment at each balance sheet date. When the book value of tangible fixed assets exceeds their recoverable amount, the difference (impairment) is immediately booked as an expense in the income statement.

Upon sale of the tangible fixed assets, any difference between the proceeds and the book value are booked as profit or loss to the results. Expenditure on repairs and maintenance is booked as an expense in the period they occur.

Self-constructed tangible fixed assets constitute an addition to the acquisition cost of tangible assets at a value that includes the direct cost of employee's salaries (including the relevant employer's contributions), the cost of materials used and other general costs.

2.8 Intangible assets - Goodwill

The intangible assets include Goodwill, the rights of use of Property, plant and equipment, software licenses, licenses for the production, installation and operation of renewable energy assets and thermal energy assets, the environment rehabilitation expenditure.

Software Software licenses are valued in cost of acquisition less accumulated depreciation. Costs that improve or prolong the performance of software programs beyond the original technical specifications or software conversion costs are included in the cost of acquiring intangible assets with a prerequisite that they can be measured reliably. Maintenance of software programs is recognized as an expense when the expense is incurred. Software licenses are valued in cost of acquisition less accumulated depreciation. Depreciation is calculated using the straight line method during the assets' useful life that range from 1 to 3 years.

Production, Installation and Operation Licenses of Renewable Energy Assets and Thermal Energy Assets: The different types of licenses entitles the group either with the right to construct an energy asset or the right to produce and sell energy. Current market conditions provide adequate evidence about the recoverable amount of such licenses.

The Group, upon acquisition, recognized these permits as intangible assets at their fair value and then measured them using the cost model, according to which the asset is measured at cost (which is the acquisition cost of the asset value as described above) less depreciation and any impairment provision. Therefore the Group has recognized licenses as intangible assets at fair value less depreciation and less any provision for impairment. Depreciation is carried out using the straight-line method over the useful life of those items, which is 30 years for gas-fired power plants and 20 years for renewable electricity. The Group runs impairment tests on a yearly basis using the following methodology:

i) Attach possibility factors according to management estimation regarding the construction of assets under license.

ii) Runs Discounted Cash Flows (DCF) methodology using assumptions prevailing at the energy market. The period regarded by the management for provisions exceeds the five years encouraged by IAS 36 as, especially for the renewable energy assets, there is satisfactory visibility for a substantially longer period.

iii) The final recoverable amount is calculated for a total portfolio of either renewable or thermal energy assets by multiplying the overall possibility factor with the outcome of the DCF valuation.

iv) Finally, the Group compares the recoverable value calculated to be the value-in-use of the assets with their carrying amounts.

When the recoverable value is less than the carrying amount an equal impairment provision is charged to the income statement.

Legal rights to explore mines: The legal rights to explore mines concern rights that the group has acquired mining mineral reserves in several geographical areas. In cost of the mining rights, apart from nominal value of the rights, any cost that relates to the initial evaluation of the rehabilitation cost of the area where work has been done, the commitment of the Group either during the acquirement of the right or as a result of its use for a certain time period. The depreciation time period that is adopted by the Group does not exceed 10 years.

Right of Use of Tangible Assets:. Rights of exploitation of tangible assets that are granted in the frames of conventions of manufacture of work (compensative profits) are valued in cost of acquisition, which equals their fair value at the date of their concession, less accumulated depreciation. Depreciation is calculated using the “production units method”.

Research and Development Expenses: Research and Development expenditures are recognized as expenses when they are realized. The expenses which arise from the developing programs (related to the design and the test of new or improved products) are capitalized if it is possible to produced future economic benefit. The other development expenditures are booked as an expense in the results when they are realized. Previous years’ development expenditures recognized as expenses, can not be capitalized in the future fiscal years. The capitalized development expenses are depreciated from the beginning of the product’s economic life using the straight line method during the period of the product’s future economic benefits. The Group’s depreciation period doesn’t exceed the 5 years.

Land Stripping & Restoration expenses: Land Stripping & Restoration expenses are capitalized and amortized using the unit of production method.

Goodwill on Acquisition: is the difference between the asset's acquisition cost and fair value and the net assets of the subsidiary / associate company as at the acquisition date. During the acquisition date, the company recognizes this surplus value, emerged from acquisition, as an asset and presents it in cost. This cost is equal to the amount by which the acquisition cost exceeds the company's share in the net assets of the acquired company.

After the initial recognition, the surplus value is valued at cost less any accumulated impairment losses. The surplus value is not depreciated, but is reviewed on an annual basis for possible decrease in its value (impairment), if there are events that indicate such a loss according to IAS 36.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. A cash generated unit is the smallest identifiable group of assets generating cash inflows independently and represents the level used by the Group to organise and present each activities and results in its internal reporting. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount (typically the value in use) of the cash-generating units is less than their carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods. The Group performs its annual impairment test of goodwill as at 31 December.

In the case where acquisition cost is less than the company's stake in the acquired company's net assets, the former recalculates the acquisition cost and valuates the assets, liabilities and contingent liabilities of the acquired company. Any difference prevailing after the recalculation is recognized directly in the income statement as a profit.

2.9 Impairment of Assets

Assets with an indefinite useful life are not depreciated and are subject to an impairment review annually and when some events suggest that the book value may not be recoverable any resulting difference is charged to the period's results. Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater between the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or cash generating unit- CGU) is greater than its recoverable amount.

Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

2.10 Financial instruments

i) Initial recognition

A financial asset or financial liability is recognized in the statement of financial position of the Group when it arises or when the Group becomes part of the contractual terms of the financial instrument.

Financial assets are classified at initial recognition and are subsequently measured at amortized cost at fair value through other comprehensive income and fair value through profit or loss.

Initially, the Group measures financial assets at fair value. Trade receivables (which do not contain significant financial assets) are carried at transaction price.

If a financial asset is to be classified and measured at amortized cost or at fair value through comprehensive income, it shall generate cash exclusively pertaining to capital and interest repayments of the initial capital. The business model applied by the Group for the purposes of managing financial assets refers to the way in which it manages its financial capabilities in order to generate cash flows. The business model determines whether cash flows will arise from collecting contractual cash flows, disposal of financial assets, or both. Acquisition or disposal of financial assets that require delivery of assets within a timeframe specified by a regulation or a contract is recognized as at the transaction date, i.e. as at the date when the Group makes a commitment to acquire or to dispose of the asset.

ii) Classification and subsequent measurement

To facilitate subsequent measurement purposes, financial assets are classified into the following categories:

a) Financial assets at fair value through profit and loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated at initial recognition at fair value through profit or loss, or financial assets that are required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for sale or repurchase in the near future. Derivatives, including embedded derivatives, are also classified as held for trading, unless they are defined as effective hedging instruments. Financial assets with cash flows referring not only to capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

b) Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met: (1) the financial asset is held in order maintain financial assets for the purposes of collecting contractual cash flows; and (2) the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital.

Financial assets which are measured at amortized cost, subsequently apply the Effective Interest Rate Method (EIR) and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

c) Financial assets at fair value through total comprehensive income

Upon initial recognition, the Group may decide to irrevocably classify its investment participations as equity instruments designated at fair value through total comprehensive income when they meet the definition of equity and are not held for trading. Classification is determined per financial instrument. Profits and losses from these financial assets are never recycled to profits or losses. Equity instruments designated at fair value through total comprehensive income are not subject to impairment test. The Group has decided to classify its non-listed shares into this category.

iii) Derecognition

A financial asset is derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has undertaken the commitment to fully pay the cash flows received without significant delay to a third party under an arrangement and has either (a) transferred substantially all the risks and the assets of the asset or (b) has neither transferred nor held substantially all the risks and estimates of the asset but has transferred the control of the asset.

iv) Impairment

The Group recognizes provision for impairment for expected credit losses regarding all financial assets not measured at fair value through profit or loss. Expected credit losses are based on the balance between all the payable contractual cash flows and all discounted cash flows that the Group expects to receive.

Regarding trade receivables, the Group applies simplified approach in order to calculate expected credit losses. Therefore, at every reporting date, provision for losses regarding a financial instrument is measured at an amount equal to the expected credit losses over its lifetime without monitoring changes in credit risk.

2.11 Fair value determination

Fair value of financial assets traded on active markets (stock exchanges) is determined by the quoted prices effective as at the balance sheet date. Fair value of financial assets not traded on active markets is determined applying valuation techniques and assumptions based on market data at the end of the reporting period.

2.12 Inventory

Inventories are valued at the lower of acquisition cost and net realizable value. The cost of finished and semi-unfinished products includes all the costs incurred to locate them at their current storage and processing point and consists of raw materials, labor, general industrial costs and packaging costs. The cost of inventories is determined by operating segment and by their nature, using acceptable measurement methods that are consistent with the financial statements preparation framework. The cost of inventories does not include financial expenses.

Net realizable value is the estimated sales price during the normal course of the company's business less any relevant sales expenses. Provision for slow moving or depreciated stocks is made when deemed necessary.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in the bank and in hand as well as short term highly liquid investments such as money market products and bank deposits and overdrafts, as well as other high liquidity investments that are directly convertible to specific amounts of cash that are subject to a non-significant risk of change in value.

For the purpose of preparing the consolidated statements of cash flows, cash available include cash and balances with banks as well as cash as stated above.

2.14 Long-term assets held for sale and discontinued operations

The Group classifies a long-term asset or a group of assets and liabilities as held for sale if their value is expected to be recovered principally through the disposal of the items and not through their use.

The key prerequisites for the classification of a long-term asset or a group of assets (assets and liabilities) as held for sale are the asset or the group available for direct sale in their current state and the completion of the sale depends only on from normal and formal conditions for sales of such items and the sale should be highly probable.

Immediately prior to the initial classification of the asset or group of assets and liabilities as held for sale, the asset (or all of the assets and liabilities included in the group) are measured using the IFRS applicable in each case.

Long-term assets (or groups of assets and liabilities) classified as held for sale are valued (after initial classification as above) at the lower of their value in the financial statements and their fair value less direct costs disposal, and the resulting impairment losses are recognized in the income statement. Potential increase in fair value in a subsequent measurement is recognized in the income statement but not in excess of the impairment loss initially recognized.

From the date when a long-term asset (or long-term assets included in a group of assets and liabilities) is classified as held for sale, no depreciation is accounted for on such long-term assets.

2.15 Share capital

Expenses incurred for the issuance of shares reduce, after deducting the relevant income tax, the proceeds from the issue. Expenses related to the issuance of shares for the purchase of companies are included in the acquisition cost of the company acquired. Where any Group company purchases the Company’s equity share capital (Treasury shares), the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to the Company’s equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs, is included in equity attributable to the Company’s equity holders. Treasury stock does not hold any voting rights.

2.16 Income tax & deferred tax

The tax for the period comprises current income tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to Equity. In such case the related tax is, accordingly, booked directly to Equity.

Current income taxes include the short-term liabilities or receivables from the fiscal authorities that relate to taxes payable on the taxable income of the period and any additional income taxes from previous periods (tax audit differences).

Current taxes are measured according to the tax rates and tax laws prevailing during the financial years to which they relate, based on the taxable profit for the year. All changes to the short-term tax assets or liabilities are recognized as part of the tax expense in the income statement.

Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets or liabilities. Deferred tax is not booked if it results from the initial recognition of an asset or liability in a transaction, except for a business combination, which when it occurred did not affect neither the accounting nor the tax profit or loss.

Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up until the balance sheet date. In the event where it is impossible to identify the timing of the reversal of the temporary differences, the tax rate in effect on the day after the balance sheet date is used.

Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences that result from investments in subsidiaries and associates, except for the case where the reversal of the temporary differences is controlled by the Group and it is possible that the temporary differences will not be reversed in the foreseeable future.

Most changes in the deferred tax assets or liabilities are recognized as part of the tax expense in the income statement. Only changes in assets or liabilities that affect the temporary differences are recognized directly in the Equity of the Group, such as the revaluation of property value that results in the relevant change in deferred tax assets or liabilities being charged against the relevant Equity account.

2.17 Employee benefits

Short-term benefits

Short-term employee benefits (except post-employment benefits) monetary and in kind are recognized as an expense when they accrued. Any unpaid amount is booked as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future payments or to reimbursement.

Benefits for employment termination

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group's liabilities for retirement benefits concern both defined contribution plans and defined benefit plans. The accrued cost of defined contribution plans is recognized as an expense in the period in question. Retirement plans adopted by the Group are funded partly through payments to insurance companies or state social insurance funds.

Defined contribution plan

According to the defined contributions scheme, the (legal or implied) obligation of the company is limited to the amount that it has been agreed that it will contribute to the entity (i.e. pension fund) that manages the contributions and provides the benefits. Thus the amount of benefits the employee will receive depends on the amount the company will pay (or even the employee) and from the paid investments of such contributions. The payable contribution from the company to a defined contribution scheme, is either recognized as a liability after the deduction of the paid contribution, or as an expense.

Defined benefits plan

According to laws 2112/20 and 4093/2012 the Company pays to their personnel benefits for employment termination or retirement. The benefits are related to, employment years, remuneration amount and whether the employment was terminated or due to retirement. The maturity of the right to participate to these schemes, usually depends upon service years of the employee till retirement.

The liability that is reported in the balance sheet with respect to this scheme is the present value of the liability for the defined benefit less the fair value of the scheme's assets (if there are such) and the changes that arise from any actuarial profit or loss and the service cost. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the projected unit credit method. For discounting 2016 the selected interest rate is related to the tendency of iBoxx AA Corporate Overall 10+ EUR indices, consistent to IAS19 guidelines and suitable for long term provisions that consists of bonds corresponding to the currency and the duration relative to employees' benefits.

A defined contribution scheme, defines based on several parameters such as age, service years, remuneration amount, certain obligations for defined benefits. The provisions relating to the period are included in personnel cost at company and Group P&L statements and consist of current and past employment cost, the pertinent financial cost, the actuarial gain or loss as well as any additional charges. Regarding not recognized actuarial gain or loss, amended IAS19R is adopted, that includes a series of amendments regarding accounting treatment of defined benefits scheme, amongst other:

- recognition of actuarial profit/(loss) in other comprehensive income statement
- non-recognition of annual return on benefits scheme in profit and loss accounts
- recognition of interest rate in liability account based on discount rate used in employee compensation program.

2.18 Grants

The Group recognizes Government Grants that cumulatively satisfy the following criteria: a) There is reasonable certainty that the company has complied or will comply to the conditions of the grant and b) it is probable that the amount of the grant will be received. Government Grants are booked at fair value and are systematically recognized as revenues according to the principle of matching the grants with the corresponding costs that they are subsidizing.

Government Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenues over the useful life of the fixed asset.

2.19 Provisions

Provisions are recognized when the Group has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated. Provisions are reviewed during the date when each balance sheet is compiled so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation. Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources that embody economic benefits is very small. Contingent claims are not recognized in the financial statements but are disclosed provided that the inflow of economic benefits is probable.

2.20 Recognition of income and expenses

Income: Income includes the fair value of goods and services sold, net of Value Added Tax, discounts and returns. Intercompany revenue within the Group is eliminated completely. The recognition of revenue is done as follows:

- **Construction Projects Contracts:** Construction contracts refer to the construction of assets or a group of affiliated assets specifically for customers according to the terms provided for in the relevant contracts and whose execution usually lasts for a period of over one fiscal year.

The expenses that refer to the contract are recognized when occur.

Revenue from construction contracts is recognized based on the stage of completion of the project on the reporting date of the Statement of Financial Position.

The completion stage is measured based on the contractual cost that has been realized up to the balance sheet date compared to the total estimated construction cost of each project. When it is likely for the total contract cost to exceed the total income, then the expected loss is directly recognized in the period’s results as an expense.

For the calculation of the cost realized until the end of the period, any expenses related to future activities regarding the contract are excluded and appear as a project under construction. The total cost that was realized and the profit/loss that was recognized for each contract is compared with the progressive invoices until the end of the period.

When the realized expenses plus the net profit (less the losses) that have been recognized, exceed the progressive invoices, the difference appears as a receivable from construction contract customers in the account “Customers and other receivables”. When the progressive invoices exceed the realized expenses plus the net profit (less the losses) that have been recognized, the balance appears as a liability towards construction contract customers in the account “Suppliers and other liabilities”.

In cases where initial estimates may change, revenue, costs and / or completion rates are revised. These revisions may lead to increases or decreases in estimated earnings or costs and are presented in the results of the period in which the reasons for the revision are disclosed by the Management.

- Sale of goods: Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of the Group's operations, net of discounts, VAT and other taxes related to sales. The Group recognizes in the income statement the sale of the goods at the moment when the benefits and risks associated with the ownership of those goods are transferred to the client.

- Provision of services: Income from the provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services to be rendered.

- Electric energy:

Revenue from electricity generation: Electricity sales are recognized on the date when the relevant risks are transferred to the buyer, namely, according to the monthly electricity production provided to the Greek network and confirmed by the Energy Exchange Group and DAPEEP (ex LAGIE) (Operators of the Electricity Market) and ADMIE (Independent Power Transmission Operator). Revenue also includes ancillary services received from ADMIE.

Revenue from cross-border trade: Revenues from the sale of electricity to the domestic and foreign markets are based on the monthly measurements of the System Operators, Energy Exchange Group (ex LAGIE) (Greece) and the managers of other countries, which are announced to the Group. These monthly measurements include the total of imported and exported quantities sold to domestic and foreign markets. For these quantities sold, the Group issues the corresponding invoices every month.

Revenue from retail electricity sales: Revenues from electricity sales in the retail market are recognized during the period in which electricity is provided to customers and is measured on a monthly basis, according to the ADMIE and HEDNO measurements for medium voltage customers and with estimates based on the historical consumption that HELLENIC ELECTRICITY DISTRIBUTION NETWORK OPERATOR S.A. (HEDNO) announces for low voltage customers. Based on these measurements provided by ADMIE and HEDNO projections containing unit consumption and in conjunction with the contractual terms, each customer receives a monthly bill per meter. For low-voltage customers, the bills are up to HEDNO to send the actual consumption of the period, and then a clearing account is issued.

- **Income Interest**: Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial real interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.

- **Dividends**: Dividends are accounted for as revenue when the right to receive payment is established.

Expenses: Expenses are recognized in the results on an accrued basis. The payments made for operating leases are transferred to the results as an expense, during the time the lease is used. Interest expenses are recognized on an accrued basis.

2.21 Leases

Group company as Lessee: Leases of fixed assets with which all the risks and benefits related with ownership of an asset are transferred to the Group, regardless of whether the title of ownership of the asset is eventually transferred or not, are finance leases.

These leases are capitalized at the inception of the lease at the lower of the fair value of the asset and the present value of the minimum lease payments. Each lease payment is apportioned between the reduction of the liability and the finance charge so that a fixed interest rate on the remaining financial liability is achieved. The relevant liabilities from leases, net of financial expenses, are reported as liabilities. The part of the financial expense that relates to finance leases is recognized in the income statement during the term of the lease. Fixed assets acquired through finance leases are depreciated over the shorter of their useful life and the lease term.

Lease agreements where the lessor transfers the right of use of an asset for an agreed period of time, without transferring, however, the risks and rewards of ownership of the fixed asset are classified as operating leases. Payments made with respect to operating leases (net of any incentives offered by the lessor) are recognised in the income statement proportionately throughout the term of the lease.

Group Company as lessor: When fixed assets are leased through financial leasing, the present value of the lease is recognized as a receivable. The difference between the gross amount of the receivable and its present value is registered as a deferred financial income. The income from the lease is recognized in the period’s results during the lease using the net investment method, which represents a constant periodic return.

Fixed assets that are leased through operating leases are included in the statements of financial position’s tangible assets. They are depreciated during their expected useful life on a basis consistent with similar self-owned tangible assets. The income from the lease (net of possible incentives given to the lessees) is recognized using the constant method during the period of the lease.

2.22 Dividend distribution

The distribution of dividends to the shareholders of the parent company is recognized as a liability in the consolidated financial statements at the date on which the distribution is approved by the General Meeting of the shareholders.

2.23 Proforma figure "Operating Earnings before Financial & Investment results, Tax, Depreciation & Amortization" (Group EBITDA)

Pro forma figures (EBITDA, EBITDA margin, free cash flow, net debt) are not governed by the International Financial Reporting Standards (IFRS). Thus, these figures are calculated and presented by the Group in a way that provides a more fair view of the financial performance of its Business Sectors. The Group defines "Group EBITDA" as the Operating Earnings before any interest income and expenses, investment results, depreciation, amortization and before the effects of any special factors. "Group EBITDA" is an important indicator used by Mytilineos Group to manage the Group's operating activities and to measure the performance of the individual segments.

The special factors that affect the Group's net profit / (losses) and EBITDA are the following:
a)The Group's share in the EBITDA of associates when these are active in one of its reported Business Segments.

b)The Group's share on the profit from the construction of fixed assets on account of subsidiaries and associates when these are active in one of its reported Business Segments.

It is noted that the Group financial statements, prepared according to IAS 1 and IAS 28, include:
The Group's profit realized in connection with the construction of fixed assets on account of subsidiaries and associates, when these are active in one of its reported Business Segments. Such profits are deducted from the Group's equity and fixed assets and released in the Group accounts over the same period as depreciation is charged. Consequently, for the calculation of EBITDA (operational results before depreciation), the Group does not eliminate the profit from the construction of fixed assets as its recovery through their use will effect only the profit after depreciation.

The Group states that the calculation of "Group EBITDA" may differ from the calculation method used by other companies/groups. However, "Group EBITDA" is calculated with consistency in each financial reporting period and any other financial analysis presented by the Group. Specifically financial results contain interest income/expense, while investment results contain gains/loss of financial assets at fair value through profit and loss, share of results in associates companies and gains/losses from the disposal of financial assets (such as subsidiaries and associates).

2.24 CO_2 emission liability

CO_2 emissions are recognized according to the net liability approach through which, the Group recognizes liabilities from CO_2 emissions when the actual emissions exceed the distributed emission rights from E.U. The liability is measured at fair value to the extent that the Group has the obligation of covering the deficit through the market. Emission rights acquired over the required quantities for covering the deficit are recognized as intangible assets at cost.

2.25 Hedging Accounting

The Group uses Derivative financial instruments such as Commodity Futures and Currency Forwards in order to mitigate the risk related to its business activities along with the risk related to the funding of such activities.
At inception of the hedging transaction, the Group validates the hedging relationship between the underlying and the hedging instrument as far as its risk management strategy is concerned. The Group also verifies the hedging efficiency from the beginning of the hedging relationship and on a continuing basis.
All derivative financial instruments are initially recognized at fair value as at the date of settlement and are valued on a mark - to - market basis on each balance sheet date. The result of this valuation is recognized as an asset when positive and as a liability when negative.
When a derivative financial instrument is no longer regarded as hedging instrument any difference in its fair value is recognized in profit and loss.

There are three kinds of hedges:

A. Fair Value Hedging

Fair value hedging is regarded when hedging the exposure in the fluctuations of the fair value of a recognized asset, liability, contingent liability or part of them that could have a negative impact on results.
When hedging accounting, concerning fair value hedge, is followed then any profit or loss from revaluation is recognized in profit and loss. For non-derivative hedging instruments used to hedge foreign currency risk, only the foreign currency item in its book value will be recognized in profit or loss - the entire instrument needs to be re-measured. The gain or loss on the hedged item attributable to the hedged risk should be recognized directly in the income statement to offset the change in the carrying amount of the hedging instrument. This applies to items recognized at cost and available-for-sale financial assets. Any compensation ineffectiveness is recognized directly in the income statement.

B. Cash Flow Hedging

The Group enters into Cash Flow Hedging transactions in order to cover the risks that cause fluctuations in its cash flows and arise either from an asset or a liability or a forecasted transaction and the change will affect the results. Examples of Group cash flow hedges include future foreign currency transactions subject to exchange rate changes as well as future sales of aluminum subject to changes in selling prices. Changes in the carrying amount of the effective part of the hedging instrument are recognized in Equity as "Reserve" while the ineffective portion is recognized in the Income Statement. The amounts accrued in equity are transferred to the income statement in the periods in which the hedged items are recognized in the income statement as in a prospective sale. When a hedging instrument has expired, sold, settled or does not qualify for hedging accounting all accumulated profit or loss recognized in Equity, stays in Equity until the final settlement of the underlying. If the underlying is not expected to be settled then any profit or loss recognized in Equity is transferred to profit and loss account.

C. Hedging of a Net Investment

Hedging of a foreign investment is regarded for accounting purposes in a way similar to cash flow hedging.

The effective part of the hedging result is recognized directly in Equity while any ineffective part is recognized in profit and loss. Accumulated profit or loss recognized in Equity is transferred in profit and loss account at the time of disposal of the investment.

2.26 Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the shareholders of the parent with the weighted average number of ordinary shares outstanding during each accounting period, excluding the average of ordinary shares acquired as treasury shares.

The weighted average number of ordinary shares outstanding during the accounting period and for all the periods presented is adjusted for events that have altered the number of ordinary shares in circulation without a corresponding change in resources.

3. Notes on the financial Statements

3.1 Segment reporting

MYTILINEOS Group is active in three main operating business segments: Metallurgy and Mining, EPC & Infrastructure and Power & Gas. In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. Each of these operating segments is managed separately as each of these service lines requires different technologies and other resources as well as marketing approaches. The Group's activities, which do not meet the criteria and the quantitative thresholds of IFRS 8, in order to form a reportable operating segment, are aggregated and reported under the category "Others".

The Group has applied IFRS 5 "Non Current Assets Available for Sale & Discontinued Operations" and present separately the results of the discontinued operations of the subsidiary company SOMETRA S.A.

The totals that are presented in the following tables, reconcile to the related accounts of the consolidated financial statements.

Segment's results are as follows:

(Amounts in thousands €) *1/1-31/12/2019*	Metallurgy Continuing Operations	Metallurgy Discontinuing Operations	EPC & Infrastructure	Power & Gas	Others	Discontinuing Operations	Total
Total Gross Sales	616.411	662	750.875	1.139.342	8.001	(662)	2.514.629
Intercompany sales	(22.196)	-	(85.120)	(143.221)	(8.001)	-	(258.538)
Inter-segment sales							-
Net Sales	**594.215**	**662**	**665.755**	**996.121**	**-**	**(662)**	**2.256.091**
Earnings before interest and income tax	**129.232**	**(2.680)**	**44.373**	**48.828**	**(3.170)**	**2.680**	**219.263**
Financial results							(40.274)
Investment Results							776
Profit before income tax	**98.605**	**-2.775**	**42.557**	**39.940**	**(1.245)**	**2.684**	**179.766**
Assets depreciation	35.043	143	6.554	52.083	(77)	(143)	93.603
Other operating included in EBITDA			289				289
Oper.Earnings before income tax,financial results,depreciation and amortization (EBITDA)	**164.274**	**(2.538)**	**51.217**	**100.914**	**(3.250)**	**2.538**	**313.155**

(Amounts in thousands €) *1/1-31/12/2018*	Metallurgy Continuing Operations	Metallurgy Discontinuing Operations	EPC & Infrastructure	Power & Gas	Others	Discontinuing Operations	Total
Total Gross Sales	566.198	1.337	386.247	727.293	8.910	(1.337)	1.688.648
Intercompany sales	(16.697)	-	(18.917)	(119.219)	--	-	(162.134)
Inter-segment sales							-
Net Sales	**549.501**	**1.337**	**367.330**	**608.074**	**1.609**	**(1.337)**	**1.526.514**
Earnings before interest and income tax	**133.478**	**(3.585)**	**49.509**	**19.219**	**2.018**	**3.585**	**204.224**
Financial results							(37.709)
Investment Results							401
Profit before income tax							**166.917**
Assets depreciation	32.460	82	4.697	41.155	350	(82)	78.662
Other operating included in EBITDA			673				673
Oper.Earnings before income tax,financial results,depreciation and amortization	**165.955**	**-3.503**	**54.859**	**60.373**	**2.372**	**3.503**	**283.559**

Segment's assets and liabilities are as follows:

(Amounts in thousands €)	Metallurgy	EPC & Infrastructure	Power & Gas	Others	Total
31/12/2019					
Assets	1.234.969	1.399.979	1.136.236	386.735	4.157.919
Consolidated assets	1.234.969	1.399.979	1.136.236	386.735	4.157.919
Liabilities	653.890	605.386	611.191	653.582	2.524.049
Consolidated liabilities	653.890	605.386	611.191	653.582	2.524.049

(Amounts in thousands €)	Metallurgy	EPC & Infrastructure	Power & Gas	Others	Total
31/12/2018					
Assets	961.586	1.180.901	962.100	236.407	3.340.994
Consolidated assets	961.586	1.180.901	962.100	236.407	3.340.994
Liabilities	486.845	428.848	485.883	378.369	1.779.945
Consolidated liabilities	486.845	428.848	485.883	378.369	1.779.945

Regional Information

Revenues from external customers have been identified on the basis of the customer's geographical location. The Group's Sales and its non-current assets (other than financial instruments, investments, deferred tax assets and post-employment benefit assets) are divided into the following geographical areas:

MYTILINEOS GROUP

(Amounts in thousands €)	Sales 31/12/2019	Sales 31/12/2018	Non current assets 31/12/2019	Non current assets 31/12/2018
Hellas	1.299.919	827.382	1.537.406	1.518.423
European Union	499.277	366.101	19.536	20.418
Other Countries	456.895	333.031	10.374	47.535
Regional Analysis	**2.256.091**	**1.526.514**	**1.567.315**	**1.586.376**

(Amounts in thousands €)	Metallurgy		EPC & Infrastructure	Power & Gas	Other	Discontinuing Operations	Total
	Continuing Operations	Discontinuing Operations					
31/12/2019							
Hellas	220.785	-	116.584	970.551	-8.001	-	1.299.919
European Union	322.426	662	160.387	16.464	-	(662)	499.277
Other Countries	51.004	-	388.784	9.106	8.001	-	456.895
Total	**594.215**	**662**	**665.755**	**996.121**	**0**	**(662)**	**2.256.091**

(Amounts in thousands €)	Metallurgy		EPC & Infrastructure	Power & Gas	Other	Discontinuing Operations	Total
	Continuing Operations	Discontinuing Operations					
31/12/2018							
Hellas	150.027	-	108.387	568.968	1	-	827.383
European Union	316.003	1.337	27.392	22.708	-	(1.337)	366.103
Other Countries	83.471	-	231.551	16.398	1.608	-	333.028
Total	**549.501**	**1.337**	**367.330**	**608.074**	**1.609**	**(1.337)**	**1.526.514**

Group Sales per activity:

Sales (Amounts in thousands €)	31/12/2019	31/12/2018
Alumina	145.342	175.816
Aluminium	442.354	370.021
EPC & Infrastructure	254.209	242.496
Solar Parks	388.192	85.173
Energy Supply	387.399	258.133
Energy Production	320.448	271.296
Natural Gas Supply	246.258	50.790
RES	42.015	27.856
Discontinuing Operations	(662)	(1.337)
O&M & Other Sales	30.536	46.270
Sales	**2.256.091**	**1.526.514**

It should be noted that Group's backlog of the existing projects amounts to €914.8 mio. In the following table is shown the revenue expected to be recognized.

(Amounts in thousands €)	up to 1 year	1-3 years	3-5 years	Total
Revenue expected to be recognized	383.760	479.067	51.134	913.962
Total	**383.760**	**479.067**	**51.134**	**913.962**

** The amount of € 420 mio concerning the backlog of Deir Azzur project is not included in the above table. For the aforementioned project the Group has already announced the pause of the construction on site.*

3.2 Tangible assets

MYTILINEOS GROUP

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	411.872	1.519.595	39.578	97.849	2.068.895
Accumulated depreciation and/or impairment	(99.141)	(802.387)	(28.776)	(1.812)	(932.115)
Net Book Value as at 1/1/2018	**312.732**	**717.209**	**10.802**	**96.037**	**1.136.779**
Gross Book Value	424.136	1.571.030	41.091	103.233	2.139.490
Accumulated depreciation and/or impairment	(107.228)	(857.748)	(30.916)	(1.812)	(997.704)
Net Book Value as at 31/12/2018	**316.909**	**713.282**	**10.175**	**101.421**	**1.141.786**
Gross Book Value	441.519	1.647.684	42.172	66.013	2.197.386
Accumulated depreciation and/or impairment	(115.808)	(925.483)	(33.403)	(1.812)	(1.076.507)
Net Book Value as at 31/12/2019	**325.710**	**722.200**	**8.769**	**64.201**	**1.120.880**

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Net Book Value as at 1/1/2018	**312.732**	**717.209**	**10.802**	**96.037**	**1.136.779**
Additions	1.705	31.133	940	64.945	98.723
Sales - Reductions	(1.055)	(21.360)	(4)	(304)	(22.723)
Depreciation	(8.211)	(60.667)	(2.217)	0	(71.095)
Reclassifications	10.924	46.048	664	(60.456)	(2.819)
Net Foreign Exchange Differences	814	919	(10)	1.198	2.921
Net Book Value as at 31/12/2018	**316.909**	**713.282**	**10.175**	**101.421**	**1.141.786**
Additions From Acquisition/Consolidation Of Subsidiaries	3.768	1.728	24	0	5.520
Additions	1.405	29.321	466	64.418	95.610
Sales - Reductions	(764)	(9.207)	0	(36.226)	(46.197)
Depreciation	(8.618)	(65.481)	(2.159)	0	(76.258)
Reclassifications	12.764	52.569	277	(66.172)	(563)
Net Foreign Exchange Differences	247	(11)	(14)	760	982
Net Book Value as at 31/12/2019	**325.710**	**722.200**	**8.769**	**64.201**	**1.120.880**

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(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Gross Book Value	303.381	1.199.591	36.170	15.869	1.555.012
Accumulated depreciation and/or impairment	(59.206)	(666.679)	(26.292)	0	(752.178)
Net Book Value as at 1/1/2018	**244.175**	**532.912**	**9.878**	**15.869**	**802.834**
Gross Book Value	306.289	1.222.949	37.337	29.618	1.596.193
Accumulated depreciation and/or impairment	(64.901)	(706.200)	(28.233)	0	(799.334)
Net Book Value as at 31/12/2018	**241.387**	**516.749**	**9.105**	**29.618**	**796.859**
Gross Book Value	311.992	1.245.708	37.867	47.883	1.643.450
Accumulated depreciation and/or impairment	(70.598)	(744.732)	(30.187)	0	(845.517)
Net Book Value as at 31/12/2019	**241.394**	**500.976**	**7.680**	**47.883**	**797.933**

(Amounts in thousands €)	Land & Buildings	Vehicles & mechanical equipment	Furniture and other equipment	Tangible assets under construction	Total
Net Book Value as at 1/1/2018	**244.175**	**532.912**	**9.878**	**15.869**	**802.834**
Additions	380	18.994	538	26.430	46.342
Sales - Reductions	0	0	0	(150)	(150)
Depreciation	(5.802)	(44.201)	(1.968)	0	(51.971)
Reclassifications	2.529	9.035	661	(12.531)	(306)
Net Foreign Exchange Differences	105	10	(5)	0	109
Net Book Value as at 31/12/2018	**241.387**	**516.749**	**9.105**	**29.618**	**796.859**
Additions	330	25.710	253	30.247	56.540
Sales - Reductions	0	(1.473)	0	0	(1.473)
Depreciation	(5.696)	(46.341)	(1.954)	0	(53.992)
Reclassifications	5.373	6.332	277	(11.982)	0
Net Book Value as at 31/12/2019	**241.394**	**500.976**	**7.680**	**47.883**	**797.933**

Depreciation charged in profit and loss is analyzed in notes 3.19 and 3.20.

3.3 Goodwill

3.3.1 Changes in goodwill

Goodwill is allocated to the group's cash-generating units identified according to business segment for 2018 and 2019.

(Amounts in thousands €)	Metallurgy	Constructions	Energy	Continuing Operations (Total)	Total Segment
Gross Book Value	12.889	142.166	54.258	209.313	209.313
Impairment	0	0	0	0	0
Net Book Value as at 1/1/2018	**12.889**	**142.166**	**54.258**	**209.313**	**209.313**
Gross Book Value	12.889	142.166	54.258	209.313	209.313
Impairment	0	0	0	0	0
Net Book Value as at 31/12/2018	**12.889**	**142.166**	**54.258**	**209.313**	**209.313**
Gross Book Value	16.319	144.100	54.258	214.677	214.677
Impairment	0	0	0	0	0
Net Book Value as at 31/12/2019	**16.319**	**144.100**	**54.258**	**214.677**	**214.677**

(Amounts in thousands €)	Metallurgy	Constructions	Energy	Continuing Operations (Total)	Total Segment
Net Book Value as at 1/1/2018	**12.889**	**142.166**	**54.258**	**209.313**	**209.313**
Additions	0	0	0	0	0
Sales - Reductions	0	0	0	0	0
Net Book Value as at 31/12/2018	**12.889**	**142.166**	**54.258**	**209.313**	**209.313**
Additions	3.430	1.934	0	5.364	5.364
Net Book Value as at 31/12/2019	**16.319**	**144.100**	**54.258**	**214.677**	**214.677**

3.3.2 Impairment test on goodwill

Goodwill arising from acquisition, has been allocated in the following Cash Generating Units (CGU) per business operating sector :

(Amounts in thousands €) **Goodwill allocated per segment**	31/12/2019	31/12/2018
Metallurgy and Mining	16.319	12.889
EPC and Infrastructure	144.100	142.166
Electric Power & Gas Trading	54.258	54.258
Total	**214.677**	**209.313**

For the annual impairment test on goodwill, the recoverable amount of each segment is as follows:

(Amounts in thousands €) Recoverable amount per Segment	31/12/2019	31/12/2018
Metallurgy and Mining	836.319	724.858
EPC and Infrastructure	1.156.199	864.439
Electric Power & Gas Trading	912.910	881.631
Total	**2.905.428**	**2.470.929**

The Group performs annually impairment tests for goodwill.

The recoverable amount of the recognized goodwill, related with the separate CGU's, was assessed using value in use and calculated using the DCF method. The "value in use" was determined based on management's assumptions, which management deems reasonable and are based on estimates from international rating agencies on Financial Statement's issue date. No need for impairment arose from impairment tests.

3.3.3 Assumptions used in calculation of Value in Use

The recoverable amount of each CGU is determined according to the calculation of the value in use. The calculations for the CGU's recoverable amount were based on the present value of the expected future cash flows. The basic estimates the Group uses to determine the value in use divide in:

- **Market prices estimations**:
  - Metal/Mineral prices at LME for the metallurgy sector
  - Exchange rate between $/€ for the metallurgy/constructions/energy sectors
  - CO2 prices for the metallurgy and energy sector
  - Gas and BRENT prices for the metallurgy/energy sectors

- **Operating estimations**:
  - Raw material prices and equipment for the metallurgy/constructions sectors
  - Technical KPI's for the production plants of metallurgy and energy sectors
  - Project milestones and completion percentage of construction sector
  - Cost and time of major inspections for the metallurgy/energy sectors

- Capacity rate and total demand of energy system for the energy sector

- **Business plan per CGU:**
  - Business plans are drawn up over a maximum of 5 years. Cash flows over 5 years are deduced using the estimates of growth rates listed below.
  - Business plans are based on recently prepared budgets and estimates. Business plans use operating profit margins and EBITDA, as well as future estimates using reasonable assumptions.
  - Concerning projects in the electricity and natural gas sector, these projects extend over a period equal to the duration of the relevant licences (20 years).
  - Concerning projects in the field of integrated projects and infrastructures, these projects extend over a period of 9-10 years. The reasons are related to the characteristics of EPC thermal constructions, which (together with metal constructions) are the core business of the business sector. In particular, future projects are mainly located in African countries, regional countries of the former Soviet Union and Middle East countries. Management estimates that the market for EPC projects in these countries is changing, boosting interest in projects where the manufacturer takes a Partner role by participating in financing the construction and recovering the liquidity provided through the project's future operational cash flows. The total completion and repayment cycle of the projects has been set at 9-10 years.
  - Calculations to determine the recoverable amount of operating segments were based on business plans approved by the Management, which included the necessary revisions to capture the current economic situation and reflect past experience, sectoral projections and other available information from external sources.

- **Weighted Average Cost of Capital (WACC):**

The WACC method reflects the discount rate of future cash flows for each CGU, according to which the cost of equity and the cost of long-term debt and any grants are weighted, in order to calculate the cost of capital of the company. Since all cash flows of the business plans are denominated in euro, the yield of ten-year German government bond was used as the risk-free rate. Assumptions of independent sources were taken into account for the calculation of the risk premium.

Betas are evaluated annually based on published market data. The Company’s WACC was estimated at 7.25%.

Apart from the above considerations concerning the determination of the value in use of CGUs, no other changes that may affect the rest of the assumptions have come to the Management's attention.

The Group analyzed the sensitivity of the recoverable amounts per CGU through change in a percentage point of 0.5% in the discount rate. From the relevant analysis there is no amount of impairment.

3.4 Intangible Assets

MYTILINEOS GROUP					
(Amounts in thousands €)	Software	Land Restoration	Licenses	Other Intangible Assets	Total
Gross Book Value	10.691	66.485	229.036	49.386	355.598
Accumulated depreciation and/or impairment	(9.752)	(50.205)	(30.325)	(29.800)	(120.082)
Net Book Value as at 1/1/2018	**939**	**16.280**	**198.711**	**19.586**	**235.517**
Gross Book Value	11.128	70.120	231.172	53.361	365.781
Accumulated depreciation and/or impairment	(10.100)	(51.810)	(36.349)	(32.245)	(130.503)
Net Book Value as at 31/12/2018	**1.028**	**18.310**	**194.823**	**21.116**	**235.277**
Gross Book Value	11.309	73.077	231.672	62.385	378.443
Accumulated depreciation and/or impairment	(10.454)	(54.136)	(43.989)	(38.105)	(146.685)
Net Book Value as at 31/12/2019	**855**	**18.941**	**187.683**	**24.280**	**231.758**

(Amounts in thousands €)	Software	Land Restoration	Licenses	Other Intangible Assets	Total
Net Book Value as at 1/1/2018	**939**	**16.280**	**198.711**	**19.586**	**235.517**
Additions	133	3.635	110	4.125	8.003
Sales - Reductions	0	0	(2.558)	(638)	(3.196)
Depreciation	(350)	(1.605)	(3.465)	(2.446)	(7.866)
Reclassifications	306	0	2.026	488	2.819
Net Foreign Exchange Differences	0	0	0	1	1
Net Book Value as at 31/12/2018	**1.028**	**18.310**	**194.823**	**21.116**	**235.277**
Additions	164	2.957	812	7.473	11.406
Additions From Acquisition/Consolidation Of Subsidiaries	1	0	0	45	46
Sales - Reductions	0	0	(4.401)	(812)	(5.212)
Depreciation	(339)	(2.326)	(3.554)	(4.103)	(10.322)
Reclassifications	0	0	3	560	563
Net Book Value as at 31/12/2019	**855**	**18.941**	**187.683**	**24.280**	**231.758**

MYTILINEOS S.A.

(Amounts in thousands €)	Software	Land Restoration	Licenses	Other Intangible Assets	Total
Gross Book Value	10.208	0	101.746	15.665	127.619
Accumulated depreciation and/or impairment	(9.343)	0	(22.572)	(6.587)	(38.502)
Net Book Value as at 1/1/2018	**865**	**0**	**79.174**	**9.078**	**89.117**
Gross Book Value	10.521	0	101.746	19.496	131.763
Accumulated depreciation and/or impairment	(9.652)	0	(25.916)	(8.678)	(44.245)
Net Book Value as at 31/12/2018	**870**	**0**	**75.830**	**10.818**	**87.518**
Gross Book Value	10.566	0	101.754	25.802	138.122
Accumulated depreciation and/or impairment	(9.938)	0	(29.260)	(12.356)	(51.554)
Net Book Value as at 31/12/2019	**628**	**0**	**72.494**	**13.446**	**86.568**

(Amounts in thousands €)	Software	Land Restoration	Licenses	Other Intangible Assets	Total
Net Book Value as at 1/1/2018	**865**	**0**	**79.174**	**9.078**	**89.117**
Additions	8	0	0	3.831	3.839
Depreciation	(309)	0	(3.344)	(2.090)	(5.743)
Reclassifications	306	0	0	0	306
Net Book Value as at 31/12/2018	**870**	**0**	**75.830**	**10.818**	**87.518**
Additions	45	0	8	7.116	7.168
Sales - Reductions	0	0	0	(810)	(810)
Depreciation	(286)	0	(3.344)	(3.678)	(7.309)
Net Book Value as at 31/12/2019	**628**	**0**	**72.494**	**13.446**	**86.568**

Amortization charged in profit and loss is analyzed in notes 3.19 and 3.20.

3.5 Investments on subsidiaries

MYTILINEOS S.A.

(Amounts in thousands €)	31/12/2019	31/12/2018
Total Opening	**239.415**	**238.935**
Additions	28.566	480
Merge Through Acquisition Of Subsidiary	9.075	0
Total	**277.056**	**239.415**

Below the investments of MYTILINEOS S.A. per subsidiary as at 31/12/2019:

(Amounts in thousands €)	31/12/2019	31/12/2018
EPC AND INFRASTRUCTURE SECTOR SUBSIDIARIES	8.809	6.797
ELECTRIC POWER SECTOR SUBSIDIARIES	230.497	206.422
METALLURGY AND MINING SECTOR SUBSIDIARIES	27.743	17.509
METKA INDUSTRIAL - CONSTRUCTION S.A. (ex ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.)	165	165
PROTERGIA AGIOS NIKOLAOS S.A. OF GENERATION AND SUPPLY OF ELECTRICITY (ex ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.)	165	165
ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME (EX OSTENITIS S.A.)	60	60
MNG TRADING SA	2.320	1.000
MYTILINEOS FINANCIAL PARTNERS S.A.	2.000	2.000
GENIKI VIOMICHANIKI S.A.	145	145
MYTILINEOS FINANCE S.A.	405	405
SOMETRA S.A.	4.747	4.747
Total	**277.056**	**239.415**

3.5.1 Important non-controlling interests

On the table below, the analysis of the non-controlling interests in Group's Subsidiaries:

SUBSIDIARY	% of NCI		Total comprehensive income allocated to NCI		Accumulated NCI	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018
KORINTHOS POWER S.A.	35,0%	35,0%	1.807	442	41.776	39.977
ZEOLOGIC SA	40,0%	0,0%	(150)	0	(105)	0

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The summarized financial statements of the Group's subsidiary companies before intragroup eliminations :

	CORINTHOS POWER S.A.		ZEOLOGIC S.A.	
(Amounts in thousands €)	*31/12/2019*	*31/12/2018*	*31/12/2019*	*31/12/2018*
Non-current assets	239.552	251.461	539	0
Current assets	53.198	38.315	745	0
Total assets	**292.750**	**289.776**	**1.284**	**0**
Non-current liabilities	126.657	130.960	306	0
Current liabilities	46.733	44.594	1.242	0
Total liabilities	**173.390**	**175.554**	**1.547**	**0**
Equity attibutable to owners of the parent	77.584	74.245	(158)	0
Non-controlling interests	41.776	39.977	(105)	0
(Amounts in thousands €)	*31/12/2019*	*31/12/2018*	*31/12/2019*	*31/12/2018*
Sales	164.688	146.236	337	0
Profit of the year attributable to owners of the parent	3.355	821	(224)	0
Profit for the year attibutable to NCI	1.807	442	(150)	0
Profit for the year	**5.162**	**1.263**	**(374)**	**0**
Other comprehensive income for the year	(25)	(12)	0	0
Total comprehensive income for the year attributable to owners of the parent	3.339	813	(224)	0
Total comprehensive income for the year attributable to NCI	1.798	437	(150)	0
Total comprehensive income for the year	**5.137**	**1.251**	**(374)**	**0**
(Amounts in thousands €)	*31/12/2019*	*31/12/2018*	*31/12/2019*	*31/12/2018*
Net cash from operating activities	25.878	19.112	24	0
Net cash used in investins activities	(3.497)	(2.056)	(51)	0
Net cash from financing activities	(10.634)	(6.005)	295	0
Net (decrease)/increase in cash and cash equivalents	**11.748**	**11.051**	**268**	**0**

3.6 Investments in associate companies

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Total Opening	**23.773**	**23.372**	**17.212**	**17.212**
Share Of Profit/Loss (After Taxation & Minority Interest)	776	401	0	0
Additions	81	0	0	0
Merge Through Acquisition Of Subsidiary	(604)	0	0	0
Investments In Associates	**24.026**	**23.773**	**17.212**	**17.212**

The Group participates in associate companies, which due to significant influence are classified as associates and consolidated by equity method in the consolidated financial statements (the activity and percentage of participation are presented in note 3.6.1). These associate companies are not listed in any Stock Exchange market and therefore there are no market values.

3.6.1 Interests in Associates

Group's Financial Statements include, with the equity method, the following companies incorporated: THERMOREMA S.A. 40% (31.12.2018: 40%), FTHIOTIKI ENERGY S.A. 35,0% (31.12.2018: 35,0%), IONIA ENERGY S.A. (BUSINESS ENERGY TRIZINIA S.A. is included) 49% (31.12.2018: 49%), IPS S.A. 10% (31.12.2018: 10%). The Group based on the immaterial contribution of the above mentioned associate companies at earnings before taxes notifies below a summarized Income Statement:

(Amounts in thousands €)				
ASSOCIATE	**% Participation**	**Sales**	**Profit / (Loss) Of The Period**	**Share Of Profit / (Loss) For The Period**
THERMOREMA S.A.	40%	1.704	1.167	467
FTHIOTIKI ENERGY S.A.	35%	823	260	91
ELEMKA SAUDI	41%	70	(243)	(100)
IONIA ENERGY S.A.	49%	2.669	842	413
INTERNATIONAL POWER SUPPLY AD	10%	5.080	(945)	(94)
		10.345	**1.081**	**776**

3.7 Deferred tax

	MYTILINEOS GROUP						
	1/1/2019				31/12/2019		
(Amounts in thousands €)	At 1st January	Recognised In Profit Or Loss	Recognised In Other Comprehensive Income	Deferred Tax Impact From Disposal Of Subsidiary	As At 31 December	Deferred Tax Asset	Deferred Tax Liability
Non - Current Assets							
Intangible Assets	(26.470)	(998)	0	(4)	(27.472)	0	(27.472)
Tangible Assets	(47.554)	(8.447)	(1)	(55)	(56.057)	0	(56.057)
Right-of-use Assets	0	(10.814)	0	0	(10.814)	0	(10.814)
Other Financial Assets	(3)	0	0	0	(3)	0	(3)
Long-Term Receivables	(5.635)	(136)	0	0	(5.771)	0	(5.771)
Investment to subsidiaries	(12.050)	75	0	0	(11.975)	0	(11.975)
Current Assets	**(91.712)**	**(20.320)**	**(1)**	**(59)**	**(112.092)**	**0**	**(112.092)**
Inventories	(29)	0	0	0	(29)	0	(29)
Construction Contracts	41.069	(5.494)	0	0	35.575	35.575	0
Receivables	232	(2.962)	0	150	(2.581)	0	(2.581)
Financial Assets Available for Sale	0	0	0	0	0	0	0
Financial Assets at fair value	54	(2)	0	0	52	52	0
Reserves	**41.326**	**(8.458)**	**0**	**150**	**33.017**	**35.627**	**(2.610)**
Reserves' defer tax liability	(55.709)	28.451	0	0	(27.258)	0	(27.258)
Actuarial Gain/Losses	29	0	3	0	32	32	0
Long-term Liabilities	**(55.680)**	**28.451**	**3**	**0**	**(27.226)**	**32**	**(27.258)**
Employee Benefits	2.378	148	14	0	2.541	2.541	0
Subsidies	69	0	0	0	69	69	0
Long-Term Loans	(1.696)	929	0	43	(724)	0	(724)
Other Long-Term Liabilities	(10.714)	14.482	0	0	3.768	3.768	0
Short-Term Liabilities	**(9.963)**	**15.559**	**14**	**43**	**5.654**	**6.378**	**(724)**
Provisions	(4.468)	(71)	(25)	0	(4.563)	0	(4.563)
Contingent Liabilities	7.220	0	0	0	7.220	7.220	0
Employee Benefits	239	(35)	7	96	307	307	0
Liabilities From Derivatives	(6.654)	(32)	7.763	0	1.077	1.077	0
Liabilities From Financing Leases	(57)	1.667	0	17	1.627	1.627	0
Other Short-Term Liabilities	(11.012)	(2.166)	0	0	(13.178)	0	(13.178)
Other Contingent Defer Taxes	11.877	0	0	0	11.877	11.877	0
Total	**(2.855)**	**(637)**	**7.745**	**113**	**4.367**	**22.108**	**(17.741)**
Offsetting	**0**	**0**	**0**	**0**	**0**	**36.864**	**(36.864)**
Deferred Tax From Tax Losses	**49.798**	**(37.914)**	**0**	**0**	**11.884**	**11.884**	**0**
Deferred Tax (Liability)/Receivables	**(69.086)**	**(23.319)**	**7.761**	**247**	**(84.396)**	**112.893**	**(197.289)**

MYTILINEOS GROUP

(Amounts in thousands €)	1/1/2018 At 1st January	Recognised In Profit Or Loss	Recognised In Other Comprehensive Income	Deferred Tax Impact From Disposal Of Subsidiary	31/12/2018 As At 31 December	Deferred Tax Asset	Deferred Tax Liability
Non - Current Assets							
Intangible Assets	(31.246)	4.776	0	0	(26.470)	0	(26.470)
Tangible Assets	(51.991)	4.430	4	0	(47.557)	0	(47.557)
Right-of-use Assets	0	0	0	0	0	0	0
Other Financial Assets	(3)	0	0	0	(3)	0	(3)
Long-Term Receivables	(5.771)	136	0	0	(5.635)	0	(5.635)
Investment to subsidiaries	(12.050)	0	0	0	(12.050)	0	(12.050)
Current Assets	**(101.060)**	**9.342**	**4**	**0**	**(91.715)**	**0**	**(91.715)**
Inventories	(29)	0	0	0	(29)	0	(29)
Construction Contracts	40.437	632	0	0	41.069	41.069	0
Receivables	(2.213)	2.445	0	0	232	232	0
Financial Assets Available for Sale	0	0	0	0	0	0	0
Financial Assets at fair value	63	(9)	0	0	54	54	0
Reserves	**38.258**	**3.068**	**0**	**0**	**41.326**	**41.355**	**(29)**
Reserves' defer tax liability	(58.760)	3.051	0	0	(55.709)	0	(55.709)
Actuarial Gain/Losses	27	2	0	0	29	29	0
Long-term Liabilities	**(58.733)**	**3.053**	**0**	**0**	**(55.680)**	**29**	**(55.709)**
Employee Benefits	3.169	(789)	(1)	0	2.379	2.379	0
Subsidies	69	0	0	0	69	69	0
Long-Term Loans	(807)	(890)	0	0	(1.696)	0	(1.696)
Other Long-Term Liabilities	(10.862)	148	0	0	(10.714)	0	(10.714)
Short-Term Liabilities	**(8.431)**	**(1.531)**	**(1)**	**0**	**(9.962)**	**2.448**	**(12.410)**
Provisions	(4.392)	(74)	(2)	0	(4.468)	0	(4.468)
Contingent Liabilities	7.220	0	0	0	7.220	7.220	0
Employee Benefits	348	(110)	2	0	240	240	0
Liabilities From Derivatives	13.768	(53)	(20.368)	0	(6.654)	0	(6.654)
Liabilities From Financing Leases	(57)	0	0	0	(57)	0	(57)
Other Short-Term Liabilities	(13.018)	2.006	0	0	(11.012)	0	(11.012)
Other Contingent Defer Taxes	11.877	0	0	0	11.877	11.877	0
Total	**15.746**	**1.769**	**(20.369)**	**0**	**(2.854)**	**19.337**	**(22.191)**
Offsetting	**0**	**0**	**0**	**0**	**0**	**30.062**	**(30.062)**
Deferred Tax From Tax Losses	**57.303**	**(7.505)**	**0**	**0**	**49.798**	**49.798**	**0**
Deferred Tax (Liability)/Receivables	**(56.917)**	**8.196**	**(20.365)**	**0**	**(69.086)**	**143.029**	**(212.116)**

MYTILINEOS S.A.

(Amounts in thousands €)	1/1/2019 At 1st January	Recognised In Profit Or Loss	Recognised In Other Comprehensive Income	Deferred Tax Impact From Disposal Of Subsidiary	31/12/2019 As At 31 December	Deferred Tax Asset	Deferred Tax Liability
Non - Current Assets							
Intangible Assets	(25.120)	(960)	0	0	(26.080)	509	(26.589)
Tangible Assets	(52.876)	1.682	0	0	(51.194)	185	(51.379)
Right-of-use Assets	0	(8.050)	0	0	(8.050)	0	(8.050)
Other Financial Assets	0	0	0	0	0	0	0
Long-Term Receivables	136	(136)	0	0	0	0	0
Investment to subsidiaries	0	0	0	0	0	0	0
Current Assets	**(77.860)**	**(7.464)**	**0**	**0**	**(85.324)**	**694**	**(86.018)**
Inventories	0	0	0	0	0	0	0
Construction Contracts	37.005	(5.019)	0	0	31.986	31.986	0
Receivables	(2.938)	(642)	0	0	(3.580)	327	(3.907)
Financial Assets Available for Sale	0	0	0	0	0	0	0
Financial Assets at fair value	57	(2)	0	0	55	55	0
Reserves	**34.124**	**(5.663)**	**0**	**0**	**28.461**	**32.368**	**(3.907)**
Reserves' defer tax liability	(59.105)	28.451	0	0	(30.655)	0	(30.655)
Actuarial Gain/Losses	16	0	0	0	16	16	0
Long-term Liabilities	**(59.089)**	**28.451**	**0**	**0**	**(30.639)**	**16**	**(30.655)**
Employee Benefits	2.788	150	12	0	2.951	2.951	0
Subsidies	0	0	0	0	0	0	0
Long-Term Loans	20	(28)	0	0	(8)	228	(236)
Other Long-Term Liabilities	(2.546)	7.278	0	0	4.733	7.362	(2.630)
Short-Term Liabilities	**262**	**7.400**	**12**	**0**	**7.676**	**10.541**	**(2.866)**
Provisions	893	(8)	(19)	0	866	972	(106)
Contingent Liabilities	0	0	0	0	0	0	0
Employee Benefits	669	(16)	1	0	654	654	0
Liabilities From Derivatives	(6.731)	0	7.763	0	1.031	1.031	0
Liabilities From Financing Leases	0	960	0	0	960	960	0
Other Short-Term Liabilities	(10.553)	(1.817)	0	0	(12.370)	11.664	(24.034)
Other Contingent Defer Taxes	0	0	0	0	0	0	0
Total	**(15.722)**	**(881)**	**7.745**	**0**	**(8.858)**	**15.281**	**(24.140)**
Offsetting	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Deferred Tax From Tax Losses	**31.289**	**(31.289)**	**0**	**0**	**0**	**0**	**0**
Deferred Tax (Liability)/Receivables	**(86.995)**	**(9.446)**	**7.757**	**0**	**(88.684)**	**58.901**	**(147.584)**

MYTILINEOS S.A.

(Amounts in thousands €)	1/1/2018 At 1st January	Recognised In Profit Or Loss	Recognised In Other Comprehensive Income	Deferred Tax Impact From Disposal Of Subsidiary	31/12/2018 As At 31 December	Deferred Tax Asset	Deferred Tax Liability
Non - Current Assets							
Intangible Assets	(29.344)	4.224	0	0	(25.120)	602	(25.721)
Tangible Assets	(60.931)	8.055	0	0	(52.876)	108	(52.984)
Right-of-use Assets	0	0	0	0	0	0	0
Other Financial Assets	0	0	0	0	0	0	0
Long-Term Receivables	0	136	0	0	136	136	0
Investment to subsidiaries	0	0	0	0	0	0	0
Current Assets	(90.275)	12.415	0	0	(77.860)	846	(78.705)
Inventories	0	0	0	0	0	0	0
Construction Contracts	35.446	1.559	0	0	37.005	37.005	0
Receivables	(3.987)	1.049	0	0	(2.938)	340	(3.278)
Financial Assets Available for Sale	0	0	0	0	0	0	0
Financial Assets at fair value	67	(9)	0	0	58	58	0
Reserves	31.526	2.599	0	0	34.125	37.403	(3.278)
Reserves' defer tax liability	(62.156)	3.051	0	0	(59.105)	0	(59.105)
Actuarial Gain/Losses	16	0	0	0	16	16	0
Long-term Liabilities	(62.140)	3.051	0	0	(59.089)	16	(59.105)
Employee Benefits	3.516	(728)	0	0	2.788	2.788	0
Subsidies	0	0	0	0	0	0	0
Long-Term Loans	32	(12)	0	0	20	349	(329)
Other Long-Term Liabilities	(2.768)	223	0	0	(2.545)	(27)	(2.519)
Short-Term Liabilities	780	(517)	0	0	263	3.110	(2.848)
Provisions	970	(77)	0	0	893	1.018	(126)
Contingent Liabilities	0	0	0	0	0	0	0
Employee Benefits	785	(117)	2	0	670	670	0
Liabilities From Derivatives	13.637	0	(20.368)	0	(6.731)	0	(6.731)
Liabilities From Financing Leases	0	0	0	0	0	0	0
Other Short-Term Liabilities	(12.343)	1.790	0	0	(10.554)	10.319	(20.871)
Other Contingent Defer Taxes	0	0	0	0	0	0	0
Total	3.048	1.596	(20.366)	0	(15.722)	12.007	(27.728)
Offsetting	0	0	0	0	0	0	0
Deferred Tax From Tax Losses	38.633	(7.344)	0	0	31.289	31.289	0
Deferred Tax (Liability)/Receivables	(78.428)	11.800	(20.366)	0	(86.994)	84.671	(171.664)

3.8 Inventories

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Raw materials	64.119	64.334	59.389	61.161
Semi-finished products	3.265	2.358	3.223	2.040
Finished products	22.626	28.355	22.626	28.355
Work in Progress	79.951	42.760	37.120	42.665
Merchandise	423	528	13	0
Others	46.425	48.475	35.185	37.694
Total	**216.809**	**186.809**	**157.557**	**171.915**
(Less)Provisions for scrap, slow moving and/or destroyed inventories	(2.432)	(2.432)	(2.303)	(2.303)
Total Stock	**214.377**	**184.377**	**155.254**	**169.612**

The increase in inventories is due to METKA's EGN portfolio acquisition (METKA EGN is a 100% subsidiary company of the Group).

3.9 Other receivables

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Other Debtors	120.148	149.323	80.379	76.804
Receivables from the State	57.674	41.193	22.091	10.438
Receivables from Subsidiaries	0	0	79.350	192.177
Accrued income - Prepaid expenses	135.092	69.191	136.971	68.989
Prepaid expenses for construction contracts	2.968	875	724	837
Less: Provision for Bad Debts	1.388	1.388	1.388	1.388
Total	**314.494**	**259.193**	**318.128**	**347.857**

As at 31/12/2019, the category "Other Debtors" includes mainly amounts of 32 mio € as collateral for letters of guarantee, 8,5 mio € from Operator of Electricity Market and receivables from sale of related parties (note 1.3).
Increase in accrued income is due to electricity and natural gas sales which will be invoiced during January 2020.
In addition, prepaid expenses for construction contracts, includes amounts of € 400 thousands for the construction of the project "Freight Center in Thriasio Plain".

"Other receivables" do not include overdue and non-impaired receivables.

The movement of the provision of doubtful other receivables is shown in the following table:

	MYTILINEOS GROUP	MYTILINEOS S.A.
(Amounts in Thousands €)	Other Receivables	Other Receivables
Opening Balance 1st January 2019, according to IFRS 9	**1.388**	**1.388**
Revaluation of loss	0	0
Closing Balance 31/12/2019	**1.388**	**1.388**

3.10 Financial assets & liabilities

The Group's financial instruments consist mainly of deposits with banks, bank overdrafts, FX spot and forwards, trade accounts receivable and payable, loans to and from subsidiaries, associates, joint ventures, investments in bonds, dividends payable and lease obligations.

The financial instruments presented in the financial statements are categorized in the tables below:

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Non current assets	-		-	
Financial Assets Available for Sale	163	159	37	37
Derivatives	2.938	0	2.938	0
Other Long-term Receivables	68.629	105.019	63.607	58.558
Total	**71.730**	**105.177**	**66.582**	**58.595**
Current assets	-		-	
Derivatives	1.023	31.605	431	29.453
Financial assets at fair value through profit or loss	63	63	63	63
Trade and other receivables	1.405.295	1.058.501	799.925	720.291
Cash and cash equivalents	713.037	208.090	145.415	139.656
Total	**2.119.418**	**1.298.260**	**945.834**	**889.464**
Non-Current Liabilities	-		-	
Long-term debt	1.006.450	534.028	353.239	369.323
Lease liabilities	44.764	0	31.487	0
Derivatives	0	2.787	0	2.787
Other long-term liabilities	98.101	129.666	65.768	97.100
Total	**1.149.315**	**666.480**	**450.493**	**469.209**
Current Liabilities	-		-	
Short-term debt	17.438	28.912	4	267
Current portion of non-current liabilities	60.194	35.551	17.332	17.332
Current portion of lease liabilities	5.066	0	4.000	0
Derivatives	20.925	3.222	20.689	2.826
Trade and other payables	982.905	751.249	655.713	560.535
Total	**1.086.528**	**818.934**	**697.737**	**580.961**

A description of the Group's financial instruments risks, is given in Note 3.31.

3.10.1 Financial Assets available for sale

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Total Opening	**159**	**163**	**37**	**37**
Valuation Of Treasury Shares At Fair Value	3	(10)	0	0
Exchange Rate Differences	2	6	0	0
Closing Balance	**163**	**159**	**37**	**37**

Regarding highly liquid assets, namely shares, bank bonds and mutual funds with long-term investment horizon that are traded in an active market.

3.10.2 Financial assets at fair value through profit or loss

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Total Opening	**63**	**814**	**63**	**814**
Additions	0	564	0	564
Sales	0	(1.316)	0	(1.316)
Fair Value Adjustments	0	1	0	1
Closing Balance	**63**	**63**	**63**	**63**

3.10.3 Derivatives financial instruments

	MYTILINEOS GROUP				MYTILINEOS S.A.			
	31/12/2019		31/12/2018		31/12/2019		31/12/2018	
(Amounts in thousands €)	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Derivatives	3.961	20.925	31.605	6.009	3.369	20.689	29.453	5.613

All derivatives open positions have been marked to market. Fair values of the "interest rate swaps", are confirmed by the financial institutions that the Group has as counterparties.

The Group manages the exposure to currency risk through the use of currency forwards and options and thus by "locking" at exchange rates that provide sufficient cash flows and profit margins. Furthermore, the Group manages the exposure to commodity risk through the use of: a) commodity futures that hedge the risk from the change at fair value of commodities and b) commodity swaps that hedge fluctuations in cash flows from the volatility in aluminum prices.

3.10.4 Other long-term receivables

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2019	MYTILINEOS GROUP 31/12/2018	MYTILINEOS S.A. 31/12/2019	MYTILINEOS S.A. 31/12/2018
Customers - Withholding guarantees falling due after one year	49.672	89.099	47.824	47.252
Given guarantees	10.132	5.551	9.570	5.071
Other long term receivables	8.825	10.369	6.212	6.235
Other long term receivables	**68.629**	**105.019**	**63.607**	**58.558**

The reduction of long-term receivables from customers is mainly due to their transfer to customers and other trade receivables. Mytilineos' Group "other long term receivables" refer to advances to suppliers of the Parent company as well as receivables of subsidiary POWER PROJECTS from Turkish tax authorities.

3.10.5 Loan liabilities

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2019	MYTILINEOS GROUP 31/12/2018	MYTILINEOS S.A. 31/12/2019	MYTILINEOS S.A. 31/12/2018
Long-term debt				
Bank loans	589.784	138.631	0	0
Bonds	416.666	395.396	353.239	369.323
Total	**1.006.450**	**534.028**	**353.239**	**369.323**
Short-term debt				
Overdraft	8.997	123	8.997	123
Bank loans	8.132	28.785	(8.997)	141
Bonds	4	4	4	4
Long term Bank Loan falling due within one year	306	0	0	0
Total	**17.438**	**28.912**	**4**	**267**
Current portion of non-current liabilities	60.194	35.551	17.332	17.332
Total	**1.084.082**	**598.491**	**370.575**	**386.922**

(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Long-term debt				
Lease liabilities	44.764	0	31.487	0
Total	**44.764**	**0**	**31.487**	**0**
Short-term debt				
Current portion of lease liabilities	5.066	0	4.000	0
Total	**5.066**	**0**	**4.000**	**0**
Total	**1.133.912**	**598.491**	**406.062**	**386.922**

The effective weighted average borrowing rate for the group, as at the balance sheet date is 2.86%.

Offering of € 500 mio due 2024

In November 2019, MYTILINEOS, through its subsidiary Mytilineos Financial Partners S.A., fulfilled the successful pricing of its inaugural international offering of € 500.0 million aggregate principal amount of 2.5% senior notes due 2024, at an issuance price of 100% and MYTILINEOS as guarantor. The proceeds from the Offering will be used for general corporate purposes and to pay costs and expenses related to the Offering.

3.10.6 Loan liabilities movement

MYTILINEOS GROUP

	31/12/2019			31/12/2018		
(Amounts in thousands €)	Short term Loan Liabilities	Long term Loan Liabilities	Total	Short term Loan Liabilities	Long term Loan Liabilities	Total
Total Opening	**64.463**	**534.028**	**598.491**	**(322.749)**	**(193.235)**	**(515.985)**
Repayments	(223.387)	(26.117)	(249.504)	233.258	154.778	388.037
Proceeds	187.649	542.300	729.950	0	0	0
Aquicitions	8.342	4.706	13.048	(279)	(2.184)	(2.463)
Fair Value Adjustments	0	0	0	26.003	(26.003)	0
Other	(604)	(8.318)	(8.922)	0	0	0
Reclassification	41.168	(40.149)	1.020	(2.095)	1.916	(179)
Total	**77.632**	**1.006.450**	**1.084.083**	**64.463**	**534.028**	**598.491**

MYTILINEOS S.A.

	31/12/2019			31/12/2018		
(Amounts in thousands €)	Short term Loan Liabilities	Long term Loan Liabilities	Total	Short term Loan Liabilities	Long term Loan Liabilities	Total
Total Opening	**17.599**	**369.323**	**386.922**	**(450.123)**	**(393.147)**	**(843.270)**
Impact From Merge of Subsidiaries	-	-	-	295.818	261.551	557.369
Repayments	(127)	(17.332)	(17.459)	78.923	100.000	178.923
Fair Value Adjustments	0	0	0	380	(380)	0
Other	(141)	232	92	0	0	0
Reclassification	4	1.016	1.020	(5.092)	3.710	(1.383)
Total	**17.336**	**353.239**	**370.574**	**17.599**	**369.323**	**386.922**

3.10.7 Other long-term liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Received guarantees - Grants-Leasing				
Total Opening	62.428	46.779	29.988	29.250
Received Guarantees - Grants-Leasing From Subsidiaries' aquisition	0	0	0	0
Additions	1.039	20.160	(1.135)	2.160
Transfer At Profits/Loss	(775)	(310)	(775)	(310)
Transfer From / (To) Short - Term	(3.508)	(4.201)	(1.113)	(1.113)
Discont. Operations / Sales Of Subsidiary	0	0	0	0
Exchange Rate Differences	0	0	0	0
Closing Balance	59.182	62.428	26.965	29.988
Advances of customers				
Total Opening	38.320	7.029	38.320	7.029
Received Guarantees - Grants-Leasing From Subsidiaries' aquisition	0	0	0	0
Additions	0	31.290	0	31.290
Transfer At Profits/Loss	0	0	0	0
Transfer From / (To) Short - Term	(31.290)	0	(31.290)	0
Discont. Operations / Sales Of Subsidiary	0	0	0	0
Exchange Rate Differences	0	0	0	0
Closing Balance	7.029	38.320	7.029	38.320
Other				
Total Opening	9.301	8.847	9.174	8.004
Received Guarantees - Grants-Leasing From Subsidiaries' aquisition	0	0	0	0
Additions	12.196	1.751	12.155	9.174
Transfer At Profits/Loss	(9.174)	(8.045)	(9.174)	(8.004)
Transfer From / (To) Short - Term	(51)	6.420	0	0
Discont. Operations / Sales Of Subsidiary	0	0	0	0
Exchange Rate Differences	0	329	0	0
Closing Balance	12.272	9.301	12.155	9.174
Suppliers holdings for good performance				
Total Opening	19.618	19.618	19.618	19.618
Received Guarantees - Grants-Leasing From Subsidiaries' aquisition	0	0	0	0
Additions	0	0	0	0
Transfer At Profits/Loss	0	0	0	0
Transfer From / (To) Short - Term	0	0	0	0
Discont. Operations / Sales Of Subsidiary	0	0	0	0
Exchange Rate Differences	0	0	0	0
Closing Balance	19.618	19.618	19.618	19.618
Total	98.101	129.666	65.768	97.100

3.11 Customers and other trade receivables

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Customers	782.985	619.299	352.901	298.798
Checks receivable	4.883	4.283	2.302	2.505
Receivables from contracts	237.290	158.538	66.510	60.528
Less: Impairment Provisions	(27.727)	(24.439)	(23.459)	(22.276)
Net trade Receivables	**997.431**	**757.681**	**398.254**	**339.554**
Advances for inventory purchases	166	96	0	0
Advances to trade creditors	93.204	41.530	83.543	32.879
Total	**1.090.802**	**799.307**	**481.798**	**372.433**

	MYTILINEOS GROUP	
Construction Contracts	31/12/2019	31/12/2018
Realised Contractual Cost & Profits (minus realised losses)	3.749.330	3.064.924
Less: Progress Billings	(3.666.206)	(3.056.797)
	83.124	**8.127**
Receivables for construction contracts according to the percentage of completion	242.596	158.538
Liabilities related to construction contracts according to percent. of completion	(158.743)	(150.410)
Advances received	36.061	53.497
Clients holdings for good performance	66.371	63.935

The increase in customers is mainly due to unbilled receivables of the EPC sector, to sales of natural gas of the Power and Gas sector which were made at the end of 2019 and are expected to be collected in 2020 as well as to the transfer of receivables from customers - long-term receivables.

The movement in the provision for doubtful receivables related to Customers and Other Trade Receivables is analyzed below:

	MYTILINAIOS GROUP	MYTILINAIOS S.A.
(Ποσά σε EUR)	Trade and other receivables	Trade and other receivables
Total on 1 January 2019 according to IFRS 9	**24.439**	**22.276**
Revaluation of loss	3.288	1.183
Total on 31 December 2019	**27.727**	**23.459**

3.12 Cash and cash equivalents

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Cash	1.256	1.257	1.131	1.113
Bank deposits	573.201	118.508	61.837	50.797
Time deposits & Repos	138.580	88.326	82.447	87.747
Total	**713.037**	**208.090**	**145.415**	**139.656**

The weighted average interest rate is as:	31/12/2019	31/12/2018
Deposits in Euro	0,25%	0,23%

Cash and cash equivalent do not include blocked deposits.

3.13 Suppliers and other liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Suppliers	486.332	262.066	184.645	132.892
Notes Payable	0	105	0	0
Customers' Advances	170.131	195.764	160.952	154.290
Liabilities to customers	158.743	150.410	157.065	150.956
Total	**815.205**	**608.346**	**502.662**	**438.138**

The suppliers increase is mainly due to project deliveries of equipment of EPC sector which were delivered at the end of 2019 and will be collected during 2020.

3.14 Other short-term liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Liabilities to Related Parties	(12.037)	0	8.576	15.431
Accrued expense	107.854	58.906	77.278	53.114
Social security insurance	4.590	4.101	3.626	3.453
Dividends payable	665	2.955	665	2.955
Deferred income-Grants	901	0	0	0
Others Liabilities	65.727	76.941	62.907	47.444
Total	**167.699**	**142.903**	**153.050**	**122.397**

The increase in accrued expenses is due to purchases of electricity and gas which will be invoiced in January 2020.

3.15 Total Equity

3.15.1 Share capital

The shares of Mytilineos S.A are all listed on the Securities Market of the Athens Exchange.

The share capital of Mytilineos S.A amounts to one hundred thirty-eight millions six hundred four thousand four hundred twenty-six euros and seventeen cents (€ 138.604.426,17), divided into one hundred forty-two millions eight hundred ninety-one thousand one hundred sixty-one (142.891.161) registered shares with a nominal value of € 0,97 each.

3.15.2 Reserves

Reserves in the financial statements are analysed as follows:

MYTILINEOS GROUP									
(Amounts in thousands €)	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Revaluation reserves	Financial instruments valuation reserve	Stock Option Plan Reserve	Stock Option Plan Reserve	Merged Reserves	Total
Opening Balance 1st January 2018, according to IFRS -as published-	**20.579**	**8.757**	**75.630**	**221**	**446**	**1.225**	**(719)**	**3.628**	**109.767**
Transfer To Reserves	130	4.394	13.859	0	0	0	0	0	18.383
Net Profit/(Loss) For The Period	130	4.394	13.859	0	0	0	0	0	18.383
Available For Sale Financial Assets	0	0	0	0	2.152	0	0	0	2.152
Cash Flow Hedging Reserve	0	0	0	0	169	0	0	0	169
Deferred Tax From Actuarial Gain / (Losses)	0	0	0	0	0	0	4	0	4
Actuarial Gain / (Losses)	0	0	0	0	0	0	283	1	284
Reserve Variation From Tax Rate Revaluation	0	0	0	0	0	0	(1)	0	(1)
Closing Balance 31/12/2018	**20.709**	**13.150**	**89.489**	**221**	**2.767**	**1.225**	**(433)**	**3.629**	**130.758**
Opening Balance 1st January 2019, according to IFRS -as published-	**20.709**	**13.150**	**89.489**	**221**	**2.767**	**1.225**	**(433)**	**3.629**	**130.758**
Transfer To Reserves	91	0	187	0	0	0	0	0	278
Impact From Acquisition Of Share In Subsidiaries	0	0	0	36	0	0	0	0	36
Increase / (Decrease) Of Share Capital	0	(12)	0	0	0	0	0	0	(12)
Net Profit/(Loss) For The Period	91	(12)	187	36	0	0	0	0	302
Available For Sale Financial Assets	0	0	0	0	(1.560)	0	0	0	(1.560)
Cash Flow Hedging Reserve	0	0	0	0	160	0	0	0	160
Deferred Tax From Actuarial Gain / (Losses)	(1)	0	0	0	0	0	39	0	38
Actuarial Gain / (Losses)	0	0	0	0	0	0	(648)	0	(648)
Closing Balance 31/12/2019	**20.799**	**13.139**	**89.677**	**256**	**1.367**	**1.225**	**(1.043)**	**3.629**	**129.050**

MYTILINEOS S.A.

(Amounts in thousands €)	Regular Reserve	Special & Extraordinary Reserves	Tax-free and Specially taxed Reserves	Revaluation reserves	Financial instruments valuation reserve	Stock Option Plan Reserve	Stock Option Plan Reserve	Merged Reserves	Total
Opening Balance 1st January 2018, according to IFRS -as published-	63.197	75.093	33.994	174	(2)	1.615	(4.471)	(324.206)	(154.606)
Transfer To Reserves	0	4.394	13.425	0	0	0	0	0	17.819
Net Profit/(Loss) For The Period	0	4.394	13.425	0	0	0	0	0	17.819
Deferred Tax From Actuarial Gain / (Losses)	0	0	0	0	0	0	2	0	2
Actuarial Gain / (Losses)	0	0	0	0	0	0	331	1	332
Closing Balance 31/12/2018	63.197	79.487	47.419	174	(2)	1.615	(4.139)	(324.205)	(136.454)
Opening Balance 1st January 2019, according to IFRS -as published-	63.197	79.487	47.419	174	(2)	1.615	(4.139)	(324.205)	(136.454)
Impact From Merge Through Acquisition Of Subsidiary	0	0	0	0	0	0	0	(4.921)	(4.921)
Net Profit/(Loss) For The Period	0	0	0	0	0	0	0	(4.921)	(4.921)
Deferred Tax From Actuarial Gain / (Losses)	0	0	0	0	0	0	31	0	31
Actuarial Gain / (Losses)	0	0	0	0	0	0	(541)	0	(541)
Closing Balance 31/12/2019	63.197	79.487	47.419	174	(2)	1.615	(4.649)	(329.126)	(141.885)

The majority of the above reserves relates to Parent Company and Greek subsidiaries. Under Greek corporate law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a legal reserve, until such reserve equals one-third of the outstanding share capital. The above reserve cannot be distributed throughout the life of the company.

Tax free reserves represent non distributed profits that are exempt from income tax based on special provisions of development laws (under the condition that adequate profits exist for their allowance). These reserves mainly relate to investments and are not distributed.

Specially taxed reserves represent interest income and income from disposal of listed in the Stock Exchange and non listed companies and are tax free or tax has been withheld at source. Except for any tax prepayments, these reserves are exempted from taxes, provided they are not distributed to shareholders.

3.16 Employee benefit liabilities

MYTILINEOS GROUP

(Amounts in thousands €)	31/12/2019 Defined Contributions Plans	31/12/2019 Defined Benefits Plans	31/12/2019 Total	31/12/2018 Defined Contributions Plans	31/12/2018 Defined Benefits Plans	31/12/2018 Total
Current employment cost	915	8	923	351	11	361
Financial cost	258	61	319	291	85	376
Anticipated return on assets	0	(70)	(70)	0	(93)	(93)
Losses from abridgement	0	0	0	0	5	5
Net actuarialy (profits)/ losses realised for the period	(66)	0	(66)	9	0	9
Settlement Cost	573	48	621	535	38	573
Amount to Income Statement	**1.679**	**47**	**1.726**	**1.186**	**45**	**1.231**
Actuarial (Gain)/Losses immediate recognise in profit and loss statement	567	67	634	(397)	113	(284)
Amount through Other Comprehensive Income	**567**	**67**	**634**	**(397)**	**113**	**(284)**
Expected return of plan assets	0	70	70	0	93	93
Actuarial gains on plan assets	0	250	250	0	527	527
Return of plan assets	**0**	**320**	**320**	**0**	**620**	**620**

MYTILINEOS S.A.

(Amounts in thousands €)	31/12/2019 Defined Contributions Plans	31/12/2019 Defined Benefits Plans	31/12/2019 Total	31/12/2018 Defined Contributions Plans	31/12/2018 Defined Benefits Plans	31/12/2018 Total
Current employment cost	840	0	840	298	0	298
Financial cost	220	60	280	253	85	338
Anticipated return on assets	0	(70)	(70)	0	(93)	(93)
Net actuarialy (profits)/ losses realised for the period	(52)	0	(52)	7	0	7
Settlement Cost	513	48	561	518	38	556
Amount to Income Statement	**1.521**	**38**	**1.559**	**1.076**	**30**	**1.106**
Actuarial (Gain)/Losses immediate recognise in profit and loss statement	484	63	547	(445)	113	(332)
Amount through Other Comprehensive Income	**484**	**63**	**547**	**(445)**	**113**	**(332)**
Expected return of plan assets	0	70	70	0	93	93
Actuarial gains on plan assets	0	250	250	0	527	527
Return of plan assets	**0**	**320**	**320**	**0**	**620**	**620**

The Group’s present value of the liability at year end 2019 is € 16.953 k and accordingly for 2017 is € 16.274k :

MYTILINEOS GROUP

(Amounts in thousands €)	31/12/2019 Defined Contributions Plans	31/12/2019 Defined Benefits Plans	31/12/2019 Total	31/12/2018 Defined Contributions Plans	31/12/2018 Defined Benefits Plans	31/12/2018 Total
Total Opening	**16.148**	**126**	**16.276**	**17.164**	**117**	**17.281**
Current Employment Cost	1.309	8	1.318	355	15	371
Financial Cost	258	64	322	292	85	377
Employer Contributions	0	(78)	(78)	0	(110)	(110)
Actuarialy (Profits)/ Losses	658	(23)	635	(412)	128	(284)
Losses From Abridgement	348	48	396	315	32	346
Settlement Cost	221	99	320	223	(171)	52
Anticipated Return On Assets	0	(71)	(71)	0	(96)	(96)
Contributions Paid	(2.036)	(130)	(2.166)	(1.788)	125	(1.664)
Merge Through Acquisition Of Subsidiary	3	0	3	0	0	0
Closing Balance	**16.910**	**43**	**16.953**	**16.148**	**125**	**16.274**

The Entity's present value of the liability at year end 2018 is € 14.048 k and accordingly for 2017 is € 13.874 k.

MYTILINEOS S.A.

(Amounts in thousands €)	31/12/2019 Defined Contributions Plans	31/12/2019 Defined Benefits Plans	31/12/2019 Total	31/12/2018 Defined Contributions Plans	31/12/2018 Defined Benefits Plans	31/12/2018 Total
Total Opening	**13.773**	**101**	**13.876**	**14.875**	**117**	**14.992**
Current Employment Cost	848	0	848	298	0	298
Financial Cost	220	63	283	253	85	338
Employer Contributions	0	(78)	(78)	0	(110)	(110)
Actuarialy (Profits)/ Losses	575	(28)	547	(445)	113	(331)
Losses From Abridgement	348	48	396	315	32	346
Settlement Cost	162	99	261	204	(171)	33
Anticipated Return On Assets	0	(71)	(71)	0	(96)	(96)
Contributions Paid	(1.886)	(130)	(2.016)	(1.727)	130	(1.596)
Merge Through Acquisition Of Subsidiary	3	0	3	0	0	0
Closing Balance	**14.043**	**4**	**14.048**	**13.773**	**101**	**13.874**

The assumptions used, are presented in the following table:

	31/12/2019	31/12/2018
Discount Rate	1,2%	1,6%
Future Salary Increases	2,0%	2,0%
Inflation	1,5%	2,0%

3.17 Provisions

Provisions referring to Group and Company are recognized if the following are met: (a) legal or implied liabilities exist as a consequence of past events, (b) there is a possibility of settlement that will require the outflow if economic benefits and (c) the amount of the liability can be measured reliably. More specifically, the Group recognizes provisions for environmental restorations as a result of exploitation of mineral resources processed mainly for the production of Alumina and Aluminum. All provisions are reviewed at each balance-sheet date and are adjusted accordingly so that they reflect the present value of expenses that will be required for the restoration of the environment. Contingent receivables are not recognized in the financial statements but are disclosed if there is a possibility of an inflow of economic benefits.

Environmental Restoration. This provision represents the present value of the estimated costs to reclaim quarry sites and other similar post-closure obligations.

Tax Liabilities. This provision relates to future obligations that may result from tax audits.

Other provisions. Comprise other provisions relating to other risks none of which are individually material to the Group and to contingent liabilities arising from current commitments.

MYTILINEOS GROUP

(Amounts in thousands €)	Environmental Restoration	Tax liabilities	Other	Total
1/1/2018	**1.930**	**897**	**10.737**	**13.564**
Additional Provisions For The Period	500	(44)	2.188	2.644
Unrealised Reversed Provisions	(1.500)	0	0	(1.500)
Exchange Rate Differences	0	0	815	815
Realised Provisions For The Period	(150)	(2)	(1.235)	(1.387)
31/12/2018	**781**	**851**	**12.505**	**14.137**
Long -Term	781	895	12.454	14.130
Short - Term	0	(44)	51	7
Additions From Acquisition/Consolidation Of Subsidiaries	0	0	6	6
Additional Provisions For The Period	0	(4)	1.459	1.455
Unrealised Reversed Provisions	0	48	(1.194)	(1.146)
Exchange Rate Differences	0	0	(1)	(1)
Realised Provisions For The Period	(155)	0	(2.045)	(2.200)
31/12/2019	**626**	**895**	**10.733**	**12.254**
Long -Term	626	895	10.684	12.204
Short - Term	0	0	49	49

	MYTILINEOS S.A.			
(Amounts in thousands €)	Environmental Restoration	Tax liabilities	Other	Total
1/1/2018	**1.000**	**615**	**10.737**	**12.352**
Additional Provisions For The Period	500	0	2.138	2.638
Unrealised Reversed Provisions	(1.500)	0	0	(1.500)
Exchange Rate Differences	0	0	815	815
Realised Provisions For The Period	0	0	(1.235)	(1.235)
31/12/2018	**0**	**615**	**12.454**	**13.069**
Long -Term	0	615	12.454	13.069
Short - Term	0	0	0	0
Additional Provisions For The Period	0	0	1.459	1.459
Unrealised Reversed Provisions	0	0	(1.194)	(1.194)
Realised Provisions For The Period	0	0	(2.045)	(2.045)
31/12/2019	**0**	**615**	**10.674**	**11.289**
Long -Term	0	615	10.674	11.289
Short - Term	0	0	0	0

3.18 Current tax liabilities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Tax expense for the period	28.629	26.399	21.589	23.583
Tax audit differences	(7)	(7)	0	0
Tax liabilities	33.089	25.612	27.658	21.958
Total	**61.711**	**52.005**	**49.247**	**45.541**

3.19 Cost of goods sold

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Retirement benefits	3	1	0	0
Other employee benefits	66.411	57.807	55.002	50.539
Cost of materials & inventories	866.358	506.711	563.557	414.027
Third party expenses	298.099	160.548	84.807	67.426
Third party benefits	554.109	375.923	548.350	371.785
Assets repair and maintenance cost	15.662	15.079	11.501	10.667
Operating leases rent	1.205	2.583	1.169	1.658
Taxes & Duties	7.197	5.314	4.832	4.186
Advertisement	741	787	740	786
Other expenses	31.129	30.427	19.798	20.909
Depreciation - Tangible Assets	74.404	69.204	52.587	50.689
Depreciation - Intangible Assets	6.619	5.788	3.468	3.478
Grants amortization incorporated to cost	(1.047)	(1.047)	(1.047)	(1.047)
Depreciation - Right-of-use Assets	945	0	56	0
Total	**1.921.835**	**1.229.125**	**1.344.821**	**995.103**

3.20 Administrative & Distribution Expenses

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Distribution expenses				
Retirement benefits	1	0	0	0
Other emploee benefits	1.058	840	944	780
Inventory cost	1	1	1	1
Third party expenses	3.003	2.307	2.851	2.058
Third party benefits	152	73	128	71
Assets repair and maintenance cost	1	1	1	1
Operating leases rent	(4)	51	0	49
Taxes & Duties	1.587	1.172	112	107
Advertisement	103	3.945	103	3.945
Other expenses	1.252	807	1.209	783
Depreciation - Tangible Assets	5	7	4	7
Total	**7.158**	**9.204**	**5.353**	**7.802**

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Administrative expenses				
Retirement benefits	9	0	0	0
Other emploee benefits	26.325	22.385	22.724	19.592
Inventory cost	46	0	46	0
Third party expenses	46.608	33.481	28.712	24.851
Third party benefits	3.473	3.340	2.696	3.048
Assets repair and maintenance cost	701	407	674	395
Operating leases rent	(305)	3.434	(125)	2.515
Taxes & Duties	2.653	370	2.458	267
Advertisement	8.733	2.463	8.712	2.276
Other expenses	16.037	6.739	11.863	5.113
Depreciation - Tangible Assets	1.822	1.710	1.750	1.623
Depreciation - Intangible Assets	7.591	4.484	3.492	1.916
Depreciation - Right-of-use Assets	5.701	0	5.139	0
Total	**119.394**	**78.815**	**88.140**	**61.598**

For 2019, the figure for Administrative expenses includes amount of € 0,3 mio, regarding auditor fees for the provision of services other than statutory audits.

3.21 Other operating income / expenses

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Other operating income				
Grants amortization	2.439	1.484	65	65
Income from Subsidies	167	664	100	450
Compensations	522	546	463	536
Profit from foreign exchange differences	14.859	9.630	8.678	2.701
Rent income	1.933	1.983	2.076	2.106
Operating income from services	330	2.758	254	904
Income from reversal of unrealized provisions	7	1.418	7	1.418
Profit from sale of fixed assets	94	148	548	6
Other	6.011	2.578	4.681	2.649
Total	**26.361**	**21.209**	**16.872**	**10.834**
Other operating expenses				
Losses from foreign exchange differences	9.250	11.326	5.867	4.223
Provision for bad debts	1.583	939	1.583	939
Loss from sale of fixed assets	201	0	199	0
Operating expenses from services	2.201	10.206	1.568	4.561
Other taxes	979	1.717	587	1.185
Compensations	105	927	37	2
Other provisions	225	1.102	225	1.102
Total	**14.545**	**26.217**	**10.068**	**12.013**

The fluctuations of the foreign exchange currency rates in 2019 and 2018 and the respective effect in the financial statements are analysed in detail in the Annual Report of the B.o.D.

3.22 Financial income / expenses

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2019	MYTILINEOS GROUP 31/12/2018	MYTILINEOS S.A. 31/12/2019	MYTILINEOS S.A. 31/12/2018
Financial income				
Bank deposits	460	204	175	151
Revaluation of currency derivatives	0	0	0	0
Customers	11.398	870	483	670
Loans to related parties	0	0	1.083	5.071
Other	5.455	4.514	314	185
Receivables' discount interest	9.159	6.781	0	0
Total	**26.472**	**12.369**	**5.893**	**6.077**
Financial expenses				
Discounts of Employees' benefits liability due to service termination	12	13	10	11
Bank Loans	26.780	30.645	15.582	20.521
Interest charges due to customer downpayments	(30)	84	(30)	84
Loans to related parties	(244)	0	(244)	96
Letter of Credit commissions	8.904	9.207	4.690	4.249
Interest rate swaps	51	0	0	0
Factoring	3.170	2.426	3.083	2.273
Financial Leases	4	0	0	0
Other Banking Expenses	3.124	3.551	2.102	1.903
Interest from operating/trading activities	9.545	1.963	1.698	1.512
Liabilities' discount interest	0	2.478	0	0
Interest on lease liabilities	2.424	0	1.722	0
Total	**53.740**	**50.368**	**28.613**	**30.648**

3.23 Other financial results

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2019	MYTILINEOS GROUP 31/12/2018	MYTILINEOS S.A. 31/12/2019	MYTILINEOS S.A. 31/12/2018
Other financial results				
Non-hedging derivatives	(13.022)	0	(13.022)	0
Profit / (loss) from fair value of other financial instrument through profit/loss	8	(6)	0	0
Profit / (loss) from the sale of financial instruments	0	(284)	0	(284)
Income from dividends	400	580	2.874	15.534
Other Income	0	(1)	0	0
Impairment loss from assets	(392)	0	0	0
Total	**(13.006)**	**290**	**(10.148)**	**15.250**

3.24 Income tax

Income tax for the Group and Company differs from the theoretical amount that would result using the nominal tax rate prevailing at year end over the accounting profits. The reconciliation of this difference is analysed as follows:

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Income Tax	29.306	26.399	21.592	23.584
Income Tax provision	(23.273)	2.729	(23.584)	2.700
Deferred taxation	23.319	(8.196)	9.446	(11.800)
Extraordinary Income Tax	51	51	0	0
Other Taxes	51	2.183	0	1.695
Total	**29.454**	**23.166**	**7.454**	**16.179**
Earnings before tax	**179.766**	**166.917**	**104.931**	**151.112**
Nominal Tax rate	0,24	0,29	0,24	0,29
Tax calculated at the statutory tax rate	**43.144**	**48.406**	**25.183**	**43.823**
Nominal Tax Rate Adjustments - Change in Greek Tax Rate	(579)	(18.396)	(1.272)	(15.533)
Nominal Tax Rate Difference in foreign Subsidiary Companies	335	0	0	0
Non taxable income	(3.369)	(8.293)	(744)	(5.830)
Tax on Non taxable reserves	(7.601)	(9.881)	(7.601)	(9.881)
Non tax deductible expenses	2.887	1.150	2.756	1.147
Other taxes	8	0	0	0
Income tax coming from previous years	448	2.818	0	2.700
Extraordinary Income Tax	50	51	0	0
Other	(5.869)	7.311	(10.869)	(246)
Effective Tax Charge	**29.454**	**23.166**	**7.454**	**16.179**

See comments on income tax in Note 3.37.1.

3.25 Earnings per share and dividends

Earnings per share

Basic earnings per share are calculated by the weighted average number of ordinary shares.

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	**1/1-31/12/2019**	**1/1-31/12/2018**	**1/1-31/12/2019**	**1/1-31/12/2018**
Equity holders of the parent	144.891	141.158	97.477	134.914
Weighted average number of shares	142.891	142.891	142.891	142.891
Basic earnings per share	**1,0140**	**0,9879**	**0,6822**	**0,9442**
Continuing Operations (Total)				
Equity holders of the parent	147.575	144.749	97.477	134.933
Weighted average number of shares	142.891	142.891	142.891	142.891
Basic earnings per share	**1,0328**	**1,0130**	**0,6822**	**0,9443**
Discontinuing Operations (Total)				
Equity holders of the parent	(2.684)	(3.591)	0	(284)
Weighted average number of shares	142.891	142.891	142.891	142.891
Basic earnings per share	**(0,0188)**	**(0,0251)**	**0,0000**	**(0,0020)**

Dividends

During 2019, the Group paid dividends of € 52 mio to its equity shareholders.

Also during 2019, the directors proposed the payment of a dividend of € 0.3600 per share. As the distribution of dividends requires approval at the shareholders' meeting, no liability in this respect is recognised in the 2019 consolidated financial statements. No income tax consequences are expected to arise as a result of this transaction at the level of Illustrative Corporation.

3.26 Cash flows from operating activities

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	1/1-31/12/2019	1/1-31/12/2018	1/1-31/12/2019	1/1-31/12/2018
Cash flows from operating activities				
Profit for the period	**150.311**	**143.751**	**97.477**	**134.933**
Adjustments for:				
Tax	29.454	23.166	7.454	16.179
Depreciation of property,plant and equipment	79.642	71.008	56.720	52.016
Depreciation of intangible assets	14.394	10.061	7.309	5.381
Depreciation Right-of-use Assets	3.274	0	2.468	0
Impairments	582	0	504	0
Provisions	558	750	696	871
Income from reversal of prior year's provisions	0	(21)	0	(21)
(Profit)/Loss from sale of tangible assets	109	(148)	(348)	(6)
(Profit)/Loss from fair value valuation of financial assets at fair value through PnL	474	155	0	155
(Profit)/Loss from sale of financial assets at fair value	0	129	0	129
Interest income	(23.839)	(8.569)	(5.893)	(6.077)
Interest expenses	48.500	46.568	24.935	26.887
Dividends	(400)	(580)	(2.874)	(15.534)
Grants amortization	(4.261)	(3.199)	(1.888)	(1.488)
Exchange differences	(7.700)	(220)	(9.340)	202
Other differences	(1.527)	(3.415)	(141)	0
	139.259	135.684	79.601	78.695
Changes in Working Capital				
(Increase)/Decrease in stocks	(22.973)	(25.482)	14.358	(29.528)
(Increase)/Decrease in trade receivables	(231.576)	(84.839)	(70.990)	15.161
(Increase)/Decrease in other receivables	(70.701)	(1.314)	735	(1.204)
Increase / (Decrease) in liabilities	305.555	44.345	111.695	(48.218)
Provisions	6	0	0	0
Pension plans	(244)	(695)	(270)	(748)
	(19.932)	(67.985)	55.529	(64.538)
Cash flows from operating activities	269.638	211.450	232.607	149.090

3.27 Discontinued Operations

The Group, since 2009, applies IFRS 5 “Non-current assets held for sale & discontinued operations”, and presents separately the assets and liabilities of the subsidiary company SOMETRA S.A., following the suspension of the production activity of the Zinc-Lead production plant in Romania, and presents also the amounts recognized in the income statement separately from continuing operations. Given the global economic recession, there were no feasible scenarios for the alternative utilization of the aforementioned financial assets.

Consequently, from 2011 and on, by applying par. 13 of IFRS 5 “Non-current assets Held for Sale”, the Zinc-Lead production ceases to be an asset held for sale and is considered as an asset to be abandoned. The assets of the disposal group to be abandoned are presented within the continuing operations while the results as discontinued operations.

In December 2015, SOMETRA S.A., contributed the Zinc-Lead activity, through a spin – off process, to its newly established subsidiary Reycom Recycling S.A. (REYCOM). The said spin - off is part of the "Mytilineos Group" restructuring process, regarding the Zinc-Lead discontinued operation, targeting on the production of Zn & Pb oxides through the development of a recycling operation of metallurgical residues.

Following the analysis of the profit and loss of the discontinued operations:

	MYTILINEOS GROUP	
(Amounts in thousands €)	**1/1-31/12/2019**	**1/1-31/12/2018**
Sales	**662**	**1.337**
Cost of sales	(478)	(368)
Gross profit	**184**	**968**
Other operating income	68	829
Distribution expenses	(65)	(79)
Administrative expenses	(1.315)	(2.387)
Other operating expenses	(1.553)	(2.916)
Earnings before interest and income tax	**(2.680)**	**(3.585)**
Financial expenses	(3)	(6)
Profit before income tax	**(2.684)**	**(3.591)**
Income tax expense	(0)	(0)
Profit for the period	**(2.684)**	**(3.591)**

3.28 Encumbrances

Group’s assets pledges and other encumbrances amount to € 216.09 mio for 31.12.2019.

3.29 Commitments

Group’s commitments due to construction contracts are as follows:

(Amounts in thousands €)	MYTILINEOS GROUP 31/12/2019	MYTILINEOS GROUP 31/12/2018	MYTILINEOS S.A. 31/12/2019	MYTILINEOS S.A. 31/12/2018
Commitments from construction contracts				
Value of pending construction contracts	1.333.685	1.403.898	791.174	573.251
Granted guarantees	484.807	320.232	443.822	310.883
Total	**1.818.492**	**1.724.130**	**1.234.996**	**884.134**

**The amount of € 420 mio concerning the backlog of Deir Azzur project is included in the above table. For the aforementioned project the Group has already announced the pause of the construction on site.*

3.30 Financial Risk Factors

Financial Risk Factors' aims and policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The Group's overall risk management program focuses on the unpredictability of commodity and financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge the exposure to certain financial risks.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury operates as a cost and service centre and provides services to all business units within the Group, co-ordinates access to both domestic and international financial markets and manages the financial risks relating to the Group's operations. This includes identifying, evaluating and if necessary, hedging financial risks in close co-operation with the various business units within the Group.

3.30.1 Market Risk

(i) Foreign Exchange Risk

The Group is activated in a global level and consequently is exposed to foreign exchange risk emanating mainly from the US dollar. This kind of risk mainly results from commercial transactions in foreign currency as well as net investments in foreign entities. For managing this type of risk, the Group Treasury Department enters into derivative or non derivative financial instruments with financial institutions on behalf and in the name of group companies.

In Group level these financial instruments are characterized as exchange rate risk hedges for certain assets, liabilities or foreseen commercial transactions.

(ii) Price Risk

The Group's earnings are exposed to movements in the prices of the commodities it produces, which are determined by the international markets and the global demand and supply.

The Group is price risk from fluctuations in the prices of variables that determine either the sales and/or the cost of sales of the group entities (i.e. products' prices (LME), raw materials, other cost elements etc.). The Group's activities expose it to the fluctuations of the prices of Aluminium (AL), Zinc (Zn), Lead (Pb) as well as to Fuel Oil as a production cost.

Commodity price risk can be reduced through the negotiation of long term contracts or through the use of financial derivatives.

(iii) Interest rate risk.

Group's interest bearing assets comprises only of cash and cash equivalents. Additionally, the Group maintains its total bank debt in products of floating interest rate. In respect of its exposure to floating interest payments, the Group evaluates the respective risks and where deemed necessary considers the use of appropriate interest rate derivatives. The policy of the Group is to minimize interest rate cash flow risk exposures on long-term financing.

Effect from risk factors and sensitivities analysis

The effect from the above mentioned factors to Group's operating results, equity and net results as at 31.12.2019 and 31.12.2018 presented in the following table:

2019

LME AL (Aluminium)	$/t	+ 50	- 50
EBITDA	m. €	8,3	(8,3)
Net Profit	m. €	8,3	(8,3)
Equity	m. €	8,3	(8,3)

API (Alumina)	$/t	+ 10	- 10
EBITDA	m. €	2,9	(2,9)
Net Profit	m. €	2,9	(2,9)
Equity	m. €	2,9	(2,9)

Exchange Rate €/$	€/$	-5%	+5%
EBITDA	m. €	26,6	(24,7)
Net Profit	m. €	26,8	(24,9)
Equity	m. €	26,8	(24,9)

BRENT	$/t	- 50	+ 50
EBITDA	m. €	0,3	(0,3)
Net Profit	m. €	0,3	(0,3)
Equity	m. €	0,1	(0,1)

NG Price	€/MWh	- 5	+ 5
EBITDA	m. €	12,6	(12,6)
Net Profit	m. €	12,6	(12,6)
Equity	m. €	12,6	(12,6)

CO2 (€/t)	€/t	- 1	+ 1
EBITDA	εκ. €	2,0	(2,0)
Net Profit	εκ. €	2,0	(2,0)
Equity	εκ. €	2,0	(2,0)

2018

LME AL (Aluminium)	$/t	+ 50	- 50
EBITDA	m. €	0,1	(0,1)
Net Profit	m. €	0,1	(0,1)
Equity	m. €	0,1	(0,1)

API (Alumina)	$/t	+ 10	- 10
EBITDA	m. €	2,8	(2,8)
Net Profit	m. €	2,8	(2,8)
Equity	m. €	2,8	(2,8)

Exchange Rate €/$	€/$	-5%	+5%
EBITDA	m. €	(7,3)	7,5
Net Profit	m. €	(5,7)	5,9
Equity	m. €	(5,7)	5,9

BRENT	$/t	- 50	+ 50
EBITDA	m. €	0,3	(0,3)
Net Profit	m. €	0,3	(0,3)
Equity	m. €	0,5	(0,5)

NG Price	€/MWh	- 5	+ 5
EBITDA	m. €	12,4	(12,4)
Net Profit	m. €	12,4	(12,4)
Equity	m. €	12,4	(12,4)

CO2 (€/t)	€/t	- 1	+ 1
EBITDA	εκ. €	2,2	(2,2)
Net Profit	εκ. €	2,2	(2,2)
Equity	εκ. €	2,2	(2,2)

The Group's exposure in price risk and therefore sensitivity may vary according to the transaction volume and the price level. However, the above sensitivity analysis is representative for the Group exposure in 2019 and 2018.

3.30.2 Credit Risk

The Group has no significant concentrations of credit risk with any single counter party. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale customers.

Concerning trade accounts receivables, the Group is not exposed to significant credit risks as they mainly consist of a large, widespread customer base. However, the atypical conditions that dominate the Greek market and several other markets in Europe are forcing the Group to constantly monitor its business claims and also to adopt policies and

practices to ensure that such claims are collected. By way of example, such policies and practices include insuring credits where possible; pre-collection of the value of product sold to a considerable degree; safeguarding claims by collateral loans on customer reserves; and receiving letters of guarantee.
To minimize credit risk on cash reserves and cash equivalents; in financial derivate contracts; as well as other short term financial products, the Group specifies certain limits to its exposure on each individual financial institution and only engages in transactions with creditworthy financial institutions of high credit rating.

The tables below summarize the maturity profile of the Group's financial assets as at 31.12.2019 and 31.12.2018 respectively:

MYTILINEOS GROUP

	Past due but not impaired				Non past due but not impaired	Total
(Amounts in thousands €)	0-3 months	3-6 months	*6-12 months*	> 1 year		
Liquidity Risk Analysis - Trade Receivables						
2019	117.932	73.614	28.797	41.638	828.821	1.090.802
2018	64.778	33.004	23.892	28.437	665.930	816.042

MYTILINEOS S.A.

	Past due but not impaired				Non past due but not impaired	Total
(Amounts in thousands €)	0-3 months	3-6 months	*6-12 months*	> 1 year		
Liquidity Risk Analysis - Trade Receivables						
2019	92.472	61.591	22.540	40.482	264.713	481.798
2018	33.725	6.959	2.685	25.910	319.889	389.168

3.30.3 Liquidity Risk

Liquidity risk is related with the Group's need for the sufficient financing of its operations and development. The relevant liquidity requirements are the subject of management through the meticulous monitoring of debts of long term financial liabilities and also of payments made on a daily basis.

The Group ensures that there is sufficient available credit facilities to be able to cover its short-term business needs, after the calculation of cash flows arising from the operation as well as cash and cash equivalents which are held. The funds for long-term liquidity needs ensured by a sufficient amount of loanable funds and the ability to sell long-term financial assets.

The tables below summarize the maturity profile of the Group's financial liabilities as at 31.12.2019 and 31.12.2018 respectively:

MYTILINEOS GROUP

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2019	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	0	0	916.341	90.109	1.006.450
Short Term Loans	16.769	669	0	0	17.438
Leasing liabilities	268	268	1.018	0	1.553
Trade and other payables	620.523	6.010	21.808	213	648.554
Other payables	43.206	104.507	1.213	20.021	168.947
Current portion of non - current liabilities	32.198	28.444	0	0	60.642
Total	**712.964**	**139.899**	**940.379**	**110.343**	**1.903.585**

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2018	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	0	0	460.165	73.863	534.028
Short Term Loans	10.679	18.233	0	0	28.912
Leasing liabilities	0	0	0	0	0
Trade and other payables	242.635	152.499	20.450	0	415.585
Other payables	(106.163)	225.056	10.401	14.914	144.208
Current portion of non - current liabilities	16.788	24.013	0	0	40.801
Total	**163.939**	**419.801**	**491.016**	**88.777**	**1.163.533**

MYTILINEOS S.A.

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2019	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	0	0	353.239	0	353.239
Short Term Loans	4	0	0	0	4
Leasing liabilities	147	147	505	0	798
Trade and other payables	312.350	6.010	21.808	0	340.168
Other payables	149.515	3.540	1.213	0	154.269
Current portion of non - current liabilities	8.666	8.666	0	0	17.332
Total	**470.682**	**18.363**	**376.764**	**0**	**865.809**

Liquidity Risk Analysis - Liabilities (Amounts in thousands €) 2018	up to 6 months	6 to 12 months	1 to 5 years	after 5 years	Total
Long Term Loans	0	0	369.323	0	369.323
Short Term Loans	267	0	0	0	267
Leasing liabilities	0	0	0	0	0
Trade and other payables	199.354	65.778	19.618	0	284.750
Other payables	98.013	10.050	0	14.914	122.977
Current portion of non - current liabilities	8.666	13.916	0	0	22.582
Total	**306.300**	**89.744**	**388.941**	**14.914**	**799.899**

It must be noted that the above table does not include liabilities to clients from the performance of construction projects, as the maturity of such values cannot be assessed.

Moreover, cash-advances from customers, construction contacts liabilities as well as the provisions and accrued expenses are not included.

3.31 Fair Value Measurements

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The Group's financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy for 31/12/2019 and 31/12/2018 as follows:

	MYTILINEOS GROUP			
(Amounts in thousands €)	**31/12/2019**	**Level 1**	**Level 2**	**Level 3**
Financial Assets				
Financial assets at fair value through profit or loss				
Stock Shares	10	10	0	0
Bank Bonds	54	54	0	0
Financial assets of the investment portfolio				
Equity Securities Non - Listed Companies	0	0	0	0
Other Financial Assets	163	118	8	37
Foreign Exchange Contracts For Cash Flow Hedging (Forward)	1.070	591	478	0
Commodity Futures	2.891	0	2.891	0
Financial Assets	**4.188**	**773**	**3.378**	**37**
Financial Liabilities				
Foreign Exchange Swap Contracts (Swaps)	236	0	236	0
Commodity Futures	7.667	0	7.667	0
Commodity Options	13.022	0	13.022	0
Financial Liabilities	**20.925**	**0**	**20.925**	**0**

	MYTILINEOS GROUP			
(Amounts in thousands €)	**31/12/2018**	**Level 1**	**Level 2**	**Level 3**
Financial Assets				
Financial assets at fair value through profit or loss				
Stock Shares	10	10	0	0
Bank Bonds	54	54	0	0
Financial assets of the investment portfolio				
Equity Securities Non - Listed Companies	0	0	0	0
Other Financial Assets	159	113	8	37
Foreign Exchange Contracts For Cash Flow Hedging (Forward)	2.152	0	0	2.152
Commodity Futures	29.453	0	29.453	0
Financial Assets	**31.827**	**177**	**29.462**	**2.188**
Financial Liabilities				
Foreign Exchange Swap Contracts (Swaps)	396	0	396	0
Foreign Exchange Contracts (Forward)	3.386	0	3.386	0
Options	2.227	0	2.227	0
Financial Liabilities	**6.009**	**0**	**6.009**	**0**

MYTILINEOS S.A.				
(Amounts in thousands €)	**31/12/2019**	**Level 1**	**Level 2**	**Level 3**
Financial Assets				
Financial assets at fair value through profit or loss				
Stock Shares	10	10	0	0
Bank Bonds	54	54	0	0
Financial assets of the investment portfolio				
Equity Securities Non - Listed Companies	0	0	0	0
Other Financial Assets	37	0	0	37
Foreign Exchange Contracts For Cash Flow Hedging (Forward)	478	0	478	0
Commodity Futures	2.891	0	2.891	0
Financial Assets	**3.470**	**63**	**3.369**	**37**
Financial Liabilities				
Commodity Futures	7.667	0	7.667	0
Commodity Options	13.022	0	13.022	0
Financial Liabilities	**20.689**	**0**	**20.689**	**0**

MYTILINEOS S.A.				
(Amounts in thousands €)	**31/12/2018**	**Level 1**	**Level 2**	**Level 3**
Financial Assets				
Financial assets at fair value through profit or loss				
Stock Shares	10	10	0	0
Bank Bonds	54	54	0	0
Financial assets of the investment portfolio				
Equity Securities Non - Listed Companies	0	0	0	0
Other Financial Assets	37	0	0	37
Foreign Exchange Contracts For Cash Flow Hedging (Forward)	0	0	0	0
Commodity Futures	29.453	0	29.453	0
Financial Assets	**29.554**	**63**	**29.453**	**37**
Financial Liabilities				
Foreign Exchange Contracts (Forward)	3.386	0	3.386	0
Options	2.227	0	2.227	0
Financial Liabilities	**5.613**	**0**	**5.613**	**0**

In the financial year 2019 no transfer existed between levels 1 and 2.

3.32 Capital Management

The primary objective of the Group's capital management is to ensure the continuous smooth operation of its business activities and the achievement of its growth plans combined with an acceptable credit rating. For the purpose of capital management, the Group monitors the ratios "Net Debt to EBITDA" and "Net Debt to Equity". As net debt, the Group defines interest bearing borrowings minus cash and cash equivalents. The ratios are managed in such a way in order to ensure the Group a credit rating compatible with its strategic growth.

The table below presents ratio results for the years December 31, 2019 and 2018 respectively:

	MYTILINEOS GROUP	
(Amounts in thousands €)	31/12/2019	31/12/2018
Long-term debt	1.006.450	534.028
Lease liabilities	44.764	0
Short-term debt	17.438	28.912
Current portion of non-current debt	60.194	35.551
Current portion of lease liabilities	5.066	0
Cash and cash equivalents	(713.037)	(208.090)
Group Net debt	**420.875**	**390.400**
Oper.Earnings before income tax, financial results, depreciation and amortization	**313.155**	**283.559**
Equity	**1.633.870**	**1.561.048**
Group Net debt / Oper.Earnings before income tax, financial results, depreciation and amortization	**1,34**	**1,38**
Group Net debt / Equity	**0,26**	**0,25**

The Company manage its funds on a Group level and not on a Company level.

Due to bank financing, the Group holds an obligation and restriction to maintain the ratio of "Net Debt to Equity" below one.

3.33 Dividend Proposed and Payable

The BOD will propose to the General Assembly of the Shareholders (GA) the distribution of dividend of gross amount € 0.3600/ share. In 2019 the BOD had proposed the distribution of dividend of gross amount € 0.3600/ share. The aforementioned proposed amount should be approved by the General Assembly of the Shareholders (GA).

3.34 Number of employees

The number of employees at 31/12/2019 amounts to 2.451 for the Group and to 1.898 for the Entity. Accordingly, at 31/12/2018, the number of employees amounted to 2.109 and 1.795.

3.35 Related Party transactions

The above mentioned related party transactions are on a pure commercial basis. The Group or any of its related parties has not entered in any transactions that were not in an arm's length basis, and do not intent to participate in such transactions in the future. No transaction from the above mentioned had any special terms and there were no guarantees given or received.

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Stock Sales				
Subsidiaries	0	0	132.208	112.534
Other Related parties	217	261	217	261
Total	217	261	132.425	112.795
Stock Purchases				
Subsidiaries	0	0	32.487	29.619
Total	0	0	32.486	29.619
Services Sales & Other Transactions				
Subsidiaries	0	0	26.181	7.249
Other Related parties	366	4.277	366	4.277
Total	366	4.277	26.546	11.526
Services Purchases				
Subsidiaries	0	0	1.282	4.078
Management remuneration and fringes	15.654	9.417	13.628	7.679
Other Related parties	5.475	5.455	5.186	5.225
Total	21.129	14.872	20.096	16.982

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Loans given to Related Parties				
Subsidiaries	0	0	0	122.338
Total	0	0	0	122.338
Receivables from Related Parties				
Subsidiaries	0	0	122.369	93.612
Other Related parties	0	61.474	0	4.834
Total	0	61.474	122.369	98.446
Guarantees granted for Related Parties				
Subsidiaries	1.747.995	955.313	1.747.995	955.313
Total	1.747.995	955.313	1.747.995	955.313
Payables to Related Parties				
Subsidiaries	0	0	6.432	19.281
Management remuneration and fringes	0	0	0	188
Other Related parties	0	133	0	129
Total	0	133	6.432	19.598

Out of the above mentioned parent company guarantees:

- € 678.5 mio are parent company guarantees for bank loans of the Group and
- € 1.069,4 mio are parent company guarantees on behalf of customers and suppliers of the Group.

It is noted that the above amount of guarantees issued by the parent on behalf of customers and suppliers of its subsidiaries, refers to the maximum amount of the guarantee and the respective risk undertaken by the parent regardless of the probability of realization of said risk.

The above mentioned related party transactions are on a pure commercial basis. The Group or any of its related parties has not entered in any transactions that were not in an arm's length basis, and do not intent to participate in such transactions in the future.

No transaction from the above mentioned was under any special terms.

The employee and pension benefits are analyzed as follows:

	MYTILINEOS GROUP		MYTILINEOS S.A.	
(Amounts in thousands €)	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Short term employee benefits				
- Wages of Key Management and BOD Fees	15.295	9.040	13.425	7.482
- Insurance service cost	350	323	203	197
- Other remunerations	0	45	0	0
	15.645	**9.408**	**13.628**	**7.679**
Pension Benefits:				
- Defined contribution scheme	9	9	0	0
Total	**15.654**	**9.417**	**13.628**	**7.679**

No loans have been given to members of the Board of Directors or other management members of the Group (and their families).

3.36 Contingent Assets & Contingent Liabilities

3.36.1 Unaudited tax years

Unaudited tax years

For the fiscal years from 2011 up to 2018, the Group's Companies operating in Greece fulfilling relevant criteria to be subject to tax audit by the statutory auditors, have received Tax Compliance Report, according to article 65A par. 1 of law 4174/2013 and to article 82 par.5 of Law 2238/1994, having no significant differentiations. According to the circular CL. 1006/2016, companies that have been subject to foresaid tax audit, are not exempt from the regular tax audit held by the competent tax authorities. For fiscal year 2019, the tax Compliance audit is already being performed by the Statutory auditors and is not expected to bring any significant differentiation on the tax liabilities incorporated in the Financial Statements.

Unaudited tax years – Group's resident (Greek) subsidiaries

Taking into consideration the above regarding the Tax Compliance Report (where applicable), the following table shows the Company's and resident (Greek) subsidiaries' financial years whose tax liabilities are not definitive:

	COMPANY	YEARS NOT INSPECTED BY TAX AUTHORITIES		COMPANY	YEARS NOT INSPECTED BY TAX AUTHORITIES
1	MYTILINEOS S.A.	-	39	PROTERGIA AGIOS NIKOLAOS POWER S.A. OF GENERATION AND SUPPLY OF ELECTRICITY (ex ANEMOSKALA RENEWABLE ENERGY SOURCES S.A.)	2014-2019*
2	METKA INDUSTRIAL - CONSTRUCTION S.A. (absorption by MYTILINEOS in 2018)	-	40	HORTEROU S.A.	2014-2019*
3	ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME (absorption by MYTILINEOS in 2018)	-	41	KISSAVOS DROSERI RAHI S.A.	2014-2019*
4	PROTERGIA S.A. (absorption by MYTILINEOS in 2018)	-	42	KISSAVOS PLAKA TRANI S.A.	2014-2019*
5	PROTERGIA THERMOELEKTRIKI S.A. (absorption by MYTILINEOS in 2018)	-	43	KISSAVOS FOTINI S.A.	2014-2019*
6	SERVISTEEL	-	44	AETOVOUNI S.A.	2014-2019*
7	ELEMKA S.A.	-	45	LOGGARIA S.A.	2014-2019*
8	BRIDGE ACCESSORIES & CONSTRUCTION SYSTEMS S.A.	2014-2019*	46	IKAROS ANEMOS SA	2014-2019*
9	DELFI DISTOMON A.M.E.	-	47	KERASOUDA SA	2014-2019*
10	DESFINA SHIPPING COMPANY	2014-2019	48	AIOLIKH ARGOSTYLIAS A.E.	2014-2019*
11	ST. NIKOLAOS SINGLE MEMBER P.C.	2014-2019	49	J/V METKA – TERNA	2014-2019*
12	RENEWABLE SOURCES OF KARYSTIA S.A.	-	50	KORINTHOS POWER S.A.	-
13	GENIKI VIOMICHANIKI S.A.	2014-2019	51	KILKIS PALEON TRIETHNES S.A.	2014-2019*
14	DELTA ENERGY S.A. (absorption by MYTILINEOS in 2019)	2014-2018	52	ANEMOROE S.A.	2014-2019*
15	FOIVOS ENERGY S.A.	2014-2019*	53	PROTERGIA ENERGY S.A.	2014-2019*
16	HYDROHOOS S.A.	2014-2019*	54	SOLIEN ENERGY S.A.	2014-2019*
17	HYDRIA ENERGY S.A.	2014-2019*	55	ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME (EX OSTENITIS S.A.)	2014
18	EN.DY. S.A.	2014-2019*	56	THERMOREMA S.A.	2014-2019
19	THESSALIKI ENERGY S.A.	2014-2019*	57	FTHIOTIKI ENERGY S.A.	2014-2019
20	NORTH AEGEAN RENEWABLES	2014-2019*	58	IONIA ENERGY S.A.	2014-2019
21	MYTILINEOS HELLENIC WIND POWER S.A.	-	59	AIOLIKH TRIKORFON S.A.	2014
22	AIOLIKI ANDROU TSIROVLIDI S.A.	2014-2015*	60	MAKRYNOROS ENERGEIAKH S.A.	2114-2019
23	MYTILINEOS AIOLIKI NEAPOLEOS S.A.	2014-2019*	61	MNG TRADING	-
24	AIOLIKI EVOIAS PIRGOS S.A.	2014-2019*	62	BUSINESS ENERGY TRIZINIA S.A.	2014-2015
25	AIOLIKI EVOIAS POUNTA S.A.	2014-2019*	63	ZEOLOGIC A.B.E.E	2014-2019
26	AIOLIKI EVOIAS HELONA S.A.	2014-2019*	64	EP.AL.ME. S.A.	-
27	AIOLIKI ANDROU RAHI XIROKOBI S.A.	2014-2019*	65	SELEYKOS ENERGY SMC S.A.	2018-2019
28	METKA AIOLIKA PLATANOU S.A.	2014-2019*	66	ARITI ENERGY SMC S.A.	2019
29	AIOLIKI SAMOTHRAKIS S.A.	2014-2019*	67	EKAVI ENERGY SMC S.A.	2019
30	AIOLIKI EVOIAS DIAKOFTIS S.A.	2014-2019*	68	KALIPSO ENERGY SMC S.A.	2019
31	AIOLIKI SIDIROKASTROU S.A.	-	69	KIRKI ENERGY SMC S.A.	2019
32	HELLENIC SOLAR S.A.	-	70	ILIDA ENERGY SMC S.A.	2019
33	SPIDER S.A.	2014-2019*	71	ANTIGONOS ENERGY SMC S.A.	2018-2019
34	MOVAL S.A. (absorption by MYTILINEOS in 2019)	2014-2018	72	ANTIKLEIA ENERGY SMC S.A.	2019
35	PROTERGIA THERMOELEKTRIKI S.A.	2014-2019*	73	LISIMAHOS ENERGY SMC S.A.	2018-2019
36	METKA INDUSTRIAL - CONSTRUCTION S.A. (ex ANEMOSTRATA RENEWABLE ENERGY SOURCES S.A.)	2014-2019*	74	INO ENERGY SMC S.A.	2019
37	ANEMODRASI RENEWABLE ENERGY SOURCES S.A.	2014-2019*	75	ANTIPATROS ENERGY SMC S.A.	2018-2019
38	ANEMORAHI RENEWABLE ENERGY SOURCES S.A.	2014-2019*	76	MENANDROS ENERGY SMC S.A.	2018-2019

*said companies have received a Tax Compliance Report for the fiscal years 2011-2013 while from 2014 onwards, following the amendment of the provisions of Law 4174/2013 par. 1 article 65A, they no longer meet the control criteria.

Unaudited tax years – Group's foreign subsidiaries

The years of the Group's foreign subsidiaries whose tax liabilities are not definitive, are stated on following table:

COMPANY	YEARS NOT INSPECTED BY TAX AUTHORITIES	COMPANY	YEARS NOT INSPECTED BY TAX AUTHORITIES
1 RODAX ROMANIA SRL, Romania	2009-2019	41 METKA EGN APULIA SRL, Ιταλία	2018-2019
2 DROSCO HOLDINGS LIMITED, Cyprus	2003-2019	42 TERRANOVA ASSETCO PTY LTD	2018-2019
3 METKA BRAZI SRL, Romania	2008-2019	43 WAGGA-WAGGA OPERATIONS CO PTY LTD	2017-2019
4 POWER PROJECTS, Turkey	2010-2019	44 WAGGA-WAGGA PROPERTY CO PTY LTD	2017-2019
5 GREEN ENERGY S.A.	2007-2019	45 JUNEE OPERATIONS CO PTY LTD	2018-2019
6 METKA RENEWABLES LIMITED	2015-2019	46 JUNEE PROPERTY CO PTY LTD	2017-2019
7 SOMETRA S.A., Romania	2019	47 COROWA OPERATIONS CO PTY LTD	2018-2019
8 STANMED TRADING LTD, Κύπρος	2011-2019	48 COROWA PROPERTY CO PTY LTD	2017-2019
9 MYTILINEOS FINANCE S.A., Luxemburg	2007-2019	49 MOAMA OPERATIONS CO PTY LTD	2018-2019
10 RDA TRADING, Guernsey Islands	2007-2019	50 MOAMA PROPERTY CO PTY LTD	2017-2019
11 MYTILINEOS BELGRADE D.O.O., Serbia	1999-2019	51 KINGAROY OPERATIONS CO PTY LTD	2018-2019
12 MYVEKT INTERNATIONAL SKOPJE	1999-2019	52 KINGAROY PROPERTY CO PTY LTD	2017-2019
13 MYTILINEOS FINANCIAL PARTNERS S.A.	2011-2019	53 GLENELLA OPERATIONS CO PTY LTD	2018-2019
14 MYTILINEOS INTERNATIONAL COMPANY A.G. "MIT Co"	2013-2019	54 GLENELLA PROPERTY CO PTY LTD	2017-2019
15 DELTA PROJECT CONSTRUCT SRL, Romania	2005-2019	55 TAEAHN INCORPORATION CO.	2018-2019
16 RIVERA DEL RIO	2015-2019	56 ELEMKA SAUDI	2018-2019
17 METKA-EGN LTD (CYPRUS)	2015-2019	57 MY SUN, Italy	2018-2019
18 METKA-EGN LTD (ENGLAND)	2015-2019	58 METKA CYPRUS PORTUGAL HOLDINGS, Portugal	2019
19 METKA -EGN SpA	2015-2019	59 JVIGA KOREA TAEAHN Inc., Korea	2018-2019
20 METKA-EGN USA LLC	2015-2019	60 METKA EGN AUSTRALIA HOLDINGS TWO PTY LTD, Australia	2019
21 METKA POWER WEST AFRICA LIMITED	2015-2019	61 ΜΥΤΙΛΗΝΑΙΟΣ ΑΙΟΛΙΚΗ ΑΛΒΑΝΙΑΣ ΕΠΕ, Albania	2019
22 METKA-EGN KZ	2017-2019	62 METKA CYPRUS PORTUGAL 2, Portugal	2019
23 METKA-EGN MEXICO	2017-2019	63 METKA CYPRUS PORTUGAL 3, Portugal	2019
24 METKA-EGN UGANDA SMC LTD	2018-2019	64 METKA EGN SOLAR 1, Spain	2019
25 METKA-EGN JAPAN LTD	2018-2019	65 METKA EGN SOLAR 2, Spain	2019
26 METKA INTERNATIONAL LTD	2016-2019	66 METKA EGN SOLAR 3, Spain	2019
27 METKA POWER INVESTMENTS	2016-2019	67 METKA EGN SOLAR 4, Spain	2019
28 METKA IPS LTD	2018-2019	68 METKA EGN SOLAR 5, Spain	2019
29 INTERNATIONAL POWER SUPPLY AD	2016-2019	69 METKA EGN SOLAR 6, Spain	2019
30 MTRH Developmnet GmbH	2016-2019	70 METKA EGN SOLAR 7, Spain	2019
31 METKA EGN SARDINIA SRL, Sardinia	2018-2019	71 METKA EGN SOLAR 8, Spain	2019
32 METKA EGN FRANCE SRL, France	2018-2019	72 METKA EGN SOLAR 9, Spain	2019
33 METKA EGN SPAIN SLU, Spain	2018-2019	73 METKA EGN SOLAR 10, Spain	2019
34 METKA EGN KOREA LTD, Korea	2018-2019	74 METKA EGN SOLAR 11, Spain	2019
35 METKA EGN GENERAL CONTRACTOR CO. LTD, Korea	2018-2019	75 METKA EGN SOLAR 12, Spain	2019
36 METKA EGN AUSTRALIA PTY LTD, Australia	2018-2019	76 METKA EGN SOLAR 13, Spain	2019
37 METKA EGN SINGAPORE PTE LTD, Singapore	2018-2019	77 METKA EGN SOLAR 14, Spain	2019
38 VIGA RENOVABLES SP1 SL, Spain	2018-2019	78 METKA EGN SOLAR 15, Spain	2019
39 VIGA RENOVABLES SP2 SL, Spain	2018-2019	79 RADIANT SOLAR HOLDINGS LIMITED, Cyprus	2019
40 METKA EGN AUSTRALIA PTY HOLDINGS LTD	2018-2019	80 GREENSOL HOLDINGS LIMITED, Cyprus	2019

Within FY 2019, the following tax audit orders were issued by the Independent Authority for Public Revenue. Tax audit order for fiscal years 2013-2017 for Mytilineos S.A. as well as for METKA S.A for fiscal years 2013-2014 and for Aluminum of Greece S.A. regarding fiscal year 2016.

The tax audit of Mytilineos S.A. for fiscal years 2013-2014 has been finalized and the taxes and duties that were imposed, amount to €791 k., whereas in the case of its ex subsidiaries, which were absorbed in 2017, the amount of taxes and duties sums up to €150 k. and €704 k. respectively.

Additionally to the above, the tax audit of Sometra S.A. (Romania) was finalized within 2019, regarding fiscal years 2013-2018, with the total amount of taxes and duties imposed, to have reached €595 k. As regards other companies of the Group and to our knowledge up to today, there are no changes in relation to the Note for unaudited years as of 30.06.2019

3.36.2 Other Contingent Assets & Liabilities

Notes of Independent Power Transmission Operator S.A. (ADMIE)

On 17.12.2014, Independent Power Transmission Operator S.A. (IPTO or ADMIE) sent briefing notes to MYTILINEOS (henceforth the "Company") as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME due to merger, requesting the issuance of a credit invoice for the amount of €17.4m relating to the Excise Tax (ET) on Gas consumed at the Combined Heat and Power (CHP) Plant for the period of 28/11/2012 until 31/10/2013 (henceforth the "Reference Period"). Said ET was invoiced to ADMIE during the aforementioned period, pursuant to its related debit notes.

In relation to the above, we note the following:

- The CHP station is a dispatchable cogeneration unit, part of which qualifies as highly efficient (High-Efficiency Combined Heat and Power/ HE-CHP) under the Code's provisions, but also under the specific operational terms which were approved by way of RAE's Decision No. 700/2012 (as amended by Decision 341/2013 and RAE 569/2016, the petition for the annulment of which is pending before the administrative courts).

- According to Article 197(2) of Law 4001/2011, from 1/9/2011 onwards, all HE-CHP stations, regardless of their installed capacity, gain priority for the allocation of their loads. In particular, in accordance with Article 197(3) of the above Law, HE-CHP stations with an installed capacity over 35MW are to be compensated with the tariff which derives from the table displayed in Law 3468/2006, plus the Natural Gas Clause Coefficient (CC), which is calculated using the following formula: CC = 1+(AGP-26)/(100 x nel)

Where:

• AGP: the monthly mean average unitary selling price of natural gas to NG users in Greece who are also electricity customers, in €/MWh using the gross calorific value (GCV). This value is determined by the Ministry of Environment, Energy and Climate Change's Petroleum Policy Directorate and is communicated to Hellenic Transmission System Operator S.A. (HTSO or DESMIE) on a monthly basis.

• nel: the electrical efficiency of the provision for High-Efficiency CHP based on the gross calorific value (GCV) of natural gas, which is defined in accordance with the station's technical information, as reported by the relevant Operator.

The CC value cannot be lower than one (1) and is determined on a case-by-case basis by way of a decision made by the Minister of Environment, Energy and Climate Change (henceforth the "Ministerial Decision") following consultation by RAE. RAE's opinion must also take the plant's installed capacity into account, in a way so that the determined value generally decreases as the capacity increases.

Moreover, the AGP is displayed in €/MWh and includes the ET, as specified in the letter sent by the Ministry of Environment, Energy and Climate Change's Petroleum Policy Directorate on 2/11/2011. Correspondingly, this is explicitly stipulated in L. 4254/2014 (ΙΓ.3) «AGP: the monthly average unitary price of Natural Gas in €/MWh using the Gross Calorific Value (GCV), which includes the selling price with the transfer cost and the Excise Tax (ET) in which it is added the average CO2 cost, corresponding to power production»

The High-Efficiency CHP station owned by the Company has an installed capacity of 334MW, of which 134.6MW has priority in entering the system (HE-CHP) in accordance with the aforementioned decisions which approved the Specific

Operational Terms. From 1/9/2011 until 31/10/2013 (which ADMIE set as the final date for settling the ET), the CC value, as defined above, had not been established because the relevant decision had not been issued by the Minister of Environment, Energy and Climate Change, despite the fact that the Regulatory Authority for Energy had issued two relevant opinions in accordance with the provisions of Article 197(2) of Law 4001/2011 (RAE 3/2012 and RAE 5/2013). Consequently, the Subsidiary's HE-CHP neither issued invoices nor received a tariff in accordance with the provisions of Law 4001/2011. Instead, following the signing of a Private Agreement between the Company and the Operator of Electricity Market (LAGIE) on 26.4.2013, HE-CHP issued temporary invoices, for the entire aforementioned period, at the minimum price which could have resulted from the application of the mathematical formula established by Law 4001/2011 (if the CC value was set at the unit price, i.e., if the AGP amounted to 26€/MWh). According to the Private Agreement, the final settlement was to take place following the establishment of the CC by way of the issuance of the relevant Ministerial Decision, so that dispatched HE-CHP energy would be compensated in accordance with the provisions of the "Supplementary Agreement for Transactions relating to Electricity from the Dispatchable High-

Efficiency CHP Station" (Government Gazette B' 3108/23.11.2012) which was concluded between the Company and LAGIE on 28.11.2012.

The aforementioned provisions of Law 4001/2011, in conjunction with the provisions specified in the letter sent by the Ministry of Environment, Energy and Climate Change's Petroleum Policy Directorate, as well as the provisions of both the Company's Private Agreement with LAGIE and the "Supplementary Agreement for Transactions relating to Electricity from the Dispatchable High-Efficiency CHP Station" between the two parties, require that the Natural Gas ET is recovered to the extent that the natural gas was consumed in generating electricity. Therefore, the Company also recognized the part of the Natural Gas ET which corresponded to consumptions made in generating useful heat (steam for the Alumina production process) as a liability (deducted from ADMIE's receivables balance), the total value of which amounted to €9.1m.

Regarding the remaining balance of ADMIE's relevant briefing note, which amounts to €8.3m and relates to the Natural Gas ET which corresponded to consumptions for electricity generation (HE- CHP), it is noted that this does not constitute a liability for the Company. Specifically, in accordance with IAS 37, "a liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits". Based on the above and given that the Company has not received a final compensatory price for the Period (by way of the CC, see above), while, based on the Private Agreement between the Company and LAGIE, the final settlement will take place following the issuance of the relevant Ministerial Decision regarding the establishment of the CC (which has not been issued), the Company believes that it has no commitment which would legally constitute an obligation to return the amount of €8.3m. A relevant liability may arise once the aforementioned Ministerial Decision regarding the establishment of the CC is issued, in which case the Company estimates that the final compensation that it will receive for electricity dispatched to the system as High-Efficiency CHP will exceed the amount of €8.3m. Therefore, it is not expected that a loss will result for the Company .

Finally, in respect of the final settlement of the CHP pricing for 2013 it is noted that, on the 4th of June 2015 the Company, sent a letter to the Operator of the Electricity Market (LAGHE) asking the convene of the Dispute Settlement Committee as provided in the article 16 p. 2 of the "Supplementary Agreement for Transactions relating to Electricity from the Dispatchable High-Efficiency CHP Station" signed between the parties. The dispute in consideration concerns

the imposition of a 10% special tax plus an extra 10% of one-off discount on tariffs, both regarding the financial year 2013.

Following negotiations, the parties have reached a mutually acceptable draft arbitration agreement, so as to jointly apply for the resolution of the dispute by the special arbitration of the Regulatory Authority for Energy (RAE), in accordance with article 37 of L.4001/2011. At 07.02.2018 the two parties signed an agreement to continue the dispute with the help of the arbitration of the Regulatory Authority for Energy. The Arbitration Procedure goes forward and the final ruling is expected within the forthcoming months, according to the specifications of the law. The meeting has been determined to take place on 19.03.2020 according to the minutes No 4/25.02.2020 of the Arbitration Court.

According to IAS 37.14: A provision shall be recognised when:

(a) an entity has a present obligation (legal or constructive) as a result of a past event;

(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(c) a reliable estimate can be made of the amount of the obligation.

If these conditions are not met, no provision shall be recognised.

No provision has been made for this matter, since according to the relevant opinions of the Company's legal advisers and the management of the Company: (a) the existence of a commitment has not yet been finalized; and (b) there is no probability that there will be an outflow of financial resources.

State aid against MYTILINEOS (as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME due to merger), Decision of the European Commission

According to the information provided in previous Financial Statements, the General Court of the European Union has turned down the Company's appeal with the decision dated 13.03.2018. The Company had initiated institute proceedings against the above stated decision, before the competent courts of European Union. The European Court issued a final decision on the matter and judged that the amount of 17.4 € mio plus any interest, constituted illegal state aid. There is no appeal against such judgement. It is noted that the Company has recognized the amount of 17.4 € mio plus 4.2 € mio of interest expenses in the profit and loss statement of 2017.

DEPA claim against the Company (as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME and Protergia Thermoilektriki Agiou Nikolaou Power Generation and Supply S.A. due to merger) and Korinthos Power S.A.

DEPA S.A. demands regarding charges that arose from the retrospective revision of the contract price due to the revision of the prices charged by DEPA's supplier, the Turkish company "BOTAS PETROLEUM PIPELINE CORPORATION" the amount of €10,2 Mio (plus VAT), plus interest, by the Company (as universal successor of ALUMINIUM OF GREECE INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME).

The Company contested the existence of the said amount and today, is under arbitration with DEPA for resolving the abovementioned dispute. Within the frame of the arbitration procedure, arbitrators and the umpire have been nominated and the arbitration procedure has been initiated.

Based on the arbitration decisions issued, within the frame of similar disputes of the Company, (as universal successor of Protergia Agios Nikolaos Power Societe Anonyme of Generation and Supply of Electricity) and Korinthos Power S.A. with DEPA as well as the additional arguments of the specific case, it is estimated the reduction of DEPA's claims.

Company's other Contingent Assets & Liabilities

There are other potential third party claims of € 5.6 mio against the Company for which no provision has been made.

According to IAS 37.14: A provision shall be recognised when:

(a) an entity has a present obligation (legal or constructive) as a result of a past event;

(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(c) a reliable estimate can be made of the amount of the obligation.

If these conditions are not met, no provision shall be recognised.

No provision has been made for this matter, since according to the relevant opinions of the Company's legal advisers and the management of the Company: (a) the existence of a commitment has not yet been finalized; and (b) there is no probability that there will be an outflow of financial resources.

Moreover, there are claims of the Company against third parties, which totally amount to € 10.6 mio.

3.36.3 Guarantees

Out of the above mentioned parent company guarantees in note 3.35, there are guarantees amount of 463.3 mio Group guarantees and 422.3 mio parent company guarantees on behalf of customers and suppliers.

3.38 Post Balance Sheet events

- On 15.01.2020, the subsidiary of MYTILINEOS, ZEOLOGIC S.A. announced the signing of an agreement with FAIRDEAL MARINE SERVICES FZE, for the construction of the first treatment plant of oily sludge as well as of sludge arising from flue gas treatment systems. This plant will be installed at the FAIRDEAL Group premises in Fujairah of the United Arab Emirates and it is the first environmental project of ZEOLOGIC S.A. in the Middle East. The facility's design will be based on the internationally patented treatment method (Geochemical Active Clay Sedimentation - GACS) for liquid and solid waste treatment, with exclusive rights of use held by ZEOLOGIC. Based on the GACS method, the waste becomes 'Non Hazardous' after its treatment and thus the treated waste can be safely disposed.

  ZEOLOGIC and FAIRDEAL Group envisage the installation of more plants using this technology in the Persian Gulf region, addressing the recognized environmental problems of the region and the need to install state of the art infrastructure to support Green Shipping.
- On 03.02.2020, MYTILINEOS S.A. decisively contributed to the energy upgrading of public areas in the municipalities and undertook the street lighting project in Volos Municipality in the context of a joint venture with its subsidiary ELEMKA. During the project, the conventional street lights shall be replaced; the existing street lights, despite their short life cycle and erratic luminosity, are nevertheless highly energy consuming. The new framework to be used will adopt the most state-of-the-art solutions in the lighting technologies and will offer, besides a more regulated and high quality light, an improved visible luminous efficacy and a better ambiance in the urban environment; it will additionally save up to 55% of the electricity supply, reducing thus the cost and the Municipality's energy footprint.

  The joint venture MYTILINEOS-ELEMKA was chosen by an electronic international tender declared by Volos Municipality, budgeted at 14,297,339.64€ plus VAT. The scope of the contract covers the supply, installation and 12-year maintenance (not including the 12 months for installation) and in particular:

  4. The installation of the new luminaires using new LED technology to improve and upgrade the municipality's level of lighting, in the Municipal Communities of Volos and Nea Ionia.
  5. The improvement of maintenance planning, by operating a 'Telecontrol-Telemanagement and Energy control system' (SLMS), in the System for Public Areas Lighting (Street Lighting).
  6. The use of preventive maintenance systems through a PC (failure recording methodology, priority list, remedy planning and check, reporting and statistics monitoring).

- On 06.02.2020, MYTILINEOS S.A. announced its corporate reorganizational changes. The Board of Directors of MYTILINEOS approved on 4.2.2020 the proposals of the Chairman and CEO of the company Evangelos Mytilineos as follows:

4. In view of the upcoming completion of the full acquisition of its subsidiary METKA EGN and already being established as one of the largest Solar PV and energy storage developers worldwide, a new business unit (BU), International Renewables and Storage Development (RSD) is created, under the leadership of Nikos Papapetrou as General Manager.
5. In line with international best practices and the ongoing developments in the Greek Energy sector, the Gas Trading BU is being integrated with the Electric Power BU, in line with the reporting treatment as a sole BU in the Company's annual accounts. Dinos Benroubi will be the General Manager of the Consolidated Power and Gas BU, while Panagiotis Kanellopoulos, former Gas Trading BU General Manager, assumes the position of Deputy General Manager responsible for Natural Gas issues.
6. With sustainability increasingly evolving from a peripheral activity into a key element of the Company's operational strategy, the existing Investor Relations and Corporate Governance central function is redesignated as Corporate Governance and Sustainable Development, under the leadership of Dimitris Papadopoulos as General Manager. This newly redesigned central function will aim to become a "center of excellence" for MYTILINEOS in ensuring sustainable development initiatives are implemented across all business lines and that corporate strategy is aligned with the company's sustainability goals.

In addition to the above, the following changes have also been approved:

5. Evangelos Chrysafis, Executive Vice President of the Company's Board of Directors, assumes from his position enhanced duties for regulatory and corporate strategic issues related to the Energy sector.
6. Petros Selekos, assumes the role of General Manager for Legal and Regulatory Affairs.
7. The existing Investor Relations central function will report to the Chief Financial Officer, Ioannis Kalafatas.
8. The Communication and Marketing Strategy central function is being upgraded with Vivian Bouzali as General Manager.

The above changes will be effective from Monday, February 10, 2020.

- On 13.02.2020, MYTILINEOS S.A. signed an agreement with Motor Oil (Hellas) SA for the sale of a group of operational solar power parks totalling 47MW, through its newly designated Business Unit, International Renewable and Storage Development (RSD) and more specifically, through the sale of certain participations of its subsidiary METKA EGN LTD. The solar parks are located within Northern and Central Greece and the total consideration was €45.8m.

  The solar parks became operational in the second half of 2019 and have a secured revenue stream via a 20-year Power Purchase Agreement ("PPA") through the Greek Renewable Energy operator (DAPEEP). The RSD business unit of MYTILINEOS already has internally approved solar power development investments projects of approximately 540MW, in Australia, Cyprus, Mexico, South Korea, Spain and the UK, with a goal of developing and transferring at least 1,500MW of solar power plant and storage development projects over the next five years.

The transaction is part of the broader strategy of the solar development business model ("Build-Operate-Transfer ("BOT") being rolled out through the newly created RSD business unit of MYTILINEOS. The business model leverages the global construction and development expertise of MYTILINEOS' subsidiary, METKA-EGN, having completed more than 1.2 gigawatt of solar power plants and 200 megawatts of energy storage projects in more than five continents.

- On 13.03.2020, MYTILINEOS S.A. announced that the acquisition of the remaining 49.9% stake in METKA EGN LTD was formally completed. As a result MYTILINEOS is the sole shareholder (100%_) of METKA EGN LTD. METKA EGN LTD is already a material part of MYTILINEOS, constituting the mail pillar for the 4th Business Unit of the Company, the International Renewables and Storage Development Business Unit (RSD).

- On 31 December 2019, the World Health Organization ("WHO") was informed that a limited number of cases of pneumonia, of an unknown cause, were detected in Wuhan, Hubei. On 7 January 2020, Chinese authorities identified a new type of coronavirus (COVID-19) as the cause. The first cases of COVID-19 were confirmed in Hong Kong on 23 January 2020. Since 31 December 2019, the development and spread of COVID-19 has resulted in the occurrence of a multitude of associated events. In March 2020, WHO declared the COVID-19 a pandemic.

  Mytilineos, as a responsible social partner and enterprise is greatly concerned about the situation, the rapid spread of the virus and its effect on its operations but also on the economy and the broader society. At the present time, the safety of its employees is the ultimate priority. To that end, Mytilineos has implemented the following initiatives through a special task force, (the "Task Force") that reports to senior management, monitoring all developments and assessing potential impacts of Covid-19.

  The Task Force, adhering to all protocols from the WHO and other relevant authorities, has already put in place a business continuity plan which is currently in full implementation. It has established and maintains clear internal and external protocols for regular and emergency communication with employees and other key stakeholders.

  Business travel has been limited and remote-work schemes are in place, wherever possible. Additional resource planning for staff who perform business-critical functions has also been put forth to minimize the risks of any operational disruption.

  The Company has taken the following additional actions:

- Back-up arrangements in case employees responsible for health and safety are unable to perform their roles
- Special arrangements for vulnerable employees
- Ensured that staff from high-risk areas are re-patriated
- Introduced policies regarding staff self-isolation
- Established procedures requiring staff to report if they feel unwell or are absent, and to report possible infection or exposure to the virus or concerns involving others they have been in contact with at work.

While we are not in a position to quantify or assess the full level of impact, potential risk factors that could affect our business are the following:

- Our business operations could be negatively impacted due to disruptions to business operations from quarantines of employees, customers and suppliers in Greece and other areas affected by the outbreak. At the current time, we have had no incidents within our areas of operation.

- Regarding our customers, we are reviewing the situation in Italy carefully, as this region represents a significant % of our aluminium exports. Our relationships with these customers are of many years and at this current time, we continue to supply them with aluminum. Given the uncertainty of the situation, we are not in a position to assess whether and to what extent there will be a disruption in the future.

- We may see disruptions in our supply chain and logistics which could affect our ability to deliver our products.

- Reduced demand in our metallurgy business and electricity consumption is a risk, should the situation continue to deteriorate.

- Potential delays in the execution of third-party construction projects in either Engineering, Construction and Procurement Business Unit (“EPC”) Business Unit or Renewables and Storage Development (“RSD”) Business Unit

In addition to the ongoing operational risk management due to the COVID-19 outbreak, we have placed a heightened level of oversight toward protection of our healthy financial standing. Currently, our strong balance sheet and low leverage of [1.35x] net debt/EBITDA and a total liquidity that exceeds 1bn € with no material maturities until mid-2022, is an important mitigant to manage the current uncertainty. In light of these developments and given the uncertainties of the situation, we are undergoing a reassessment process for our Capex plan which could potentially lead us to defer or even cancel projects depending on the developments of the current situation.

Any potential impact to our results will depend on, to a large extent, ongoing developments, almost all of which are beyond our control. The Greek authorities' decision to implement quarantines and other emergency public health measures, though temporary in nature, may continue and increase depending on developments in the virus' outbreak.

As a result, because of the uncertainty surrounding the COVID-19 outbreak, the financial impact related to the outbreak and response to the coronavirus cannot be reasonably estimated at this time.

7. Availability of Financial Statements

The Annual Financial Statements of the Group and the Company as well as the financial statements of the companies that are consolidated, the auditor's report and the report of the Board of Directors for the year ending December 31st 2018 have been posted on the web site of the company. Shareholders and investors that are interested for further information, can address the Group's Investor Relations Department. Finally, the present Annual Financial Report, the prior years' Annual Reports and other significant information can be found on the web site of the company (www.mytilineos.gr).

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE VICE-CHAIRMAN A' OF THE BOARD	THE CHIEF FINANCE OFFICER	THE FINANCIAL DIRECTOR
EVANGELOS MYTILINEOS	**SPYROS KASDAS**	**IOANNIS KALAFATAS**	**SPYRIDON PETRATOS**
I.D. No AN094179/2017	I.D. No AB050826/2006	I.D. No AZ556040/2008	I.D. No AB263393/2006

APPENDIX I – SEPARATED FINANCIAL STATEMENTS OF ENERGY SEGMENT MYTILINEOS S.A. - GROUP OF COMPANIES

ENERGY SEGMENT MYTILINEOS S.A. - GROUP OF COMPANIES

SEPARATED STATEMENT OF PROFIT AND LOSS OF THE FULLY INTEGRATED COMPANY

1/1-31/12/2019

(Amounts in thousands €)	Energy Production	Energy Supply	Natural Gas Supply	RES	Other	Other Operations	Mytilineos Group
Sales To Third Parties							
Sales of electricity in Energy Exchange Group & DAPEEP (ex LAGHE)	383.536	80.394	0	41.888	0	0	505.818
Sales in ADMHE	30.441	0	0	14	0	0	30.455
Sales of electricity to retail consumers	0	282.305	0	0	0	0	282.305
Exports of electricity	0	18.350	0	0	0	0	18.350
Other sales	4	5.711	0	92	0	0	5.807
Sales of Natural Gas	0	0	244.627	0	0	0	244.627
Other Income of Natural Gas	0	0	2.292	0	0	0	2.292
Intercompany Sales							
Supply of Electricity	0	13.388	0	0	0	0	13.388
Other Services	0	0	0	2.354	1.583	0	3.937
Intercompany Sales of Natural Gas	0	0	125.895	0	0	0	125.895
Income Of Other Group Operations							
Income from other group operations	0	0	0	0	0	1.049.579	1.049.579
Total Income	**413.981**	**400.148**	**372.813**	**44.348**	**1.583**	**1.049.579**	**2.282.452**
Expenses & Purchases							
Imports of electricity	0	(69.955)	0	0	0	0	(69.955)
Purchase of electricity from Energy Exchange Group & DAPEEP (ex LAGHE)	(664)	(179.689)	0	0	0	0	(180.353)
Purchase of electricity by 3rd parties	0	(17.138)	0	(8)	0	0	(17.146)
Services from ADMHE	(266)	(24.832)	0	0	0	0	(25.099)
Services from DEDDIE	(47)	(73.286)	0	0	0	0	(73.332)
Supply costs of Natural Gas	0	0	(292.973)	0	0	0	(292.973)
Other Costs of Natural Gas	0	0	(1.980)	0	0	0	(1.980)
Transmission costs of Natural Gas	0	0	(42.143)	0	0	0	(42.143)
Distribution costs of Natural Gas	0	0	0	0	0	0	0
Payroll	(6.590)	(7.387)	(1.364)	(495)	(1.285)	0	(17.122)
Third party fees	(3.914)	(10.014)	(1.869)	(1.508)	(91)	0	(17.396)
CO2 Rights	(46.517)	0	0	0	0	0	(46.517)
Natural Gas consumption	(152.047)	0	0	0	0	0	(152.047)
Third Party Maintenance & Benefits	(4.799)	(473)	(30)	(4.378)	0	0	(9.680)
Other third party benefits	(2.741)	(1.678)	(110)	(904)	(10)	0	(5.442)
Taxes - Duties	(3.342)	(553)	(116)	(2.177)	(4)	0	(6.191)
Other Expenses	(2.226)	(3.015)	(637)	(1.480)	(74)	0	(7.432)
Depreciation	(46.654)	(4.759)	(341)	(9.711)	(61)	0	(61.525)
Provisions	0	(1.583)	0	0	0	0	(1.583)
Financial Results	(6.218)	(291)	(677)	(2.521)	353	0	(9.354)
Χρηματοοικονομικά Αποτελέσματα	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Losses / (Gains) on exchange differences	359	0	7	0	0	0	366
Extraordinary (Income) / Expenses	512	2.764	20	323	25	0	3.643
Intercompany Expenses & Purchases							
Supply of Electricity	0	(12.478)	0	0	0	0	(12.478)
Other Services	(1.094)	(55)	(3)	(3.197)	0	0	(4.349)
Natural Gas consumption	(108.488)	0	(17.407)	0	0	0	(125.895)
Financial Results	0	0	0	0	0	0	0
Expenses Of Other Group Operations	**0**	**0**	**0**	**0**	**0**	**(929.386)**	**(929.386)**
Total Expenses	**(384.736)**	**(404.422)**	**(359.623)**	**(26.056)**	**(1.147)**	**(929.386)**	**(2.105.369)**
Profits/ (Loss) Before Taxes	**29.246**	**(4.274)**	**13.189**	**18.294**	**436**	**120.193**	**177.083**
Result From Discontinuing Operations	*0*	*0*	*0*	*0*	*0*	*(2.684)*	*(2.684)*
Profits / (Loss) Before Taxes From Continuing Operations	**29.246**	**(4.274)**	**13.189**	**18.293**	**435**	**122.876**	**179.766**

ENERGY SEGMENT MYTILINEOS S.A. - GROUP OF COMPANIES SEPARATED BALANCE SHEET OF THE FULLY INTEGRATED COMPANY 31/12/2019							
(Amounts in thousands €)	Energy Production	Energy Supply	Natural Gas Supply	RES	Other	Other Operations	Mytilineos Group
Assets							
Non current assets							
Tangible Assets	601.819	330	2	201.621	551	316.558	1.120.880
Goodwill	0	0	0	14.212	0	200.465	214.677
Intangible Assets	79.987	4.956	0	21.763	14	125.038	231.758
Investments in Subsidiary Companies	0	0	0	118.528	230.692	(349.220)	0
Investments in Associate Companies	0	0	0	0	7.212	16.814	24.027
Deferred Tax Receivables	23.298	0	33	3.783	74	85.704	112.892
Other Financial Assets	0	0	0	0	0	163	163
Derivatives	0	0	0	0	0	2.938	2.938
Other Long-term Receivables	239	2.819	5.133	12	92	60.333	68.629
Right-of-use-assets	3.952	802	37	8.638	135	34.595	48.160
Total Non Current Assets	**709.294**	**8.908**	**5.206**	**368.558**	**238.770**	**493.387**	**1.824.124**
Current assets							
Total Stock	26.372	0	0	434	0	187.572	214.377
Trade and other receivables	68.837	52.854	110.548	15.877	7.249	835.436	1.090.802
Other receivables	(3.848)	7.901	87.801	62.402	50.479	109.758	314.494
Financial assets at fair value through profit or loss	0	0	0	0	0	63	63
Derivatives	0	0	0	0	0	1.023	1.023
Cash and cash equivalents	23.654	23.522	2.455	19.374	0	644.032	713.037
Intersegment	0	0	0	0	0	0	0
Total Current Assets	**115.015**	**84.278**	**200.804**	**98.087**	**57.728**	**1.777.884**	**2.333.795**
Total Assets	**824.309**	**93.186**	**206.010**	**466.645**	**296.498**	**2.271.271**	**4.157.919**
Equity & Liabilities							
Equity							
Components of Equity	452.309	1.100	14.022	202.094	249.935	666.567	1.586.025
Retained earnings	-	-	-	-	-	-	-
Equity attribute to parent's shareholders	**452.309**	**1.100**	**14.022**	**202.094**	**249.935**	**666.567**	**1.586.025**
Non controlling Interests	0	0	0	0	0	49.526	49.526
Total Equity	**452.309**	**1.100**	**14.021**	**202.093**	**249.935**	**716.093**	**1.635.551**
Capital allocation between Business Units	**8.598**	**9.930**	**11.882**	**22.514**	**31.173**	**(85.778)**	**(1.681)**
Non-Current Liabilities							
Long-term debt	94.077	0	0	63.425	0	848.948	1.006.450
Lease liabilities	3.947	611	25	8.544	83	31.554	44.764
Derivatives	0	0	0	0	0	0	0
Deferred Tax Liability	64.708	0	9	8.870	9.016	114.686	197.289
Liabilities for pension plans	816	0	52	33	0	16.051	16.953
Other long-term liabilities	23.770	12.155	0	33.513	0	28.662	98.101
Provisions	0	0	0	0	0	12.204	12.204
Non-Current Liabilities	**187.318**	**12.766**	**86**	**114.386**	**9.099**	**1.052.106**	**1.375.761**
Current Liabilities							
Trade and other payables	31.287	24.855	119.424	2.782	213	636.643	815.205
Tax payable	3.252	12.966	6.739	839	1.416	36.498	61.711
Short-term debt	0	0	0	10.568	0	6.870	17.438
Current portion of non-current liabilities	10.000	0	0	30.924	0	19.270	60.194
Current portion of lease liabilities	182	214	13	386	48	4.223	5.066
Derivatives	0	0	0	236	0	20.689	20.925
Other payables	131.364	31.355	53.844	81.915	4.613	(135.392)	167.699
Provisions	0	0	0	0	0	49	49
Current Liabilities	**176.084**	**69.390**	**180.021**	**127.651**	**6.290**	**588.851**	**1.148.288**
Liabilities	**363.402**	**82.156**	**180.107**	**242.037**	**15.389**	**1.640.957**	**2.524.049**
Equity & Liabilities	**824.309**	**93.186**	**206.010**	**466.645**	**296.498**	**2.271.271**	**4.157.919**

ENERGY SEGMENT MYTILINEOS S.A. - GROUP OF COMPANIES SEPARATED STATEMENT OF PROFIT AND LOSS OF THE FULLY INTEGRATED COMPANY 1/1-31/12/2018 *(Amounts in thousands €)*	Energy Production	Energy Supply	Natural Gas Supply	RES	Other	Other Operations	Mytilineos Group
Sales To Third Parties							
Sales of electricity in Energy Exchange Group & DAPEEP (ex LAGHE)	319.054	25.268	0	27.834	0	0	372.156
Sales in ADMHE	37.687	52	0	0	0	0	37.739
Sales of electricity to retail consumers	0	217.761	0	0	0	0	217.761
Exports of electricity	0	14.133	0	0	0	0	14.133
Other sales	37	1.242	0	447	2	0	1.729
Sales of Natural Gas	0	0	48.381	0	0	0	48.381
Other Income of Natural Gas	0	0	2.410	0	0	0	2.410
Intercompany Sales							
Supply of Electricity	0	795	0	0	0	0	795
Other Services	405	365	72	61	708	0	1.611
Intercompany Sales of Natural Gas	0	0	117.715	0	0	0	117.715
Income Of Other Group Operations							
Income from other group operations	0	0	0	0	0	733.293	733.293
Total Income	**357.184**	**259.616**	**168.578**	**28.343**	**710**	**733.293**	**1.547.723**
Expenses & Purchases							
Imports of electricity	0	(22.355)	0	0	0	0	(22.355)
Purchase of electricity from Energy Exchange Group & DAPEEP (ex LAGHE)	(550)	(95.998)	0	0	0	0	(96.548)
Purchase of electricity by 3rd parties	0	(5.307)	0	0	0	0	(5.307)
Services from ADMHE	(493)	(49.315)	0	0	0	0	(49.808)
Services from DEDDIE	(52)	(60.079)	0	0	0	0	(60.131)
Supply costs of Natural Gas	0	0	(121.962)	0	0	0	(121.962)
Other Costs of Natural Gas	0	0	(1.113)	0	0	0	(1.113)
Transmission costs of Natural Gas	0	0	(32.465)	0	0	0	(32.465)
Distribution costs of Natural Gas	0	0	(945)	0	0	0	(945)
Payroll	(6.764)	(5.177)	(771)	(536)	(1.245)	0	(14.492)
Third party fees	(4.625)	(7.268)	(761)	(1.423)	(102)	0	(14.179)
CO2 Rights	(25.492)	0	0	0	0	0	(25.492)
Natural Gas consumption	(141.408)	0	0	0	0	0	(141.408)
Third Party Maintenance & Benefits	(3.558)	(53)	(10)	(3.158)	0	0	(6.779)
Other third party benefits	(3.527)	(1.633)	(124)	(904)	(82)	0	(6.270)
Taxes - Duties	(2.531)	(1)	(8)	(1.311)	0	0	(3.850)
Other Expenses	(2.990)	(2.170)	(363)	(2.073)	(66)	0	(7.662)
Depreciation	(42.643)	(2.058)	(29)	(7.053)	(12)	0	(51.796)
Provisions	0	(939)	0	(3)	0	0	(942)
Financial Results	(6.794)	(353)	(392)	(2.529)	562	0	(9.506)
Χρηματοοικονομικά Αποτελέσματα	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Losses / (Gains) on exchange differences	43	0	826	0	0	0	869
Extraordinary (Income) / Expenses	(3.084)	(68)	(32)	330	(3)	0	(2.856)
Intercompany Expenses & Purchases							
Supply of Electricity	0	(151)	0	0	0	0	(151)
Other Services	(1.091)	(21)	(3)	(998)	0	0	(2.113)
Natural Gas consumption	(104.944)	0	(12.771)	0	0	0	(117.715)
Financial Results	(434)	0	434	0	0	0	0
Expenses Of Other Group Operations	**0**	**0**	**0**	**0**	**0**	**(589.422)**	**(589.422)**
Total Expenses	**(350.937)**	**(252.946)**	**(170.489)**	**(19.658)**	**(948)**	**(589.422)**	**(1.384.398)**
Profits/ (Loss) Before Taxes	**6.248**	**6.670**	**(1.912)**	**8.687**	**(238)**	**143.871**	**163.325**
Result From Discontinuing Operations	*0*	*0*	**0**	*0*	*0*	*(3.591)*	*(3.591)*
Profits / (Loss) Before Taxes From Continuing Operations	**6.248**	**6.670**	**(1.912)**	**8.687**	**(238)**	**147.462**	**166.917**

ENERGY SEGMENT MYTILINEOS S.A. - GROUP OF COMPANIES

SEPARATED BALANCE SHEET OF THE FULLY INTEGRATED COMPANY

31/12/2018

(Amounts in thousands €)	Energy Production	Energy Supply	Natural Gas Supply	RES	Other	Other Operations	Mytilineos Group
Assets							
Non current assets							
Tangible Assets	626.256	385	3	183.642	552	330.950	1.141.790
Goodwill	0	0	0	14.212	0	195.101	209.313
Intangible Assets	81.709	3.221	0	20.977	25	129.345	235.277
Investments in Subsidiary Companies	0	0	0	139.934	206.616	(346.550)	0
Investments in Associate Companies	0	0	0	604	7.212	15.956	23.773
Deferred Tax Receivables	25.212	0	17	811	74	116.915	143.030
Other Financial Assets	0	0	0	0	0	159	159
Derivatives	0	0	0	0	0	0	0
Other Long-term Receivables	239	454	3.116	12	92	101.106	105.019
Right-of-use-assets	0	0	0	0	0	0	0
Total Non Current Assets	**733.415**	**4.060**	**3.136**	**360.193**	**214.571**	**542.982**	**1.858.365**
Current assets							
Total Stock	26.935	0	0	417	0	157.025	184.377
Trade and other receivables	49.928	31.745	21.355	9.986	1.538	684.755	799.307
Other receivables	27.087	21.001	29.669	59.069	65.575	56.793	259.193
Financial assets at fair value through profit or loss	0	0	0	0	0	63	63
Derivatives	0	0	0	0	0	31.605	31.605
Cash and cash equivalents	11.907	4.038	1.273	11.743	0	179.129	208.090
Intersegment	0	0	0	0	0	0	0
Total Current Assets	**115.858**	**56.784**	**52.297**	**81.215**	**67.113**	**1.109.370**	**1.482.633**
Total Assets	**849.273**	**60.844**	**55.433**	**441.408**	**281.684**	**1.652.352**	**3.341.000**
Equity & Liabilities							
Equity							
Components of Equity	424.211	4.513	546	178.647	254.686	647.462	1.510.062
Retained earnings	-	-	-	-	-	-	-
Equity attribute to parent's shareholders	**424.211**	**4.513**	**546**	**178.647**	**254.686**	**647.462**	**1.510.062**
Non controlling Interests	0	0	0	0	0	52.671	52.671
Total Equity	**424.211**	**4.513**	**546**	**178.646**	**254.686**	**700.133**	**1.562.736**
Capital allocation between Business Units	**45.894**	**(1.373)**	**9.829**	**24.260**	**17.266**	**(97.564)**	**(1.687)**
Non-Current Liabilities							
Long-term debt	105.016	0	0	59.689	0	369.323	534.028
Lease liabilities	0	0	0	0	0	0	0
Derivatives	0	0	0	0	0	2.787	2.787
Deferred Tax Liability	61.958	0	0	5.465	9.016	135.677	212.116
Liabilities for pension plans	641	0	42	41	0	15.550	16.273
Other long-term liabilities	24.817	9.174	0	33.801	0	61.873	129.666
Provisions	0	0	0	0	0	14.130	14.130
Non-Current Liabilities	**192.432**	**9.174**	**42**	**98.996**	**9.016**	**599.339**	**908.999**
Current Liabilities							
Trade and other payables	21.840	20.734	2.332	671	211	562.558	608.346
Tax payable	1.068	15.231	175	1.692	36	33.803	52.005
Short-term debt	168	0	0	27.947	0	797	28.912
Current portion of non-current liabilities	10.000	0	0	8.219	0	17.332	35.551
Current portion of lease liabilities	0	0	0	0	0	0	0
Derivatives	0	0	0	396	0	2.826	3.222
Other payables	153.660	12.564	42.508	100.580	469	(166.878)	142.903
Provisions	0	0	0	0	0	7	7
Current Liabilities	**186.736**	**48.529**	**45.015**	**139.506**	**716**	**450.444**	**870.946**
Liabilities	**379.168**	**57.703**	**45.057**	**238.502**	**9.732**	**1.049.783**	**1.779.945**
Equity & Liabilities	**849.273**	**60.844**	**55.433**	**441.408**	**281.684**	**1.652.352**	**3.341.000**

1. General Principles

The Company Mytilineos S.A., as an integrated company operating as producer and supplier of electricity and supplier of natural gas, taking into account provisions of Law 4001/2011 (Government Gazette A '179) and Directive 2009/72/EC, Article 31, on specific rules on unbundling of accounts of integrated electricity and natural gas companies, maintains separate accounts, Balance Sheet and Income Statement, for Electricity Production and Supply as referred to in article 141 of Law 4001/2011 and the No. 43/2014 authorization decision of the Regulatory Authority for Energy, as well as for Natural Gas Supply , as referred to in article 89 of Law 4001/2011.

The Company also operates in non-electrical industries, for example through "Metallurgy and Mining" and "EPC and Infrastructure" sectors.

At the end of the financial year, the Company publishes according to the IFRS its separate profit and loss statements and balance sheet per electrical energy business area (Balance Sheet and Income Statement before tax), in accordance with the relevant provisions of Law 2190/1920. Income, Expenses, Assets and Liabilities relating to non-electricity sectors are allocated to the Separate Consolidated Balance Sheet and Income Statement in the "Other Operations" category.

The aforementioned statements are included in the Notes to the Company's annual financial statements, which are approved and contain a certificate issued by Chartered Accountants. The certificate makes reference in the regulations approved by the RAE, in accordance with Article 141, paragraph 4 and Article 89, paragraph 5 of Law 4001/2011.

2. Allocation Methods and Rules

Methods and Accounting Rules

The methods and accounting rules followed by the Company are dictated by the general accounting principles and the articles of the International Accounting Standards (IFRS), which must be mandatorily kept.

The Accounting Department of the Company is fully computerized with a valid and properly configured accounting plan and software (SAP), which ensure that separate accounts are maintained and that separate profit and loss statements and balance sheet are prepared for each activity.

In particular, the mandatory registration of all accounting records per business area (in SAP) is currently applied, as designated by the Company in accordance with the above General Principles, as follows:

(a) Business Areas / Activities

- Production of electricity.
- Supply of electricity.
- Supply of Natural Gas.
- Renewable Energy Sources.
- Other.

(b) Business Areas apart from electricity and natural gas

- Other Activities

Allocation Rules of Expenses and Revenue (Results)

During every document or transaction entry, as well as any other record pertaining to electricity and natural gas industries, the amounts are classified per business area. Subsequently, the corresponding accounts referring to expenses, revenues, assets and liabilities are automatically updated. The software has a security key on the basis of which, no registration is allowed without the above classification.

This way, documents and transaction entries that concern only one of the Company's business areas or indicate a discrete amount per business area, update the separate accounts of every Business Area (a) directly. The rest of the documents and transactions are allocated to each business area, with the use of an allocation key.

Thereafter, the Company prepares the annual profit and loss statements of each financial year per business area.

Allocation Rules of Assets and Liabilities

The entries updating the Assets and Liabilities Accounts, such as fixed assets, reserves, customers, other receivables, suppliers, liabilities and loans are allocated based on the business area to which they relate.

At the end of each financial year, the total Equity is allocated based on the difference between Assets and Liabilities of each business area, which is designated as “capital allocation to business units”.

Cash and cash equivalents, financial assets, tax receivables and liabilities, provisions and deferred taxes, are allocated based on the aforementioned “capital allocation to business units”.

3. Content of Activities’ Annual Income and Expenses

The annual separate Profit and Loss Accounts for each activity include the Company’s transactions with third parties.

Specifically, each business area includes the following:

a) Production of electricity

This business area includes Income, Expenses, Assets and Liabilities, which are derived solely from the business area of power plants.

Specifically,

- Income from the operation of the plant in Agios Nikolaos, Boeotia, of Mytilineos S.A company., with a nominal power of 444,48 MW, with combustible natural gas.
- Income from the operation of the plant in Agioi Theodoroi Korinthias of Korinthos Power S.A., with a nominal power of 436,6 MW, with combustible natural gas.

- Income from the operation of the CHP plant in Agios Nikolaos, Boeotia, Mytilineos S.A. company with a nominal power of 334 MW, with combustible natural gas.
- Expenses relating to the above income, the main ones being the following: Supply of natural gas, pollutant markets, third party fees and expenses, maintenance and operational costs, consumption of spare parts, other production expenses and depreciations, as well as finance costs.

b) Supply of electricity (Trading & Retail)

This activity includes Income, Expenses, Assets and Liabilities, which are derived from the trading and retail of electricity.

Specifically,

- Income from Trading mainly originates from billings to Operator of Electricity Market (Energy Exchange Group) and to domestic and foreign companies, while retail sales from Domestic and Professional electricity consumers.
- Purchases concern the supply of Electricity from Operator of Electricity Market (Energy Exchange Group and DAPEEP) and domestic and foreign companies, the rights of electricity import and export, and the other services from Independent Power Transmission Operator (ADMHE), the network usage (DEDDHE), the cost of purchase of electricity future products (NOME).
- Expenses mainly relate to personnel remunerations and costs, third party fees, finance, depreciation and miscellaneous expenses.

c) Supply of Natural Gas (Trading & Retail)

This activity includes Income, Expenses, Assets and Liabilities, which are derived from the trading and retail of Natural Gas.

Specifically,

- Income from Trading mainly originates from billings to eligible customers and provision of other services.
- Purchases concern the supply, transmission and distribution cost of natural gas, as well as other related costs.
- Expenses mainly relate to personnel remunerations and costs, third party fees, finance, depreciation and miscellaneous expenses

d) Renewable Energy Sources

This activity includes Income, Expenses, Assets and Liabilities arising from Renewable Energy Sources in operation.

e) Other

This activity includes Administrative Income and Expenses of the Company’s Energy and Natural Gas sector.

f) Other activities apart from Electricity and Natural Gas Sector

Other activities include Income and Expenses from Other Sectors, where Mytilineos S.A. operates, such as “Metallurgy and Mining Sector” and “EPC and Infrastructure Sector”..

THE PRESIDENT OF THE BOARD & CHIEF EXECUTIVE OFFICER	THE VICE- CHAIRMAN A’ OF THE BOARD	THE CHIEF FINANCE OFFICER	THE FINANCIAL DIRECTOR
EVANGELOS MYTILINEOS	**SPYROS KASDAS**	**IOANNIS KALAFATAS**	**SPYRIDON PETRATOS**
I.D. No AN094179/2017	I.D. No AB050826/2006	I.D. No AZ 556040/2008	I.D. No AB 263393/2006