

ANNUAL REPORT 2018



ELVALHALCOR

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.







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ElvalHalcor Group at a glance



2.1

EUR billion
revenue



14

State-of-the-art plants
in 4 countries



91.8%

of revenue in more
than 102 countries



3,800

Customers worldwide





17

Multinational group
consisting of 17 subsidiaries
and associates in 7 countries



21

Strong commercial
network in 21 countries



80+

years of accumulated
experience

1. Chairman's message

Throughout 2018, growth in both the Eurozone and the USA picked up slightly, this having a positive effect on the business activities of the ElvalHalcor Group.

In both the aluminium and the copper segments, a number of important events took place regarding the competition (company mergers and acquisitions). In general, such developments may be considered favourable for the Group. In addition, 2018 was marked by the imposition of tariffs on aluminium imports in the USA. Notwithstanding the above, demand in the USA, which is a market of major interest for the Group, remained strong and prices high, as domestic production does not suffice to meet demand. Meanwhile, sanctions were imposed on one of the largest aluminium producers worldwide, who is based in Russia. These sanctions threw the market into a short-term turmoil which triggered spikes in raw material prices. ElvalHalcor's response is considered successful given that no problems were encountered in relation to the supply of raw materials for the aluminium segment.

In this environment, ElvalHalcor continued to strengthen its financials and its market position as the growth rate of its sales was higher than the growth rate of overall market demand.

Specifically, consolidated revenue amounted to EUR 2,118 million compared to EUR 1,863 million in 2017, thus registering a 13.6% increase. The revenue was favourably affected by increased sales volume in both segments, by an improved mix of goods sold and, to a lesser extent, by the slightly higher average copper and aluminium prices.

Consolidated gross profit recorded a 6.4% increase and amounted to EUR 166.9 million compared to EUR 156.9 million in 2017. This increase is due to an improvement in operating results, as metal profit was reduced in comparison to last year. The optimisation of manufacturing processes led to a further reduction of the industrial cost, improving the competitiveness of ElvalHalcor's products abroad.

Consolidated adjusted earnings before interest, taxes, depreciation and amortisation (adjusted EBITDA) were favourably affected by a shift towards industrial products of high added value and improved margin, as a result of continuous investments, and amounted to EUR 142.1 million from EUR 129.4 million in 2017, thus recording a 9.8% increase.

Moreover, efforts made to reduce the cost of financing were met with success, as ElvalHalcor renegotiated a large portion of its loans during 2018, resulting to a reduction in its interest rates and conversion of its borrowing to long-term loans. Thus, consolidated earnings after taxes were increased and amounted to EUR 64.3 million compared to EUR 61.3 million in 2017.

Regarding the investment activity of ElvalHalcor Group, the project of installing the four-stand aluminium hot finishing tandem mill progressed according to plan. This investment aims to double the production capacity in hot-milling of the aluminium rolled products division, resulting in an immediate increase of almost 20% in the capacity for finished products and improving both cost and quality.

Total investments for 2018 amounted to EUR 92.3 million and mainly concerned the above investment project of EUR 150 million in the aluminium rolling division and an increase in the production capacity of the copper tubes division's tubes plant, both made in the adjacent facilities of the parent company at Oinofyta. It is noted that the subsidiaries in the aluminium and copper segments invested the total amount of EUR 17.1 million, aiming to increase the production capacity and manufacture high added value products.

During 2018, the Group acquired a 50% stake in the share capital of the Dutch company Nedzink which is engaged in the manufacture of titanium-zinc rolled products. Moreover, the Group acquired all assets of Epirus Metalworks, which is based in Pogoni, Prefecture of Ioannina, and specialises in the production of all types of coin blanks and rings for bi-colour coins.

1. Chairman's message

As for 2019 and taking into consideration international economic developments, the Group is moderately optimistic as demand for high added value products is expected to be on the rise and remain the pillar of its development in 2019. In addition, the Group has already started reaping the benefits of its investments over the last few years and feels optimistic based on the prospects opening up for exports in EU and non-EU countries, following the re-launch of activities in the energy sector and the initiatives taken by the European Union to reduce the emissions of pollutants, which are expected to increase demand for ElvalHalcor's products.

Based on the above, the aluminium segment fully utilises its existing capacity and focuses on the developing market of food and beverage packaging products and the field of transportation means, as well as on promoting high-tech alloys for the market of heat

exchangers. Moreover, the Group aims at further penetrating the market of multilayer tubes and producing thick gauge aluminium sheets, mostly applicable in the shipbuilding industry. Meanwhile, the Group will focus on continuing and completing its major investment plan which will boost the potential of the segment and the whole company. In the course of 2019, the building works required for installing the new four-stand tandem aluminium hot finishing mill will be completed, while the mill will be installed and begin operating in the second quarter of 2020.

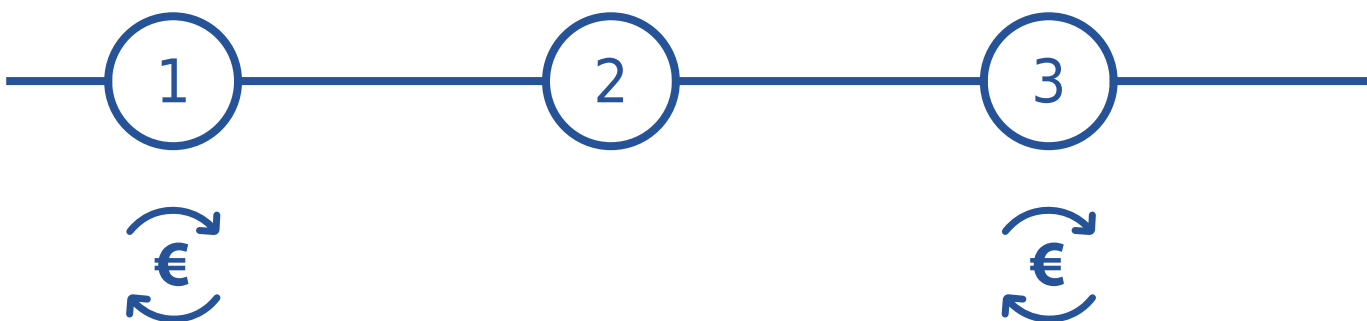
The copper segment is expected to immediately absorb the additional capacity installed in tubes and special rolled products (tin-plated sheets) and continue to utilise at a rapid growth rate the surplus capacity already installed in the rolling division. Meanwhile, ElvalHalcor will continue to focus on markets and products with high added value and prospects.

Theodosios Papageorgopoulos
Chairman of the Board of Directors

2. Highlights of the year



The parent company and its subsidiaries successfully renegotiated their loans, resulting in an extension in their maturity term and a reduction in the interest rates which led to a reduction in the net finance costs.



A 10-year loan agreement was signed with Commerzbank for EUR 65.0 million. The loan is expected to finance the purchase and installation of the new four-stand tandem aluminium hot finishing mill for ElvalHalcor's aluminium rolling division in the plant at Oinofyta.

The refinancing of subsidiary Sofia Med was concluded. More specifically, a 7-year extension in the maturity of a syndicated collateralised loan of EUR 60.0 million was signed with Alpha Bank (London Branch), Eurobank Bulgaria and Piraeus Bank Bulgaria. Moreover, a loan of EUR 25.0 million taken out by Sofia Med from the European Bank for Reconstruction and Development (EBRD) was increased and extended.



2. Highlights of the year



An increase in the share capital of Nedzink BV was completed, with new shares issued and transferred to ElvalHalcor. ElvalHalcor now owns 50% of the share capital of Nedzink. Total increase is expected to reach EUR 15.7 million with a portion of it (EUR 5.7 million) already paid.

Elval Colour participated in the establishment of the Hellenic Institute for the Fire Safety of Structures (<https://elipyka.org/en/>). The Institute is a non-profit organisation set up to in order to contribute to the preparation of and compliance with fire protection specifications and standards, submit proposals and views to competent authorities, as well as develop and maintain relationships between national and international bodies.

4

5

6

ElvalHalcor acquired all assets of Epirus Metalworks S.A. The consideration of the transaction amounted to EUR 2.5 million.



3. History (Milestones)



Halcor 1937

- Hellenic Copper Industry begins operations and launches production in Viohalco's newly-established industrial plants in Tavros (Attica).

Elval 1965

- Viohalco launches production in the aluminium segment.

Elval 1973

- Incorporation of Elval and absorption of the aluminium segment of Viohalco.

Elval 1974

- Operations of the rolling plant in Oinofyta commenced.

Halcor 1976

- Halcor is found and production of billets and slabs begins at the Oinofyta plant.

Halcor 1981

- Halcor absorbs the rolling and extrusion segments of Viem, along with Viohalco's know how.

Halcor 1990

- Halcor contributes to Vector its rolling equipment and the latter begins operations in the copper and other alloy rolling, extrusion and slitting and cutting sectors.

Elval 1993

- Installation of a new single stand, 2.5m width, hot mill in the Elval plant, Oinofyta.

Elval 1996

- The shares of Elval and Vector are listed on the Athens Stock Exchange.

Halcor 1997

- Vector merges with Halcor and is renamed to Halcor S.A.

Elval 1998

- Installation of a continuous casting unit in the Elval plant, Oinofyta.

Elval 1999

- Installation of a new lacquering line and operation of a new foil cold mill for coils with a width of up to 2m in the Elval plant, Oinofyta.

Halcor 2000

- Halcor acquires majority shareholding in Hellenic Cables.
- Sofia Med acquires the fixed assets of Kozm. Manufacturing of copper and brass rolled products is transferred to Sofia Med, where an extensive investment plan to restructure and upgrade the industrial facilities and increase capacity begins.

Elval 2001

- Installation of a new cold mill for coils with a width of up to 2.5m in the Elval plant, Oinofyta.

Elval 2003

- Operation of a new melting-casting unit for production of 9m long slabs at the Oinofyta Elval's plant.

Halcor 2005

- The Halcor plant in Tavros launched production of titan-zinc rolled products.
- The new pioneering Cusmart® tubes are launched in the market.

Elval 2009

- Installation of a "Green Melt" furnace for the recycling of aluminium is completed.

Elval 2010

- Annual production capacity of Elval's plant rises to 240,000 tons following the completion of an extensive investment plan.
- Elval Grain aluminium sheets for use in flooring for cooling compartments of refrigerator trucks are launched in the market.

Halcor 2010

- The Group completes its 10-year extensive investment plan to increase the competitiveness of its production base.
- Fitco incorporates the brass bars and tubes manufacturing branch of Halcor into its production process.

Elval 2011

- Certification of Elval's Occupational Health and Safety Management System, according to the standard OHSAS 18001:2007.
- The 2.5m wide tension levelling machine starts operations.

3. History (Milestones)

Elval 2012

- The automotive industry standardisation procedure according to ISO TS 16949 is successfully completed.

Halcor 2012

- Talos® Plated and Talos® Geotherm copper tubes are launched in the market.
- An investment plan is launched by Sofia Med focusing to strengthen its production of value-added products.

Elval 2013

- The construction works of the new facility designed for increasing the production capacity of long aluminium slabs in the Elval plant are completed.
- The melting furnace for aluminium scrap recycling begins operations.

Halcor 2015

- Halcor acquires the commercial activities and distribution network of Reynolds European's copper segment in France and Reynolds Cuivre SA is set up.
- Halcor cooperates with Turkish company Cantas A.S. to found HC Isitma.

Elval 2015

- Establishment of UACJ Elval Heat Exchanger Materials GmbH, in cooperation with UACJ.

Elval 2016

- Elval wins top innovation prize for its product Elval Grain at the 3rd Applied Research and Innovation Competition 'Greece Innovates!'
- Installation of a new Globus Machine in the Elval plant, Oinofyta.

Halcor 2016

- Halcor gains leading position among European copper tubes manufacturers, while a turnaround in the Group's profitability is observed.
- Following the cross-border merger by absorption by Cenergy Holdings of the Greek formerly listed companies Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Halcor becomes Cenergy Holdings' shareholder by 25%.
- Cooperation agreement decided between Sofia Med and Dow Metaltech for know-how and technology transfer.

ElvalHalcor 2017

- The merger by absorption of non-listed Elval by Athens Stock Exchange listed Halcor is concluded, while the latter is renamed to ElvalHalcor Hellenic Copper and Aluminium Industry S.A. (ElvalHalcor).
- The aluminium rolling division of ElvalHalcor entered into a 7-year loan agreement with the European Investment Bank for EUR 70 million to finance its new investment plan of EUR 150 million.
- In the context of the above investment program, a contract was signed with the German SMS group GmbH for the supply of a new four-stand tandem aluminium hot finishing mill for its plant at Oinofyta, Viotia.

ElvalHalcor 2018

- A 10-year loan agreement has been signed with Commerzbank for EUR 65.0 million, which is expected to finance the purchase and installation of the new four-stand tandem aluminium hot finishing mill.
- An investment plan is completed in Halcor's copper tubes mill to enhance its production capacity.
- All assets of Epirus Metalworks S.A. are acquired.
- 50% of the Dutch company Nedzink BV is acquired, through a share capital increase.
- The loan liabilities of the company and its main subsidiaries are refinanced.

4. Strategy and philosophy

Our strategy aims to strengthen ElvalHalcor's leadership of the aluminium rolling and copper tubes industries, driven by sustainable development. The implementation of our strategy is based on the following pillars:

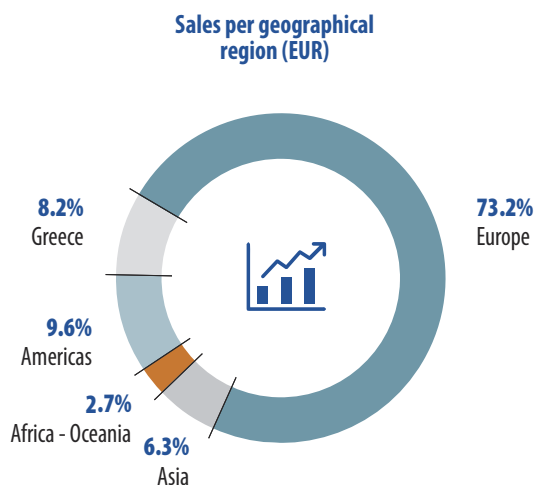
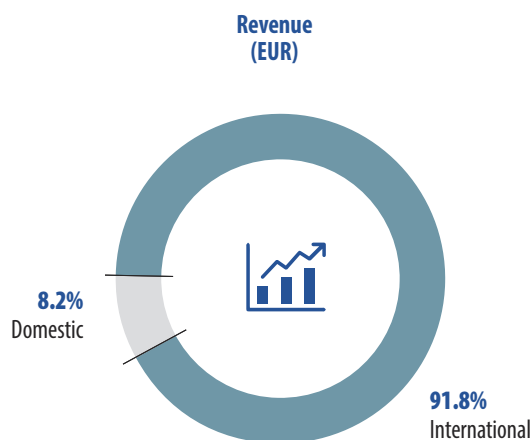
- Customer-centric approach aimed at strengthening customer relationships;
- Continuous investment on state-of-the-art production facilities and R&D (research and development);
- Focus on quality and technological advancement across all production processes;
- Dynamic commercial activity and strong presence in markets with growth potential;
- Sustainable development and value creation for all stakeholders.



5. Global presence

The global reach of operations and the export orientation of ElvalHalcor and its subsidiaries has been a key pillar of its success up to date.

- It exports to more than 100 countries worldwide with sales abroad accounting for 91.8% of the total revenue.
- Production is carried out in 14 modern plants in Greece, Bulgaria, Turkey and the Netherlands.
- It is a multinational Group with 17 subsidiaries and associates. These 17 companies are based in 7 countries and in particular in Greece, Bulgaria, Turkey, Romania, Spain, Germany and the Netherlands.
- It has developed and operates a sales network in 21 countries.



5. Global presence



5.1. Entering new geographical markets

Penetrating new geographical markets and expanding its presence in existing markets on an annual basis is the Group's standard practice. During 2018:

- Elval (aluminium rolling division of ElvalHalcor):
 - Recorded a considerable increase in its business in the USA market;
 - Entered the markets of Thailand and Canada in relation to food packaging products for humans and pets;
 - Expanded beyond the European Union to tension levelled wide coils, which are used in trailers and geodesic domes.
- Elval Colour:
 - Entered the North American markets and specifically the USA and Canada;
 - Expanded dynamically in the Cyprus market;
 - Consolidated further its presence in the Spanish market through its subsidiary Elval Colour Iberica.
 - Strengthened its presence in the markets of Italy and France.
- Symetal:
 - Increased its sales to the USA market tenfold;
 - Entered the Latin American countries;
 - Expanded its activity in North Africa;
 - Strengthened considerably its presence in the Japanese market.
- Viomal:
 - Penetrated into the markets of Croatia and Poland;
 - Strengthened considerably its presence in the market of North Africa.
- Halcor (copper tubes division of ElvalHalcor):
 - Registered its first product sales in Australia, an extremely challenging market given its proximity to China;
 - Broke into the new market of India with positive prospects;
 - Entered into the markets of Ghana and Senegal;
 - Made sales in North Africa;
 - Recorded an upward performance in Ukraine where it was ranked at the top in copper tubes imports.
- Fitco:
 - Consolidated its presence in the market of South Korea;
 - Entered into the French market with respect to brass bars and special alloys.

6. ElvalHalcor Group

The Group's full composition, as consolidated in the financial statements, is presented in the table below:

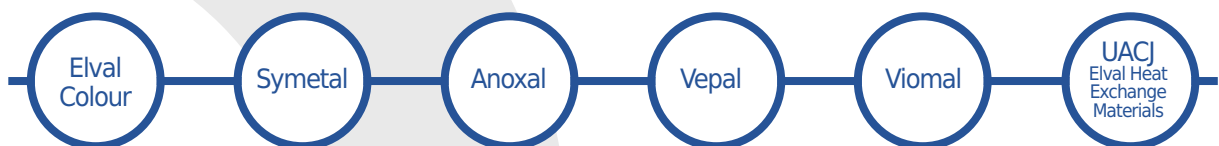
Company	Country	Business	(%) Participation	Method of consolidation
ElvalHalcor SA	Greece	Industrial	--	Parent company
Fitco SA	Greece	Industrial	100.00%	Full consolidation
Sofia Med SA	Boulgaria	Industrial	89.56%	Full consolidation
Techor SA	Greece	Industrial	100.00%	Full consolidation
Elkeme SA	Greece	Metallurgy Research	92.50%	Equity method
Viexal SA	Greece	Services	26.67%	Equity method
Viener SA	Greece	Energy	41.32%	Equity method
Cenergy Holdings SA	Belgium	Holdings	25.16%	Equity method
International Trade SA	Belgium	Trading	27.97%	Equity method
Techor Pipe Systems SRL	Romania	Industrial	100.00%	Full consolidation
HC Isitma A.S.	Turkey	Industrial	50.00%	Equity method
Steelmet SA	Greece	Services	29.50%	Equity method
Symetal SA	Greece	Industrial	100.00%	Full consolidation
Elval Colour SA	Greece	Industrial	100.00%	Full consolidation
Vepal SA	Greece	Industrial	100.00%	Full consolidation
Anoxal SA	Greece	Industrial	100.00%	Full consolidation
Viomal SA	Greece	Industrial	50.00%	Full consolidation
Rouloc SA	Greece	Industrial	100.00%	Full consolidation
Elval Colour Iberica SLU	Spain	Trading	100.00%	Full consolidation
UACJ Elval Heat Exchanger Materials GmbH	Germany	Trading	50.00%	Equity method
UACJ Elval Consulting (former Afsef) SA	Greece	Services	50.00%	Equity method
Metalvalius EOOD	Boulgaria	Industrial	100.00%	Full consolidation
Nedzink B.V.	Netherlands	Industrial	50.00%	Equity method

6. ElvalHalcor Group



6.1. Aluminium segment

The aluminium segment of ElvalHalcor comprises of Elval (aluminium rolling division) and 6 other key companies:



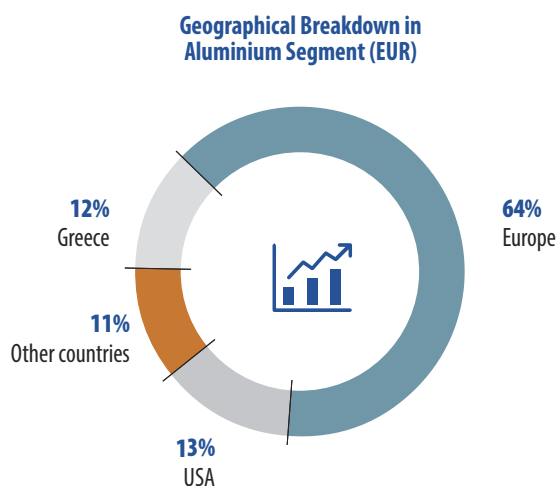
6. ElvalHalcor Group

ElvalHalcor's aluminium segment ranks among the strongest producers on an international scale. The aluminium segment's plants produce a wide range of aluminium products and solutions which are intended for numerous applications in a multitude of industries. The production base of ElvalHalcor's aluminium segment is fully installed in Greece and consists of 7 state-of-the-art production facilities.

The aluminium segment has a significant international presence with 88% of its sales being exported into 100 countries approximately all over the world.

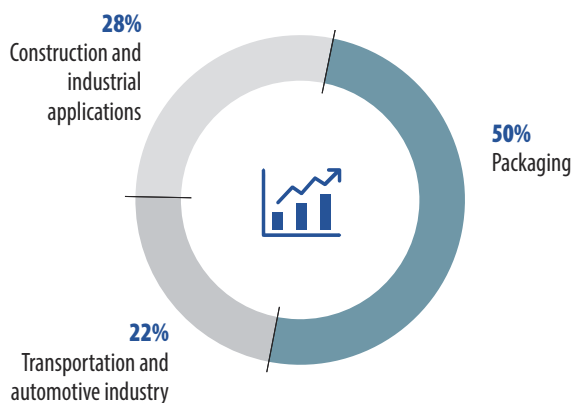


The geographical allocation of the aluminium segment is presented in the following chart:



One of the key pillars which have contributed to the segment's long-term sustainable development and secured its leading position in the market consists in the major investment plans carried out by ElvalHalcor, which aim at the seamless improvement of product quality, enhancement of production capacity and strengthening of research and development.

Aluminium segment sales per product category (in tons)



These investments which exceed EUR 380 million in a 10-year horizon have focused on the upgrade of machinery and on the expansion of facilities. In addition to ElvalHalcor's investment plan, investments with a focus on research and development of know-how aiming at the production of high added value products are at the forefront.

The competitive advantages of the aluminium segment are based on the following pillars:

- Capability to produce wide tread aluminium sheets up to 2.5m.
- Medium-sized independent supplier on a worldwide scale, with flexible procedures and production.
- Modern mechanical equipment that incorporates cutting edge technologies.
- High focus on research and development.
- Manufacturing of quality products in line with the highest market standards.
- Well expanded and established sales network.
- Strategic partnership with UACJ Corp. of Japan.

6. ElvalHalcor Group

6.1.1. Elval

Having accumulated experience for over 50 years, Elval is the aluminium rolling division of ElvalHalcor and the sole producer of aluminium rolling products in Greece. Meanwhile, it is one of the leading aluminium product and solution manufacturing industries worldwide. It stands out for its focus on continuing product quality enhancement and upgrade through a culture of international partnerships for the exchange and transfer of know-how.

It is an extrovert and export-oriented company. Approximately 74% of its sales are channelled into 62 countries in 5 continents while a sales network is established in 21 countries.

Elval pursues and nurtures the optimisation of processes at all times. This is why Elval has adopted the Lean Six Sigma methodology and applies it to all corporate operations. By adopting the Lean Six Sigma philosophy, Elval seeks in essence business excellence, trying to align corporate strategy with its customers, human resources and operational processes. Lean Six Sigma methodology enables Elval to adopt a continuing operating improvement culture, setting at the top of its priorities:

- customer satisfaction;
- steadily high product quality and
- operational effectiveness.

ElvalHalcor's aluminium rolling division is certified as per ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, OHSAS 18001:2007 and ISO 50001:2011.



6.1.2. Elval Colour

Elval Colour has a leading position in aluminium coil painting and in the manufacture of aluminium composite panels. It is engaged in the production and sale of a comprehensive range of top quality and state-of-the-art products intended for use in the shell of buildings.

With 40 years' of experience in manufacture of coating and colour products, Elval Colour is a reliable partner that offers added value services to customers by assisting in product

specification and selection that best suit to the needs of the project/application.

It is an extremely extrovert company as it exports 99% of its revenue. The principal markets into which its products are channelled are Singapore, India, China, Germany, Italy, Poland, France and Spain. Note that in Spain, Elval Colour operates also through its newly-established subsidiary Elval Colour Iberica.

6. ElvalHalcor Group

It manufactures and trades a wide range of products such as painted aluminium strips and sheets for rain gutters, roller shutters, building façades, ceilings, internal and external cladding and numerous general applications for architectural solutions and special construction purposes. Elval Colour has significant productive flexibility with regard to product colours and painting systems, which makes it very flexible and able to meet any customer requirements. Specifically, the company is able to customise each order to different shades, which are processed in specially equipped workshops and are adequately painted.

Elval Colour focuses on research and development as this enables it to:

- improve its products' technological and quality properties at all times;
- fully comply with environmental standards since Elval Colour's product portfolio for the shell of buildings focuses on reducing the building's energy footprint.

In 2018, certificates were obtained for etalbond A2 for USA and Ukraine. Elval Colour is a member of the European Coil Coating Association (ECCA), the European Aluminium Association and Hellenic Aluminium Association.

Elval Colour's plants are certified as per ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007.



6.1.3 Symetal

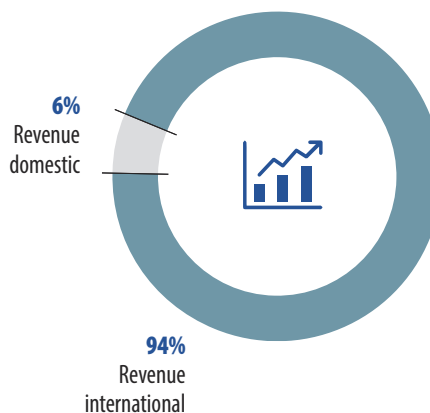
Established in 1977, Symetal focuses on the production of aluminium foil and flexible-packaging aluminium products and offers tailor-made and sustainable foil solutions. Symetal is highly export-oriented with 94% of its sales carried out in over 60 countries across the globe.

The Company has developed long-standing partnerships with major multinationals, which has contributed to an increase in revenue beyond the Greek territory as well as to its successful commercial presence.

Symetal owns two plants and in both operates modern research centers. The research center in the Oinofyta plant is engaged in the development and upgrading of new and existing products. The research center established in the Mandra-based plant focuses on the development of laminated and lacquered aluminium foil for food packaging, pharmaceutical usage and cigarette inner wrapping. Moreover, the above two centers are in



Symetal's revenue (EUR)



6. ElvalHalcor Group

close collaboration with Elkeme, which has been intensified in relation to the research and development of new aluminium foil products for batteries and generally new products.

Symetal is certified as per 14001:2015, ISO 15378:2017, OHSAS 18001:2017, ISO 50001:2011, and is also registered under the European Commission eco-management and audit scheme (EMAS) for environmental management. Moreover, the Mandra-based aluminium foil processing plant is also certified as per ISO 22000.



6.1.3. Anoxal

Anoxal is engaged in metal processing and recycling. More specifically, the company produces aluminium billets and slabs for extrusion and rolling purposes, respectively while also processing - separating aluminium scrap. Anoxal's plant is located at Oinofyta, Viotia with an annual production capacity of 35,500 tons of cast products and a recycling capacity of 15,000 tons of aluminium scrap.



6.1.4. Vepal

Vepal engages in aluminium coil and sheet coating, having significant experience in coating and colour matching. Vepal produces painting aluminium strips for architectural and automotive applications. The Company's products are marketed by Elval Colour.

Vepal implements management systems certified in line with the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 standards.



6. ElvalHalcor Group

6.1.5. Viomal

Established in 1985, Viomal is a leading aluminium rolling shutters for doors, windows and garage doors manufacturer based in Greece.

Viomal's production plant is located at Nea Artaki, Evia, primarily engaged in aluminium sheet processing so as to produce rolling shutters for doors, windows and garage doors.

Viomal is a vertically integrated producer since rolling shutters manufacturing is supplemented by the production of accessories such as galvanised octagonal axes, aluminium boxes either with polyurethane insulation or extruded, and accessories from injection plastic machines.

In addition to rolling shutters manufacturing, in its attempt to enrich its product portfolio so as to meet customer needs and generally respond to market trends, Viomal has also invested in the production of aluminium spacer bars for double glazing, insect screen systems, pleated waterproof polyester insect screens, protection systems, home automation systems, and an electrostatic powder coating production unit.

Moreover, Viomal S.A. is the exclusive agent for the Greek market of German "Becker" motors and automation systems.



6.1.6. UACJ Elval Heat Exchanger Materials (UEHEM)

UACJ Elval Heat Exchanger Materials (UEHEM) was established in 2015 and is a joint venture between Elval and the Japanese giant "United Aluminum Company of Japan (UACJ Corp.)", engaged in the sale of heat exchangers for the European automotive industry. UEHEM acquires its products mainly from Elval and markets them to its customers in Europe under the UEHEM brand name.



6. ElvalHalcor Group



6.2 Copper segment

ElvalHalcor's copper segment comprises the copper tubes division, under the brand name Halcor, and its four key subsidiaries.

HALCOR

HELLENIC COPPER INDUSTRY

Fitco

Sofia Med

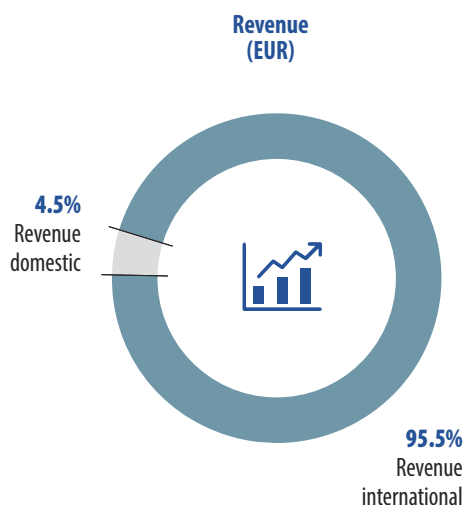
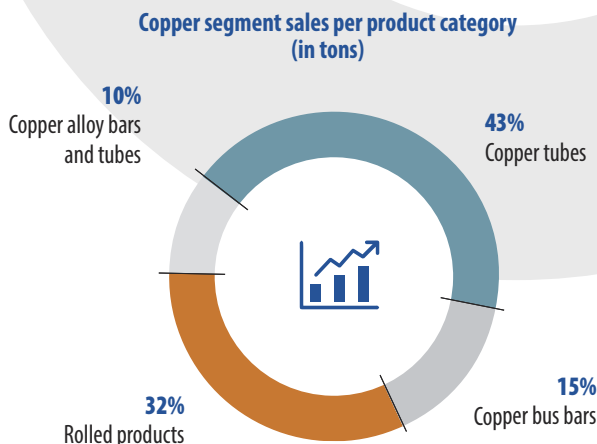
HC Isitma

Nedzink

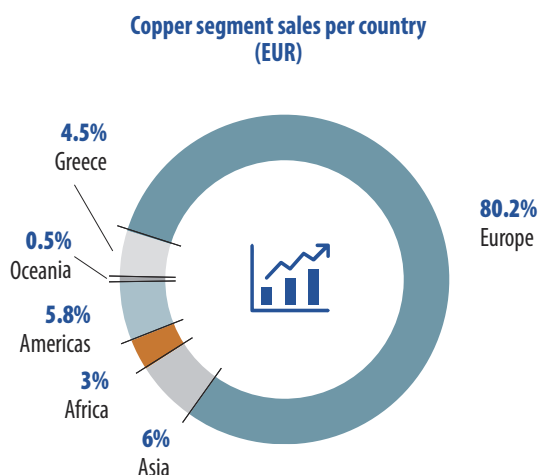
6. ElvalHalcor Group

The copper segment of ElvalHalcor operates six industrial plants in four countries (Greece, Bulgaria, Turkey and the Netherlands). In the copper segment plants, ElvalHalcor manufactures copper and copper alloy and brass products such as tubes, sheets, strips, bars and discs for various applications such as building and construction, heating, ventilation, air-conditioning and refrigeration, industrial applications, renewable energy sources and fish farming.

The copper segment, carries on international activities. As a result, exports account for 95.5% of its revenue and are directed to approximately 80 countries.



The copper segment's geographical allocation is presented in the following chart:



The points distinguishing the copper segment of ElvalHalcor from its competitors are summed up as follows:

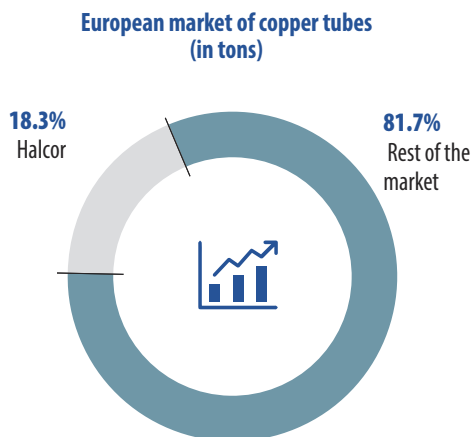
- Halcor's copper tubes plant at Oinofyta, Viotia is the largest and one of the most efficient plants in Europe, Middle East and Africa.
- Modern machinery and applicable quality procedures.
- Sophisticated technical assistance through the innovative tube heat transfer which is able to offer customised support to heat exchanger manufacturers targeted at the optimisation of the design and performance of their own final products.
- Extensive sales network.
- Well-established presence in the heating, ventilation, and air-conditioning industry.

6.2.1. Halcor

Halcor is the largest copper tubes manufacturer in Europe and the sole in Greece. Its production base consists of two industrial plants at Oinofyta, Viotia:

- A casting and recycling unit;
- A copper tubes production unit. This unit, which is the largest plant in the wider EMEA region, has one of the three largest extrusion presses worldwide.

6. ElvalHalcor Group



Halcor has been, for the last 80 years or so, engaged in the production and trade of copper products and alloys as well as copper rolled products, aiming to offer high added value innovative solutions to an extensive international clientele.

Halcor's product portfolio includes copper tubes designed for different markets such as water supply, heating and air-conditioning networks, construction, renewable energy sources and various industrial applications.

The company exports approximately 95% of its production to 57 countries.

Driven by the wish to ensure full customer satisfaction, Halcor seeks to offer innovative and reliable products, with top quality and technical properties, which enable it to provide high added value products. Manufacturing such products is enabled through its ultra-modern production base which is an important competitive advantage.

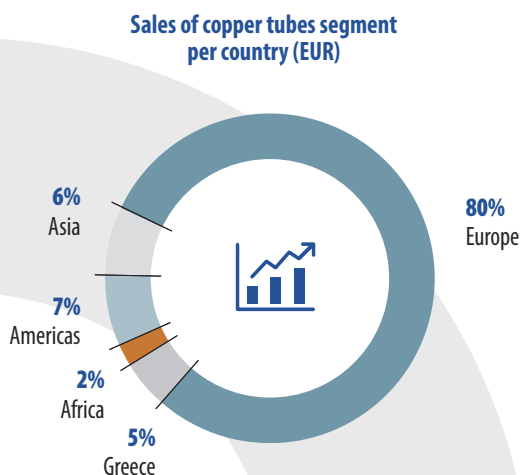
To achieve this objective, Halcor has implemented over the years strategic investment plans in research and development. Meanwhile, Halcor has managed to set new standards in copper processing, enabling it to offer high quality and energy efficiency innovative product solutions, capitalising on leading-edge infrastructures and technologies.

Achieving a strong production base also depends to a large extent on production-related processes. Halcor's production process has been based on two key pillars:

- transparency and
- sustainable development in financial, environmental and social terms.

The above framework is determined by certain basic practices such as the following:

- Management takes steps to ensure that employees in the production department are fully aware of the overall strategy governing production matters.
- A special online platform has been deployed for technology and innovation projects. All projects in the production field are fully computerised, made public and accessible to all involved parties. Each investment is described in detail in terms of current status and expected benefits.



6. ElvalHalcor Group

- Specific jobs have been determined with detailed descriptions and presentation of the duties and procedures involved, as well as of the Key Performance Indicators (KPIs) they are required to fulfil.
- The production process consists of detailed recorded procedures. KPIs help measure the performance of the procedures' owners and, therefore, measure production efficiency as a whole.
- A road map regarding all procedures has been drafted. Its objective is to ensure that procedures will develop over time and will not remain stagnant.

Halcor's copper tubes production unit is certified as per ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007 and ISO 50001:2011 standards.

Epirus Metalworks

During 2018, ElvalHalcor acquired all assets of Epirus Metalworks S.A. (hereinafter Epirus Metalworks) including receivables, royalties, patents, logos, trademarks and all administrative licences involving the operation of the acquired unit. The consideration of the transaction amounted to EUR 2.5 million. The objective of ElvalHalcor is to set up a new company, re-launch production and, by taking advantage of its international commercial network, transform it into an export unit.

Its modern production facilities in Pogoni, Ioannina, enable the company to produce all types of coin blanks, as well as rings for bi-colour coins. Its products are renowned for their outstanding quality.

Its plant is fitted out with state-of-the-art technology and its human resources stand out for their top training and specialisation. Extensive investment plans in machinery have been carried out in its plants.

This production unit is certified as per ISO 9001:2015, ISO 14001:2015 and ISO 50001:2011 standards.

6.2.2. Fitco

Fitco was established in 1978 and is specialised in the production of semi-finished copper alloy extruded products such as bars, profiles, bus bars, wires, tubes and mesh, all of which are used in various markets such as building and construction, transportation, shipbuilding, industrial applications, fish farming, medical applications, etc.

Fitco's export oriented activity is illustrated by the exports of the largest part of its products (73% of its production) to international markets, in more than 30 countries.

Fitco's production plant is certified as per ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 standards. The products manufactured in the said industrial plant are certified as per European and American standards such as EN, DIN, BS, NSF, ASTM, JIS.

6.2.3. Sofia Med

Having its registered office and production plant in Sofia, Bulgaria, Sofia Med is engaged in the production of copper and copper alloy rolled and extruded products used in building and construction and in numerous industrial applications. The company also enjoys a leading position at European level with respect to copper bus bars and copper rolled products for roofing applications. Further, it has started increasing its share in the market of electrical contacts and the automotive industry.

It is export-oriented and has a global customer base, making exports to more than 60 countries.

With its 80-year history and following the implementation of major investment plans, Sofia Med is currently a modern and quite competitive company. Sofia Med recently implemented a five-year business plan, primarily focused on business operations, product and procedure development, quality procedures, raw materials management and supply, entry to new markets (automotive industry, e-mobility, deep extrusion products), partnership with strategic European partners and increase of market share in existing and new markets (energy, electric applications, e-mobility, decoration).

Sofia Med has entered into a strategic partnership with the Japanese Dowa Metaltech, one of the leading manufacturers of high efficiency copper alloy products. Such partnership focuses on the transfer of know-how and technology in relation to the optimisation of existing procedures, as well as on the development of new alloys and products.

6. ElvalHalcor Group

Copper extruded products (bars, rods) (in tons)



Copper rolled products for roofing applications (in tons)



The Company's production plant is certified as per ISO 9001:2015, ISO 14001:2015, ISO 50001:2011, OHSAS 18001:2007 and IATF 16949:2016 for the automotive industry.

At the same time, the company also complies with the guidelines of ISO 26000 regarding matters of corporate social responsibility. Finally, with respect to Sofia Med's products, these meet:

- the requirements of consolidated European standards (EN);
- BS, DIN, ASTM, JIS specifications;
- or any other specific customer request.

Sofia Med is a member of the European Copper Institute, the Hellenic Copper Development Institute, the Bulgarian Association of Metallurgical Industry, the Bureau of International Recycling, the Hellenic Business Council in Bulgaria and the Bulgarian Association of Recycling.

6.2.4. HC Isitma

It is a joint venture of Halcor with the Turkish company Cantas A.S. The key goal of the Company is to trade its products in the Turkish market and the neighbouring countries.

The Company was set up in 2015 and became fully operational in the second quarter of 2016. It is engaged in copper coated tubes processing and specifically in the insulation of HVAC tubes, having production facilities in Gebze, Turkey.

Following approximately three years of operations, the performance of HC Isitma is deemed positive.

6.2.5. Nedzink

Having more than a century of accumulated experience and successful market presence, Nedzink is engaged in rolling titanium zinc and in particular in manufacturing products such as coils, sheets, strips, rain gutters and accessories.

Production is carried out in the company's facilities in Budel – Dorplein, the Netherlands while the company has sales agencies in the Netherlands, Belgium and Germany.

Nedzink's products are renowned for their excellent quality, resilience and high strength over time. Moreover, it is a highly innovative and pioneering company which has implemented structural investments in efficient and modern techniques, always on the lookout for new zinc-related applications.

The company has registered and exploits the following trademarks: NedZink® Naturel, NedZink® Nova, NedZink® Noir, NedZink® Nuance, NedZink® Nova Composite, NedZink® Pro-Tec, NedZink® Structure. It is noted that Nedzink is the first manufacturer of titanium zinc rolled products which has been certified as per NEN-EN-ISO 9001:2015.

NedZink 

7. Facilities and production plants

Following the acquisition by ElvalHalcor of 50% of the company's share capital, the investment plan of the two major shareholders ElvalHalcor and Koramic progresses in accordance with the plan. The goal is to develop production in the field of titanium zinc and

increase Nedzink's production capacity by combining its long experience in zinc rolling with ElvalHalcor's experience in continuous melting, casting and rolling of zinc and other metals.

7. Facilities and production plants

The production plants of ElvalHalcor and its subsidiaries are presented on a combined basis in the table below:

Production plant	Geographical sector/Country	Activity
Elval	Oinofyta, Viotia	Flat rolled aluminium products
Elval Colour	Agios Thomas, Viotia	Production of composite aluminium panels
Symetal	Oinofyta, Viotia	Production of aluminium foil
Symetal	Mandra, Attica	Conversion of aluminium foil
Vepal	Thiva, Viotia	Coating of aluminium
Anoxal	Agios Thomas, Viotia	Processing and recycling of metals
Viomal	Nea Artaki, Evia	Formation of aluminium coils
Halcor	Oinofyta, Viotia	Melting and recycling of copper for billets and copper slabs production
Halcor	Oinofyta, Viotia	Production of copper tubes
Fitco	Oinofyta, Viotia	Production of extruded brass and copper alloy products
Sofia Med	Sofia, Bulgaria	Production of rolled and extruded copper products and copper alloy products
HC Isitma	Gebze, Turkey	Coating of copper tubes
Nedzink	Budel-Dorplein, Netherlands	Production of rolled titanium zinc products
Epirus Metalworks	Kefalovryssio Pogoniou, Ioannina	Production of all types of coin blanks and rings for bi-colour coins

7.1. Aluminium segment

7.1.1. Elval

Location:	Oinofyta, Greece
Total area:	593,000 m ²
Buildings:	181,000 m ²
Production capacity:	290.000 tn per year

Elval's plant at Oinofyta, Viotia operates in aluminium rolling, manufacturing a wide range of products intended for transportation, automotive industry, industrial applications, packaging, building and construction, energy and power networks, domestic appliances, heating, ventilation and air-conditioning (HVA&R) markets.

The Oinofyta-based industrial plants figure among leading state-of-the-art modern aluminium rolling plants worldwide, as a result of the major and extensive investments made in them during the last fifteen years.

With respect to its production activity, Elval has adopted lean production, acknowledging it as the method that gives the most effective and adequate answers to modern problems encountered in production plants. Lean production mainly aims and attempts to give answers to problems and questions involving cost rationalisation, waste reduction and increase of productivity.

Through lean production methodology, Elval focuses on producing optimum aluminium products and solutions, while minimising the required resources (time, raw materials, man-hours etc.) in all of its production processes.

7. Facilities and production plants

Following the implementation of extensive investment plans, it is one of the top state-of-the-art aluminium rolling units across the world.

7.1.2. Elval Colour

Location:	Agios Thomas, Viotia
Total area:	31,400 m ²

Elval Colour's ultra-modern facilities at Agios Thomas manufacture the following products to be used in the shell of buildings, the automotive industry and corporate identity:

- Etalbond® aluminium composite panels;
- Elval ENF™ coated aluminium sheets;
- Elval EZ™ false ceilings;
- Orofe® coated aluminium strips and coils for roofing applications;
- Ydoral® coated aluminium strips for rain gutters;
- Agraphon® and Arypon® functional coatings;
- Coated strips for roller shutters;
- Aluminium-coated flashings (for windows and roofs).

7.1.3. Symetal - Foil rolling plant

Location:	Oinofyta, Viotia
Total area:	40,000 m ²
Buildings:	22,000 m ²
Production capacity:	52,000 tn per year

Symetal's plant at Oinofyta, Viotia is engaged in aluminium rolling and in particular in the manufacture of aluminium foil in a wide range of thicknesses and alloys for various uses such as flexible packaging, food, cigarettes, pharmaceutical products (blister and cold forming), semi-rigid containers, technical applications (foil for use in batteries, cables, insulation applications, heat exchangers) and domestic applications.

An investment plan concerning the installation and operation of two new annealing furnaces is carried out in this particular plant.

7.1.4. Symetal - Foil converting plant

Location:	Mandra, Attica
Total area:	24,000 m ²
Buildings:	14,000 m ²
Production capacity:	26,000 tn per year

The Mandra-based plant of Symetal is one of the top state-of-the-art units worldwide and is engaged in processing aluminium foil and in particular in paper lamination, lacquer-coating and embossing operations. This plant operates as a supplement to Symetal's other plant given that it processes the aluminium foil manufactured in the Oinofyta plant.

This plant manufactures paper-laminated products (with or without lacquer coating) such as cigarette inner liners, chocolate, chewing gum and other food packaging foil as well as bare aluminium (with or without lacquer coating) for chocolate foil, yoghurt and jam lidding foil, pharmaceutical foil, etc. These particular products are intended for food packaging, pharmaceutical products (blister and cold forming) and tobacco industries.

It is noted that a rapid increase in the production output of pharmaceutical products (blister) has been recorded in this plant.

At the same time, an investment plan is under way for the installation of a new cutting machine for bare lacquered aluminium.

7.1.5. Vepal

Location:	Thiva, Viotia
Total area:	41,100 m ²
Buildings:	15,600 m ²
Production capacity:	45,000 tn per year

This plant is engaged in painting aluminium sheets and coils using wet and electrostatic painting methods, with coils being used in architectural applications, false ceilings and building cladding, while sheets are used in the automotive industry.

7. Facilities and production plants

Aluminium segment - Plants



7. Facilities and production plants

7.1.6. Anoxal

Location:	Agios Thomas, Viotia
Total area:	61,000 m ²
Buildings:	10,300 m ²
Production capacity:	50,500 tn per year

This plant engages in aluminium recycling and casting to produce billets and slabs. It operates: horizontal casting unit, 2 melting furnaces and 2 holdings furnaces and 2 homogenisation furnaces.

7.1.7. Viomal

Location:	Nea Artaki, Evia
Total area:	36,000 m ²
Buildings:	9,500 m ²

Viomal's plant is specialised in the production of:

- Polyurethane-insulated aluminium rolling shutters for doors, windows and garage doors
- Extruded shutter profiles for doors, windows and garage doors
- Galvanised octagonal axes
- Thermal insulated aluminium boxes with polyurethane insulation
- Cold-blending formed aluminium boxes
- Extruded boxes for roller shutters (with or without thermal insulation)
- Plastic and metal accessories for roller shutters • Pleated and classic insect screen systems
- Nets made of various materials (polyester, fiberglass, pet, aluminium)
- Aluminium spacer bars for double glazing and their accessories
- Folded and fixed security systems of stainless steel.

copper, brass and other alloys, which are supplied to the remaining copper segment's companies.

The recycling-casting industrial plant operates the following production lines:

- continuous melting and vertical casting of copper billets
- melting and semi-continuous casting of copper billets
- melting and continuous horizontal casting of brass billets
- melting and semi-continuous casting of brass billets/slabs
- melting and semi-continuous casting of special alloys billets/slabs
- melting, continuous casting and rolling for production of copper 8mm wire.

7.2.2. Halcor - Copper tubes plant

Location:	Oinofyta, Viotia
Total area:	181,400 m ²
Buildings:	63,500 m ²
Production capacity:	80,000 tn per year

This is a state-of-the-art production unit standing out for the following reasons:

- It is the largest plant producing copper tubes in Europe, Middle East and Africa.
- It is ranked among the most efficient production plants at a European level.
- One of the largest extrusion presses worldwide is installed and operates within the plant.

It is engaged in the processing of copper billets in order to produce copper tubes. This plant manufactures a wide range of copper tubes such as inner-grooved tubes, insulated, clad, at straight lengths or coils, hard, half-hard or soft. Many of these products are used in a wide array of industrial applications.

The plant's high efficiency has been achieved through a number of actions which targeted not only machinery but also human resources:

- Production planning has been restructured already since 2015 in order to enhance production capacity.
- Shifts are changed within the entire plant without operations being discontinued.
- Delays have been considerably reduced following relevant optimisation projects. The time saved has been allocated to production activities.
- All procedures have been improved after they were

7.2. Copper segment

7.2.1. Halcor - Recycling plant - foundry

Location:	Oinofyta, Viotia
Total area:	49,600 m ²
Buildings:	15,100 m ²
Production capacity:	235,000 tn per year

This plant is engaged in the production of semi-finished products and in particular billets and slabs made of

7. Facilities and production plants

Copper segment - Plants



7. Facilities and production plants

recorded and analysed in detail, and corrective actions were taken.

- Lean 6 Sigma Training methodology is implemented, laying emphasis on both theoretical and on-the-job training. The goal is to enhance personnel training in the areas of quality, management, production effectiveness as well as project and process management. To this effect, opportunities have been fully analysed in order to improve crucial processes and infrastructures.
- SMED (Single Minute Exchange of Die) projects are being implemented across the entire production process to increase the availability of production lines.

7.2.3. Fitco

Location:	Oinofyta, Viotia
Total area:	58,000 m ²
Buildings:	25,800 m ²
Production capacity:	40,000 tn per year

Fitco's industrial facilities stand out for their productive flexibility and their capacity to provide tailor-made product solutions to the company's clientele.

Fitco is engaged in copper alloy extrusion, manufacturing various products such as rods, tubes, bars, profiles, wire and UR30® copper alloy mesh for cage farming aquaculture. Hot or cold extrusion techniques are used to produce the above products with brass scrap as unique raw material.

7.2.4. Sofia Med

Location:	Sofia, Bulgaria
Total area:	250,000 m ²
Buildings:	120,000 m ²
Production capacity:	140,000 tn per year

It is a plant with tremendous production capacity and output, as a result of the extensive investments of EUR 190 million made from 2001 to 2018.

Sofia Med produces a wide range of rolled and extruded copper and copper alloy products used in a wide variety of building and industrial applications, including sheets,

strips, plates, circles, disks, bare and plated copper bus bars, rods, profiles, components and wires. Sofia Med's plant has three production units: a foundry, and rolling and extrusion mills.

7.2.5. HC Isitma

Location:	Gebze, Turkey
Production capacity:	6,000,000 meters of tubes per year

HC Isitma's plant is engaged in the production of coated tubes. More specifically, this plant manufactures: Ecutherm coated copper tubes with a production capacity of 4,200,000 meters of tubes per annum and polypropylene A/C drain hoses with a production capacity of 1,800,000 meters of tubes per annum.

7.2.6. Nedzink

Location:	Budel – Dorplein Holland
Production capacity:	24,000 tn per year

Nedzink's plant in Budel manufactures titanium-zinc rolled products and in particular:

- Coils
- Sheets
- Strips
- Rain gutters
- Accessories.

7.2.7. Epirus Metalworks

Location:	Pogoni, Ioannina
Production capacity:	5,000 tn per year
Total area:	24,500 m ²
Buildings:	7,800 m ²

Epirus Metalworks is one of the leading manufacturers of coin blanks in Europe. Its state-of the-art manufacturing plant produces all types of coin blanks and rings for bi-colour coins.

8. Product solutions

In order to fully meet the needs of its international customers, ElvalHalcor has developed an extensive and diversified portfolio of product solutions, which incorporates high quality, continuing improvement,

innovation and technology, sustainable development and rationalised cost. The company's products are used in many different markets, the most important of which are presented below.



8.1. Aluminium segment

8.1.1. Transportation

Elval, the aluminium rolling division of ElvalHalcor, manufactures aluminium sheets, strips and coils as well as multilayer alloys (brazing) which are applicable in the following transportation markets:

- Road transports: Refrigerated trucks, road tankers, road silos, tipper trucks, emergency vehicles, buses, fuel tanks, livestock vehicles.
- Rail transports: Cargo or passenger trains.
- Shipbuilding: Floors, stairs, ship decks and ramps, mega-yachts, high speed catamarans and fast ferries, patrol and service vessels, fishing boats and pontoons.
- Automotive industry: Various types of trailers, chassis parts, braking systems, structural parts, window sliding frames, heat-insulating covers (heat shields) brazing sheets generally for heat

exchangers and especially for water or oil coolers, car radiators, condensers and evaporators, consisting of single-layer or multilayer alloys with high strength and long life anti-corrosive properties for engines of passenger cars and heavy vehicles.

8.1.2 Heating, ventilation, A/C and refrigeration

Elval's plant produces aluminium coated and mill finish sheets for fixed plate heat exchangers used in domestic air conditioners, major facilities and plants.

8.1.3 Packaging

ElvalHalcor aluminium rolling division offers a wide range of high quality aluminium products for the markets of both rigid and flexible packaging. It includes:

- Coated and mill finish aluminium sheets and coils for rigid packaging such as beer, beverage and drink cans, caps and tab stocks, food containers, bottle caps and container closures used in alcohol

8. Product solutions

and beverage, water, food, and oil cans, pet food containers and people, as well as mounting caps for aerosol valves in the cosmetics sector.

- Aluminium foil for flexible and semi-flexible packaging ranging from chocolate foil, yoghurt lidding foil to cigarette inner liners, aluminium foil for pharmaceutical use (blister and cold forming), food containers and aluminium foil for domestic use.

8.1.4. Renewable energy

- Aluminium plates for windmill platforms and nacelles
- Sheets for solar collectors.

8.1.5 Water supply

- The product portfolio of ElvalHalcor includes aluminium coils for multilayer tubes for use in water supply networks and underfloor heating.

8.1.6 Building and construction

- Building façade applications: Elval ENF energy façades, Elval ENF Corrugated aluminium products, etalbond® aluminium composite panels, etalbond® panel support systems (Bravo, Vario, Forte), Arypon®, Agraphon® and Ceramic special coatings, coated compact sheets.
- Roofing applications: Elval EZ False Ceiling™ system, Orofe® pre-painted aluminium coils and sheets, highly reflective coatings.
- Rain gutter systems and accessories (rain gutters, tubes, accessories): Ydoral® coated aluminium strips and coils.
- Aluminium construction angles for various constructions projects.
- Coated aluminium strips and coils for window rolling shutters, rolling shutter garage doors, industrial doors and encasement systems.
- Aluminium rolling shutters, octagonal axes, accessories for rolling shutters, roller shutters

boxes (from aluminium sheets, polyurethane-insulated aluminium, extruded aluminium, PVC), guides, rolling shutter strap guards, hand cranks for rolling shutters for doors, windows and garage doors.

- Insect screen systems (pleated and classic) for doors and windows.
- Aluminium spacer bars, accessories, security railings from stainless steel for doors and windows
- Door sliding security systems
- Aluminium foil for roofing and wall insulation applications, flexible tubes, air ducts and foam panels.

8.1.7 Energy and power networks

Elval produces thick gauge and low weight aluminium sheets for liquefied natural gas (LNG) storage tanks, living quarters for oil platform units, telecommunication equipment cabins and bus ducts for the transport of electricity in power stations.

8.1.8 Industrial applications

Elvalhalcor plants manufacture mill finish or coated aluminium sheets and coils, used in various industrial applications including, among others, geodesic domes, tank internal floating roofs, static silos, flat screen LED TVs, circuits boards, light bulb bases and tool kits.

8.1.9 Signage

ElvalHalcor produces aluminium sheets and lightweight composite panels used in the road signage market, car licence plates, advertising signs, display, advertising and corporate identity applications.

8.1.10 Household appliances

ElvalHalcor produces aluminium circles and special shapes of rectangular or oval cross-section for cookware applications. It is noted that the Company supplies some of the largest firms operating in this market on a global scale.



8. Product solutions



8.2. Copper segment

8.2.1 Water supply

Halcor produces Talos® and Cusmart® copper tubes which are used in water supply networks while the copper segment's other subsidiaries produce brass bars for the manufacture of fittings, brass tubes for sanitary accessories and brass strips for flexible tubes (fittings used in Building Installation and Household).

8.2.2 Heating, ventilation, A/C and refrigeration

Halcor, the copper tubes division of ElvalHalcor, produces a wide range of copper tubes such as:

- Talos® ACR Linesets tubes used in air conditioning systems;
- Talos® ACR Inner Grooved tubes designed for the industry of heat exchangers for air conditioners;
- Talos® ACR Ecutherm™ and Talos® ACR Ecutherm™2 tubes used in heating, ventilation, air-conditioning and refrigeration facilities;
- Copper strips for boilers and heat exchangers;
- Brass strips for heat exchangers;
- Polypropylene air conditioner drain hoses.

8.2.3 Building and construction

The copper segment's plants produce the products below which are intended for the building and construction markets:

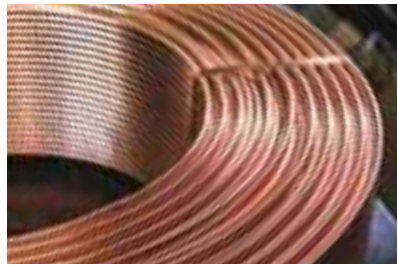
- Talos® copper tubes used in water supply, heating, natural gas, and air conditioning applications;

- Talos® coated copper tubes: they are used in water supply, heating and air conditioning applications;
- Talos® Gas copper tubes: they are used in natural gas internal networks;
- Talos® copper tubes for fire extinguishing networks: they are used in the manufacture of water supply and permanent fire extinguishing networks and sprinklers in diverse areas;
- Talos® Ecutherm™ copper tubes: coated copper tubes available insulated for heating and refrigeration applications;
- Cusmart® copper tubes: It is a registered and patented trade mark. They are used in water supply, heating, floor heating and refrigeration applications;
- Seamed or seamless brass tubes, brass strips, bars, sheets, plates and profiles for railings, sanitary accessories, architectural and industrial applications;
- Copper and titanium-zinc rain gutters for rainwater runoff;
- Brass strips and sheets for interior decoration;
- Copper sheets and strips for external building envelope, roofs, rain gutters. They are marketed under the Doma® trade mark.

8.2.4 Renewable energy

- Talos® Geotherm™ copper tubes for geothermal applications for natural heating of buildings;
- Talos® Ecutherm™ Solar copper tubes used in solar system networks;
- Copper bus bars for wind generators;
- Copper sheets and strips for solar panels.

8. Product solutions



8. Product solutions

8.2.5 Medical applications

- Talos® Med copper tubes for the construction of medical gas transport and distribution networks.

8.2.6 Industrial applications

- Copper tubes for fittings, high frequency cables, boilers and filters
- Copper and brass sheets, strips and plates for various industrial and mechanical applications
- Brass circles for music instruments (cymbals)
- Copper strips for high frequency cables and fire-resistant cables and brass for downstream operations.

8.2.7 Energy and power networks

- Power and energy networks includes copper strips for cabling.
- Copper plates and bars for electricity distribution networks.
- Copper foil and strips for adapters, ready-for-assembly copper accessories.
- Tubes, wires, brass parts for springs, screws, rivets, various revolving parts, hot sealing accessories and heat exchangers for corrosive environments.
- High performance special copper alloys for lighting and electromechanical applications.

8.2.8 Transportation

- Brass bars and tubes for accessories used in shipbuilding equipment and generally in applications related to sea water.
- Copper strips used in e-mobility applications
- Copper alloys for vehicle connectors and bars made of special brass alloys for car valves.

8.2.9 Fish farming

ElvalHalcor, through its subsidiary Fitco SA, produces wire used to manufacture mesh for fish farm cages. The mesh is made from UR30® copper alloy.

8.2.10 Other applications

- Lead brass wire for bike accessories,
- Brass profiles intended for the furniture industry and various alloys widely used in coin production.

8.3. New products development

The successful implementation of research and development activities, innovation and investments has enabled ElvalHalcor and its subsidiaries to develop new products with innovative characteristics and respond to the ever-changing requirements of their customers. This capacity has evolved

into a significant competitive advantage as it enables ElvalHalcor to enter new markets at all times and directly compete against large manufacturers of aluminium and copper products at international level.

During 2018, ElvalHalcor and its subsidiaries marketed the following products:

Elval

- Elval Solar Black: It refers to an aluminium strip in black colour placed in the absorber of solar collectors. It has excellent absorption qualities of solar energy together with a reduced emission factor, thus ensuring a more efficient operation of the solar collector of water heaters.
- Its presence was established among thick gauge aluminium sheets (plates) for uses in the shipbuilding industry, for industrial uses and storage tanks, multilayer tubes applicable in interfloor heating and water supply systems, giving priority to the markets of Israel, Italy and Germany, and to multilayer alloys (brazing) for the market of heat exchangers in cooperation with UACJ Corp.

Elval Colour

- New colours and coating techniques for Etalbond were fully developed.

Symetal

- Can lidding foil: This is a standard gauge foil of 37 mm which is coated, stamped and shaped into a flexible protective lid sealing the upper part of beverage and drink cans, such as beer. It protects can lids from external factors such as dust and bacteria, increases the potential surface of brand visibility, and is fully recyclable and environmentally sustainable. It is noted that the can lidding foil was developed in collaboration with the company's strategic customers.

Viomal

- It is at the stage of completing the design of a new diversified insect screen model.

Halcor

- It manufactures Talos Form, an advanced copper tube with exceptional forming capability, which is characterised by its capability to be given shapes requiring a high degree of elongation. This advanced forming capability is used in the construction of critical HVAC&R components such as connecting parts for boilers, components of heat exchangers and other composite accessories.

8. Product solutions



9. Research and development



ElvalHalcor operates based on a customer-centric philosophy which requires long-standing relationships with customers which contribute to its sustainable development in a long-term horizon. In light of the above, the company's actions focus on transforming ElvalHalcor from a simple supplier into a reliable, valuable and indispensable partner who can fulfil demands under any circumstances, and is able to provide the best-in-class technological solutions all over the world.

The company seeks at all times to ensure full and continuous customer satisfaction. For this to be attained, the company maintains an ongoing and productive communication with each customer while also monitoring closely market trends and customers' evolving needs. In addition, the company sees to the continuous improvement and upgrade of the products and solutions it offers, laying emphasis on innovation and making continuous investments in research and development.

More than EUR 4.4 million were spent during 2018 in research and development.

Thousand EUR	Group	Company
Aluminium	3,330	2,886
Copper	1,082	1,022
Total	4,412	3,908

Specifically, the investments made by the company in research and development concern three key directions:

- Machinery
- Human Resources
- Exchange of technology and know-how.

In particular, as regards the last direction, ElvalHalcor and its subsidiaries have entered into strategic partnerships with top international firms such as UACJ Corp., Mitsubishi Shindoh and Dowa Metaltech as well as partnerships with various research centers.

These actions aim at the substantial upgrade of plants and production, by enriching existing practices with innovative techniques and technologies. In addition, acknowledging the important role played by people in research and development, ElvalHalcor carefully chooses its staff so that they are experienced, trained and qualified, boosts their

9. Research and Development

professional advancement, and provides them with cutting-edge technology equipment to assist them in their tasks.

Throughout the years, in the field of innovation, ElvalHalcor has managed to market a host of new products standing out for their high quality and excellent technical and mechanical properties, by offering added value and catering for all needs of the most demanding customers.

9.1. Elval Technology Center

Elval Technology Center is a key player in innovation development. This center, which is an integral part of Elval network, includes many departments, which closely collaborate with each other. This center enables customers to gain direct access to research and development and product design, innovation and technical assistance.

Customers benefit from the expertise of the Company's specialised personnel in the fields of quality, technical support, product development, as well as of the metallurgy and chemistry laboratories, which collaborate in order to develop and optimise new products.

9.2. Elval Metallurgy Center

Elval Metallurgy Center is part of the technology center and constitutes an important laboratory for metallurgy research. It is engaged in the development of new products and procedures, monitoring existing products and procedures, evaluating the quality of melted metals, inspecting raw materials, addressing problems encountered in production, customer service and technical support to metallurgy operations.

The capacity to carry out extensive research and develop new alloys enables Elval to be at the forefront of the next generation alloy development. Top engineers are in charge in Elval Metallurgy Center, who have available the necessary technologies. The combination of talented and specialised human resources and ultra-modern infrastructures enables Elval Metallurgy Center to innovate in alloy design. Alloys are designed having regard to customer needs and technical specifications, such as resistance to corrosion, mechanical properties and surface properties. What the company gets is cost-effective production of alloys with optimum properties.

9.3. Halcor's Tube Heat Transfer Laboratory

Halcor's broad product portfolio includes Talos® Inner-Groove Tubes (IGT) and Talos® ACR copper tubes. Talos® Inner-Groove copper tubes feature inner grooves whose geometry enhances significantly the amount of heat transferred through the internal medium. The production technology for Talos® Inner-Groove copper tubes enables

the manufacture of advanced inner-groove designs for a complete range of sizes, from 16mm outside diameter down to the new generation of microgroove™ tubes with an outside diameter of 5mm or less. Halcor is one of the few manufacturers worldwide to have this capability.

Halcor has set up a tube heat transfer laboratory within Halcor's central production plant at Oinofyta, dedicated to research and development. It also aims at evaluating the thermal performance of both plain and inner-grooved tubes designed for heat exchangers. The data collected from the tests carried out at this laboratory enable Halcor to offer technical support to manufacturers of heat exchangers, by providing specialised information, with a view to optimising their heat-exchanger design and achieving higher efficiency.

The tube heat transfer laboratory boosts the added value offered by Halcor to its customers while establishing an integrated framework of cooperation for support and product development.

9.4. Elkeme S.A. - Hellenic Research Center for Metals

Elkeme, Hellenic Research Center for Metals S.A. was founded in 1999 to support the Greek metallurgical industry. Through its state of the art laboratories, it focuses on industrial research and technological development. The majority of its efforts are concentrated in four major metals sectors: aluminium, copper, steel and zinc, in order to provide efficient solutions.

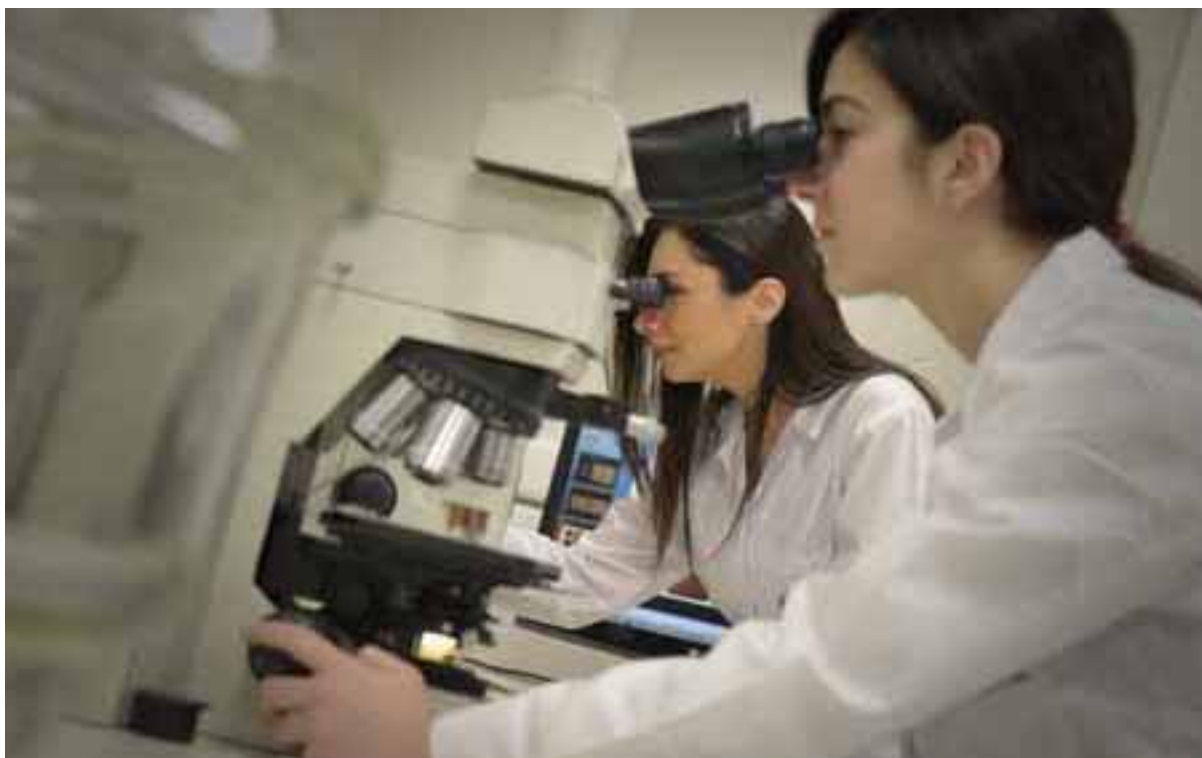
It closely cooperates and supports the technology centers of ElvalHalcor companies and Viohalco subsidiaries, and monitors technological developments as well as new trends in order to upgrade production processes and product technical characteristics while strengthening the element of innovation.

Elkeme activities mainly focus on applied technological research towards:

- The development of new, innovative and high added value products as well as improvement of existing products.
- The optimisation of industrial processes to support energy and cost-efficient operations, prioritising health, safety and the environment.
- Continuous research into plant environmental performance, impact assessment, recycling, stabilization and utilization of by-products for companies' sustainable growth.

As a continuously evolving competence and excellence center, Elkeme management applies robust and modern Quality Management Systems (ISO 9001:2008 and ISO/IEC 17025:2005). The process of certification

9. Research and Development



as per ISO 17025:2017 is in progress.
(for more information about Elkeme, please visit the website <http://www.elkeme.gr>)

9.5 Hellenic Copper Development Institute (HCDI)

Halcor is one of the founders of the Hellenic Copper Development Institute. The HCDI is a non-profit organisation and aims to provide responsible updates to specialised users about anything relating to applications and uses of copper and copper alloys. The HCDI operates with a view to promote and develop copper applications.

The HCDI has scientists and technicians as advisors who collaborate for the purpose of implementing different projects including activities such as:

- updates to professionals;
- training and technical support;
- scientific guidance in relation to issues concerning copper and its alloys;
- promotes the latest developments highlighting the key role of copper in both the environment and health.

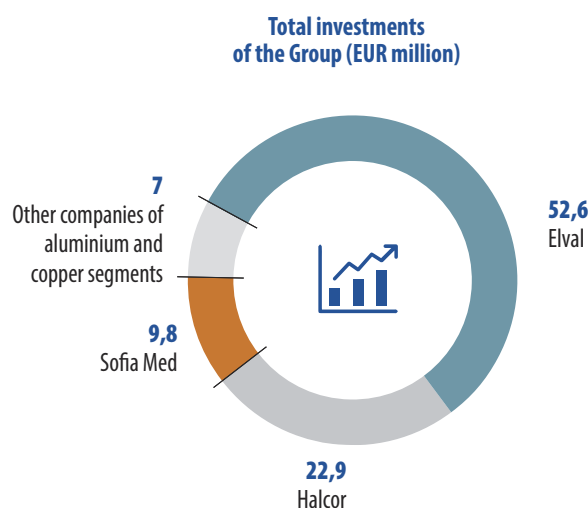
The HCDI is supported by the International Copper Association (ICA), which was set up with aim to promote the copper use and is comprised of 27 copper centers all over the world. Members of the European Copper Institute are the largest copper manufactures and copper processing industries worldwide, as well as companies involved in copper. The HCDI is also a member of the European Copper Institute, a European network which primarily seeks to plan, coordinate and manage the resources required for promoting copper in the European markets.

The Hellenic Copper Development Institute (HCDI) is a member to the European Copper Institute (E.C.I.), whose primary objective is to design, coordinate and manage resources for promoting copper in the European markets.

Concurrently, being an active member, Halcor participates in the elaboration of its programs, either by making available materials and sites for seminar implementation or by providing funds for implementing programs across Greece.

10. Investments

Throughout the years, ElvalHalcor has been established as one of the top manufacturers of aluminium and copper products across the world. This recognition was gained through an ongoing process of continuous expansion of the range of its products, enhancement of quality and added value and, therefore, strengthening of the company's competitiveness over time. Showing dedication to development and streamlining through continuing implementation of extensive and demanding investment plans, the Company has designed, scheduled and successfully carried out large-scale investments, thus giving a concrete proof of its industrial orientation. The Group's total investments in 2018 amounted to EUR 92.3 million.



Elval

- Total investments of EUR 52.6 million were carried out, primarily referring to the investment plan of EUR 150 million in the aluminium rolling division.
- The installation of a new slab pre-heating furnace which will supply the hot rolling process of the new mill is under way.
- Cutting machines for aluminium circles were fully reallocated while the installation of a new cutting machine for aluminium sheets is under way.
- The warehouses were transferred to new larger and modern premises to enable handling of a larger volume of products.
- An investment is implemented in software installation to ensure more effective and faster management of production data so as to control quality, productivity and damage restoration.

Symetal

- A new grinding machine for work rolls was purchased, in order to improve quality and enhance productivity.

Halcor

- An investment plan of EUR 22.9 million was completed which will increase the production capacity of the copper tubes production plant by 5,000 tons per annum, and will upgrade the pipeworks infrastructure (such as storage areas, quality control).
- Investments were made in logistics so as to streamline the finished products warehouses.

Sofia Med

Overall, investments totalling EUR 9.8 million were completed:

- A sheet tin-plating line was installed.
- The brass foundry's production capacity was fully upgraded.
- Two new melting furnaces were installed.
- Various investments were carried out in quality control equipment as well as in quality, rolling and extrusion departments.

Nedzink

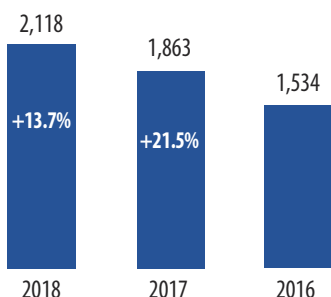
- An investment plan of EUR 25 million started being implemented in relation to machinery and building premises, in order to raise production capacity to 36,000 tons per annum and restructure the continuous casting production process.

11. Financial information

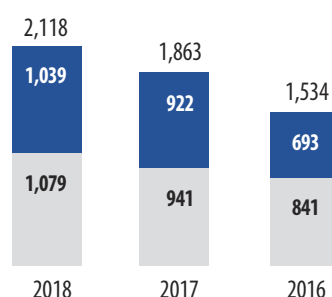
In 2018 ElvalHalcó's consolidated revenue increased by 13.7% and amounted to EUR 2,118 million compared to EUR 1,863 million in 2017.

The increase in ElvalHalcó Group's revenue is due to the higher sales volumes (+7.6% compared to last year) as both segments continued to grow, and to the improved product mix.

Consolidated revenue of ElvalHalcó (EUR million)

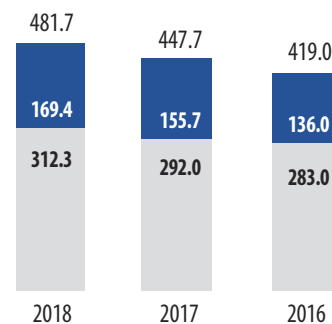


Revenue of ElvalHalcó per segment (EUR million)



Copper Aluminium

Sales volume of ElvalHalcó per segment (Ktn)



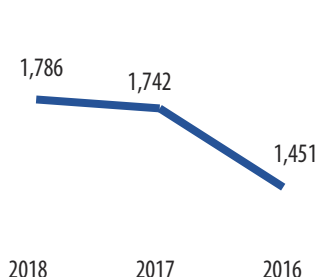
Copper Aluminium

11. Financial information

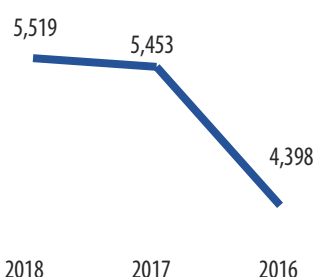
The average aluminium price reached EUR 1,786 per ton in 2018 compared to EUR 1,742 per ton in 2017. The average copper price reached EUR 5,519 per ton in 2018 compared to

EUR 5,453 per ton in 2017. Finally, the average zinc price reached EUR 2,467 per ton in 2018 compared to EUR 2,561 per ton in 2017.

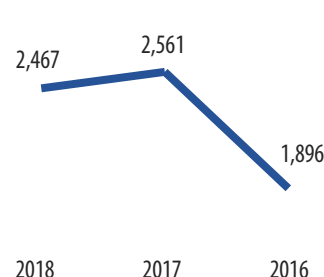
Average aluminium price (euro/tn)



Average copper price (euro/tn)



Average zinc price (euro/tn)



Sales of copper tubes continued to grow at a higher rate than the growth rate of demand. As a consequence of higher global demand and continued improvements in quality and other services at the subsidiary Sofia Med, sales of copper rolled products and copper alloys used for industrial applications saw significant growth.

The shift into industrial products of high added value and improved margin, as a result of continuous investments, had a positive effect on profits and consolidated adjusted earnings before interest, taxes, depreciation and amortisation (adjusted-EBITDA). Note that the growth rate of the company's sales was higher than the growth rate of total demand in the market.

The Group's gross profit amounted to EUR 166.9 million compared to EUR 156.9 million in 2017, thus registering a 6.4% increase. It is noted that the lower increase in relation to the Group's sales is due to a large extent to the decrease in metal profit which was established at EUR 23.0 million compared to EUR 33.1 million in 2017.

Likewise, while consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 165.2 million compared to EUR 160.5 million in 2017, consolidated adjusted earnings before interest, taxes, depreciation and amortisation (a-EBITDA), which set aside the effect of metal prices and reflect better ElvalHalcor' operating profits, increased by 9.8% to EUR 142.1 million compared to EUR 129.4 million in 2017.

Earnings before interest and taxes (EBIT) stood at profits of EUR 107.1 million compared to EUR 102.0 million prior year.

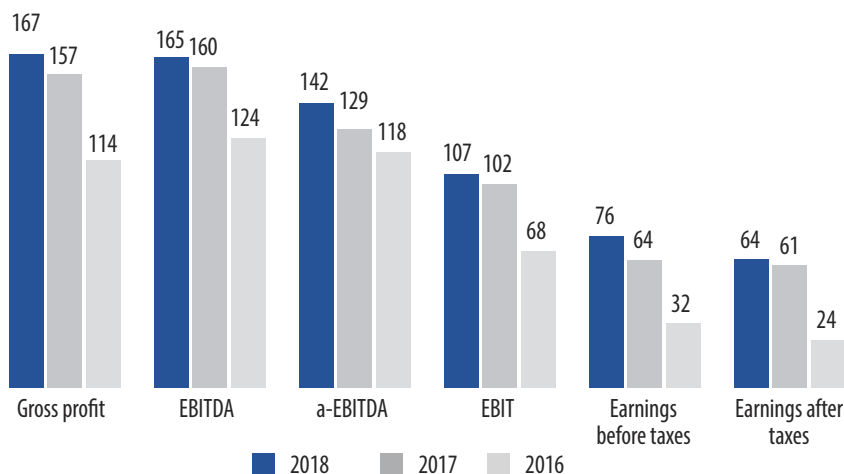
The consolidated net finance costs were reduced by EUR 4.6 million or 12.5% in 2018 and amounted to EUR 32.2 million from EUR 36.8 million in 2017, following the reduction in interest rates, which was achieved after renegotiating the loans of the parent company and the subsidiaries, and by receiving a new credit line from the European Investment Bank (EIB), as part of the Company's investment plan.

11. Financial information

Earnings before taxes amounted to EUR 75.8 million compared to EUR 63.9 million in 2017 and, finally, earnings

after taxes amounted to EUR 64.3 million from EUR 61.3 million 2017, being increased by 4.9%.

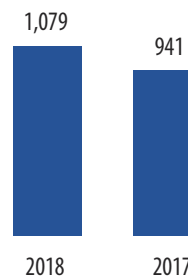
Key consolidated financial figures (EUR million)



Aluminium segment

Owing to the strong demand mainly in the markets of the USA and Europe, the sales of the aluminium segment were increased by 7.0% and 14.6% in volume and in value respectively, as a result of the positive development of demand for aluminium products in general and specifically for aluminium foil, with revenue amounting to EUR 1,079 million from EUR 941.5 million in 2017.

Revenue - Aluminium segment (EUR million)

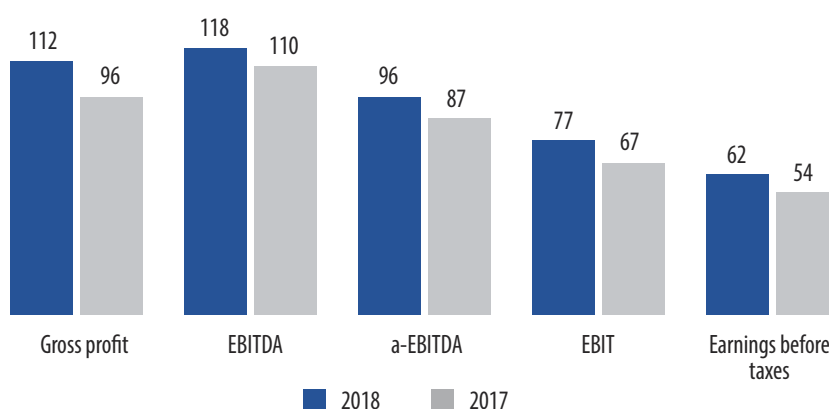


11. Financial information

The segment's gross profit amounted to EUR 111.5 million compared to EUR 96.1 million in 2017, thus registering a 15.6% increase. a-EBITDA amounted to EUR 95.8 million in 2018 compared to EUR 87.0 million in 2017, i.e. an increase of 10.1%.

Finally, the segment's earnings before taxes amounted to EUR 62.0 million compared to EUR 53.8 million in 2017, thus registering a 15.2% increase.

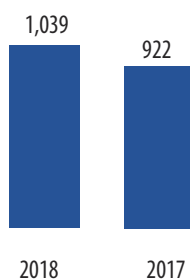
Key financial figures of aluminium segment (EUR million)



Copper segment

Sales in the copper segment were considerably increased by 8.8% and 12.7% in terms of volume and value respectively, due to the increase in the average copper price, with revenue amounting to EUR 1,039 million from EUR 922 million in 2017.

Revenue - Copper segment (EUR million)

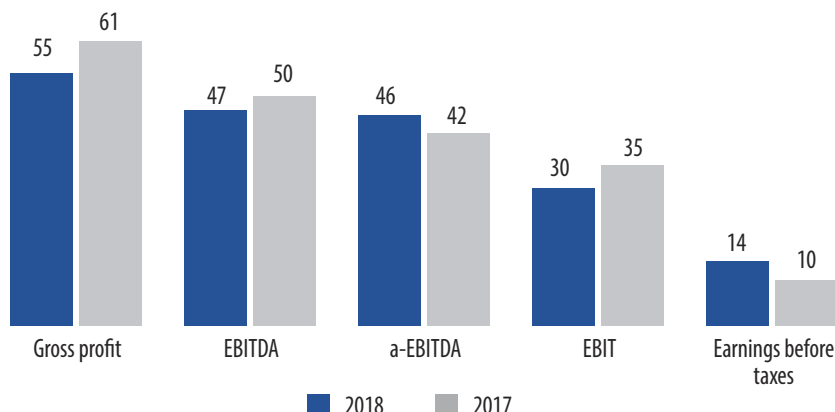


11. Financial information

The segment's gross profit amounted to EUR 55.5 million compared to EUR 60.8 million in 2017, i.e. a decrease of 8.7% due to a reduction in metal profit. Nevertheless, a-EBITDA amounted to EUR 46.4 million in 2018 compared to EUR 42.5 million in 2017, i.e. an increase of 9.2%.

Finally, earnings before taxes amounted to EUR 13.9 million compared to earnings of EUR 10.1 million in 2017, thus registering a 37.8% increase.

Key financial figures of copper segment (EUR million)



The summary financials of ElvalHalcó group for 2018 are presented in the table below:

(amounts in EUR ,000)

	2018	2017 ⁽¹⁾	2016 ⁽¹⁾
Consolidated and comparable information (for 12 months)			
Revenue	2,117,789	1,863,320	1,534,127
Gross profit	166,948	156,871	114,056
EBITDA	165,166	160,521	124,701
a-EBITDA	142,149	129,437	118,047
EBIT	107,051	101,967	68,471
EBT	75,849	63,923	32,282
EAT	64,303	61,330	23,546
Profit margin (%)			
Gross profit	7.9%	8.4%	7.4%
EBITDA	7.8%	8.6%	8.1%
a-EBITDA	6.7%	6.9%	7.7%
EBIT	5.1%	5.5%	4.5%
EBT	3.6%	3.4%	2.1%
EAT	3.0%	3.3%	1.5%
Growth indicators (%)			
Revenue	13.7%	21.5%	n/a
Gross profit	6.4%	37.5%	n/a
EBITDA	2.9%	28.7%	n/a
a-EBITDA	9.8%	9.6%	n/a
EBIT	5.0%	48.9%	n/a
EBT	18.7%	98.0%	n/a
EAT	4.8%	160.5%	n/a

(1) 2016 and 2017 consolidated figures include comparable consolidated data which were prepared on a pro forma basis and reflect the comparable financial data as included and published in the financial statements of the fiscal years 2017 and 2018.

11. Financial information

The financial position of ElvalHalcor group is presented in the table below:

(amounts in EUR ,000)	2018	2017	2016 ⁽²⁾
Assets			
Property, plant and equipment	894,998	842,212	851,734
Inventories	519,218	433,498	352,089
Trade receivables	218,286	199,025	240,398
Cash and cash equivalents	34,241	41,446	39,042
Other assets	7,801	9,246	3,572
Total assets	1,674,543	1,525,427	1,486,835
Equity & liabilities			
Share capital	146,344	146,344	146,344
Other equity items of Company's shareholders	570,443	509,166	467,796
Non-controlling interests	13,679	12,905	11,504
Total equity	730,468	668,416	625,644
Non-current liabilities			
Long-term loans	384,416	292,933	346,236
Other long term liabilities	94,720	99,791	100,900
Total non-current liabilities	479,136	392,724	447,136
Current liabilities			
Short-term loans	193,553	275,307	217,198
Other current liabilities	271,386	188,980	196,857
Total current liabilities	464,939	464,287	414,055
Total equity & liabilities	1,674,543	1,525,427	1,486,835

(2) For the FY 2016 consolidated figures include comparable consolidated data which were prepared on a pro-forma basis and as published in the article No 4 of the Law 3401/2005.

The cash flows of ElvalHalcor group for the fiscal years 2018 and 2017 are presented below:

(amounts in EUR ,000)	2018	2017
Cash flows		
From operating activities	94,323	110,651
From investing activities	-106,516	-133,706
From financing activities	4,989	49,304
Net change in cash	-7,204	26,248
Cash at beginning of year	41,446	15,198
Effect of exchange differences	-2	0
Cash at year end	34,241	41,446

11. Financial information

The group's key financial ratios for the 2018 fiscal year are presented in the table below:

Key financial ratios		2018	2017
Liquidity			
Current ratio	Times	1.67	1.46
Quick ratio	Times	0.55	0.53
Activity			
Inventories turnover ratio	Days	100	96
Receivable turnover ratio	Days	38	39
Payable turnover ratio	Days	47	40
Cash Conversion Cycle	Days	91	95
Solvency			
Interest coverage ratio	Times	5.11	4.35
Debt-to-equity ratio	Times	1.29	1.28
Long-term bank loans	%	22.96%	19.20%
Short-term bank loans	%	11.56%	18.05%
Fixed asset turnover	Times	1.26	1.22
Profitability			
Return on equity	%	8.80%	9.18%
Return on Assets	%	3.84%	4.02%

12. About the share

ElvalHalcor arose from the merger by absorption of Elval Hellenic Aluminium Industry S.A. - Hellenic Aluminium by listed Halcor Metal Works S.A. according to decision no. 131569/30-11-2017 of the Minister of Economy and Development.

ElvalHalcor is listed and its shares are traded on the Main Market of the Athens Stock Exchange. The key information about the Company's share is presented in the table below:

Share capital:	EUR 146,344,218.54
Number of shares:	375,241,586
Type of shares	Ordinary registered
Nominal value:	EUR 0.39
ISIN code:	GRS 281101006
Ticker in ATHEX:	ELHA
Bloomberg ticker:	ELHA:GA
Reuters ticker:	ELHA.AT
Trading currency	EUR
Market:	Athens Stock Exchange
Trading category:	Main market
Segment / Sub-segment:	Raw materials / Non-ferrous metals
Indices:	Dom
Launch of trading:	01/02/2018
Share price:	EUR 1.66 (04/04/2019)
Capitalisation	EUR 622,901,032.76 (04/04/2019)
High 52 weeks:	EUR 1.78 (24/04/2018)
Low 52 weeks:	EUR 1.10 (20/11/2018)
Average 52-week trade volume:	66,650 pieces (05/04/2018 - 04/04/2019)

12. About the share

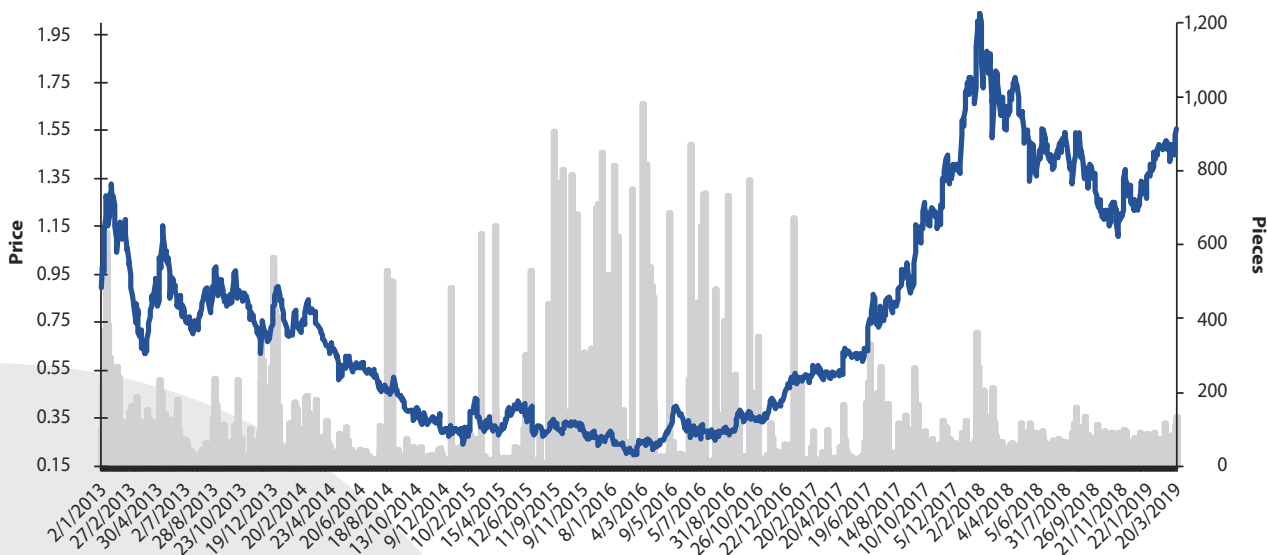
The key investment ratios are presented in the table below:

Key financial ratios

		2018	2017
Post-tax earnings per share (as reported)	EUR	0.18	0.12
Nominal value per share	EUR	0.39	0.39
Book value per share	EUR	1.95	2.37
P/BV (Capitalisation to book value)	Times	0.77	0.34
P/E (after taxes)	Times	8.84	6.82
P/Sales	Times	0.27	0.12
P/EBITDA	Times	3.41	1.43
P/a-EBITDA	Times	3.96	1.77
Dividend per share	EUR	0.03	0.00
Dividend yield	%	2.00%	-
Weighted average number of shares (in ,000)		352,411	282,402
Average price per share		1.50	0.81

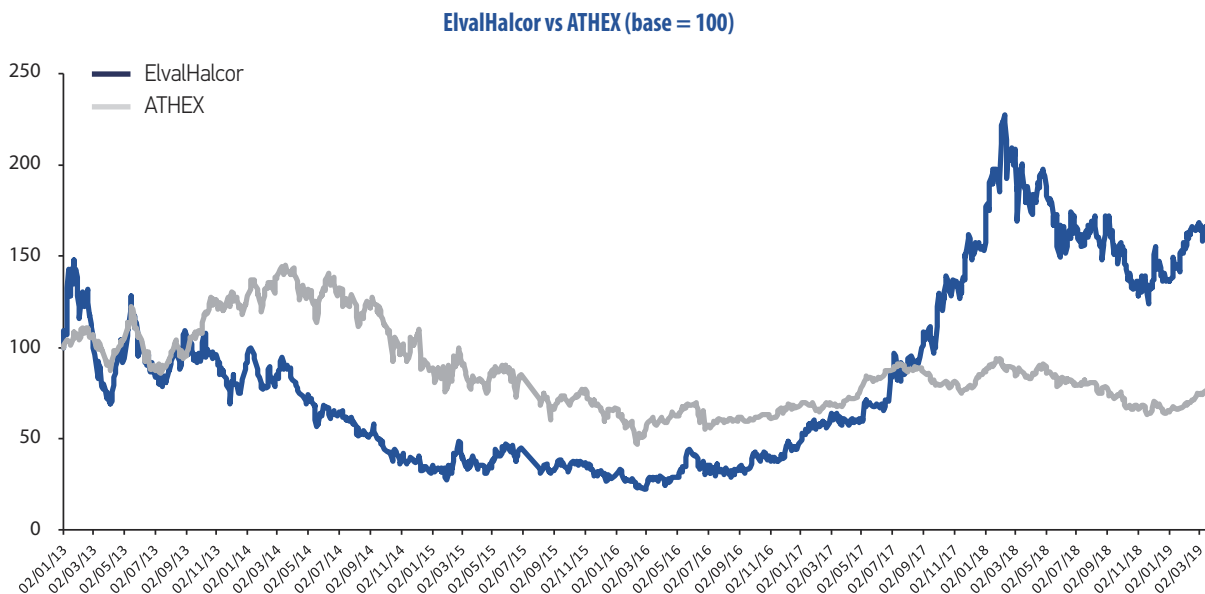
The performance of ElvalHalcor's share is presented in the graph below:

Share price and volume of transactions



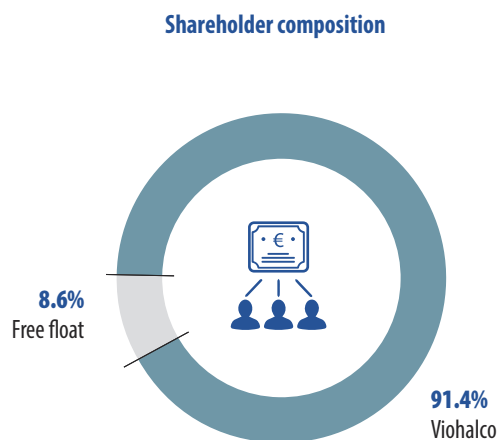
12. About the share

The performance of ElvalHalcor share in relation to the Athex Composite Share Price Index is presented in the graph below:



ElvalHalcor is a subsidiary of Viohalco. Therefore, the financial statements of ElvalHalcor Group are included in the consolidated financial statements of Viohalco SA/NV, which is traded on Euronext Brussels and the Athens Stock Exchange.

Note that Viohalco is also the majority shareholder of ElvalHalcor. The shareholder composition of the company's voting rights is presented in the chart below:



13. Corporate Governance

The Company has adopted the practices of Corporate Governance in the way it is managed and operates as such are specified in the applicable institutional framework of Law 3016/2002, Law 4449/2017, decision no. 5/204/2000 of the Hellenic Capital Market Commission and article 43bb of Codified Law 2190/1920 as well as the Corporate Governance Code published by the Hellenic Corporate Governance Council (here in after the "code"). http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_gr.pdf

More information on ElvalHalcor's corporate governance and on the composition and responsibilities of the Board, the responsibilities of the Chairman of the Board, its committees (responsibilities, composition, object) at Board level is listed in the Annual Financial Report 2018 (p. 27-35), and in the company website www.elvalhalcor.com (Investor Relations / Corporate Governance / Board of Directors section).

The Board Members are elected for a yearly term from the General Meeting of the Shareholders. The current Board of Directors (was elected by the extraordinary General Meeting of 31/18/2018,) consisting of 14 members (7 executives member, 5 non-executive member and 2 independent, non-executive members).

Name	Member
Theodosios Papageorgopoulos	Chairman, Executive member
Dimitrios Kyriakopoulos	Vice-chairman, Executive member
Nikolaos Koudounis	Executive member
Periklis Sapountzis	Executive member
Georgios Katsampas	Non-executive member
Ioannis Panagiotopoulos	Non-executive member
Lampros Varouchas	Executive member
Konstantinos Katsaros	Executive member
Stavros Voloudakis	Executive member
Andreas Kyriazis	Independent, Non executive member
Nikolaos Galetas	Independent, Non executive member
Patrick Kron	Non-executive member
Natalia Nicolaidi	Non-executive member
Elias Stassinopoulos	Non-executive member

Brief curricula vitae of the members of the Board of Directors are available on the ElvalHalcor's website <http://www.elvalhalcor.com/investor-relations/corporate-governance/board-of-directors/composition>

13. Corporate Governance

ElvalHalcor's management executives are presented below:

ElvalHalcor

Spyridon Kokkolis	CFO of ElvalHalcor
Epameinondas Batalas	Internal Audit Supervisor
Alexandros Kompotis	Investor Relations Officer

Aluminium rolling division – Elval

Lambros Varouchas	General Manager
Stavros Voloudakis	Deputy General Manager, Administrative & Financial Sector
Ilias Thanoukos	Technical & New investments Director
Theodore Arampatzis	IT Director
Nikolaos Karabateas	Commercial Director
Leonidas Kardaras	Environmental Director
Georgios Koimtzoglou	Manufacturing Director (Aluminium Recycling - Foundries)
Petros Lampropoulos	ALU Supply Chain & Prod. Planning Director
Stelios Lekkos	Maintenance Director
Eleni Liakea	Purchasing Director
Pavlos Loukogeorgakis	Manufacturing Director (Hot and Cold Rolling, Finishing Lines and Packaging)
Andreas Mavroudis	Technology, Quality & Innovation Director
Vera Pagkoulaki	Human Resources Director
Giorgos Papandreou	Personnel Director
Emmanouil Fytros	Health & Safety Director
Nikolaos Psyrakis	Financial Director

Copper tubes division - Halcor

Periklis Sapountzis	General Manager
Nick Ellinas	Chief Information Officer
Stylios Theodosiou	Technical Manager
Apostolos Kaimenopoulos	Tubes Plant Technical Manager
Lambros Karagiorgos	Human Resources Manager
Eftychios Kotsambasakis	Oinofyta Plants Directing Manager
Panagiotis Lolos	Commercial Director
Nikolaos Marinakis	Foundry Technical Manager
George Mavraganis	Strategic Planning Director
Ioannis Biris	Chief Marketing Officer
George Samartzis	Purchasing Manager
Dionysios Skarmoutsos	Quality Assurance and Environmental Manager
Nikolaos Tarnanidis	Development Manager of New Markets for Extruded Product Exports
Spyridon Hondrogiannis	Health & Safety Manager



Annual Report



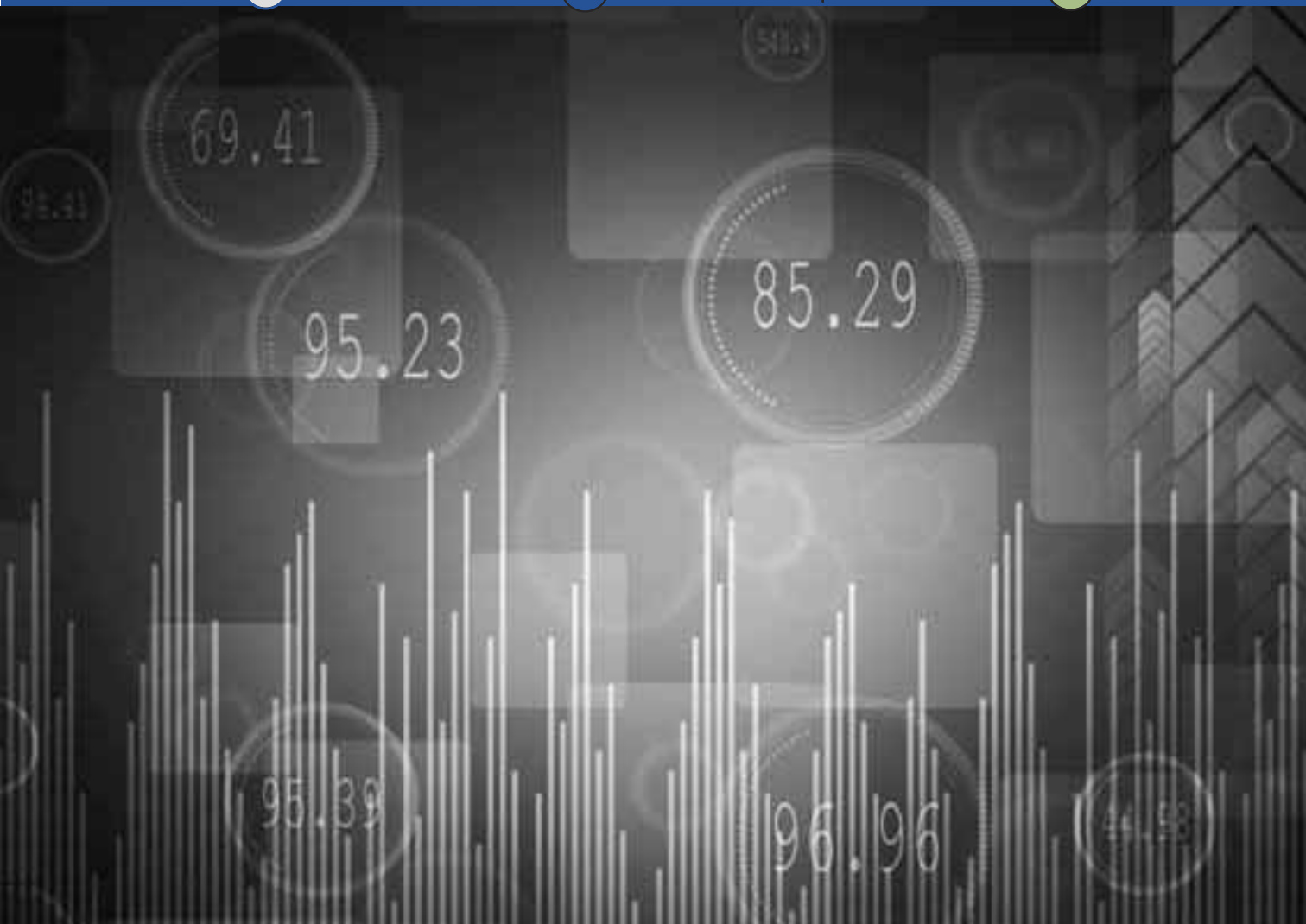
Annual Financial Report

Sustainability Report



At a Glance

GRI index



Annual Financial Report

as at 31 December 2018
Pursuant to article 4 of L. 3556/2007



Annual Report



Annual Financial Report

Sustainability Report



At a Glance

GRI index

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The annual financial statements of the Company (in consolidated and non-consolidated basis), the Auditor's Report and the management report of the Board of Directors are currently in the Company's website (www.elvalhalcor.com) and the Athens Exchange website (www.helex.gr).

STATEMENTS BY MEMBERS OF THE BOARD OF DIRECTORS

(pursuant to Article 4 par. 2 of Law 3556/2007)

The members of the Board of Directors of the company with the name ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A, trading as ELVALHALCOR S.A., whose registered offices are in Athens, at 2-4 Mesogeion Avenue:

1. Theodosios Papageorgopoulos, Chairman of the Board of Directors
2. Periklis Sapountzis, Board of Directors Member,
3. Stavros Voloudakis, Board of Directors Member,

in our said capacity, do hereby declare and confirm that as far as we know:

- (a) the attached annual company and consolidated financial statements for the company ELVALHALCOR S.A. for the period from 1 January to 31 December 2018, which were prepared in accordance with the applicable International Financial Reporting Standards (IFRS), as adopted by the European Union, accurately present the assets, liabilities, equity and results for the period ended on 31 December 2018 for ELVALHALCOR S.A. and the entities included in the consolidation taken as a whole, in line with the provisions of Article 4, paragraphs 3 to 5, of Law 3556/2007; and
- (b) the attached annual report of the Board of Directors of ELVALHALCOR S.A. contains the true information required by Article 4, paragraphs 6 to 8, of Law 3556/2007.

Athens, 20th of March 2019

Confirmed by

The Chairman of the Board

The Board-appointed Member

The Board-appointed Member

THEODOSIOS PAPAGEORGPOULOS

ID Card No. AN 051682

PERIKLIS SAPOUNTZIS

ID Card No. AK 121106

STAVROS VOLOUDAKIS

ID Card No. AE 620963

BOARD OF DIRECTORS ANNUAL REPORT

This Annual Report of the Board of Directors set out below (hereinafter referred to for the purpose of brevity as "Report") concerns year 2018 (1 January – 31 December 2018). This report was prepared in line with the relevant provisions of Codified Law 2190/1920, as revised by Law 3873/2010, the provisions of Law 3556/2007 (Government Gazette 91A/30.4.2007) and of L.4374/2016 (Government Gazette 50A/01.04.2016) and the decisions of the Hellenic Capital Market Commission (HCMC) issued pursuant to it, and in particular Decision No. 7/448/11.10.2007 of the Board of Directors of the HCMC.

This report details financial information on the Group and Company of ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A (hereinafter referred to for the purpose of brevity as "Company" or "ELVALHALCOR") for the year 2018, important events that took place during the said year and their effect on the annual financial statements. It also points out the main risks and uncertainties which Group's companies were faced against and finally sets out the important transactions between the issuer and its affiliated parties. The principal activities of the Group lie in the production and trade of rolling and extrusion products made of copper, aluminium and their alloys, zinc rolling products and cables of all types.

1. Financials - Business report - Major events

Throughout 2018 the growth in Eurozone as well as in the United States trended upwards⁽¹⁾, a fact which affected positively the sales of the Group. The average price of Copper reached Euro 5,519 per ton in 2018 versus Euro 5,453 per ton for the fiscal year 2017. The average price of aluminium amounted to Euro 1,786 per ton for the fiscal year 2018 versus 1,742 per ton for the fiscal year 2017. The average price of zinc amounted to Euro 2,467 per ton for the fiscal year 2018 versus 2,561 per ton for the fiscal year 2017.

On 30.11.2017 with the decision 131569/30-11-2017 of the Ministry of Economy and Development the merger by absorption (hereinafter "the Merger") of "ELVAL HELLENIC ALUMINIUM INDUSTRY S.A." BY "HALCOR METAL WORKS S.A." was finalized. As a result the board of Directors was informed about the comparatives financial figures of the Group for the period after the acquisition as well as for the twelve month period.

Amounts in thousands EURO	31/12/2018	31/12/2017 As published ^(*)	31/12/2018	31/12/2017 Annualized
Sales	2,117,789	1,150,369	2,117,789	1,863,320
Gross Profit	166,948	103,566	166,948	156,871
EBITDA	165,166	113,206	165,166	160,521
a-EBITDA	142,149	89,319	142,149	129,437
EBIT	107,051	69,616	107,051	101,967
Profit before tax	75,849	50,674	75,849	63,924

(*) As published refers to the data as included in the financial statements

The consolidated turnover from continued operations amounted in 2018 to Euro 2,118 mil. versus Euro 1,863 mil. in 2017 marking an increase of 13.6%. The turnover was positively affected by the increase in sales' volume of aluminium as well as of copper segment and secondly by the increased average prices of copper and aluminium.

As far as copper segment is concerned, this year was marked by changes in competition after the announcement of the merger between the competitors KME and MKM and the announcement of Aurubis' copper rolling segment acquisition by Wieland, which was finally rejected by the European Union authorities. In this environment of competitors'

(1) <https://ec.europa.eu/eurostat/documents/3217494/9573227/KS-BJ-19-002-EN-N.pdf/db9e878b-1ba5-439f-af30-ff598a11271f>

mergers, in terms of volumes in 2018, the sales of the copper segment were increased significantly, by 8.8% versus 2017. In addition, the increase in average price of copper contributed positively to the further increase in the turnover of the segment, which amounted to Euro 1,039 mil., an increase of 12.7%. Copper tubes sales continued to increase, and the rolling products of copper and copper alloys for industrial uses marked significant increases, as a result of the increasing global demand and the continuous improvement that was achieved in quality and other factors of the subsidiary Sofia Med. Copper tubes contributed to 43% of sales, rolling products to 32% in an uptrend versus the prior year, copper strips to 15% at prior year levels and brass rods and tubes at 10%.

In regards to the aluminium segment, the increase in sales volumes continued in 2018, as the sales of the aluminium segment of ELVALHALCOR which mainly consists of the rolling division of the company (ex ELVAL) and the subsidiary SYMETAL, increased by 7.0% following the increase in demand in the markets of Europe and America. The increased sales volumes, led to an increase of 14.6% in the turnover of the segment, which rose to Euro 1,079 mil. It is noted that 88% of the sales volumes is directed to the international markets with Europe contributing the 59% and the US the 13%. Regarding USA market, it is noted that demand remained strong with high prices. Moreover, despite the initial effect to the prices of raw materials, which was caused due to the sanctions that were imposed to a Russian aluminium producer, no problem occurred regarding the purchase of the segment's materials. The 48% of sales were directed to the food packing industry (rigid and flexible), the 24% to the transportation industry and the 23% to the construction and industrial applications industry.

For 2018, the consolidated Gross profit marked an increase by 6.4% and rose to Euro 166.9 mil. versus Euro 156.9 mil. in 2017. This increase by Euro 10.1 mil. is attributed to the improvement of the operational result as the gain from metal result declined to Euro 22.1 mil. versus metal gain of Euro 33.1 mil. in 2017. The consolidated earnings before taxes, interest and depreciation (EBITDA) rose in 2018 to profit of Euro 165.2 mil. versus profit of Euro 160.5 mil. the prior year, improved by Euro 4.5 mil., while the consolidated EBIT rose to profits of Euro 107.1 mil. versus profits of Euro 102.0 mil. in the prior year respective period. The consolidated results from continued operations (profit/loss before taxes) for the twelve month period, amounted in 2018 to profit of Euro 75.9 mil. versus loss of Euro 63.9 mil. in 2017.

As regards to the cost, the optimisation of procedures in production led to a further decrease in production cost and helped in strengthening the competitiveness of Group products abroad. Furthermore, the efforts for the reduction of the financial cost bore fruits with the Net Finance Cost reduced at Euro 32.2 mil. for the year 2018 versus Euro 36.8 mil. for the respective prior year, as the company renegotiated a large part of its loans during 2018, reduced the interest and converted them into long term loans.

In 2018 the ELVALHALCOR Group materialized total investments of Euro 92.2 mil. for the fiscal year, out of which the amount of Euro 75.4 mil. were dedicated to the upgrade of the parent company facilities in Oinofyta, distributed in Euro 52.6 mil. for the aluminium industry mainly to the investment regarding the increase in production capacity and Euro 22.9 mil. for the copper industry mainly to increase production capacity of finished products by five thousand tons. Finally, the subsidiaries of the copper segment invested Euro 10.1 mil. and the aluminium subsidiaries invested Euro 7.0 mil., aiming at the improvement of the production, as well as at the production of high-added-value products.

2. Financial standing

ElvalHalcor's management has adopted, measures and reports internally and externally Ratios and Alternative Performance Measure. These measures provide a comparative outlook of the performance of the Company and the Group and constitute the framework for making decisions for the management.

Liquidity: Is the measure of coverage of the current liabilities by the current assets and can be calculated by the ratio of the current assets to current liabilities. The amounts are drawn by Statement of Financial Position. For the Group and the Company for the closing year and the comparative prior year are as follows:

GROUP €'000		31/12/2018		31/12/17	
Liquidity	Current Assets	775,050	1.67	678,720	1.46
	Current Liabilities	464,939		464,287	

COMPANY €'000		31/12/2018		31/12/17	
Liquidity	Current Assets	568,275	1.54	507,157	1.64
	Current Liabilities	369,852		308,643	

Leverage: Is an indication of the leverage and can be calculated by the ratio of Equity to Debt. The amounts are used as presented in the statement of financial position. For 2018 and 2017 the index is as follows:

GROUP €'000		31/12/2018		31/12/17	
Leverage	Equity	730,468	1.26	668,416	1.18
	Loans & Borrowings	577,968		568,241	

COMPANY €'000		31/12/2018		31/12/17	
Leverage	Equity	705,914	1.56	660,919	1.46
	Loans & Borrowings	451,663		452,894	

Return on Invested Capital: It is an indication of the returns of the equity and the loans invested and is measured by the ratio of the result before financial and tax to equity plus loans and borrowings. The amounts are used as presented in the statement of profit and loss and the statement of financial position. For the fiscal year 2018 and the prior year the index for the Group and the Company is as follows:

GROUP €'000		31/12/2018		31/12/17	
Return on Invested Capital	Operating profit / (loss)	107,051	8.2%	69,616	5.6%
	Equity + Loans & Borrowings	1,308,436		1,236,657	

COMPANY €'000		31/12/2018		31/12/17	
Return on Invested Capital	Operating profit / (loss)	75,370	6.5%	59,067	5.3%
	Equity + Loans & Borrowings	1,157,577		1,113,812	

Return on Equity: It is as measure of return on equity of the entity and is measured by the net profit / (loss) after tax to the total equity. The amounts are used as presented in the Statement of Profit and Loss and the Statement of Financial Position. For the closing years 2018 and 2017 the index is as follows:

GROUP €'000		31/12/18		31/12/17	
Return on Equity	Net Profit / (Loss) Equity	64,303 730,468	8.8%	33,264 668,416	5.0%

COMPANY €'000		31/12/18		31/12/17	
Return on Equity	Net Profit / (Loss) Equity	64,303 705,914	9.1%	33,324 660,919	5.0%

EBITDA: It is the measure of profitability of the entity before taxes, financial, depreciation and amortization. It is calculated by adjusting the depreciation and amortization to the operating profit as this is reported in the statement of profit and loss. For the period including the results of the absorbed after the transaction date for the prior year comparatives, it was calculated as follows:

€ '000 From continued operations	GROUP		COMPANY	
	2018	2017	2018	2017
Operating profit / (loss)	107,051	69,616	75,370	59,067
Adjustments for:				
+ Depreciation	58,999	44,805	39,940	35,516
+ Amortization	1,070	578	654	301
- Amortization of Grants	(1,955)	(1,793)	(1,311)	(1,180)
EBITDA	165,166	113,206	114,652	93,704

For the comparable twelve-month period the data are as follows:

For the 12 months

€ '000 From continued operations	GROUP	
	2018	2017
Operating profit / (loss)	107,051	101,967
Adjustments for:		
+ Depreciation	58,999	59,333
+ Amortization	1,070	1,108
- Amortization of Grants	(1,955)	(1,888)
EBITDA	165,166	160,521

a – EBITDA: adjusted EBITDA is a measure of the profitability of the entity after adjustments for:

- Metal result
- Restructuring Costs
- Special Idle costs
- Impairment of fixed assets
- Impairment of Investments
- Profit / (Loss) of sales of fixed assets, investments if included in the operational results
- Other impairment

For the closing period:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
From continued operations				
EBITDA	165,166	113,206	114,652	93,704
Adjustments for:				
+ Loss / - Profit from Metal Lag	(23,016)	(24,048)	(22,755)	(22,132)
+ Restructuring Expenses	-	162	-	-
a - EBITDA	142,149	89,319	91,897	71,572

For the period including the financial standing in an annualized basis, the a-EBITDA was as follows:

€ '000	GROUP	
	2018	2017
From continued operations		
EBITDA	165,166	160,521
Adjustments for:		
+ Loss / - Profit from Metal Lag	(23,016)	(33,135)
+ Restructuring Expenses	-	162
+ Valuation of Fixed Assets	-	1,890
a - EBITDA	142,149	129,437

The metal results stems from:

1. The time period that runs between the invoicing of the purchase, holding time and metal processing versus the invoicing of sales.
2. The effect of the beginning inventory (which is affected by the metal prices of prior periods) in the cost of sales, from the valuation method which is the weighted average.
3. Specific contracts with customers with closed prices that end in exposure to metal prices fluctuations between the period that the price was closed and the date the that the sale took place.

ELVALHALCOR and its subsidiaries use derivatives to reduce the effect of the fluctuation of metal prices. However, there will always be positive or negative effect in the result due to safety stock that is held. The calculation of the metal price lag as derived from the financial statements after the acquisition date can be analyzed as follows:

€ '000	GROUP		COMPANY	
	31/12/18	31/12/17	31/12/18	31/12/17
(A) Value of Metal in Sales	1,580,309	733,663	1,018,003	497,068
(B) Value of Metal in Cost of Sales	(1,567,949)	(710,408)	(1,003,018)	(475,403)
(C) Result of Hedging Instruments	10,657	794	7,769	467
(A+B+C) Metal Result in Gross Profit	23,016	24,048	22,755	22,132

For the comparable twelve month period and the prior year respective the amounts were as follows:

€ '000	GROUP	
	31/12/18	31/12/17
(A) Value of Metal in Sales	1,580,309	1,397,111
(B) Value of Metal in Cost of Sales	(1,567,949)	(1,361,933)
(C) Result of Hedging Instruments	10,657	(2,043)
(A+B+C) Metal Result in Gross Profit	23,016	33,135

3. Corporate Social Responsibility and Sustainable Development

Analytical information can be found on the section “Non-financial information” and ELVHALHALCOR’s website: www.elvalhalcor.com

Environment

ElvalHalcor, considering the environment where it operates, seeks to actively contribute to international efforts to protect the environment, both through its responsible operation and by minimizing its environmental footprint.

The protection of the environment is implemented with significant investments in integrated measures to prevent pollution and to optimize production processes through the use of BAT (Best Available Techniques), that have been established by the European Union. In the adoption of best available techniques, the production processes are assessed based on the total environmental footprint, including the consumption of electricity, water and other natural resources, and not only in terms of waste produced.

Human Resources

ElvalHalcor considers training and development of the human resources as an investment and a prerequisite for sustainable development. More information of the actions of the Group and the Company in the section «Non-Financial Information» of the current document.

Health and Safety

ElvalHalcor cares of creating and maintaining a modern and safe working environment which is continuously improved reflecting the high levels of security that seeks to provide for their employees. More information of the actions of the Group and the Company in the section «Non-Financial Information» of the current document.

Research and Development

The Group and the Company recognize research and development as one of the basic aspects of its operation and sustainability. To that end, ElvalHalcor participates in the Hellenic Centre for Metallurgical Research, where at its facilities the evolution of production techniques, the fortification and improvement of the final product as well as the discovery of pioneering techniques is studied.

4. Main risks and uncertainties

The Group is exposed to the following risks from the use of its financial instruments:

Credit risk

Group exposure to credit risk is primarily affected by the features of each customer. The demographic data of the Group’s clientele, including payment default risk characterizing the specific market and the country in which customers are active, affect credit risk to a lesser extent since no geographical concentration of credit risk is noticed. No client exceeds 10% of total sales (for the Group or Company) and, consequently, commercial risk is spread over a large number of clients.

Based on the credit policy adopted by the Board of Directors, each new customer is tested separately for creditworthiness before normal payment terms are proposed. The creditworthiness test made by the Group includes the examination of bank sources. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. In principal, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of collectability they have shown. Trade and other receivables include mainly wholesale customers of the Group. Customers characterized as being of “high risk” are included in a

special list of customers and future sales should be collected in advance and approved by the Board of Directors. Depending on the background of the customer and his properties, the Group demands collateral securities or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group records impairment provisions that reflect its assessment of losses and expected credit losses from customers, other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated based on given circumstances that they will be materialized though they have not been finalized yet, as well as provision for expected credit losses according to the Group's analysis which was formulated for the implementation of IFRS 9.

Investments

These items are classified by the Group pursuant to the purpose for which they were acquired. The Management decides on proper classification of the investment at the time of acquisition and reviews classification on each presentation date.

The Management estimates that there will be no payment default for such investments.

Guarantees

The Group's policy consists of not providing any financial guarantees, unless the Board of Directors decides so on an exceptional basis; The guarantees provided by the Group do not pose a significant risk.

Liquidity risk

Liquidity risk is the inability of the Group to discharge its financial obligations when they mature. The approach adopted by the Group to manage liquidity is to ensure, by holding the necessary cash and having adequate credit limits from cooperating banks, that it will always have adequate liquidity in order to cover its obligations when they mature, under normal or more difficult conditions, without there being unacceptable losses or its reputation being jeopardized. It is noted that the Group held cash and cash equivalents on 31 December 2018, which amounted to Euro 34.2 million and the company Euro 22.5 million as well as approved but not utilized lines of credit, to cover current and medium term liabilities. As far as investments are concerned, the Group and the Company take new loans according to their needs (see note 35). Moreover, the Group communicates with the banks to secure proper refinancing of loans that expire.

For the avoidance of liquidity risk the Group makes a cash flow projection for one year while preparing the annual budget as well as a monthly rolling projection for three months to ensure that it has adequate cash to cover its operating needs, including the fulfilment of its financial obligations. This policy does not take into account the impact of extreme conditions which cannot be foreseen.

Market risk

Market risk is the risk of a change in raw material prices, exchange rates and interest rates, which affect the Group's results or the value of its financial instruments. The purpose of risk management in respect of market conditions is to control Group exposure to such risks in the context of acceptable parameters while at the same time improving performance.

The Group enters into transactions which include derivative financial instruments, so as to hedge a part of the risks arising from market conditions.

Risk from fluctuation of metal prices (aluminium, copper, zinc, other metals)

The Group bases both its purchases and sales on stock market prices/ indexes for the price of copper and other metals used and incorporated in its products. The risk from metal price fluctuation is covered by hedging instruments (futures on London Metal Exchange-LME). The Group, however, does not hedge the entire working stock of its operation and, as a result, any drop in metal prices may have a negative effect on its results through the impairment of inventories.

Exchange rate risk

The Group is exposed to foreign exchange risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Group companies, which is mainly the Euro. The currencies in which these transactions are held are mainly the Euro, the USD, the GBP and other currencies of S/E Europe.

Over time, the Group hedges part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases and the greatest part of receivables and liabilities in foreign currency. The Group enters mainly into currency forward contracts with external counterparties so as to deal with the risk of the exchange rates variation, which mainly expire within less than a year from the balance sheet date. When deemed necessary, these contracts are renewed upon expiry. As the case may be, foreign exchange risk may be hedged by taking out loans in the respective currencies.

Loan interest is denominated in the same currency with that of cash flows, which arises from the Group's operating activities and is mostly the Euro.

The investments of the Group in other subsidiaries are not hedged because these exchange positions are considered to be long-term.

Interest rate risk

The Group finances its investments and its needs in working capital through bank and bond loans, as a result that interest charges reduce its results. Rising interest rates have a negative impact on results since borrowing costs for the Group rise.

Interest rate risk is mitigated since part of the Group's borrowing is set at fixed rates.

Capital management

The Groups' policy is to maintain a strong capital base to ensure investors', creditors' and market's trust in the Group and to allow Group activities to expand in the future. The Board of Directors monitors the return on capital which is defined by the Group as net results divided by total equity save non-convertible preferential shares and minority interests. The Board of Directors also monitors the level of dividends distributed to holders of common shares.

The Board of Directors tries to maintain equilibrium between higher returns that would be feasible through higher borrowing levels and the advantages and security offered by a strong and robust capital structure.

The Group does not have a specific plan for own shares purchase.

There were no changes in the approach adopted by the Group in how capital was managed during the financial year.

Macro-economic environment

In the context of the aforementioned analysis, the Group and the Company have evaluated any impacts that may be realized in the management of financial risks due to macroeconomic conditions in the markets that they operate.

Considering, however, the following:

1. The nature of ElvalHalcor Group's operations, as exporting by the greater part. Indicatively at Group level for the fiscal year and at an annualized basis 91.8% of the turnover referred to exports,
2. The financial standing of the Company as well as the Group,
3. The production capacity of the units

It is obvious that there are adequate cash flows to cover the imports of raw materials which are necessary for the production. The availability and the prices of the basic raw materials follow the international markets and are not affected by the domestic situation in Greece or any other country.

In regards to the situation of the United Kingdom exiting the European Union, we don't see our position to be marginalized

by the result of the Brexit. Most of our competitors in the Copper market operate within the Eurozone and will react to the fluctuations of the currency. Exports to the United Kingdom represent approximately the 6% of the total revenue.

Moreover, in regards to the imposition of import tariffs on the imports of aluminium products to USA, the Group and the Company management follows the developments closely and is evaluating the parameters. The sales of aluminium to this market for 2018 rose to €126 mil., which constitutes the 6% of the Group sales on an annualized basis.

In regards to the sales to the neighboring market of Turkey, for the Copper segment those amounted to €51 mil. in 2018. The devaluation of the Turkish lira versus Euro has as a direct result on the one hand, the difficulty in servicing the debt for the Turkish companies which have liabilities in a foreign currency, as well as the reduction of the purchasing power and private consumption. On the other hand, the devaluation has results to the increase of the competitiveness of the Turkish exporting companies due to the reduction of the production cost. In any case the sales of ElvalHalcor are made to companies with long term commercial ties and presence in the local market and they do not face any risks deriving from the macroeconomic environment. More specifically, the sales of the aluminium segment to Turkey amounted to 3.6% of the sales revenue of the segment for 2018 and are not expected to be affected significantly by the devaluation of the Turkish lira versus the Euro.

However, the Management constantly evaluates the situation and its possible consequences, in order to secure that all necessary measures and actions have been taken for the minimization of any impact to the Group's and the Company's activities.

5. Outlook and prospects for 2019

For 2019 the Group and the Company, considering the international economic developments, maintain their optimism, as demand for industrial products is forecasted to move upwards and it is expected to be throughout 2019 the pillar for the Group's development. Furthermore, the Group has already started to reap the rewards of the investments of the last three years and there is considerable optimism based on the prospects that are provided for exports within and outside the European Union due to the resumption of the activity in the energy sector, as well as the initiatives of the European Union for reduction of the emissions, which will increase the demand for the Company's products.

More specifically the Aluminium segment will focus on the materialization of the Euro 150 mil. investment plan. In this way a contract with SMS group GmbH, based in Germany has been signed for the procurement of a four-stand tandem aluminium hot finishing mill for the production unit in Oinofuta, Viotia. This investment will strengthen the production capacity regarding hot rolling, and directly increase by 20% the capacity of finished products, as well as improve the cost and quality. In 2019 the appropriate infrastructure to place the machine will be completed and the parts of the machine will be delivered. Its completion and the beginning of its operation will take place in the second quarter of 2020. In commercial terms the segment will utilize its current capacity by selling innovative products for modern applications in a demanding and continuous growing customer base. The segment focuses on the developing market of food and beverage packaging products, as well as on the promotion of innovative alloys for the demanding market of heat exchangers, further penetration in the market of multilayer tubes and the production of thicker aluminium sheets (especially for the shipping industry).

In 2019, demand for copper products is expected to remain in satisfactory levels. The beginning of the year was marked by the European Union's Competition Committee rejection regarding the Aurubis' copper rolling sector acquisition by Wieland, as well as the announcement of the acquisition of KME's copper alloys' extrusion sector by Hailiang, however the aforementioned processes are not expected to have an important impact to the company, which, in its turn, expects full absorption of its new production capacity regarding copper tubes division, as well continuous utilization of its high production capacity in rolling copper tubes and copper alloys. As far as the Copper segment is concerned, after the signing of the agreement for the acquisition of 50% of the share capital of Nedzink B.V. the investment program evolves as scheduled with the aim to develop the production in the field of titanium zinc, by increasing the production capacity of the lines in combination with Nedzink, and by combining the long standing experience of Nedzink in zinc rolling with that of ElvalHalcor in continuous melting, casting and rolling of zinc and other metals. Moreover, ELVALHALCOR decided to commence the proceedings of the transformation of the branch in Pogoni-Ioannina, manufacturing plant of all types of coin blanks and rings into a newly founded company limited by shares ("Société anonyme").

6. Transactions with related parties

Transactions with affiliated parties mainly concern purchases, sales and processing of copper and zinc products (finished and semi-finished). Through such transactions, the companies take advantage of the Group's size and attain economies of scale.

Transactions between affiliated parties within the meaning of IAS 24 are broken down as follows:

Transactions of the parent company with subsidiaries (amounts in thousands Euro)

Company	Sales of Goods, Services and Assets	Purchases of Goods, Services and Assets	Receivables	Payables
SOFIA MED	42,771	41,367	23,824	0
FITCO	13,269	7,830	7,620	47
SYMETAL	121,444	16,922	22,224	13
ANOXAL	527	7,194	0	718
VIOMAL	6,270	183	2,372	59
VEPAL	710	26,281	0	9,139
ELVAL COLOUR	17,457	1,074	9,728	0
TECHOR	0	241	3	667
TOTAL	202,446	101,091	65,771	10,644

SofiaMed SA buys from ElvalHalcor raw materials and semi-finished products of copper and copper alloys, depending on its needs, as well as finished products which distributes to the Bulgarian market. In addition, ElvalHalcor provides technical, administrative and commercial support services to Sofia Med. Respectively, ElvalHalcor buys from SofiaMed raw materials, semi-finished products according to its needs, as well as finished products which distributes to the Greek market.

Fitco SA buys from Halcor raw materials. ElvalHalcor processes Fitco's materials and delivers back semi-finished products. It also provides Fitco with administrative support services. Respectively, Fitco sells raw materials to Elvalhalcor.

ElvalHalcor purchases aluminium scrap from the production process of Symetal, which is re-used as raw material (re-casting). ElvalHalcor, occasionally sells spare parts and other materials to Symetal and provides other supportive services.

ElvalHalcor S.A. sells final aluminum products to Viomal, which constitute raw material for the latter and Viomal sells back to ElvalHalcor the returns from its production process.

Elval Colour S.A. buys final products from ElvalHalcor, which are used as raw material by the latter and ElvalHalcor processes Elval Colour's materials.

Vepal S.A. processes ElvalHalcor products and delivers semi-finished products. ElvalHalcor sells raw materials to Vepal and also provides supporting administrative services to the latter.

Anoxal S.A. also processes ElvalHalcor's raw materials and ElvalHalcor provides administrative support to Anoxal. Furthermore, Anoxal purchases from ElvalHalcor other materials (spare parts and other consumables) for its production process.

Transactions of the parent company with other affiliated companies (amounts in thousands Euro)

Company	Sales of Goods, Services and Assets	Purchases of Goods, Services and Assets	Receivables	Payables
CENERGY GROUP	21,901	12,692	3,396	1,698
STEELMET GROUP	176	12,972	55	1,942
INTERNATIONAL TRADE	399,296	5	13,903	6
REYNOLDS CUIVRE SA	39,526	551	9,666	32
STEELMET ROMANIA SA	10,601	274	39	3,097
METAL AGENCIES LTD	68,165	76	6,975	11
TEPRO METAL AG	12,102	1,770	1,825	765
MKC GMBH	46,726	544	6,361	74
VIENER SA	57	1,087	12	216
HC ISITMA	194	123	21	18
TEKA SYSTEMS SA	39	8,399	7	3,765
VIEXAL SA	0	2,893	0	78
VIOHALCO SA	187	218	210	24
ELKEME SA	199	1,215	13	248
DIA.VI.PE.THI.V SA	-	355	1,019	8
ANAMET SA	873	11,626	1,134	822
UEHEM	40,813	91	2,222	12
ETEM BULGARIA SA	47,756	13,703	27,100	948
ETEM SCG DOO	247	3	24	0
METALVALIUS LTD (Bulgaria)	4	-	-	-
ETEM COMMERCIAL SA	7,511	1,349	1,884	-
ETEM ALBANIA	-	-	-	-
GENECOS SA	3,491	632	501	62
BRIDGNORTH LTD	178	688	93	-
ALURAME SPA	2,460	1,370	828	97
BASE METAL TICARET VE SANAYI A.S.	-	657	-	136
SOVEL SA	102	22	3,967	-
ETIL SA	25	768	26	-
SIDMA SA	12	513	50	176
SIDENOR SA	14	539	4,485	820
NOVOMETAL DOO	-	1,275	-	12
OTHER	650	852	786	261
TOTAL	703,306	77,264	86,602	15,329

Cenergy Group buys raw materials from ElvalHalcor according to their needs. In its turn, it sells copper scrap to ElvalHalcor from the products returned during its production process.

Steelmet Group provides ElvalHalcor with administration and organization services.

International Trade trades ElvalHalcor's Group products in Belgium and other countries of Central European countries. Metal Agencies LTD acts as a merchant - central distributor of ElvalHalcor Group in Great Britain.

MKC GMBH trades ElvalHalcor's products in the German market.

Steelmet Romania trades ElvalHalcor's products in the Romanian market.

Teka Systems S.A. undertakes to carry out certain industrial constructions for Halcor and provides consulting services in IT issues and SAP support and upgrade.

Anamet S.A. provides ElvalHalcor with considerable quantities of copper and brass scrap.

Viexal SA provides ElvalHalcor with travelling services.

CPW America CO trades ElvalHalcor's products in the American market.

Viohalco S.A. rents buildings and industrial premises to ElvalHalcor.

Tepro Metall AG trades (through its subsidiary MKC) ElvalHalcor products and represents the latter in the German market.

Genecos, as well as its subsidiary Reynolds Cuivre sell ElvalHalcor's products and represent Halcor in the French market.

Metalvalius SA buys from Halcor or the market quantities of copper and brass scrap and which after assortment and cleaning sells to Sofia Med, to ElvalHalcor or the free market.

ETEM BG purchases from ElvalHalcor aluminium billets and sells in its turn aluminium scrap from its production process to ElvalHalcor.

UACJ ELVAL HEAT EXCHANGER MATERIALS purchases from ElvalHalcor finished aluminium products and distributes them to international markets.

Transactions of ElvalHalcor Group with other affiliated companies (amounts in thousands Euro)

Company	Sales of Goods, Services and Assets	Purchases of Goods, Services and Assets	Receivables	Payables
CENERGY GROUP	23,211	14,641	3,645	2,098
STEELMET GROUP	213	13,802	67	2,175
INTERNATIONAL TRADE	441,568	6	16,348	7
REYNOLDS CUIRVE SA	63,872	657	12,471	46
STEELMET ROMANIA SA	15,182	407	405	3,131
METAL AGENCIES LTD	114,162	92	15,200	17
TERPO METAL AG	18,124	3,583	2,409	1,061
MKC GMBH	76,769	600	7,015	95
VIENER SA	57	4,372	12	477
HC ISITMA	194	123	21	18
TEKA SYSTEMS SA	40	9,667	7	4,436
VIEXAL SA	-	3,880	-	117
VIOHALCO SA	187	433	212	66
ELKEME SA	208	1,626	25	399
SIDERAL SHRK	371	-	308	-
ANAMET SA	1,414	13,100	1,351	834
UEHEM	40,813	91	2,222	12
ETEM SYSTEMS SRL	1,649	-	460	-
ETEM BULGARIA SA	49,363	14,238	27,385	1,023
ANTIMET SA	-	26	301	2
METALIGN SA	67	732	20	13
ETEM COMMERCIAL SA	7,513	1,412	1,884	6
NOVOMETAL DOO	-	2,033	-	12
GENECOS SA	7,510	694	1,214	73
BRIDGNORTH LTD	183	738	96	-
ALURAME SPA	2,978	1,991	912	215
BASE METAL TICARET VE SANAYI AS	1,674	961	285	244
SOVEL SA	102	22	3,968	-
ETIL SA	25	792	26	121
SIDMA SA	12	781	50	229
SIDENOR SA	14	542	4,485	824
SIGMA IS SA	11	1,636	-	252
DIA.VI.PE.THI.V SA	-	355	1,019	8
OTHER	909	1,157	297	154
TOTAL	868,396	95,190	104,117	18,165

Fees of Executives and Board members (amounts in thousands Euro)

The table below sets out the fees paid to executives and members of the Board of Directors:

	Group	Company
Total fees of Board members	1,946	764
Total fees of management executives	8,804	4,254

7. Subsequent events

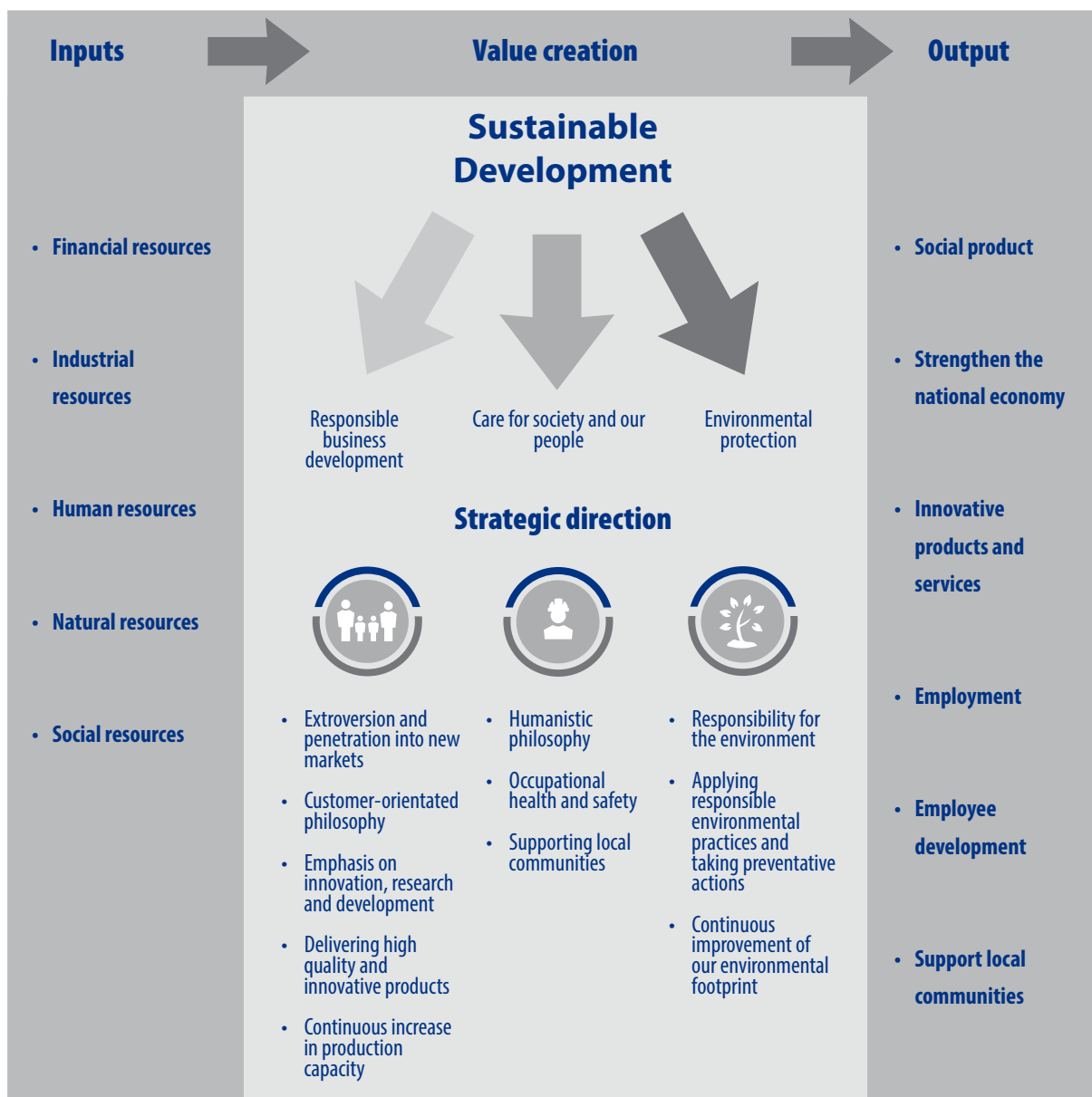
1. On 09.01.2019 ELVALHALCOR announced that SOFIA MED AD, signed the extension of maturity to seven years of the syndicated collateralized long-term loan amounting of €60.0 million with Alpha Bank A.E.-London Branch, Eurobank Bulgaria AD and Piraeus Bank Bulgaria AD. Moreover, it is noted that SOFIA MED AD signed amendment of the loan with European Bank for Reconstruction and Development ("EBRD") total amount of €25.0 million, which comprises of two parts: a) loan of €10.5 million with new seven year maturity and b) a new loan of €14.5 million, also with seven year maturity for the financing of investment program for machinery and capacity increase.
2. On 05.02.2019 ELVALHALCOR S.A. announced that, the Board of Directors with its 04.02.2019 decision, decided to commence the proceedings of the transformation of the branch in Pogoni-loannina, manufacturing plant of all types of coin blanks and rings into a newly founded company limited by shares ("Société anonyme") in accordance with the third section of par. 2 of article 52 of L. 4172/2013, as replaced by article 23, par. 6.c., of L. 4223/2013.
3. On 18.02.2019 ELVALHALCOR S.A. announced the acquisition of the 50% of "UACJ ELVAL CONSULTING SA" (former AFSEL) from UACJ Corporation, for an amount of €16 thousand and after the transaction the participation of ELVAL-HALCOR amounts to 100%.
4. On 01.03.2019 the General Meeting of shareholders of the 100% subsidiary Fitco S.A decided the share capital increase by € 5.0 million, by cash payment.

ElvalHalcor – Non financial reporting

Business model

The business model of ELVALHALCOR Hellenic Copper and Aluminium Industry S.A. (ElvalHalcor) aims to create value for all stakeholders, shareholders, customers, employees, suppliers and generally local communities.

ElvalHalcor operates in the aluminium and copper segments, boasting experience and know-how spanning 80 years and offering innovative solutions of high added value perfectly suited to the modern requirements of its international customers. ElvalHalcor's success is derived from its commercial export orientation, customer-focused philosophy and continuous innovation with a strong focus on research and technology. Following its continuous strategic investments in research and development of new technologies, the Company currently owns state-of-the-art production facilities and is capable of creating new and innovative products and solutions, thus accomplishing its goal for continuous innovation at both domestic and international level.



Management of Sustainability matters

The Company has put in place mechanisms and procedures to highlight and manage sustainability issues focusing on occupational safety, respect for the environment and society as well as its financial and economically viable operations. Management commitment and the management framework of responsible operation matters are reflected on the Sustainability Policy established and implemented by ElvalHalcor. Seeking to ensure its continuous improvement in relevant matters, the Company sets specific goals and monitors their progress on an annual basis, based on the relevant key performance indicators it has developed. To attain these ratios and goals, the Company prepares and implements adequate plans and actions of responsible operation.

Policies and Systems

Wishing to reinforce its sound operation driven by Sustainable Development, ElvalHalcor has established specific policies and puts into practice adequate management systems and procedures that uphold responsible operation and define the way in which the Company's goals are achieved. More specifically, the Company has established and implements, among others, the following policies and codes:

- Internal Operational Regulation
- Sustainability Policy
- Health and Safety Policy
- Environmental Policy
- Labour and Human Rights Policy
- Quality Policy
- Code of Conduct and Business Ethics
- Supplier Code of Conduct.

Integrated management of ElvalHalcor's important matters is ensured through the Management Systems implemented by the Company. More specifically, ElvalHalcor implements the following certified systems:

- Quality Management System (in accordance with the ISO 9001:2015 international standard).
- Environmental Management System (ISO 14001:2015).
- Energy Management System (ISO 50001:2011).
- Occupational Health and Safety Management System (OHSAS 18001:2007).

All production facilities of the Company have put in place the above certified Management Systems.

This Non-Financial Reporting includes respective update on the main production subsidiaries that are consolidated. Specifically with respect to the production subsidiaries of the aluminium segment: Symetal S.A., Vepal S.A., Elval Colour S.A. and the copper segment: Fitco S.A. and Sofia Med S.A. Subsidiaries are considered the most important companies as they account for more than 1% of the consolidated turnover of ElvalHalcor and are also presented in the Sustainability Report in compliance with the Sustainability Reporting Guidelines of Global Reporting Initiative (GRI-Standards).

ElvalHalcor subsidiaries have established and put in place respective policies which strictly abide by the principles of the Company's policies, with the Management of each subsidiary being responsible for their implementation. Meanwhile, ElvalHalcor subsidiaries have their own internal controls, procedures and management systems with respect to sustainable development matters and monitor their respective performance through the relevant indicators, the results of which are presented in this report. Specifically, all the above subsidiaries have put in place independent certified Quality Management (ISO 9001:2015), Environmental Management (ISO 14001:2015) and Occupational Health and Safety Systems (OHSAS 18001:2007).

The sections below present the results of the policies and procedures implemented by ElvalHalcor, setting forth relevant references to the environmental and social performance (presentation of corresponding non-financial indicators) of the Company and its main production subsidiaries.

Labour and social issues

ElvalHalcor recognises the determined contribution of their people in Company's successful business performance and future growth. In recognition of this, the Company invests materially and systematically in their people. ElvalHalcor's management places particular emphasis on human resources development and strives to maintain a working environment based on an equal opportunities that respects each employee and rewards hard work. ElvalHalcor's human resources practices and policies aim to attract, develop and retain capable executives and employees. Steadily oriented to human values, the Company strives to implement responsible management practices with regard to human resources. The Company focus on material issues such as:

- ensuring of the health and safety of their employees and associates
- creating a rewarding work environment, respecting human rights and diversity
- providing equal opportunities for all employees
- safeguarding jobs
- providing equal opportunities for all employees
- applying objective evaluation systems
- employee ongoing training and development
- providing additional benefits.

In 2018, ElvalHalcor managed not only to maintain but also to increase jobs by 7.7% in relation to the previous year. In addition, the subsidiaries of the aluminium and copper segments recorded a 6.6% and 7.7% increase in jobs, respectively.

Labour KPI's (key performance indicators)

(ElvalHalcor S.A.)	2017	2018
Turnover rate	8.2%	5.1%
Percentage of women in total workforce	8.3%	7.7%

Aluminium segment processing main subsidiaries

(Symetal S.A., Elval Colour A.E., Vepal S.A.)	2017	2018
Turnover rate	6.2%	8.0%
Percentage of women in total workforce	10.4%	9.9%

Copper segment processing main subsidiaries

(Fitco S.A., Sofia Med S.A.)	2017	2018
Turnover rate	17.5%	19.8%
Percentage of women in total workforce	18.3%	18.3%

Turnover rate: Percentage of employees who left the company (due to resignation, dismissal, retirement, etc.) in total Company's workforce.

On average, Company employees are 44 years old. The age range of the Company's employees is a key advantage as the majority of ElvalHalcor human resources (more than 76%) is less than 50 years old.

The ratio between male and female workers is approximately 92% to 8% respectively. The representation of women in human resources seems low in theory and is mainly due to the fact that employment in industry is not a choice often made by female professionals and to the distance of ElvalHalcor production operations from major urban centers.

We believe that the training and development of our people is an investment in the long-term sustainable development of the Company. In 2018, overall 23,607 training man-hours were provided at ElvalHalcor.

Total training hours	2017	2018
ElvalHalcor S.A.	20,246	23,607
Aluminium segment processing subsidiaries	4,829	7,434
Copper and copper alloy segment processing subsidiaries	7,815	7,116

Remuneration and benefits policy and systems have been developed with a view to recruiting, employing and retaining experienced personnel with the necessary capabilities and skills which lead to optimisation of individual and, by extension, overall performance. The remuneration of each employee reflects the educational background, experience, responsibility as well as the value/ importance of the post in the labour market. In addition, as part of its employee reward and satisfaction system, the Company provides a number of additional benefits.

Equal opportunities and respect for human rights

Showing respect for human rights and acting responsibly toward its people, the Company puts in place a human resources management policy based on equal opportunities without any discrimination on the basis of gender, nationality, religious belief, age or educational background. ElvalHalcor opposes child labour and condemns all forms of forced and compulsory labour. In addition, the Company condemns and does not tolerate any behaviours that could lead to discrimination, unequal treatment, bullying or moral harassment, gestures and verbal or physical threats.

As a result of the control policies, procedures and mechanisms put in place, during 2018 like also in previous years, no incident of child or forced labour was identified and no incident related to violation of human rights has taken place.

Occupational Health and Safety

Ensuring the Health and Safety (H&S) of our employees, our partners and third parties is a firm priority and commitment of ElvalHalcor. This view is certified through the H&S Policy established and implemented by the Company, thus clearly reflecting Management commitment in this field.

Company Management is instantly notified of any issue relating to H&S and takes steps to ensure seamless implementation of the policy. This policy is defined by Management, is based on cooperation and involvement of all personnel and is binding on each employee and partner. The Company fully complies with the relevant laws and regulations with respect to working conditions and occupational H&S, and focuses on the implementation of preventive measures and actions to avoid any incidents at work.

The goal of "Zero accidents" remains the Company's top priority. For this reason, the Company makes substantial and systematic investments in measures aiming at the continuous improvement of working conditions, and focusing on prevention and infrastructures reinforcing occupational safety. The Company's approach to the management of occupational H&S matters includes:

- Implementation of a H&S Management System (OHSAS 18001:2007) in all its premises with the involvement of all employees and administration.
- Continuous investments in infrastructure projects to reinforce safety at work (zero access).
- Behavioural audits in order to create a "Safety Climate".
- In-depth investigation and recording of all incidents, as well as near misses by implementing improvement measures aiming to reduce accidents.
- Employee targeted training and awareness raising so as to create a safety culture.
- Continuous improvement of fire safety at work.

The Company implements internationally applicable and measurable indicators to monitor and evaluate performance in the field of occupational H&S.

Health and safety KPI's

	Lost time incident rate (LTIR)		Severity rate (SR)		Fatalities	
	2017	2018	2017	2018	2017	2018
ElvalHalcor S.A.	4.87	7.47	112	126	0	0
Aluminium segment processing subsidiaries	10.11	5.25	226	121	0	0
Copper and copper segment alloy processing subsidiaries	7.02	10.04	300	145	0	0

LTIR: Lost time incident rate (number of LTI incidents per 10⁶ working hours)

SR: Severity rate (number of lost work days per 10⁶ working hours)

Social matters

The Company wishes to have its business activities interact in a positive and constructive manner with the communities in which it operates, contribute to the overall economic development of Greece and benefit local communities by creating jobs and offering business opportunities. It is worth indicating that 55.2% of ElvalHalcor total workforce come from local communities (broader region of Viotia and Evia). In addition, the Company boasts a long tradition in boosting local entrepreneurship as it seeks to cooperate, when possible, with local suppliers.

As a Company operating responsibly, ElvalHalcor provides its support on an annual basis to a number of bodies, organisations and associations through various sponsorships while also supporting and promoting the voluntary activities of its employees.

Through its operations, ElvalHalcor generates multiple benefits for the society. In addition to the payment of salaries and other benefits to its employees, the Company pays the State the corresponding taxes and levies, and makes continuous investments and payments to the collaborating suppliers of materials and services. Thus, the overall positive impact of the Company on both local and broader communities is important.

Anti-corruption and bribery-related issues

ElvalHalcor implements an integrated framework of corporate governance (relevant details are given in the section "Corporate Governance Declaration" of this report), which aims to ensure transparent, proper and effective management of the Company which leads to business and economic development in the long run. In addition, ElvalHalcor's Code of Conduct and Business Ethics and Supplier Code of Conduct reflect the Company's commitment and views on transparency, anti-corruption and anti-bribery issues. Business Ethics and Anti-Corruption Policy is another policy of the Company which was issued recently.

The Company is fully opposed to any type of corruption and it is committed to operate in an ethical and responsible manner. Even though the risk of corruption is low, the Company takes all necessary preventive measures and implements procedures and controls in order to ensure the combating of corruption cases. Furthermore, seminars on anti-corruption issues have been implemented where executives and employees of the Company have received relevant training. As a result of the Company's practices and policies, during 2018, as in previous years, no incident of corruption or bribery was recorded or reported.

Environmental matters

Environmental protection is at the top of the Company's list of priorities. ElvalHalcor cultivates environmental responsibility as an integral part of its corporate philosophy, having integrated in its strategy the responsible management of all environmental matters associated with its activities. Management's strong commitment in this field is reflected on the Environmental Policy (www.elvalhalcor.com, section "Sustainable Development/Environment). Management takes steps to implement good practices aiming at environmental protection and management of any environmental impacts arising from the Company's operation. The Company operates in accordance with the applicable environmental laws (applicable National and European laws). Wishing to reduce its environmental footprint on an

ongoing basis with concrete actions, ElvalHalcor:

- implements an Environmental Management System (ISO 14001:2015) in all its production facilities aiming at the integrated management of its environmental matters;
- implements targeted environmental management plans (e.g. energy saving plans, actions and initiatives to reduce air emissions, etc.);
- seeks the rational use of natural resources and operates in accordance with the principles of circular economy, when possible;
- implements an integrated waste management system (which focuses primarily on waste management according to the appropriate hierarchy and on the adoption of good practices aiming to prevent their generation);
- makes continuous investments in environmental protection infrastructure;
- focuses on continuous training and awareness raising of its employees and partners in environmental matters.

With respect to energy consumption, its main pursuit is to reduce its energy footprint, whenever possible, and ensure its increasingly efficient use. Concurrently, through the certified Energy Management System (ISO 50001:2011), the Company aims at the integrated management of energy matters and seeks to develop a continuous improvement culture. ElvalHalcor monitors, record the gas emissions and ensure full compliance with the relevant legislation.

Specific emissions (CO₂/tn of product)

	2017	2018
ElvalHalcor S.A.	752	751
Aluminium segment processing subsidiaries	480	449
Copper and copper alloy processing segment subsidiaries	582	646

Note: For the calculation of the indirect CO₂ emissions for the years 2017, 2018, the coefficient 0.62497 kg CO₂/KWh has been used (source: European Residual Mixes 2017, AIB).

The tons of product (tn) relate to the tonnage of the plant production in the respective years.

To meet the needs of its production process, ElvalHalcor must use water. The Company takes all necessary steps to ensure its efficient use and limit its consumption in compliance with its environmental policy. At the same time, whenever possible, reuse practices are applied.

Specific water consumption (m³/t of product)

	2017	2018
ElvalHalcor S.A.	1.73	1.81
Aluminium segment processing subsidiaries	0.47	0.44
Copper and copper alloy segment processing subsidiaries	8.10	6.99

Responsible management of the supply chain

ElvalHalcor selects and treats its suppliers in a responsible manner. Having built long-standing partnerships and trust in its relationships with its customers and partners, the Company seeks to collaborate with suppliers showing respect for the environment and implementing responsible practices. Seeking to promote the principles of sustainable development across the supply chain, ElvalHalcor prepared a "Supplier Code of Conduct".

The Code describes everything the Company expects from its supply chain (suppliers and partners) in terms of responsible operation (environmental protection, occupational health and safety, labour practices, ethics and integrity, respect for competitiveness, merit-based advancement, equal opportunities, safeguard of human rights, etc.). ElvalHalcor communicates this Code to its suppliers and contractors (existing and new ones) who should be familiar with the responsible practices implemented by the Company, and adopt these values and principles in the context of Sustainable Development.

The Company's procurement policy applies a strategy aiming to boost local economy, offering business opportunities and employment to local suppliers. When evaluating and selecting suppliers, local origins are a criterion factored in.

Non-financial risks and dealing with such risks

The Company operates in an economic and social environment characterised by various risks, financial and others (all financial risks are laid down in the section "Risks and Uncertainties" of this report). In this context, the Company has established procedures to control and manage non-financial risks. The main categories of non-financial risks facing the Company are environmental risks and risks related to occupational H&S. Managing these risks is considered a very important task by Company Management provided that they pose a threat of having a direct or indirect impact on the Company's smooth operation.

ElvalHalcor's by-laws (approved by the BoD) clearly describe the areas of risk and include specific procedures that have been developed on the basis of the Prevention Principle in H&S and Environment management.

In addition, in the context of the certified Management Systems implemented by the Company, the relevant risks are assessed on an annual basis. Aiming to reduce the likelihood and the importance of risks occurring in certain segments, the Company takes preventive steps, designs and implements specific plans and actions, and monitors their performance through the relevant indicators (quality, environment, occupational health and safety) it has set. Moreover, the Company has carried out all hazard studies prescribed by law, implements operation and safety criteria which are compliant with national and European laws, develops an emergency plan and cooperates closely with local authorities and the Fire Brigade in order to address any eventual incidents quickly and effectively.

NOTE:

The non-financial ratios for 2018 which are presented in this report are compliant with the Sustainability Reporting Guidelines of Global Reporting Initiative (GRI-Standards). These ratios were chosen strictly on the basis of their relevance to the Company's business (according to the materiality analysis conducted by the Company).

Details on the performance in terms of sustainable development, and the actions of the Company's responsible operation will be set forth in the 2018 Sustainability Report of ElvalHalcor (May 2019). The Sustainable Development Report is an important tool as it reflects the way in which the Company responds to major issues and to the expectations of all its stakeholders.

All Sustainability Reports (according to the GRI Guidelines) which have been published by both Elval and Halcor during the period 2008-2016 and the ElvalHalcor's 2017 Sustainability Report are available on the Company's website (<http://www.elvalhalcor.com/sustainability>).

BOARD OF DIRECTORS' EXPLANATORY REPORT

(Article 4(7) and (8) of Law 3556/2007)

1) Structure of share capital

The Company's share capital after the completion of the merger by absorption of "ELVAL HELLENIC ALUMINIUM INDUSTRY S.A." by the listed "HALCOR METAL WORKS S.A.", which was completed within 2017 with the 22.11.2017 decisions of the General Assemblies and the 131569/30-11-2017 decision of the Ministry of Economy and Development, amounts to Euro 146,344,218.54 divided in 375,241,586 common, dematerialized, anonymous share with nominal value of Euro 0.39 each. All the shares are listed in the Athens Stock Exchange. The shares of the Company are dematerialized, anonymous with voting rights.

According to the Company's Articles of Associations, the rights and obligations of shareholders are as follows:

- Right to obtain a dividend from the Company's annual profits. The dividend to which each share is entitled shall be paid to the shareholder within two (2) months from the date of approval by the General Meeting of the financial statements. The right to collect a dividend shall be deleted after the elapse of 5 years from the end of the year in which the General Meeting approved distribution.
- Option in each share capital increase and right to subscribe new shares.
- Right to participate in the General Meeting of Shareholders.
- Ownership of shares automatically entails acceptance of the Company's Articles of Association and the decisions of its bodies taken in accordance with the law.
- Company shares are indivisible and the Company only recognises one owner of each share. All co-owners of a share by entirety as well as those having the usufruct or bare ownership are represented in the General Meeting by a single person that is appointed by the same following agreement. In case of disagreement the share of the aforementioned owners is not represented.
- Shareholder liability is limited to the nominal value of each share they hold.

2) Restrictions on the transfer of Company shares

Company shares may be transferred in the manner laid down by law and there are no restrictions on their transfer contained in the Articles of Association.

3) Major direct or indirect holdings within the meaning of Articles 9 to 11 of Law 3556/2007

The major holdings (over 5%) known on 31 December 2018 were as follows:

- VIOHALCO SA/NV: 91,44 % of voting rights

4) Shares granting special rights of control

There are no shares in the Company granting their holders special rights of control.

5) Restrictions on voting rights

The Company's Articles of Association contain no restrictions on voting rights deriving from its shares. The rules in the Company's Articles of Association which regulate issues on the exercise of voting rights are contained in Article 24.

6) Agreements between Company's shareholders

The Company is not aware of the existence of agreements between its shareholders which entail restrictions on the transfer of its shares or the exercise of voting rights deriving from its shares.

7) Rules on the appointment and replacement of Board members and amendment of the Articles of Association

The rules contained in the Company's Articles of Association on appointment and replacement of members of the Board of Directors and amendment of the provisions of the latter are not different from those contained in Codified Law (C.L.) 2190/1920.

8) Powers of the Board of Directors to issue new shares or purchase own shares

- Article 6(1) of the Company's Articles of Association states that only the General Shareholders Meeting with a 2/3 quorum of the paid-up share capital has the right to decide on a share capital increase of the Company with the issuance of new shares, such decision requiring the 2/3 of represented voting rights.
- The Articles of Association of the Company do not allow the transfer to the Board of Directors or to some of its members of any right falling under the competence of the General Meeting regarding the issuance of shares and share capital increase.
- The Board of Directors may acquire own shares in implementation of a decision of the General Meeting taken under Article 16(5) to (13) of C.L. 2190/20.

9) Major agreements which take effect have been amended or expire in the case of change in control

The bank loans of both the Company and ELVALHALCOR Group, taken out fully by Banks and set out in Note 22 of the Annual Financial Report include clauses of change in control granting lenders the right to early terminate them.

There are no other major agreements which take effect, have been amended or expire in the case of change in control of the Company.

10) Agreements with Board of Directors members or Company's staff

There are no agreements between the Company and members of the Board of Directors or staff which provide for the payment of remuneration specifically in the case of resignation or dismissal without just cause or termination of service or employment.

CORPORATE GOVERNANCE STATEMENT

Corporate Governance Code

The Company has adopted the practices of Corporate Governance on its management practices and operation, as these are specified under the applicable institutional framework of L. 3016/2002, of L. 4449/2017, of Decision 5/204/2000 of the Hellenic Capital Markets Committee and of art. 43bb of c.l. 2190/1920 and the Corporate Governance Code recently published by the Hellenic Corporate Governance Council (HCGC) (hereinafter the “code”) and is available on the following website:

http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_en.pdf

In the context of preparation of the Board of Directors’ Annual Management Report, the Company reviewed the Code. From this review, the Company concluded that it applies all special practices for listed companies and are described in the Code of Corporate Governance of HCGC with the exception the following practices with the corresponding explanations:

- **Part A.II (2.2, 2.3 & 2.5): Size and composition of the BoD.** The number of non-executive members of the current Board of Directors is equal to the number of the executive members. The independent non-executive members of the current Board of Directors are two (2) out of twelve (14) and therefore, their number is less by one third, in contrast to what is indicated in the Code. An independent non-executive member has served on the Board for more than 12 years from the date of the first election. It was judged, at this juncture, that the enhancement of the number of non-executive members, as well as of the number of independent members or the limitation of the service of a member would not improve the efficiency of the company’s operation.
- **Part A.III (3.3): Role and qualities required from the Chairman of the Board.** The Vice Chairman of this Board has not the status of independent non-executive member, although the Chairman is an executive member. It was judged, at this juncture, that the status of an independent member in the position of Vice Chairman beyond the aforementioned status as non-executive, would not provide more guarantees regarding the efficient operation of the company.
- **Part A.V (5.4 – 5.8): Nomination of Board members.** The management has scheduled the establishment of a Nomination and Remuneration Committee. The aforementioned committee will operate in conjunction with the establishment of the Company’s Remuneration Policy, which will be subject to approval from the next General Meeting of the shareholders under the provisions of L. 4548/2018 in force.
- **Part A.V (7.1. – 7.3): Evaluation of Board of Directors and its Committees.** The same as presented in the previous section A.V (5.4 – 5.8).
- **Part C.I (1.6– 1.11): Level and structure of remuneration.** The same as presented in the previous section A.V (5.4 – 5.8).

The Issuer does not implement any other corporate governance practices other than the special practices of the Corporate Governance Code of HCGC and the provisions of Law 3873/2010.

The Issuer complies with the Corporate Governance as in effect. In regards to the Corporate Governance Code, the Issuer implements the aforementioned Code with the deviations as published and justified until this day as ELVALHALCOR. The Issuer will examine periodically on whether the deviations continue to serve the corporate interest and will proceed to the necessary adjustments.

Main characteristics of the Internal Control and Risk Management Systems in relation to the preparation of the Financial Statements and financial reports.

i. Description of the main characteristics of Internal Control System and the Risk Management System, in relation to the preparation of financial statements.

The Internal Control System of the Company covers the control procedures involving the operation of the Company, its compliance with the requirements of supervisory authorities, risk management and preparation of financial reports.

The Internal Audit Department audits the proper implementation of each procedure and internal control system regardless of their accounting or non-accounting content and evaluates the enterprise by reviewing its activities, acting as a service to the Management.

The Internal Control System aims, among others, to secure the thoroughness and reliability of the data and information required for the accurate and timely determination of the Company's financial position and the generation of reliable financial statements.

Regarding the preparation of financial statements, the Company reports that the financial reporting system of the Issuer uses an accounting system that is adequate for reporting to Management and external users. The financial statements and other analyses reported to Management on a quarterly basis are prepared on an individual and consolidated basis in compliance with the International Financial Reporting Standards, as adopted by the European Union for reporting purposes to Management, as well as for publication purposes in line with the applicable regulations and on a quarterly basis. Both administrative information and financial reports to be published include all the necessary details about an updated internal control system including analyses of revenue, cost/expenses and operating profits as well as other data and indexes. All reports towards the Management include the data of the current period compared to the respective data of the budget, as the latter has been approved by the Board of Directors, along with the data of the respective period of the previous year.

All published interim and annual financial statements include all necessary information and disclosures about the financial statements, in compliance with the International Financial Reporting Standards, as adopted by the European Union, are reviewed by the Audit Committee and respectively approved in their entirety by the Board of Directors.

Audit controls are implemented with respect to: a) risk identification and evaluation as for the reliability of financial statements; b) administrative planning and monitoring of financial figures; c) fraud prevention and disclosure; d) roles and responsibilities of executives; e) year end closing procedure including consolidation (e.g. recorded procedures, access, approvals, agreements, etc.) and f) safeguarding the data provided by information systems.

The preparation of the internal reports towards the Management and the reports required under C.L. 2190/1920 and by the supervisory authorities is conducted by the Financial Services Division, which is staffed with adequate and experienced executives for this purpose. Management takes steps to ensure that these executives are adequately updated about any changes in accounting and tax issues concerning both the Company and the Group.

The Company has established separate procedures regarding the collection of the necessary data from its subsidiaries, and ensures the reconciliation of individual transactions and the implementation of the same accounting principles by the companies of the Group.

ii. Annual evaluation of corporate strategy, main business risks and Internal Control System

The Company's Board of Directors states that it has examined the main business risks that the Group faces as well as the Internal Control System. On an annual basis, the Board of Directors reviews the corporate strategy, main business risks and Internal Control System.

iii. Provision of non-audit services to the Company by its statutory auditors and evaluation of the effect that this fact may have on the objectivity and effectiveness of mandatory audit, taking also into consideration the provisions of Law 3693/2008

The statutory auditors of the Company for the fiscal year 2018, "PriceWaterHouseCoopers Auditing Company SA" (AM SOEL 113) (268 Kifisias Av. PC:15232, Chalandri, tel: 2106874400), who have been elected by the Ordinary General Assembly of the Company's Shareholders on 24.05.2018, the Fees are analyzed as follows:

For the year 2018, the fees for the audit of the Company's financial statements amounted to Euro 162 thousands (2017: Euro 162 thousands), for tax audit amounted to Euro 45 thousands (2017: Euro 43 thousands) and fees for other services reached Euro 164 (2017: Euro 107 thousands). At group level they amounted to Euro 117 thousands (2017: Euro 172 thousands), for tax audit Euro 45 thousands (2017: Euro 46 thousands) and fees for other services Euro 164 thousands (2017: Euro 107 thousands).

iv. Internal Auditor

The Issuer has awarded as Internal Auditor Mr. Epameinondas Batalas. Mr. E Batalas holds a bachelor's degree in Economics and a postgraduate degree in Applied Economics and Finance from Athens University of Economics and Business (AUEB). Moreover, holds the Diploma in IFRS from the Association of Chartered Certified Accountants (ACCA). He initially joined STEELMET S.A. as a member of the Internal Audit in 2008 and was involved in the audit procedures which were performed in the subsidiaries of VIOHALCO, serving for a number of years as internal audit manager.

Public takeover offers - Information

- There are no binding takeover bids and/or rules of mandatory assignment and mandatory takeover of the Company's shares or any statutory provision on takeover.
- There are no third-party public offers to take over the Company's share capital during the last and current year.
- In case the Company takes part in such a procedure, this will take place in accordance to applicable laws (European and Greek legislation).

General Meeting of the Shareholders and rights of shareholders

The General Meeting is convened and operates in compliance with the provisions of the Articles of Association and the relevant provisions of Law 2190/1920, as amended and in force today. The Company makes the necessary publications in line with the provisions of Law 3884/2010 and generally takes all steps required for the timely and thorough information of shareholders in regard to the exercise of their rights. The latter is ensured by publishing the invitations to General Meetings and uploading them on the Company's website, the text of which contains a detailed description of shareholders rights and how these can be exercised.

Composition and operation of the Board of Directors, the Supervisory Bodies and the Committees of the Company

Roles and responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the long-term strategy and operational goals of the Company and generally for the control and decision-making within the framework of the provisions of Codified Law 2190/1920 and the Articles of Association, and for compliance with corporate governance principles.

The Board of Directors convenes at the necessary intervals so as to perform its duties effectively.

The role and responsibilities of the Board of Directors are summed up as follows:

- Supervision and monitoring of Company operations as well as control of attainment of business goals and long-term plans;
- Formulation and specification of Company core values and objectives;
- Securing the alignment of the adopted strategy with Company goals.
- The Board of Directors ensures that there are no situations of conflict of interests between its members and the company, guarantees that there are no issues of conflict of interests and examines any incidents or cases of deviation from the confidential information policy;
- Ensuring the reliability and approval of the Company's Financial Statements prior to their final approval by the Ordinary General Meeting;
- Securing the execution of its business activity on a daily basis through a special authorization system, while other affairs falling under its scope of responsibility are implemented under special decisions.
- The secretary of the Board of Directors is appointed for each Board of Directors and his main responsibilities are to support the Chairman and the operation of the Board in general.

The existing Board of Directors of the Company consists of 14 members of whom:

- 7 are executive members (Chairman, Vice-Chairman & 5 Members)
- 5 are non-executive members (Other Members)
- 2 are independent, non-executive members (Other Members)

The current Board of Directors of ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A. consists of the following:

- THEODOSIOS PAPAGEORGOPOULOS, Chairman and executive member
- DIMITRIOS KIRIAKOPOULOS, Vice-chairman and executive member
- NIKOLAOS KOUDOUNIS, executive member
- PERIKLIS SAPOUNTZIS, executive member and General Manager
- GEORGIOS KATSAMPAS, non-executive member
- IOANNIS PANAGIOTOPOULOS, non-executive member
- LAMPROS VAROUCAS, executive member
- KONSTANTINOS KATSAROS, executive member
- STAVROS VOLOUDAKIS, executive member
- PATRICK KRON, non-executive member
- ELIAS STASSINOPOULOS, non-executive member
- NATALIA NICOLAIDIS, non-executive member
- ANDREAS KYRIAZIS, independent non-executive member
- NIKOLAOS GALETAS, independent non-executive member

The tenure of BoD's members in accordance with the Articles of Association of the Company is (1) one year and in accordance with article 11, par. 2 of the Company's Articles of Association, is extended automatically until the Ordinary General Assembly of the company's shareholders, that will convene, in 2019, until the tenth (10th) calendar day of the ninth (9th) month (September) of the same year.

The Board of Directors convened 107 times.

Audit Committee

i. Description of the composition, operation, work, responsibilities and of the issues discussed during Committee meetings

The Audit Committee, which is elected and operates according to Law 4449/2017, consists of three non-executive members of the Board of Directors, two of which are independent, and their main task, in the context of the obligations described by the above law, is to support the Company's Board of Directors to fulfill its mission to safeguard the effectiveness of accounting and financial systems, audit mechanisms, business risk management systems, assure compliance with the legal and regulatory framework, and the effective implementation of Corporate Governance principles.

More specifically, the Audit Committee has the following responsibilities:

- To examine the effectiveness of all Management levels in relation to the safeguarding of the resources they manage and their compliance with the Company's established policy and procedures;
- To evaluate the procedures and data in terms of their adequacy as for the attainment of objectives and assess the policy and the programme concerning the activity under review;
- To audit periodically the various functions of different divisions or departments so as to ensure that their various functions are carried out regularly, comply with Management's instructions, Company policy and procedures, and that they are aligned with the Company's objectives and standards of the Management practice;
- To review internal audit reports and specifically:
 - to evaluate the adequacy of their scope;
 - to confirm the accuracy of reports;
 - to examine the adequacy of results' support.

The Audit Committee receives the following reports for the audit activity:

- Extraordinary reports
- Semi-annual financial audit reports
- Ordinary annual audit reports
- Corporate Governance Reports

- Stock exchange reports
- Inventory-counting reports
- Productivity Efficiency reports
- Audit Opinion

The Audit Committee examines and ensures the independence of the Company's external auditors and takes consideration of their findings and the Audit Reports on the annual or interim financial statements of the Company. At the same time, it recommends corrective actions and procedures so as to deal with any findings or failures in areas of financial reports or other important functions of the Company.

According to its Regulation of Operation, the Audit Committee consists of two independent and non-executive members of the Board of Directors and one non-executive member who have the necessary knowledge and experience for the Committee's work.

By the decision of the Extraordinary General Assembly of Halcor's shareholders dated on 22.11.2017, the Audit Committee was elected pursuant to article 44 par. 1 of Law 4449/2017 (Government Gazette A 7 / 24.01.2017), which is a three-member and consists of two Independent members of the Company's new Board of Directors, namely Messrs. Andreas Kyriazis and Nikolaos Galetas as well as by the non-executive member of the Company's Board of Directors, Mr. Ioannis Panayiotopoulos.

All members of the Audit Committee have a proven knowledge of the sector in which the company is active, namely Mr. Andreas Kyriazis is a graduate of the Department of Chemistry of the Physics and Mathematics School of the University of Athens and has served as President of the Athens Chamber of Commerce and Industry, and Mr. Nikolaos Galetas is a graduate engineer by the School of Electrical Mechanics of the National Technical University of Athens and has taken over managerial positions at ETBA and ETEBA, while Mr. I. Panayiotopoulos, has proven sufficient knowledge in accounting and auditing (international standards) due to his service in executive positions of Viohalco companies.

ii. Number of times that the Audit Committee convened and participation of members

The audit committee convened 2 times during 2018, will full corum.

iii. Evaluation of effectiveness and performance of the Committee

As it is mentioned in the Corporate Governance Statement (reference to Corporate Governance Code) management has scheduled the establishment of a Nomination and Remuneration Committee, which will assess the Board of Directors and its Committees.

CURRICULUM VITAE OF THE BOARD MEMBERS

Theodosios Papageorgopoulos, Chairman and executive member

Mr. Papageorgopoulos is a graduate of Athens University of Economics and Business. He has been working for the Viohalco's subsidiaries since 1962 and has served as General Manager of the copper tubes division of Elvalhalcor from 1973 to 2004. Between 2004 and this date he serves as the Chairman of the Board of Elvalhalcor.

Kiriakopoulos Dimitrios, Vice-Chairman, executive member

Mr. Kyriakopoulos studied Business Administration at AUEB and holds a Diploma in Business Studies from the City of London College and Marketing from the British Institute of Marketing. He holds the position of the executive Vice-chairman of ElvalHalcor and the executive Vice-chairman of Cenergy Holdings S.A. He works for Viohalco since 2006, and since that date holds various managerial positions, among which financial manager of Viohalco and vice-chairman of the non-ferrous metals. Prior to Viohalco, he had a long standing career in Pfizer/Warner/Lambert holding the position of Regional Director of Europe / Middle East / Africa of ADAMS (Confectionery Division of Pfizer), chairman of the consumer products of Warner Lambert for Italy/ France/ Germany, Regional Director of Middle East/Africa and President and CEO of Warner Lambert in Greece. He was also appointed Deputy Managing Director of Duty Free SA.

Nikolaos Koudounis, executive Member

Mr. Koudounis is a graduate of Athens University of Economics and Business. He has been working for Viohalco since 1968 and he has been the Financial Manager of the aluminium rolling division of ElvalHalcor (former Elval) (1983), General Manager of of the aluminium rolling division of ElvalHalcor (former Elval) (2000) and Managing Director of Fitco SA (2004). He participates as an executive director in the Boards of ElvalHalcor SA, DIA.VI.PE.THI.V SA (Chairman of BoD), Fitco SA (Chairman of BoD) and other Viohalco subsidiaries. He is also the Chairman of the Board of Viotia Association of Industries.

Perikles Sapountzis, executive Member and General Manager of the copper tubes division

Mr. Sapountzis is a Chemical Engineer, graduated from the University of Munich and has also a PhD (TUM). He has been working for the subsidiaries of Viohalco since 1995 when hired as a sales manager in Hellenic Cables SA. From 1997 to 2000 he was Commercial Director of Tepro Metall AG. In 2000 he became General Manager of ICME ECAB SA and in 2004 took the same position in the parent company Hellenic Cables SA. Since 2008 he holds the position of General Manager of the copper tubes division of ELVALHALCOR (former Halcor SA) and is serving as Board Member of ElvalHalcor SA.

Georgios Katsampas, non-executive member

Mr. Katsampas holds an MBA degree from Strathclyde University in Glasgow. He is a member of Viohalco's executive staff and its subsidiaries where he has been working since 2007. He has served as Aluminium Purchasing Manager initially in the aluminium rolling division of ElvalHalcor (former Elval) and then as Aluminium Purchasing Manager for the Group. From 2016 he has taken over Viohalco's non-ferrous metals and scrap general management, and in 2017 he was elected as a member of ElvalHalcor's (former Halcor) Board of Directors.

Ioannis Panayiotopoulos, non-executive Member

Mr. Panayiotopoulos is a graduate of Athens University of Economics and Business and the Training Institute in Business Administration of the same University. He has been working for VIOHALCO Group of companies since 1968 in the Financing Division of Group companies. From 2005 to 2008, he was the Chairman of the aluminium rolling division of ElvalHalcor's (former Elval) BOD. Since 2005 he is the vice-chairman of ERLIKON SA and also a Board member of SOVEL SA and other companies of Viohalco.

Lampros Varouchas, executive Member and General Manager of the aluminium rolling division

Mr. Varouchas is an Electrical Engineer of NTUA and he has been working in the aluminium rolling division of ElvalHalcor (former Elval) since 1969. He has served as Factory Manager and from 1983 to 2004 he was the Technical Director responsible for the implementation and design of the Company's Investment Program. Since 2005 he has been General Manager at the aluminium rolling division of ElvalHalcor. At the same time, he is a member of the BoD and Technical Officer of Bridgnorth Aluminium Ltd.

Konstantinos Katsaros, executive member

Mr. Katsaros is a Mechanical and Electrical Engineer of the National Technical University of Athens. He is an Aeronautical Engineer of the Ecole Nationale Supérieure d'Aéronautique (Paris) and a Ph.D. Engineer of the University of Paris. He has been working in the aluminium rolling division of ElvalHalcor (former Elval) since 1974 and he is mainly engaged in the international development of the division. Previously he worked in Pechiney in France for 6 years. He is a member of the Board of Directors of many companies, chairman and vice chairman of the Hellenic Aluminium Association and today is a member of the Board of the European Union of Aluminium.

Stavros Voloudakis, executive member

Mr. Voloudakis is a Production and Management Engineer with MSc in Artificial Intelligence and holds the position of Deputy General Manager of the Financial and Administrative operations of the aluminium rolling division of ElvalHalcor (former Elval). He has worked in ElvalHalcor group and its subsidiaries since 2003. In addition he holds the position of Chairman of the BoD of the subsidiary VIOMAL S.A.

Andreas Kyriazis, Independent non-executive member

Mr. Kyriazis is a graduate of the Chemistry Department of Physics and Mathematics School of Athens University. He has served as Chairman of the Central Union of Greek Chambers, the Union of Balkan Chambers, the Chamber of Commerce and Industry of Athens, the Hellenic Productivity Centre, the Hellenic Society of Business Administration, and the Association of Timber Industry. He has also served as Vice chairman of the Union of the European Chamber of Commerce and Industry and General Secretary of the Union of Greek Chemists. Mr. Kyriazis is also a member of the Board of Directors of several companies of Viohalco.

Nikolaos Galetas, Independent non-executive member

Mr. Galetas is a graduate of the Theological School of Athens University with additional studies at Technische Hochschule Wien while he is also a graduate engineer of the School of Electrical Engineering of the National Technical University of Athens. During his long career, Mr. Galetas took over managerial positions in ETBA (Greek Bank for Industrial Development) in CPC (Planning and Development Company) and in the National Investment (National Bank for Industrial Development) where he served as General Manager. He has also served as Senior Advisor to the National Investment and EFG EUROBANK PROPERTIES SA, and was a board member to numerous companies including EFG EUROBANK PROPERTIES AEAAP and ERT (vice president), and various subsidiaries of National Investment Group where he was appointed as Chairman of the Board during the years of his career to this organization. In addition, in 1990-92 he offered advice to the Ministers of Interior, Agriculture and Co-ordination. Mr. Galetas is also a member of the Board of Directors in several companies of Viohalco.

Patrick Kron, non-executive member

Mr. Patrick Kron is a graduate of Ecole Polytechnique and the Ecole des Mines of Paris. He began his career in 1979 as a member of the French public administration. Since 1984 he has been working in private companies as a staff member and manager, as well as in subsidiaries of French companies in Greece. In 2016 he founded his own consulting firm PKC & I, and in the same year he was appointed president in Truffle Capital. Patrick Kron is a member of BoD of three listed companies, Sanofi, Bouygues and LafargeHolcim, as well as a member of the boards of a non-listed company and various non-profit organizations.

Natalia Nicolaidis, non-executive member

Mrs. Nicolaidis received her Juris Doctor and Masters of Foreign Service (JD/MSFS) degrees at Georgetown University and her BA in Economics at Yale University. She also obtained her Diplôme in European Law at Bruges, Belgium from the College d'Europe. Mrs. Nicolaidis is Credit Suisse's General Counsel globally for its Investment Banking and Capital Markets Division and prior to 2014, she was the head of Credit Suisse's Investment Banking Legal Department in EMEA. Mrs. Nicolaidis was elected as non-executive member of the BoD of ElvalHalcor in December 2018.

Elias Stassinopoulos, non-executive member

Mr. Elias Stassinopoulos holds a Ph.D. from the Technical University of Clausthal-Zellerfeld in Germany and has been working in the LHoist Group since 1994 in leading positions of responsibility. He speaks in addition to Greek, English, French, German.

The Chairman of the Board of ELVALHALCOR SA
Theodosios Papageorgopoulos

INDEPENDENT AUDITOR'S REPORT

[Translation from the original text in Greek]

To the Shareholders of “Elvalhcor Hellenic Coppers and Aluminium Industry SA”

Report on the audit of the separate and consolidated financial statements

Our opinion

We have audited the accompanying separate and consolidated financial statements of “Elvalhcor Hellenic Coppers and Aluminium Industry SA” (Company and the Group) which comprise the separate and consolidated statement of financial position as of 31 December 2018, the separate and consolidated income statement and statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2018, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Codified Law 2190/1920.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Company and its subsidiaries, in the period from 1st January 2018 to 31 December 2018 during the year ended as at 31 December 2018, are disclosed in Note 32 to the separate and consolidated financial statements.

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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and 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

As disclosed in Note 22 of the attached financial statements, the Group as at 31 December 2018 had loan liabilities amounting to Euro 578mn, of which amount Euro 62mn related to instalments of long-term and syndicated loans and finance lease liabilities, expiring in the short-term as at the balance sheet date. The contracts of the syndicated loans contain financial covenants and other terms, such as change of control clauses. As disclosed in Note 22 of the attached financial statements, the Group in 2018 has signed a new loan contract of Euro 65 mn.

For the evaluation of the status of the refinancing in progress and the available future cash flows of the Group, management applied assumptions and estimates. Finally, the risk of non-compliance to the terms of the loan agreements was considered a significant audit risk. For these reasons, we consider this area to be a key audit matter.

How our audit addressed the key audit matters

We performed the following audit procedures:

- We obtained the agreements of the long term and syndicated loans and gained understanding of the terms of the agreements.
- We recomputed financial loan covenants ratios and confirmed the assessment of the management in relation to compliance with those covenant ratios.
- We examined the accounting classification of the new and amended contract relating to the main loans.
- We tested the key assumptions used by the Group in the future cash flows
- We assessed the reliability of management's forecast by reviewing actual performance against previous forecasts.
- We tested the mathematical accuracy of the cash flow models and agreed relevant data to approved financial budgets.
- We assessed management's estimate as regards the adequacy of future cash flows relating to the repayment of loan obligations of the Group.
- As a result of our work, we did not identify exceptions as regards, recognition, measurement and classification of the loan liabilities and considered that the assumptions and estimates of management are within reasonable range. We found that the related disclosures included in the financial statements were adequate.

Other information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Annual report of the Board of Directors, Corporate Governance Report, Explanatory report of the Board of Directors, Statement of Members of the Board of Directors and the Non-financial statements (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the separate and consolidated financial statements does not cover the Other Information and except to the extent otherwise, explicitly stated in this paragraph of our Report, we do not express an audit opinion or other form of assurance 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.

We considered whether the Board of Directors report includes the disclosures required by Codified Law 2190/1920 and the Corporate Governance Statement required by article 43bb of Codified Law 2190/1920 has been prepared.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' report for the year ended at 31 December 2018 is consistent with the separate and consolidated financial statements,
- The Board of Directors' report has been prepared in accordance with the legal requirements of articles 43a and 107A of the Codified Law 2190/1920,
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 43bb of the Codified Law 2190/1920.

In addition, in light of the knowledge and understanding of the Company and Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' report and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Codified Law 2190/1920, and for such internal control as the Board of Directors 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, the Board of Directors is responsible for assessing the Company's and 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 Board of Directors either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and 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 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 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, we exercise professional judgment and maintain professional scepticism 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' 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 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 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 consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. 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 separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company.

2. Appointment

We were appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 26/5/2017. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 2 years.



PricewaterhouseCoopers S.A.
Certified Auditors – Accountants
268, Kifissias Avenue
152 32 Halandri
SOEL Reg. 113

Athens, 20 March 2019
The Certified Auditor Accountant
Konstantinos Michalatos
SOEL Reg. No 17701

Annual Financial Statements (Group and Company)

as at 31 December 2018
according to International Financial Reporting Standards

THE CHAIRMAN OF THE
BOARD OF DIRECTORS

THEODOSIOS
PAPAGEORGOPOULOS
ID Card No. AN 051682

THE GENERAL MANAGER
OF THE COPPER TUBES
DIVISION AND MEMBER OF
THE BOD

PERIKLIS
SAPOUNTZIS
ID Card No. AK 121106

THE DEPUTY GENERAL
MANAGER OF THE
ALUMINIUM ROLLING
DIVISION AND MEMBER OF
THE BOD

STAVROS
VOLOUDAKIS
ID Card No. AE 620963

THE GROUP FINANCIAL
MANAGER

SPYRIDON
KOKKOLIS
ID Card No. AN 659640
Reg.Nr. A' Class 20872

ELVALHALCOR S.A.
G.C.Registry.: 303401000
SA Registry No: 2836/06/B/86/48
SEAT: Athens Tower, Building B, 2-4 Mesogeion Avenue



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Full
Screen

Annual Report



Annual Financial Report

Sustainability Report



At a Glance

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I. Statement of Financial Position

€ '000		GROUP		COMPANY	
		2018	2017	2018	2017
ASSETS					
Non-current assets					
Property, plant and equipment	10	720,564	687,479	459,754	423,549
Intangible assets and goodwill	11	76,527	74,547	70,447	70,801
Investment property	12	6,838	7,076	19,591	20,809
Investments in Viohalco subsidiaries	13	(0)	0	251,472	242,471
Investments in Viohalco associates	13	82,846	64,186	82,661	65,339
Other Investments	14	3,853	3,771	3,853	3,771
Deferred income tax assets	15	1,717	2,267	-	-
Derivatives	18	3	262	3	260
Trade and other receivables	17	2,650	2,624	2,473	2,423
		894,998	842,212	890,253	829,425
Current Assets					
Inventories	16	519,218	433,498	343,286	281,004
Trade and other receivables	17	218,286	199,025	200,317	190,723
Income tax receivables		191	-	-	-
Derivatives	18	3,115	4,751	2,202	2,856
Cash and cash equivalents	19	34,241	41,446	22,470	32,574
		775,050	678,720	568,275	507,157
Assets held for sale	34	4,495	4,495	-	-
Total assets		1,674,543	1,525,427	1,458,528	1,336,582
EQUITY					
Capital and reserves attributable to the Company's equity holders					
Share capital	20	146,344	146,344	146,344	146,344
Share premium	20	65,030	65,030	65,030	65,030
Other reserves	20	281,103	282,340	291,906	293,926
Retained earnings/(losses)		224,310	161,796	202,634	155,618
Equity attributable to owners of the company		716,788	655,511	705,914	660,919
Non-Controlling Interest		13,679	12,905	-	-
Total equity		730,468	668,416	705,914	660,919
LIABILITIES					
Non-current liabilities					
Loans and Borrowings	22	372,905	278,940	299,841	278,414
Obligations under financial lease	22	11,511	13,993	11,511	13,973
Derivatives	18	101	51	101	2
Deferred tax liabilities	15	58,024	61,825	47,714	50,233
Employee benefits	23	15,584	14,946	11,270	10,761
Grants	24	19,602	21,557	11,067	12,378
Provisions	25	1,410	1,410	1,260	1,260
		479,136	392,724	382,763	367,021
Current liabilities					
Trade and other payables	26	244,506	179,172	209,222	141,577
Contract liabilities		9,238	-	7,425	-
Current tax liabilities	15	14,178	7,641	9,520	5,002
Loans and Borrowings	22	191,225	273,016	137,984	158,216
Obligations under financial lease	22	2,328	2,291	2,328	2,291
Derivatives	18	3,301	2,005	3,263	1,446
Provisions	25	162	162	110	110
		464,939	464,287	369,852	308,643
Total liabilities		944,075	857,011	752,614	675,664
Total equity and liabilities		1,674,543	1,525,427	1,458,528	1,336,582

The notes on pages a48 to a103 constitute an integral part of these Financial Statements.

The Group has adopted IFRS 15 and IFRS 9 using the cumulative effect method. According to this method the comparative data are not restated. (see note 33)

II. Income Statement

€ '000		GROUP		COMPANY	
		2018	2017	2018	2017
Revenue	6	2,117,789	1,150,369	1,486,972	895,786
Cost of sales	8	(1,950,840)	(1,046,804)	(1,374,859)	(819,614)
Gross profit		166,948	103,566	112,112	76,172
Other Income	7	14,093	7,892	9,749	8,304
Selling and Distribution expenses	8	(21,468)	(12,335)	(10,472)	(5,117)
Administrative expenses	8	(42,909)	(25,329)	(31,377)	(17,375)
Impairment loss on receivables and contract assets		(505)	(377)	(149)	(124)
Other Expenses	7	(9,108)	(3,801)	(4,494)	(2,793)
Operating profit / (loss)		107,051	69,616	75,370	59,067
Finance Income	9	137	118	418	75
Finance Costs	9	(32,313)	(17,767)	(23,530)	(13,080)
Dividends		20	-	1,691	1,722
Net Finance income / (cost)		(32,156)	(17,649)	(21,420)	(11,283)
Share of profit/ (loss) of equity-accounted investees, net of tax	13	953	(1,293)	-	-
Profit/(Loss) before income tax		75,849	50,674	53,949	47,784
Income tax expense	15	(11,546)	(17,410)	(6,610)	(14,461)
Profit/(Loss) for the year		64,303	33,264	47,339	33,324
Attributable to:					
Owners of the Company		63,646	33,549	47,339	33,324
Non-controlling Interests		656	(285)	-	-
		64,303	33,264	47,339	33,324
Shares per profit to the shareholders for period (expressed in € per share)					
Basic and diluted	21	0.1806	0.1188	0.1343	0.1180

The notes on pages a48 to a103 constitute an integral part of these Financial Statements.

The Group has adopted IFRS 15 and IFRS 9 using the cumulative effect method. According to this method the comparative data are not restated. (see note 33)

III. Statement of Comprehensive Income

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Profit / (Loss) of the period from continued operations	64,303	33,264	47,339	33,324
<i>Items that will never be reclassified to profit or loss</i>				
Remeasurements of defined benefit liability	(139)	(1,314)	(281)	(1,013)
Related tax	56	372	81	294
Total	(83)	(942)	(201)	(720)
<i>Items that are or may be reclassified to profit or loss</i>				
Foreign currency translation differences	(166)	197	-	-
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	(2,275)	4,498	(1,074)	3,737
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	(618)	(2,851)	(1,770)	(2,435)
Related tax	638	(190)	825	(378)
Total	(2,420)	1,654	(2,020)	924
Other comprehensive income / (expense) after tax	(2,503)	712	(2,220)	205
Total comprehensive income / (expense) after tax	61,800	33,976	45,119	33,529
Attributable to:				
Owners of the company	61,239	33,514	45,119	33,529
Non-controlling interests	561	462	-	-
Total comprehensive income / (expense) after tax	61,800	33,976	45,119	33,529

The notes on pages a48 to a103 constitute an integral part of these Financial Statements.

The Group has adopted IFRS 15 and IFRS 9 using the cumulative effect method. According to this method the comparative data are not restated. (see note 33)

IV. Statement of Changes in Equity

GROUP

€ '000	Paid-in Capital	Share Premium	Acquisition Reserve	Reserves	Results carried forward	Foreign Exchange translation reserve	Total	Non-Controlling Interest	Total Equity
Balance as at 1 January 2017	105,750	-	-	209,976	135,859	-	451,586	2,118	453,703
Net Profit / (Loss) for the period	-	-	-	-	33,549	-	33,549	(285)	33,264
Other comprehensive income	-	-	-	1,457	(1,689)	197	(35)	747	71
Total comprehensive income	-	-	-	1,457	31,860	197	33,514	462	33,976
Transactions with the shareholder's directly in equity									
Capitalization of Share Premium	2,108	(2,108)	-	-	-	-	-	-	-
Transfer of reserves	-	-	-	1,123	(1,123)	-	-	-	-
Dividend	-	-	-	-	(4,800)	-	(4,800)	-	(4,800)
M&A Effect	38,486	67,138	69,588	-	-	-	175,212	10,325	185,537
Total of transactions with the Shareholder's	40,594	65,030	69,588	1,123	(5,923)	-	170,412	10,325	180,737
Balance as at 31 December 2017	146,344	65,030	69,588	212,556	161,796	197	655,512	12,905	668,416
Balance as at 1 January 2018	146,344	65,030	69,588	212,556	161,796	197	655,512	12,905	668,416
Adoption of IFRS 9	-	-	-	-	(647)	-	(647)	(12)	(659)
Adoption of IFRS 15	-	-	-	-	911	-	911	-	911
Balance as at 1 January 2018 after adjustment	146,344	65,030	69,588	212,556	162,060	197	655,775	12,894	668,669
Net Profit / (Loss) for the period	-	-	-	-	63,646	-	63,646	656	64,303
Other comprehensive income	-	-	-	(2,255)	13	(166)	(2,407)	(96)	(2,503)
Total comprehensive income	-	-	-	(2,255)	63,660	(166)	61,239	561	61,800
Transactions with the shareholder's directly in equity									
Transfer of reserves	-	-	-	1,183	(1,183)	-	-	-	-
Acquisition of Non-Controlling Interest	-	-	-	-	(225)	-	(225)	225	-
Total transactions with the shareholders	-	-	-	1,183	(1,408)	-	(225)	225	-
Balance as at 31 December 2018	146,344	65,030	69,588	211,485	224,312	31	716,790	13,679	730,469

The notes on pages a48 to a103 constitute an integral part of these Financial Statements.

The Group has adopted IFRS 15 and IFRS 9 using the cumulative effect method. According to this method the comparative data are not restated. (see note 33)

COMPANY

€ '000	Paid-in Capital	Share Premium	Acquisition Reserve	Reserves	Results carried forward	Total
Balance as at 1 January 2017	105,750	-	-	209,812	127,850	443,413
Net Profit / (Loss) for the period	-	-	-	-	33,324	33,324
Other comprehensive income	-	-	-	-	205	205
Total comprehensive income	-	-	-	-	33,529	33,529
Transactions with the shareholder's directly in equity						
Capitalization of Share Premium	2,108	(2,108)	-	-	-	-
Transfer of reserves	-	-	-	961	(961)	-
Dividend	-	-	-	-	(4,800)	(4,800)
M&A Effect	38,486	67,138	83,153	-	-	188,777
Total transactions with the shareholders	40,594	65,030	83,153	961	(5,761)	183,977
Balance as at 31 December 2017	146,344	65,030	83,153	210,773	155,618	660,919
Balance as at 1 January 2018	146,344	65,030	83,153	210,773	155,618	660,919
Adoption of IFRS 9	-	-	-	-	(123)	(123)
Balance as at 1 January 2018 after adjustment	146,344	65,030	83,153	210,773	155,618	660,919
Net Profit / (Loss) for the period	-	-	-	-	47,339	47,339
Other comprehensive income	-	-	-	(2,020)	(201)	(2,220)
Total comprehensive income	-	-	-	(2,020)	47,138	45,119
Balance as at 31 December 2018	146,344	65,030	83,153	208,753	202,634	705,914

The notes on pages a48 to a103 constitute an integral part of these Financial Statements.

The Group has adopted IFRS 15 and IFRS 9 using the cumulative effect method. According to this method the comparative data are not restated. (see note 33)

V. Statement of Cash-Flows

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit / (loss) after taxes	64,303	33,264	47,339	33,324
Adjustments for:				
Tax	11,546	17,410	6,610	14,461
<i>Depreciation and Amortization</i>	<i>58,114</i>	<i>43,590</i>	<i>39,282</i>	<i>34,637</i>
Depreciation of tangible assets	58,838	44,754	38,798	34,458
Depreciation of intangible assets	1,070	578	654	301
Depreciation of Investment Property	162	51	1,142	1,058
Amortization of grants	(1,955)	(1,793)	(1,311)	(1,180)
Finance Income	(137)	(118)	(418)	(75)
Dividends	(20)	-	(1,691)	(1,722)
Share of profit/ (loss) of equity-accounted investees, net of tax	(953)	1,293	-	-
Interest charges & related expenses	32,313	17,767	23,530	13,080
(Profit) / loss from sale of tangible assets	(231)	199	(10)	(21)
Impairment/ (Reversal of Impairment) on fixed assets	-	1	-	-
Impairment/ (Reversal of Impairment) on intangible assets	-	299	-	-
Loss from assets and investment property write off	172	-	-	-
(Gains)/ losses from foreign exchange differences	406	-	350	-
Impairment of inventories	3,978	-	824	-
Impairment/ (Reversal of Impairment) of receivables	505	377	149	124
(Other provisions)/Reversal of provisions	221	14	-	7
	170,217	114,095	115,966	93,814
Decrease / (increase) in inventories	(89,943)	(43,219)	(63,106)	(33,851)
Decrease / (increase) in receivables	(19,261)	68,420	(9,594)	43,689
(Decrease) / Increase in liabilities (minus banks)	73,948	16,970	68,539	4,148
(Decrease) / Increase in defined benefit obligation	268	-	(508)	-
	(34,987)	42,170	111,297	13,987
Interest charges & related expenses paid	(33,112)	(21,953)	(24,029)	(15,865)
Income tax paid	(7,794)	(23,662)	(4,592)	(21,804)
Net Cash flows from operating activities	94,323	110,651	84,148	70,131
Cash flows from investing activities				
Purchase of tangible assets	(92,247)	(44,458)	(73,056)	(38,466)
Purchase of intangible assets	(603)	(330)	(294)	(31)
Proceeds from sales of fixed assets	285	463	25	20
Dividends received	20	151	1,691	1,873
Interest received	126	-	418	75
Acquisition of investments (subsidiaries and associates of Viohalco)	(9,004)	(387)	(8,557)	-
Acquisition of other investments	(13)	-	(13)	(387)
(Increase in participation)/share capital decrease in subsidiaries, associates and joint-ventures	(6,592)	-	(6,592)	-
Cash outflow from division/segment spin off	-	(101,200)	-	(101,200)
Cash acquired from business combinations	1,511	12,055	-	10,532
Net Cash flows from investing activities	(106,516)	(133,706)	(86,376)	(127,584)
Cash flows from financing activities				
Dividends paid	-	(4,800)	-	(4,800)
Loans received	181,335	240,915	77,060	239,915
Loans settlement	(173,194)	(195,662)	(82,510)	(162,259)
Finance leases settlement	(3,152)	8,828	(2,426)	8,828
Proceeds from grants	-	24	-	-
Net cash flows from financing activities	4,989	49,304	(7,876)	81,684
Net (decrease)/ increase in cash and cash equivalents	(7,204)	26,248	(10,104)	24,230
Cash and cash equivalents at the beginning of period	41,446	15,198	32,574	8,344
Foreign exchange effect on Cash and Cash equivalents	(2)	-	-	-
Cash and cash equivalents at the end of period	34,241	41,446	22,470	32,574

The notes on pages a48 to a103 constitute an integral part of these Financial Statements.

The Group has adopted IFRS 15 and IFRS 9 using the cumulative effect method. According to this method the comparative data are not restated. (see note 33)

VI. Notes to Financial Statements as at 31 December 2018

1. Incorporation and Group Activities:

ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A was created by the merger by absorption of "ELVAL HELLENIC ALUMINIUM INDUSTRY S.A." (hereinafter "ELVAL") by the listed "HALCOR METAL WORKS S.A." (hereinafter "HALCOR") with the 131569/30-11-2017 of the Ministry of Economy and Development.

The duration of the company has been set until 31.12.2200. It is listed on Athens Stock Exchange and is a subsidiary of Viohalco. The Company is registered at the Companies registry (M.A.E.) with number 2836/06/B/86/48 and registration number (Γ.Ε.ΜΗ.) 303401000.

These Financial Statements (the "Financial Statements") of the Company for the year ended on 31 December 2018 include the individual financial statements of ElvalHalcor and the consolidated financial statements of the Company (together the "Group"). The names of subsidiaries and affiliated companies are presented in Note 30 of the Financial Statements.

Due to the reverse acquisition of Halcor by Elval for accounting purposes, the comparative information of 2017 as well as the period until 30.11.2017 are those of Elval while from 30.11.2017 until the end of the fiscal year of ElvalHalcor.

The Financial Statements of ElvalHalcor are included in the consolidated Financial Statements of Viohalco SA/NV that is traded on the EURONEXT stock exchange in Belgium as well as in the Athens Exchange.

The principal activities of the Group lie in the production, processing and trade and representation of products made of copper, copper alloys, aluminium, aluminium alloys and zinc as well as from other metals or alloys, and any type of their products. The Group is operating in Greece, Bulgaria and Turkey.

The Company is seated in Greece, 2-4 Mesogeion Ave., Athens Tower, Building B, 11525, Athens. The central offices of the Company and its contact address are located at the 62nd km of "Athens-Lamia" National Highway, Inofyta (Pref. of Viotia), GR-32011. The company's website is www.elvalhalcor.com.

2. Basis of preparation of the Financial Statements

(a) Compliance note

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. The International Financial Reporting Standards issued by the IASB may differ from those adopted by the European Union.

The financial statements ended 31 December 2018 were approved for publication by the Company's Board of Directors on 20th of March, 2019 and remain under the approval of the General Assembly of Shareholders.

(b) Measurement basis

The Financial Statements have been prepared in accordance with the historical cost principle except the financial assets held for sale and the derivative that are measured at fair value.

(c) Functional exchange rate and presentation

The Financial Statements are presented in Euro, which is the Company's functional currency. The amounts indicated in the Financial Statements are denominated in thousands of Euro and are rounded up/down to the nearest thousand (any differences in sums are due to rounding up/down).

(d) Application of estimates and judgments

Preparing financial statements in line with the IFRS requires that Management take decisions, make assessments and assumptions which affect the implementation of accounting policies, and the book amounts of assets, liabilities, income and expenses. The actual results may finally differ from such estimates.

Estimates and related assumptions are continuously revised. These revisions are recognized in the period they were made and any subsequent ones.

Specific information about the areas for which estimates are uncertain and vital decisions must be made with respect to the application of accounting policies having a considerable effect on the amounts posted in financial statements is given in the notes below:

Significant Estimates

- **Valuation of assets that are not measured at fair values:** The Group makes estimates regarding any impairment of the fixed assets which are not measured in fair values (Investments in subsidiaries, Intangible fixed assets, fixed assets and Investment property).
- **Recoverability of receivables from deferred taxation:** The Group makes estimates in regards to future profits so losses can be offset for which a deferred tax assets has been created. The Group and the Company make estimates whether these deferred tax assets can be recovered, using the forecasted future taxable income in accordance to the approved business plan and the budget of each subsidiary.
- **Uncertainty about taxes of prior years:** The Group makes estimates in regards to the possibility of imposition by the tax authorities taxes and penalties for prior fiscal years as well as estimates about the potential amount. For the calculation of the provisions the Group and the Company make estimates based on the results of the prior year tax audits.
- **Readjustment of useful life of assets:** The Group tested the useful life in order to take into consideration the new conditions, consequent to the execution of the five-year investment program in the aluminium segment.
- **Valuation of goodwill impairment:** The group assessed the impairment in goodwill.

Significant Judgements

- **Valuation of the accounting treatment between Elval and Halcór as reverse acquisition (for the comparative period of 2017):** The Group put judgement as to the evaluation of the criteria provided by IFRS.

3. New principles

New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1st January 2018. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IFRS 9 "Financial Instruments"

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model that was applied under IAS 39. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the previous model in IAS 39. The effect from applying the standard to the Group is described in note 33.

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity recognises revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The effect from applying the standard to the Group is described in note 33.

IFRS 4 (Amendments) "Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts"

The amendments introduce two approaches. The amended standard: a) gives all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise

when IFRS 9 is applied before the new insurance contracts standard is issued; and b) gives companies, whose activities are predominantly connected with insurance, an optional temporary exemption from applying IFRS 9 until 2021. The entities that have elected to defer the application of IFRS 9 continue to apply the existing financial instruments standard—IAS 39. No effect is expected from the application of the standard to the Group.

IFRS 2 (Amendments) “Classification and measurement of Shared-based Payment transactions”

The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority.

IAS 40 (Amendments) “Transfers of Investment Property”

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence.

IFRIC 22 “Foreign currency transactions and advance consideration”

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts.

Annual Improvements to IFRS 2014 (2014 – 2016 Cycle)

IAS 28 “Investments in associates and joint ventures”

The amendments clarified that when venture capital organisations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition.

Standards and Interpretations effective for subsequent periods

IFRS 9 (Amendments) “Prepayment Features with Negative Compensation”

(effective for annual periods beginning on or after 1 January 2019)

The amendments allow companies 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—instead of at fair value through profit or loss.

IFRS 16 “Leases”

(effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The effect of this standard on the Group will create the need of recognition of an asset of € 3.6 mil. along with the recognition of a relevant liability.

IFRS 17 “Insurance contracts”

(effective for annual periods beginning on or after 1 January 2021)

IFRS 17 has been issued in May 2017 and supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent

manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has not yet been endorsed by the EU.

IAS 28 (Amendments) “Long term interests in associates and joint ventures”

(effective for annual periods beginning on or after 1 January 2019)

The amendments 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 have not yet been endorsed by the EU.

IFRIC 23 “Uncertainty over income tax treatments”

(effective for annual periods beginning on or after 1 January 2019)

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

IAS 19 (Amendments) “Plan amendment, curtailment or settlement”

(effective for annual periods beginning on or after 1 January 2019)

The amendments specify how companies determine pension expenses when changes to a defined benefit pension plan occur. The amendments have not yet been endorsed by the EU.

IFRS 3 (Amendments) “Definition of a business”

(effective for annual periods beginning on or after 1 January 2020)

The amended definition emphasises 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. The amendments have not yet been endorsed by the EU.

IAS 1 and IAS 8 (Amendments) “Definition of a material”

(effective for annual periods beginning on or after 1 January 2020)

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRS (2015 – 2017 Cycle)

(effective for annual periods beginning on or after 1 January 2019)

The amendments set out below include changes to four IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 3 “Business combinations”

The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 “Joint arrangements”

The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 “Income taxes”

The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 “Borrowing costs”

The amendments clarify that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

Adoption of IFRS 16

IFRS 16

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The Group and the Company are reviewing all of the leasing arrangements over the last year in light of the new lease accounting rules in IFRS 16. The standard will affect the accounting for the Group's and the Company's operating leases. As at the reporting date, the Group and the Company have non-cancellable operating lease commitments for which they expect to recognise right-of-use assets of approximately € 3.6 million and € 3.6 million respectively on 1 January 2019 and respective lease liabilities.

The Group and the Company will apply the standard from its mandatory adoption date of 1 January 2019. The Group and the Company intend to apply the simplified transition approach and will not restate comparative amounts for the prior year to the first adoption.

4. Significant accounting principles

The accounting principles cited below have been consistently applied to all periods presented in these Financial Statements and have also been consistently applied by all Group companies.

4.1 Basis of consolidation

(a) Business combinations

The acquisitions of subsidiaries accounted under the purchase method on the date of acquisition, the date on which control is transferred to the Group. Control power is the power of operating and financial policies of an enterprise so as to benefit from the activity. In assessing control, the Group takes account of potential voting rights that presently may be exercisable.

The goodwill arises from the acquisition of subsidiaries and constitutes the exceeding amount between the sum of purchase price and the amount of the non-controlling participation to the acquired entity at the date of acquisition and the fair value of the net assets acquired. If the sum of the total price paid, the non-controlling participation recognized and the prior participation in the company is less than the fair value of the net assets then the difference of a bargain purchase is recognized in the profit and loss.

Any expenses related to the acquisition are posted directly on the profit and loss. Any consideration transferred is recognized at fair value at the acquisition date.

(b) Accounting for acquisitions of minority interests

Acquisitions of minority interests are accounted as transactions of shareholders and percentages and therefore no goodwill is recognized in such transactions. If the sum of the total price paid, the non-controlling participation recognized and the prior participation in the company is less than the fair value of the net assets of the subsidiary acquired, then the difference of a bargain purchase is recognized in the profit and loss.

(c) Subsidiaries

Subsidiaries are entities that the Group, directly or indirectly, controls their financial and operating policies. Subsidiary companies are fully consolidated from the day control over them is acquired and cease to be consolidated from the day this control is no longer exist.

In its financial statements, the Company measures holdings in subsidiaries at their acquisition cost less any impairment of their value.

(d) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an investment in an associate or as an available-for-sale financial asset depending on the level of influence retained.

(e) Investments in associates

Associated companies are companies over which the Group exercises significant influence, but not control, which, in general, applies when the holding percentage in the voting rights ranges between 20% and 50%. Investments in associates are accounted for using the equity method and recognised initially at their acquisition cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. In the consolidated financial statements the Group represents the ratio of the results and the total income after any changes in accounting principles to be comparable to those of the Group from the date of obtaining significant influence until the date we lose it. When the Group's share of losses exceeds its interest in an investment in associate the carrying amount of that interest is reduced to zero and no recognition of further losses are recognized except to the extent that the Group has an obligation or has made payments on behalf of the associate.

In the Company's financial statements, investments in associates are recorded at cost minus any impairment that may occur.

(f) Transactions eliminated in consolidation

Inter-company transactions, balances and non-realised profits from transactions between Group companies are eliminated in preparing the consolidated financial statements. Unrealised gains on transactions between associates are eliminated against the Group's stake in the affiliated company. The same applies to non-realised losses, unless there are indications that the value of the fixed asset that was transferred has been impaired.

(g) Business combinations under common control

IFRS 3 "Business Combinations" does not apply to mergers of companies under common control and no guidance from IFRS applies for such transactions. According to paragraphs 10 to 12 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" the Group selects to apply the method of acquisition as described in IFRS 3 for such transactions, as stated above.

4.2 Foreign currency

(a) Transactions and balances

Transactions that are carried out in a foreign currency are converted to the Company's functional currency based on the exchange rate that is applicable on the day the transaction is carried out. Profits and losses from foreign exchange differences that arise from the settlement of such transactions during the period and from the conversion of monetary assets that are expressed in a foreign currency based on the exchange rate that is applicable on the balance sheet date are recorded in the profit and loss statement.

(b) Transactions with Group companies in different currency

The financial statements of Group companies (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group's presentation currency are translated as follows:

- Assets and liabilities of foreign activities including goodwill and fair value adjustments arising during consolidation are converted into Euro based on the official exchange rate for the foreign currency that is in effect on the balance sheet date.
- Income and expenses are converted into Euro on the basis of the average rate of the foreign currency during the year which approaches the exchange rate in effect on the date of transactions.
- Any foreign exchange difference that may arise is recorded in an equity reserve named "Foreign exchange differences due to consolidation" and transferred to profit and loss when these companies are sold.

4.3 Financial assets and liabilities

(a) Non-derivative financial instruments

Receivables from customers are initially booked at their fair value and are subsequently valued at their amortized cost less impairment losses. Impairment losses are recognised when there are objective indications that the Group is not in a position to collect all or part of the amounts due based on contractual terms. The amount of impairment loss is the difference between the book value of receivables and the present value of the estimated future cash flows. The amount of provision is recognised in the income statement as an expense.

In regards to the provision for expected credit losses, the Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The Group has identified the ratings by ratings agencies for a customer who is rated individually, and the country rating in the case of a non-rated customer, as identifiers of the expected credit loss and accordingly adjusts the provision after those factors.

(b) Cash and cash equivalents

Cash and cash equivalents include cash balances, sight deposits and short-term, high-liquid and low-risk investments.

(c) Available-for-sale financial assets

These include non-derivative financial assets that are either designated in this subcategory, or do not fit into "detained until the end" or "as a fair value through profit and loss." Purchases and sales of investments are recognized on trade date that is the date the Group commits to buy or sell the asset. Investments are initially recognized at fair value plus transaction costs. Then available for sale financial assets are measured at fair value and the resulted profit or loss is recognised in reserve 'fair value' of equity until these assets are sold or impaired. The fair value of those traded on a regulated market is the closing price. For other items the fair value cannot reliably determine the fair value corresponds to the acquisition cost. The impairment loss is recognized upon transfer of the accumulated damage from the reserve to the income statement.

(d) Loans

Loans are initially booked at fair value, less any direct expenses for the execution of the transaction. Subsequently loans are valued at non-depreciated cost based on the effective interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in the results during the term of the loan based on the effective interest rate method.

Loans are classified as "Short-term Liabilities" unless the Group has the right to defer the settlement thereof for at least 12 months from the balance sheet date. Loan interest charges are directly posted to the income statement of the period they concern. The recognition stops when the contractual obligations cancelled, terminated or sold.

(e) Trade liabilities

Trade liabilities are initially booked in fair value and are subsequently valued at their amortized cost based on the effective interest rate method.

4.4 Derivatives and hedge accounting

The Group holds derivative instruments to offset the risk of interest rate and the foreign currency change. Derivatives are initially and subsequently recognized at fair value. The method of recognizing gains and losses depends on whether derivatives designated as hedging instruments or as held for trading.

The Group documents at the inception of the transaction the relationship between instruments of hedging and hedged items as well as the strategic management of risk. At the conclusion of the contract and on an ongoing basis later recorded assessment of the high efficiency of hedging for both fair value hedges and for cash flow hedges. To offset future transaction demonstrates the possibility of completing the transaction.

(a) Fair value hedging

Changes in the fair value of derivatives which are defined as fair value hedges are posted to the results as are the changes in the fair value of the hedged assets which are attributed to the risk offset.

(b) Cash flow hedging

The effective proportion of change in the fair value of derivatives defined as cash flow hedges are posted to an equity reserve. The gain or loss on the non-effective proportion is posted to the results. The amounts posted as an equity reserve are carried forward to the results of the periods where the hedged assets affect profits or losses. In cases of hedging forecast future transactions which result in recognition of a non-monetary asset (e.g. inventory) or liability, profits or losses which had been posted to equity are carried forward to acquisition cost of the non-financial asset generated.

When a hedge matures or is sold or when the hedging proportion no longer meets the hedge accounting criteria, the profits and losses accrued to Equity remain as a reserve and are carried forward to the results when the hedged asset affects profits or losses. In the case of a hedge on a forecast future transaction which is no longer expected to be realised, the profits or losses accrued to Equity are carried forward to the income statement.

4.5 Share capital

The share capital consists of common shares. Direct expenses for the issuance of shares appear after deducting the relevant income tax, reducing the amount of growth.

4.6 Property, plant and equipment

(a) Recognition and measurement

Non current assets include Land, buildings, machinery transportation equipment furniture and other equipment. are shown at fair value, based on valuations by external independent assessors, less subsequent depreciation. They are valued at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent expenses are recorded as an increase to the book value of the fixed assets or as a separate asset only where it is probable that the future financial benefits will accrue to the Group and the cost can be reliably measured. The cost of repairs and maintenance is posted to the results when incurred.

Upon sale of tangible assets, the differences between the proceeds and the carrying value is recorded as gains or losses on the results and the item 'Other operating income' or 'Other operating expenses' as appropriate. When the book value of tangible assets exceeds its recoverable amount, the difference (impairment loss) is recognized immediately as an expense in the income statement.

(b) Depreciation

Plots – lots are not depreciated. Depreciation of other tangible assets is calculated using the straight-line method during the estimated useful life of fixed assets and their segments if they have a different useful life. The estimated useful life of these categories is as follows:

- Buildings	20-50 years
- Machinery & equipment	1-40 years
- Transportation equipment	4-15 years
- Furniture and fixtures	1-8 years

Residual value and the useful life of tangible assets are subject to re-examination on each balance sheet date, if deemed necessary.

4.7 Intangible assets

Intangible assets acquired separately are recognized at acquisition cost while any intangible assets acquired through the purchase of entities are recognized at their fair value on acquisition date. After acquisition they are valued at that amount less accumulated depreciation and any accumulated impairment losses. The useful life of intangible assets may be limited or unlimited. The cost of intangible assets with a limited useful life is depreciated over the estimated useful life using the straight-line method. Intangible assets are depreciated from the date they become available for use.

Intangible assets with unlimited useful life are not depreciated but are subject periodically (at least annually) to an estimate of any impairment based on the provisions of IAS 36 "Impairment of Assets". Residual values are not recognized. The useful life of intangible assets is evaluated on an annual basis. Intangible assets are tested for impairment at least annually individually or at cash-generating unit level.

Software licences are valued at acquisition cost less accumulated depreciation and any accumulated impairment. Depreciation is recorded using the straight-line method over the useful life of the assets which ranges from 3 to 5 years.

Expenses required to develop and maintain software are posted as expenses in the income statement during the year they incur.

4.8 Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognized in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in the profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to the retained earnings.

4.9 Inventories

Inventories are valued at acquisition cost or net realisable value, whichever is lower. Acquisition cost is determined by applying the annual average weighted cost method and includes the cost to buy, produce or manufacture and other expenses so as to acquire its current condition and location and the ratio of production expenses. The cost may include any transfer from the cash flow hedging reserve. Net realisable value is assessed based on current sale prices of inventories in the course of ordinary activities less any termination and sales expenses which apply to the case.

4.10 Impairment

(a) Non-derivative financial assets

The carrying values of Group financial assets not recognized at fair value through profit or loss, including investments accounted for by the equity method, are examined in each reporting period to determine whether there is objective evidence of impairment.

Objective evidence that a financial asset is impaired include:

- bankruptcy of a debtor or designation as insusceptible to recovery
- amount of debt adjustment because of changing conditions of payment,
- evidence that due to adverse economic conditions, the borrower or issuer will go into bankruptcy,
- adverse developments in the method of payment of borrowers or issuers.
- the disappearance of an active market for a share or
- observable data indicating that there is a measurable decrease in the estimated future cash flows of a group of financial assets.

Assigned financial assets at amortized cost

The Group recognizes an indication of impairment of these assets both at independent asset and at entire. All individually significant assets reviewed individually for impairment. Whatever is not impaired individually, is collectively evaluated for impairment. Assets that are not individually significant, are collectively evaluated for impairment. Collective assessment results from the aggregation of assets with common risk characteristics.

An impairment loss is recognized as the difference between the carrying amount of the asset and the present value of expected future cash flows at the effective interest rate. The loss is recognized in the income statement as a provision. Where the Group decides that there is no realistic reason to restore the carrying amount of the asset, the provision deleted. If the amount of the impairment loss decreases and the decrease is linked to an objective event occurring after the impairment, then the original impairment loss was reversed and recognized in the Income Statement.

Financial assets available for sale

Impairment on financial assets available for sale is recognized by transferring the cumulative loss of the reserve "Fair value" in the results. The amount transferred to the results is the difference between the acquisition cost and the current fair value, less any impairment loss previously recognized in profit or loss. If the fair value of a share depicted as a financial asset available for sale subsequently increases and the increase is related to an objective event occurring after the impairment then the original impairment loss is reversed and recognized in the Income Statement. Otherwise, the impairment is reversed in the Statement of Comprehensive Income.

Investments accounted for by the equity method

Impairment loss on investments accounted for by the equity method is measured by comparing the recoverable amount of the investment with its carrying value. Impairment is recognized in profit and loss and is reversed if there is a favorable reversal in the estimates used to determine the recoverable amount of the investment.

(b) Non-financial assets

For non-financial assets other than investment property, inventories and deferred tax asset, the value of accounting is examined at each balance sheet date for impairment. Goodwill and intangible assets with indefinite life are examined annually for impairment in a mandatory basis.

The recoverable amount of the asset or cash-generating unit is the higher of value in use and fair value less any costs to sell. The value in use is based on expected future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk directly associated with the asset or cash-generating units.

Impairment is recognized if the carrying amount exceeds the estimated recoverable amount.

Impairment is recognized in the Income Statement.

The impairment of goodwill is not reversed. The impairment loss is reversed by restoring the carrying value of the asset to its recoverable amount to the extent it does not exceed the carrying amount of the asset (net of depreciation) that would have been determined if he had not registered the loss.

4.11 Employee benefits

(a) Short-term benefits

Short-term benefits to staff in cash and kind are posted as expenses when accrued. A liability is recognized for the amount expected to be paid as benefit to the staff and its executives if there is a legal or contractual obligation to pay this amount as a result of employee services and insofar as such liability can be reliably measured.

(b) Defined-contribution Plans

Defined-contribution plans are plans for the period after the employee has ceased to work during which the Company pays a defined amount to a third legal entity without any other obligation. Obligations for contributions to defined-contribution plans are recognized as expense in profit or loss at the time they are due.

(c) Defined-Benefit Plans

Defined-benefit plans are any other retirement plans excluding defined-contribution plans. The obligation posted to the balance sheet for defined-benefit plans is the current value of the future benefit of the employee for his services for the defined benefit less the fair value of the plan assets and changes arising from the non-posted actuarial gains and losses and the past service cost. The discount rate corresponds to the rate of the index applying to the European bonds “iBoxx – AA-rated Euro corporate bond 10+ year”. Independent actuaries using the projected unit credit method calculate the defined benefit obligation.

The past service cost is recorded directly in the income statement with the exception of the case where changes in the plan depend on the remaining service lives of employees. In this case the past service cost is recorded in the income statement using the straight-line method within the maturity period.

(d) Benefits for employment termination

The benefits due to termination of the employment relationship are paid when employees depart before their retirement date. The Group books these benefits when it is committed, either when it terminates the employment of existing employees according to a detailed programme for which there is no departure possibility, or when it provides such benefits as an incentive for voluntary departure. Employment termination benefits that are due in 12 months after the balance sheet date are discounted. In the case of termination where it is impossible to determine the number of employees that will make use of such benefits, these will not be accounted for but will be disclosed as a contingent liability.

4.12 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation which will probably demand an outflow of resources for its settlement. In addition, the amount of this obligation should be reliably measurable. Provisions are re-examined on each balance sheet date and, if it is likely that there will no longer be an outflow of resources to settle the obligations, the provisions are reversed. Provisions are used only for the purpose for which they were originally created. No provisions are recognized for future losses. Contingent assets and contingent liabilities are not recognized in the financial statements.

4.13 Income

(a) Sales of copper goods

Income from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the purchaser, the collection of the price is reasonably secured, the relevant expenses and eventual returns of goods can be reliably measured and no continuous involvement in goods management applies. Any returns or turnover-related discounts are deducted from the income from sales of goods. The time at which the risk and rewards are transferred varies per product.

(b) Sales of aluminium goods

Income from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the purchaser, the collection of the price is reasonably secured, the relevant expenses and eventual returns of goods can be reliably measured and no continuous involvement in goods management applies. Any returns or turnover-related discounts are deducted from the income from sales of goods. The time at which the risk and rewards are transferred varies per product.

(c) Services

Revenue from the sale of services is recognised in the period in which the services are rendered, on the basis of the stage in completion of the actual service to the services as a whole.

(d) Income from interest

Income from interest is recognised when the interest becomes accrued (based on the effective interest rate method).

(e) Income from dividends

Dividends are recognised as income when the right of the Group to receive payment is established.

(f) Income from rents

Rents are recognized as revenue on a straight course in the lease.

4.14 Government grants

Government grants for investments in assets are recognised as accrued income where there is a reasonable assurance that the grant will be received and the Group will comply with all relevant conditions. Government grants relating to the purchase of fixed assets are credited to the income statement on a straight-line basis over the expected useful lives of the related assets.

Government grants compensating the Group for expenses are recognized in the results so that these will match the expenses that they will cover.

4.15 Leases

Leases of property, plant and equipment, which the Group substantially maintains all the risks and benefits of ownership are classified as financial leasing. Financial leasing is capitalised from the moment the lease begins at the lower amount between the fixed asset's fair value and the present value of the minimum lease payments. The part of financial expenses that concerns financial leasing is recorded in profit and loss during the term of the lease.

Leases where substantially all the risks and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are recognized in a straight line basis over the lease term.

Operating lease payments are allocated as an expense in the income statement under the direct method over the lease. The lease grants received are recognized in the income statement as an integral part of the cost during the lease.

4.16 Income tax

The income tax of the year includes both current and deferred tax. Income tax is posted in profit or loss save any cases concerning items directly posted to Equity, in which case it is recognized in Equity.

Current income tax is the tax expected to be paid on the taxable income for the year, based on enacted tax rates on the balance sheet date, and any adjustment to prior-period payable tax.

Deferred income tax is calculated using the liability method which arises from temporary differences between the book value and taxation basis of the assets and liabilities. Deferred income tax is not calculated (a) if it is clear from initial recognition of an asset or liability in a transaction apart from business combinations in which the transaction occurred that it did not affect either the book or tax profits or losses, (b) for investments in subsidiaries to the extent that the temporary difference will not be reversed, (c) the initial recognition of goodwill. Deferred tax is determined using the tax rates that are expected to apply to the period in which the asset will be liquidated or the liability will be settled. The determination of future tax rates is based on laws passed on the date the financial statements are prepared.

Deferred tax assets are recognised only to the extent that there will be a future taxable profit for use of the temporary difference generating the deferred tax assets. Deferred tax assets are reduced when the relevant tax benefit is realized.

Additional income taxes arising from the allocation of dividends are posted in the same year with the obligation to pay the relevant dividend.

4.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker which is considered to be the Board of Directors that is responsible for measuring the business performance of the segments.

4.18 Earnings per share

The Group presents both basic and diluted earnings per share for its common shares. The basic earnings per share are calculated by dividing the profits or loss attributable to holders of common shares by the average weighted number of outstanding common shares during the period. Diluted earnings per share are determined by adjusting the profit or loss attributable to holders of common shares and the average weighted number of outstanding common shares by the effect of all diluted eventual common shares consisting of convertible notes and shares with options granted to the staff.

4.19 Borrowing Cost

The borrowing cost that is directly linked with the purchase, construction or production of fixed assets for which a considerable amount of time is required so they can be completed for use or sale, is added to the cost of those assets until the time when this assets will be available for use or sale. The proceeds from the interests from amounts collected as to be used for the purpose of the construction of the asset as well as the amount of grants reduces the borrowing cost that is capitalized. In all other case the cost of borrowing is affecting the Income statement of the fiscal year. To the extent that general borrowing is used for the construction of an asset, the cost of borrowing for capitalization can be estimated using a capitalization rate.

4.20 Rounding

Any differences arising between the amounts on the financial statements and the relative amounts in the notes are related to roundings.

5. Operating segments

An operating segment is based on the structure of the information to the Group's management and internal reporting system. The Group is organized into business centers and business units based on the production of copper and aluminium products. In particular, it has two reportable operating segments. The operating segments of the Group are as follows:

- **Copper products:** this segment produces and sells copper and copper alloys rolled and extruded products
- **Aluminium products:** the aluminium segment produces and sell a wide range of aluminium products and their alloys

For the Copper segment the financial figures are included since the acquisition date as follows:

€ '000	Aluminium	Copper	Total
12 months until 31 December 2017			
Total revenue per segment	958,756	209,051	1,167,807
Inter-segment revenue	(17,250)	(124)	(17,374)
Cost of sales	(846,351)	(200,517)	(1,046,867)
Gross profit	95,155	8,411	103,566
Other Income	6,024	1,868	7,892
Selling and Distribution expenses	(10,945)	(1,390)	(12,335)
Administrative expenses	(22,298)	(3,031)	(25,329)
Impairment loss on receivables and contract assets	(307)	(70)	(377)
Other Expenses	(1,342)	(2,459)	(3,801)
Operating profit / (loss)	66,287	3,329	69,616
Finance Income	70	48	118
Finance Costs	(13,702)	(4,065)	(17,767)
Net Finance income / (cost)	(13,633)	(4,016)	(17,649)
Share of profit/ (loss) of equity-accounted investees	231	(1,525)	(1,294)
Profit/(Loss) before income tax	52,885	(2,212)	50,674
Income tax expense	(17,110)	(300)	(17,410)
Profit/(Loss) for the year	35,775	(2,511)	33,264
Total assets	822,831	702,596	1,525,427
Total liabilities	460,584	396,426	857,011
Fixed Assets	41,146	3,312	44,458
Intangible Assets	226	104	330
Total	41,372	3,416	44,788
12 months until 31 December 2017			
Depreciation of tangible fixed assets	(44,449)	(305)	(44,754)
Amortization of intangible assets	(342)	(235)	(578)
Depreciation of investments in real estate	(51)	-	(51)
Total depreciation and amortization	(44,842)	(541)	(45,383)

For the closing period of 2018 financial figures are as follows:

€'000	Aluminium	Copper	Total
12 months until 31 December 2018			
Total revenue per segment	1,079,617	1,038,922	2,118,539
Inter-segment revenue	(662)	(88)	(750)
Cost of sales	(967,472)	(983,368)	(1,950,840)
Gross profit	111,483	55,466	166,948
Other Income	7,019	7,073	14,093
Selling and Distribution expenses	(11,894)	(9,573)	(21,468)
Administrative expenses	(25,841)	(17,068)	(42,909)
Impairment loss on receivables and contract assets	(36)	(469)	(505)
Other Expenses	(3,778)	(5,330)	(9,108)
Operating profit / (loss)	76,953	30,098	107,051
Finance Income	28	109	137
Finance Costs	(15,206)	(17,106)	(32,313)
Dividends	-	20	20
Net Finance income / (cost)	(15,179)	(16,977)	(32,156)
Share of profit/ (loss) of equity-accounted investees, net of tax	188	765	953
Profit/(Loss) before income tax	61,962	13,886	75,849
Income tax expense	(6,078)	(5,468)	(11,546)
Profit/(Loss) for the year	55,885	8,418	64,303
Total assets	931,062	743,480	1,674,543
Total liabilities	498,892	445,183	944,075
Fixed Assets	55,799	37,500	93,300
Intangible Assets	2,865	76	2,940
Total	58,664	37,576	96,240
12 months until 31 December 2018			
Depreciation of tangible fixed assets	(42,034)	(16,804)	(58,838)
Amortization of intangible assets	(420)	(650)	(1,070)
Depreciation of investments in real estate	(68)	(94)	(162)
Total depreciation and amortization	(42,522)	(17,547)	(60,070)

The financial performance of the Group in annualized twelve month basis, ie. if the profit and loss is accounted for all the months for all companies acquired in the fiscal year, it would be as follows:

In annualized twelve month basis

€'000	Aluminium	Copper	Total
12 months until 31 December 2017			
Total revenue per segment	958,756	922,772	1,881,528
Inter-segment revenue	(17,250)	(958)	(18,208)
Cost of sales	(845,393)	(861,056)	(1,706,449)
Gross profit	96,113	60,758	156,871
Other Income	6,024	8,755	14,779
Selling and Distribution expenses	(11,115)	(8,697)	(19,812)
Administrative expenses	(22,435)	(15,238)	(37,673)
Finance Costs	(1,342)	(10,857)	(12,199)
Operating profit / (loss)	67,245	34,722	101,967
Finance Income	70	50	120
Finance Costs	(13,702)	(23,167)	(36,869)
Net Finance income / (cost)	(13,632)	(23,117)	(36,750)
Share of profit/ (loss) of equity-accounted investees	231	(1,525)	(1,293)
Profit/(Loss) before income tax	53,844	10,079	63,923
Income tax expense	(17,110)	14,516	(2,594)
Profit/(Loss) for the year	36,733	24,596	61,330

The operational segments are managed centrally but the greater volume of the sales is exported. The sales and the non-current assets of the Group based on the geographical standing are presented as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Greece	173,083	148,461	289,834	241,532
European Union	1,369,532	697,233	881,709	494,530
Other European countries	180,966	107,370	85,428	36,589
Asia	133,787	90,540	61,374	47,960
America	202,272	76,350	146,321	60,199
Africa	45,735	19,665	15,462	5,755
Ocenia	12,413	10,814	6,843	9,221
Total	2,117,789	1,150,433	1,486,972	895,786
Property Plant Equipment				
Greece	582,333	550,856	459,754	423,549
International	138,231	136,623	-	-
Total	720,564	687,479	459,754	423,549
Intangible assets and goodwill				
Greece	76,400	74,242	70,447	70,801
International	127	305	-	-
Total	76,527	74,547	70,447	70,801
Investment property				
Greece	6,838	7,076	19,591	20,809
International	-	-	-	-
Total	6,838	7,076	19,591	20,809
Capital expenditure				
Greece	86,302	43,676	75,687	38,497
International	9,938	1,112	-	-
Total	96,240	44,788	75,687	38,497

6. Income

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Sale of goods (at a point in time)	532,135	360,798	464,078	390,045
Metal Turnover in the sales of goods	1,580,309	733,663	1,018,003	497,068
Rendering of services	5,108	37,120	4,877	5,414
Other	237	18,788	12	3,259
	2,117,789	1,150,369	1,486,971	895,786

7. Other operating income and expenses

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Other Income				
Grants of the Fiscal Year	4	23	4	19
Amortization of Grants	1,955	1,793	1,311	1,180
Rental income	659	369	527	323
Foreign Exchange Gains	4,062	1,647	960	9
Income from fees	365	1,033	209	851
Income from costs recharged	800	625	3,350	3,062
Damage Compensation	4,093	395	125	286
Gain from sale of Fixed assets	263	36	10	21
Income from consulting services	425	266	349	-
Other Income	1,466	1,705	2,903	2,551
Total	14,093	7,892	9,749	8,304
Other Expense				
Impairment of Fixed assets	-	1	-	-
Impairment of Intangible assets	-	-	98	-
Loss from fixed assets write off	172	1	-	-
Production cost non allocated to cost of goods sold	39	266	-	-
Loss from sale of Fixed assets	32	235	-	-
Foreign Exchange Losses	3,934	1,690	894	86
Damages Paid	1,535	-	-	-
Penalties	17	2	7	1
Depreciation and amortisation	1,976	1,239	1,296	1,089
Expenses recharged	192	-	1,633	1,439
Other Expenses	1,210	370	566	177
Total	9,108	3,801	4,494	2,793
Net other income-expenses	4,985	4,091	5,256	5,511

8. Expenses by nature

The breakdown of expenses by nature was as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Cost of inventories recognized as an expense	55,312	108,125	122,511	156,201
Metal Cost	1,567,949	710,408	1,003,018	475,403
Employee benefits	105,654	68,801	63,559	39,349
Energy	41,959	30,732	27,667	21,442
Depreciation and amortisation	58,094	44,144	39,298	34,728
Taxes - duties	7,864	5,747	6,234	4,971
Credit insurance expenses	1,609	1,352	1,058	766
Other insurance expenses	4,485	3,186	2,657	1,838
Rental fees	3,589	3,554	2,148	1,253
Transportation	47,915	30,435	31,706	20,691
Promotion & advertising	2,189	1,251	1,118	377
Third party fees and benefits	55,961	33,728	79,759	57,754
Other provisions	221	14	-	7
Gains/(losses) from derivatives	5,130	(884)	4,396	(1,173)
Storage and packing	4,386	2,416	1,070	916
Production tools	2,442	-	1,852	-
Commissions	12,950	9,049	7,593	6,047
Foreign exchange differences	298	1,790	476	1,411
Maintenance expenses	18,144	13,988	12,545	11,528
Travel expenses	4,974	2,569	3,399	1,915
Royalties	74	53	74	53
BOD Fees	1,946	2,367	764	1,879
Shared utility expenses	251	98	-	-
Other expenses	11,820	11,608	3,808	4,751
Total	2,015,217	1,084,531	1,416,708	842,106

The cost of benefits to employees can be broken down as follows:

Employee benefits

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Employee remuneration & expenses	76.972	49.932	45.592	27.934
Social security expenses	19.474	12.800	11.604	7.127
Defined benefit plan expenses	1.058	699	724	386
Other employee benefits	8.150	5.370	5.640	3.902
Total	105.654	68.801	63.559	39.349

The number of staff employed by the Company at the end of the current year was: 1,439 (2017: 1,268) and as for the Group: 2,877 (2017: 2,595).

9. Finance income and cost

The breakdown of financial income and expenses is as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Interest Income	137	118	418	75
	137	118	418	75
Interest expenses	28.570	15.719	20.784	11.334
Other Finance Expense	3.743	2.048	2.746	1.746
	32.313	17.767	23.530	13.080

10. Property, plant and equipment

Group								
€ '000	Fields - Plots	Buildings	Machinery	Leased. machinery	Transportation equipment	Furniture & other equipment	Fixed assets under construction	Total
Cost								
Balance as at 1 January 2017	54,037	119,299	608,399	8,642	12,863	9,824	25,518	838,581
Additions	3,171	7,322	3,351	-	553	688	29,374	44,458
Disposals	-	-	(1,064)	-	(47)	(31)	(417)	(1,560)
Mergers and absorptions	44,188	48,143	213,226	-	2,561	10,592	11,929	330,639
Reclassification to Investment Property	-	(1,705)	-	-	-	-	-	(1,705)
Write offs	-	-	6	-	(11)	(1)	-	(6)
Other reclassifications	-	4,113	14,271	8,828	782	112	(33,883)	(5,778)
Balance as at 31 December 2017	101,395	177,171	838,190	17,470	16,700	21,184	32,520	1,204,629
Accumulated depreciation								
Balance as at 1 January 2017	-	(60,797)	(353,620)	-	(10,975)	(8,363)	-	(433,755)
Depreciation of the period	-	(5,110)	(37,948)	(574)	(537)	(584)	-	(44,754)
Disposals	-	-	1,060	-	47	30	-	1,137
Mergers and absorptions	-	(7,210)	(21,471)	-	(2,114)	(9,505)	(404)	(40,704)
Reclassification to Investment Property	-	17	-	-	-	-	-	17
Write offs	-	8	(12)	-	11	1	-	9
Impairment loss	-	-	(299)	-	-	-	-	(299)
Other reclassifications	-	9	1,665	-	(474)	-	-	1,199
Balance as at 31 December 2017	-	(73,083)	(410,625)	(574)	(14,042)	(18,421)	(404)	(517,150)
Carrying amount as at 31 December 2017	101,395	104,087	427,565	16,895	2,658	2,762	32,116	687,479

Group								
€ '000	Fields - Plots	Buildings	Machinery	Leased. machinery	Transportation equipment	Furniture & other equipment	Fixed assets under construction	Total
Cost								
Balance as at 1 January 2018	101,395	177,171	838,190	17,470	16,700	21,184	32,520	1,204,629
Additions	700	4,182	7,624	-	1,579	880	78,335	93,300
Disposals	(73)	(2)	(831)	-	(143)	(34)	(402)	(1,485)
Mergers and absorptions	-	-	1,221	-	324	126	2	1,674
Write offs	-	(180)	(823)	-	(6)	(77)	-	(1,086)
Other reclassifications	-	4,344	22,242	-	30	130	(26,854)	(109)
Change in accounting policy	(182)	-	-	-	-	-	-	(182)
Balance as at 31 December 2018	101,841	185,514	867,624	17,740	18,483	22,209	83,602	1,296,743
Accumulated depreciation								
Balance as at 1 January 2018	-	(73,083)	(410,625)	(574)	(14,042)	(18,421)	(404)	(517,150)
Depreciation of the period	-	(10,292)	(45,857)	(972)	(650)	(1,067)	-	(58,838)
Disposals	-	1	713	-	120	15	-	849
Mergers and absorptions	-	(695)	(872)	-	(295)	(95)	-	(1,956)
Write offs	-	69	767	-	2	77	-	915
Balance as at 31 December 2018	-	(84,000)	(455,874)	(1,546)	(14,864)	(19,491)	(404)	(576,179)
Carrying amount as at 31 December 2018	101,841	101,514	411,750	15,924	3,620	2,718	83,197	720,564

Fixed Assets of Net Book value of Euro 4.5 mil. (cost Euro 5.7 mil. and accumulated depreciation of Euro 1.2 mil.) was transferred to other investments of current asset as held-for-sale (see also note 34).

Regarding 2018 the line "Mergers and Absorptions" includes intangible assets from the acquisition of Metalvalius EOOD.

Company	Furniture Fixed assets							Total
				Leased.	Transportation	& other	under	
€ '000	Fields - Plots	Buildings	Machinery	machinery	equipment	equipment	construction	
Cost								
Balance as at 1 January 2017	41,804	83,516	479,688	8,642	10,796	6,047	19,713	650,206
Additions	3,148	7,124	1,982	-	391	306	25,516	38,466
Disposals	-	-	(937)	-	(47)	(5)	-	(990)
Mergers and absorptions	10,011	25,022	101,165	-	1,773	6,846	7,475	152,292
Reclassification to Investment Property	-	(1,705)	-	-	-	-	-	(1,705)
Write offs	-	-	(8)	-	(11)	-	-	(20)
Other reclassifications	-	4,032	14,293	8,828	782	-	(27,934)	-
Balance as at 31 December 2017	54,963	117,988	596,182	17,470	13,682	13,194	24,770	838,249
Accumulated depreciation								
Balance as at 1 January 2017	-	(43,150)	(294,690)	-	(9,533)	(5,539)	-	(352,912)
Depreciation of the period	-	(4,206)	(28,957)	(574)	(403)	(319)	-	(34,458)
Disposals	-	-	936	-	47	4	-	988
Mergers and absorptions	-	(4,868)	(15,674)	-	(1,543)	(6,269)	-	(28,354)
Reclassification to Investment Property	-	17	-	-	-	-	-	17
Write offs	-	8	-	-	11	-	-	20
Other reclassifications	-	9	465	-	(474)	-	-	-
Balance as at 31 December 2017	-	(52,190)	(337,919)	(574)	(11,894)	(12,122)	-	(414,700)
Carrying amount as at 31 December 2017	54,963	65,798	258,262	16,895	1,788	1,071	24,770	423,549

Company	Furniture Fixed assets							Total
				Leased.	Transportation	& other	under	
€ '000	Fields - Plots	Buildings	Machinery	machinery	equipment	equipment	construction	
Cost								
Balance as at 1 January 2018	54,963	117,988	596,182	17,470	13,682	13,194	24,770	838,249
Additions	464	3,344	5,143	-	1,431	674	64,336	75,393
Disposals	-	-	(11)	-	(55)	(27)	(174)	(267)
Other reclassifications	-	4,342	14,412	-	13	-	(18,773)	(6)
Change in accounting policy	(182)	-	-	-	-	-	-	(182)
Balance as at 31 December 2018	55,246	125,675	615,726	17,470	15,071	13,841	70,159	913,187
Accumulated depreciation								
Balance as at 1 January 2018	-	(52,190)	(337,919)	(574)	(11,894)	(12,122)	-	(414,700)
Depreciation of the period	-	(6,315)	(30,419)	(972)	(488)	(604)	-	(38,798)
Disposals	-	-	1	-	55	8	-	64
Balance as at 31 December 2018	-	(58,505)	(368,337)	(1,546)	(12,327)	(12,718)	-	(453,434)
Carrying amount as at 31 December 2018	55,246	67,170	247,389	15,924	2,744	1,123	70,159	459,754

(a) Pledges on Fixed Assets

There are pledges related to payment of loans for the fixed assets of the Group and the Company (see note 22).

(b) Assets under Construction

The account "Assets under construction" includes machinery the installation of which has not been completed as at December 31, 2018.

(c) Capitalization of Borrowing costs

For the fixed asset of the Group as well as the company Euro € 1.4 million was capitalized in 2018, which stands for the cost of loans which were drawn for the funding of those assets.

(d) Change in useful life of assets

The approved business plan from the Company's management incorporates as an important pylon of its materialization the continuation of the operation of specific machinery for which extensive maintenance and upgrade work has been completed. Indicative is the completion during H1'18 the upgrade of the cold mill IHI No 2 and the fact that the speed increase of the cold mill Bliss is already scheduled. Important improvements in the lacquering line FATA were materialized for the productivity increase and the energy efficiency upgrade. In addition, investments were scheduled to the foundries, as the CCP2 AUTOMATIC LEVEL CONTROL or the addition of a new melting furnace that will feed the existing furnace and the foundry facility. Finally, during H1'18 the installation of machinery for cutting plates and rolls in new buildings was completed and the important updated increase the technical useful life affecting positively the future economic benefits that will be realized from the existing machinery in combination with the new assets.

The aforementioned were the trigger event for the examination of the useful life in order for the new conditions to be taken into account. Upon completion of the analysis the useful life indicated that could be increased up to 10 years.

The increase of the useful life had as a consequence the depreciation expense to be reduced by €3.6 mil. approximately for the year 2018. The application of the new useful life was done prospectively according to the provisions of IAS 8, par. 36 within the fiscal year of 2018 and prospectively.

11. Intangible assets

Group € '000	Goodwill	Cost of development	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2017	-	4	-	9,773	68	9,845
Additions	-	-	-	330	-	330
Mergers and absorptions	22,118	36	50,470	7,530	4	80,158
Other reclassifications	-	-	-	84	-	84
Balance as at 31 December 2017	22,118	40	50,470	17,717	72	90,417
Accumulated amortization and impairment						
Balance as at 1 January 2017	-	(4)	-	(8,730)	(68)	(8,803)
Amortization for the period	-	-	-	(578)	-	(578)
Mergers and absorptions	-	(36)	(41)	(6,409)	(4)	(6,490)
Balance as at 31 December 2017	-	(40)	(41)	(15,717)	(72)	(15,870)
Carrying amount as at 31 December 2017	22,118	-	50,429	2,000	-	74,547

Group € '000	Goodwill	Cost of development	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2018	22,118	40	50,470	17,717	72	90,417
Additions	2,338	-	-	558	45	2,940
Mergers and absorptions	-	-	-	45	-	45
Other reclassifications	-	-	2	109	-	110
Balance as at 31 December 2018	24,456	40	50,472	18,429	117	93,513
Accumulated amortization and impairment						
Balance as at 1 January 2018	-	(40)	(41)	(15,717)	(72)	(15,870)
Amortization for the period	-	-	(75)	(995)	(0)	(1,070)
Mergers and absorptions	-	-	-	(44)	-	(44)
Other reclassifications	-	-	(2)	-	-	(2)
Balance as at 31 December 2018	-	(40)	(118)	(16,756)	(73)	(16,986)
Carrying amount as at 31 December 2018	24,456	0	50,354	1,673	44	76,527

Regarding 2017 the line "Mergers and absorptions" includes intangible assets from the acquisition of Sofia Med S.A. and the Halcor Group.

Regarding 2018 the line "Mergers and absorptions" includes intangible assets from the acquisition of Metalvalius EOOD.

The addition of € 2.3 million in goodwill refers to the goodwill from the acquisition of 100% Metalvalius EOOD from the subsidiary Sofia Med S.A. The total value amounted to € 9.0 million and was paid to ANAMET (see note 13).

As far as the goodwill of €22.1 million is concerned the test that was performed to check the impairment of the CGU of copper segment resulted that there was no need for impairment. The basic assumptions of the test were as follows:

- Risk-free rate: 0,9%
- Market risk premium: 6,2%
- Expected income tax rate: 28%
- Levered beta: 1.08
- WACC 6,9%

The expected fair value will increase (decrease) if:

- The expected growth of the market increases (decreases)
- The expected cash flows increase (decrease)
- The discount rate decreases (increases)

Company € '000	Goodwill	Cost of development	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2017	-	0	-	8,637	0	8,637
Additions	-	-	-	31	-	31
Mergers and absorptions	22,118	-	47,370	5,260	-	74,748
Balance as at 31 December 2017	22,118	0	47,370	13,928	0	83,416
Accumulated amortization and impairment						
Balance as at 1 January 2017	-	-	-	(7,725)	0	(7,725)
Amortization for the period	-	-	-	(301)	-	(301)
Mergers and absorptions	-	-	-	(4,590)	-	(4,590)
Balance as at 31 December 2017	-	-	-	(12,616)	0	(12,616)
Carrying amount as at 31 December 2017	22,118	0	47,370	1,313	0	70,801

Company € '000	Goodwill	Cost of development	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2018	22,118	0	47,370	13,928	0	83,416
Additions	-	-	-	294	-	294
Other reclassifications	-	-	-	6	-	6
Balance as at 31 December 2018	22,118	0	47,370	14,228	0	83,716
Accumulated amortization and impairment						
Balance as at 1 January 2018	-	-	-	(12,616)	0	(12,616)
Amortization for the period	-	-	(67)	(587)	-	(654)
Balance as at 31 December 2018	-	-	(67)	(13,202)	0	(13,269)
Carrying amount as at 31 December 2018	22,118	0	47,303	1,026	0	70,447

12. Investment property

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Balance as at January 1	7,144	-	32,350	26,943
Reclassifications from PPE	-	1,705	-	1,705
Additions from M&A	-	5,439	-	3,702
Reclassifications	(76)	-	(76)	-
	7,068	7,144	32,274	32,350
Accumulated depreciation as at January 1	(68)	-	(11,540)	(10,466)
Repreciation of the period	(162)	(51)	(1,142)	(1,058)
Reclassifications	-	(17)	-	(17)
	(230)	(68)	(12,682)	(11,540)
Balance as at December 31	6,838	7,076	19,591	20,809

Investment property include buildings and land that the Group intends to lease or sell to third parties in the near future, provided circumstances allow it. The investment property of the company is rented to Group Companies and at the consolidated financial statements are presented at Fixed Assets as PPE.

13. Investments

Investments in Subsidiaries:

COMPANY

€'000

	2018	2017
Balance as at January 1	242,471	118,571
Additions	9,001	101,200
Loss of Control/Disposal of subsidiary	-	22,700
Balance as at December 31	251,471	242,471

On 21.09.2018 the Company proceed with an increase in the share capital of the subsidiary and fully consolidated Sofia Med by an amount of €9 million with the issue of 161.491 shares. After the increase the share capital amounts to 110,297,292 Leva (approximately € 61,926,235) divided into 2,626,126 shares. Consequently the share amounted to 89.56%.

On 30.09.2018 subsidiary Sofia Med acquired 100% of Metalvalius EOOD for an amount of €9.0 million. From this transaction occurred the following figures.

30/09/2018

€'000

Metalvalius EOOD

Non current assets	560
Inventories	3
Trade and other receivables	10,078
Cash and cash equivalents	1,511
	12,151
Non current liabilities	24
Trade and other liabilities	2,555
Current loans	2,906
	5,485
Net assets acquired	6,666
Purchase price	9,004
Goodwill	2,338

Figures regarding Profit and Loss and Comprehensive Income:

€'000	01/01/2018- 30/09/2018	01/10/2018- 31/12/2018	Total
Sales	7,039	5,153	12,192
Gross Profit	(66)	34	(32)
Operating result (EBIT)	(334)	168	(167)
Profit loss after tax	(546)	107	(439)
Other comprehensive income	-	12	12

Information of subsidiaries with significant non-controlling interest.

2018

€ '000

	VIOMAL S.A.	SOFIA MED S.A.	Total
Percentage of Non-Controlling Interest	50.00%	10.44%	
Non-Current Assets	3,025	146,872	
Current Assets	5,272	110,872	
Non-current Liabilities	674	65,632	
Current Liabilities	4,232	77,323	
Net Assets	3,391	114,790	
Attributable to NCI	1,695	11,984	13,679
Revenue	12,589	528,394	
Profit / (Loss)	(126)	6,518	
Other Comprehensive Income	8	(901)	
Total Comprehensive Income	(118)	7,856	
Total OCI of NCI	(59)	621	562
Cash-Flows from Operating Activities	303	10,661	
Cash-Flows from Investing Activities	203	(18,651)	
Cash-Flows from Financing Activities	(451)	8,868	
Effect on Cash and Cash equivalents	55	878	

2017

€ '000

	VIOMAL S.A.	SOFIA MED S.A.	Total
Percentage of Non-Controlling Interest	50.00%	11.12%	
Non-Current Assets	3,479	137,401	
Current Assets	5,882	94,928	
Non-current Liabilities	1,374	2,203	
Current Liabilities	4,478	129,850	
Net Assets	3,509	100,276	
Attributable to NCI	1,754	11,151	12,905
Revenue	11,724	175,423	
Profit / (Loss)	(728)	713	
Other Comprehensive Income	2	6,709	
Total Comprehensive Income	(726)	7,422	
Total OCI of NCI	(363)	825	462
Cash-Flows from Operating Activities	89	(69)	
Cash-Flows from Investing Activities	326	(1,760)	
Cash-Flows from Financing Activities	(433)	(11,275)	
Effect on Cash and Cash equivalents	(18)	(13,104)	

On 12.06.2018 the issue of NEDZINK B.V shares and their acquisition by ELVALHALCOR was completed, which constituted ELVALHALCOR a shareholder of 50% of NEDZINK B.V. The total increase is estimated to €15.7 million part of which (€5.7 million) has already been allocated to the relevant increase in the line "investments in associates" in the statement of financial position.

Upon the 25.06.2018 decision of the General Meeting of Shareholders of ANAMET SA it was decided an increase in share capital with the issue of 7,859 shares. After the increase, the share capital of ANAMET amounts to €1,489,425.00 divided in 19,859 shares. ELVALHALCOR did not exercised its preference rights and as a result its share dropped to 16,11%. Consequently, ANAMET was reclassified to "Other Investments".

The movement in the account of the companies consolidated using the equity method is as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Balance as at January 1	64,186	1,879	65,339	1,623
Effects from Foreign Exchange	(74)	(271)	-	-
Share in profit / (loss) after taxes	953	(1,293)	-	-
Additions	17,488	-	17,488	-
Mergers and absorptions	-	63,550	-	63,550
Dividends received	(319)	(243)	-	-
Reclassifications	(68)	563	(68)	166
Other changes	-	-	(98)	-
Change in accounting policy	679	-	-	0
Balance as at December 31	82,846	64,186	82,661	65,339

The main financial assets of these associated companies can be broken down as follows:

Trade Name	Country	Business	Current Assets		Non-Current Assets		Revenue		% of Participation	
			2018	2017	2018	2017	2018	2017	2018	2017
UACJ ELVAL HEAT EXCHANGER MATERIALS GmbH	Germany	Commercial	9,529	8,033	33	73	41,013	36,263	49.00%	49.00%
ELKEME SA	Greece	Metallurgical Research	1,494	1,449	597	602	2,397	2,018	92.50%	92.50%
UACJ ELVAL CONSULTING SA (former AFSEL)	Greece	Services	133	221	2	3	144	197	50.00%	50.00%
VIENER SA	Greece	Energy	2,158	1,647	210	135	8,579	7,155	41.32%	41.32%
STEELMET SA	Greece	Services	7,952	7,679	951	736	27,243	22,776	29.50%	29.50%
HC ISITMA A.S.	Turkey	Industrial	1,008	376	465	628	530	1,176	50.00%	50.00%
CENERGY HOLDINGS S.A.	Belgium	Holding	603,390	462,197	455,306	427,565	963,797	758,318	25.16%	25.16%
International Trade S.A.	Belgium	Commercial	123,329	98,994	7,678	8,143	954,412	664,536	27.97%	27.97%
NEDZINK B.V.	Netherlands	Industrial	26,366	29,523	25,275	22,721	84,622	70,677	50.00%	-

Trade Name	Country	Business	Short-term Liabilities		Long-term Liabilities		Profit / (Loss) after taxes	
			2018	2017	2018	2017	2018	2017
UACJ ELVAL HEAT EXCHANGER MATERIALS GmbH	Germany	Commercial	8,523	7,128	-	-	644	452
ELKEME SA	Greece	Metallurgical Research	246	287	154	140	64	27
UACJ ELVAL CONSULTING SA (former AFSEL)	Greece	Services	31	119				20
VIENER SA	Greece	Energy	1,375	1,114	7	-	317	295
STEELMET SA	Greece	Services	6,922	6,340	1,250	1,096	256	410
HC ISITMA A.S.	Turkey	Industrial	29	98	5	6	(66)	243
CENERGY HOLDINGS S.A.	Belgium	Holding	640,618	555,617	214,781	133,924	6,888	(4,775)
International Trade S.A.	Belgium	Commercial	95,257	73,472	1,530	4,875	5,744	3,823
NEDZINK B.V.	Netherlands	Industrial	21,777	24,544	21,496	16,867	(6,492)	(2,774)

The Group does not control Elkeme S.A. as the management is being appointed directly by Viohalco. Elkeme is consolidated in full by Viohalco S.A.

14. Other investments

Other investments include the following:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
<i>Listed Securities</i>				
-Greek Equity instruments	39	39	39	39
<i>Unlisted Securities</i>				
-Greek Equity instruments	3,371	3,301	3,371	3,301
-International Equity instruments	444	432	444	432
Total	3,853	3,771	3,853	3,771

Other investments, classified as financial assets available for sale, relate to investments in domestic and foreign companies with holding percentages below 20%.

The movement in Available-for-Sale was as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Balance as at January 1	3,771	1,545	3,771	1,545
Additions	13	387	13	387
Impairment	-	(111)	-	(111)
Reclassifications	68	(563)	68	(563)
M&A Effect	-	2,509	-	2,509
Other effects	-	5	-	5
Balance as at December 31	3,853	3,771	3,853	3,771

The participations for which the fair value cannot be estimated were valued at cost. For the calculation of the fair value please see note 28.

15. Income tax

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Current tax expense	(14,103)	(20,759)	(8,121)	(17,410)
Deferred tax expense/(income)	2,557	3,350	1,511	2,949
Tax expense	(11,546)	(17,410)	(6,610)	(14,461)
Accounting Profit/loss (-) before income tax	75,849	50,673	53,949	47,784
At statutory income tax rate	-29% (21,996)	-29% (14,695)	-29% (15,645)	-29% (13,857)
Non-deductible expenses for tax purposes	(1,702)	(5,652)	(300)	(4,448)
Effect from tax audits	-	(4,797)	-	(4,797)
Recognition of previously unrecognised tax losses, tax credit or temporary differences of a prior period	-	8,652	-	8,652
Effect of tax rates in foreign jurisdictions	1,290	(280)	-	-
Current-year losses for which no deferred tax asset is recognised	(45)	-	-	-
Change in tax rate or composition of new tax	11,604	-	9,335	-
Other taxes	15	16	-	(10)
Permanent Differences	(712)	(661)	-	-
Derecognition of previously recognised deferred tax assets	-	10	-	-
Changes in tax related to prior years	-	(3)	-	-
	-15% (11,546)	-34% (17,410)	-12% (6,610)	-30% (14,461)
Income tax expense reported in the statement of profit or loss	(11,546)	(17,410)	(6,610)	(14,461)

The deferred tax assets that arise from the losses carried forward are recognized only if it is possible that they will be recovered with future profits according to the Groups business plan. For the losses carried forward for the Group, deferred tax asset has been calculated of Euro 9.7 mil. which was reversed during 2018 and had a negative effect in the line of the tax of the copper segment.

In 2018, 2017, 2016 and 2015, the provisions of article 49 and paragraph 9 of article 72 of Law 4172/2013, concerning thin capitalization, were applicable according to which the limit of the additional interest expense is set to 30%, 40% and 50% of the EBITDA respectively. These amounts for interests that are not deducted can be settled with future tax profits with no time limitations. The respective tax asset corresponding to the aforementioned amounts to € 7.0 mil.

For 2018, the Company and its subsidiaries are under the audit of the Certified Public Accountants, according to the provisions of article 65A of L. 4174/2013. This audit is on-going and the relative report of tax compliance is expected to be issued after the publication of the financial statements for the year ended in 31st December 2018. The result of the audit is not expected to significantly affect the financial statements.

The unaudited years of the Group can be found in Note 30.

The movement in deferred tax assets and liabilities can be presented as follows:

GROUP	Net balance at 1 January 2017	Recognised in profit or loss	Recognised in OCI	Mergers and absorptions	Net Balance at 311 December 2017	Deferred tax assets	Deferred tax liabilities
€ '000							
Property, plant and equipment	(43,560)	2,848	-	(29,063)	(69,775)	-	(69,775)
Intangible assets	289	(18)	-	(14,142)	(13,871)	-	(13,871)
Investment property	198	(1)	-	(1,216)	(1,019)	-	(1,019)
Other investments	-	-	-	254	254	254	-
Derivatives	(440)	207	(190)	(318)	(740)	-	(740)
Inventories	281	30	-	(68)	243	243	-
Loans and borrowings	-	(526)	-	(109)	(635)	-	(635)
Employee benefits	2,690	87	372	709	3,859	3,859	-
Provisions	797	(103)	-	858	1,551	1,551	-
Deferred income	-	-	-	(27)	(27)	-	(27)
Other items	146	827	-	1,738	2,711	2,711	-
Carryforward tax loss & unrecognized interest	-	-	-	17,891	17,891	17,891	-
Tax assets/ (liabilities) before set-off	(39,597)	3,350	182	(23,494)	(59,559)	26,509	(86,068)
Set-off tax	-	-	-	-	-	(24,243)	24,243
Net tax assets/ (liabilities)	-	-	-	-	(59,559)	2,267	(61,825)

GROUP	Net balance at 1 January 2018	Recognised in profit or loss	Recognised in OCI	Mergers and absorptions	Net Balance at 311 December 2018	Deferred tax assets	Deferred tax liabilities
€ '000							
Property, plant and equipment	(69,775)	11,455	-	-	(58,320)	954	(59,275)
Intangible assets	(13,871)	2,168	-	-	(11,702)	244	(11,946)
Investment property	(1,019)	179	-	-	(840)	-	(840)
Other investments	254	(9)	-	-	245	245	(0)
Derivatives	(740)	(73)	638	-	(176)	605	(780)
Inventories	243	(1,401)	-	-	(1,157)	286	(1,443)
Loans and borrowings	(635)	0	-	-	(635)	0	(635)
Employee benefits	3,859	(330)	56	-	3,585	3,585	-
Provisions	1,551	220	-	-	1,771	1,777	(6)
Deferred income	(27)	49	-	-	21	49	(27)
Other items	2,711	1,028	-	-	3,739	3,739	-
Carryforward tax loss & unrecognized interest	17,891	(10,728)	-	-	7,163	7,163	-
Tax assets/ (liabilities) before set-off	(59,559)	2,557	694	-	(56,307)	18,647	(74,953)
Set-off tax	-	-	-	-	-	(16,929)	16,929
Net tax assets/ (liabilities)	-	-	-	-	(56,307)	1,717	(58,024)

COMPANY	Net balance			Net Balance			Deferred tax assets	Deferred tax liabilities
	at 1	Recognised		Mergers	at 31			
	January	in profit	Recognised	and	December			
€ '000	2017	or loss	in OCI	absorptions	Other	2017		
Property, plant and equipment	(35,804)	3,114	-	(24,877)	-	(57,567)	-	(57,567)
Intangible assets	268	(6)	-	(13,765)	-	(13,503)	-	(13,503)
Investment property	-	(1)	-	(712)	-	(713)	-	(713)
Other investments	-	-	-	254	-	254	254	-
Derivatives	(406)	161	(378)	(51)	-	(673)	-	(673)
Inventories	281	25	-	(38)	-	269	269	-
Loans and borrowings	-	(526)	-	(102)	-	(628)	-	(628)
Employee benefits	2,028	10	294	504	-	2,835	2,835	-
Provisions	711	(94)	-	421	-	1,038	1,038	-
Deferred income	-	-	-	(27)	-	(27)	-	(27)
Other items	475	266	-	(150)	-	591	591	-
Carryforward tax loss & unrecognized interest	-	-	-	17,891	-	17,891	(17,891)	-
Tax assets/ (liabilities) before set-off	(32,448)	2,949	84	(20,652)	-	(50,234)	22,878	(73,112)
Set-off tax	-	-	-	-	-	-	(22,878)	22,878
Net tax assets/ (liabilities)	-	-	-	-	-	(50,234)	-	(50,234)

COMPANY	Net balance			Net Balance			Deferred tax assets	Deferred tax liabilities
	at 1	Recognised		Mergers	at 31			
	January	in profit	Recognised	and	December			
€ '000	2018	or loss	in OCI	absorptions	Other	2018		
Property, plant and equipment	(57,567)	10,256	-	-	-	(47,311)	-	(47,311)
Intangible assets	(13,503)	2,174	-	-	-	(11,329)	-	(11,329)
Investment property	(713)	101	-	-	-	(612)	-	(612)
Other investments	254	(9)	-	-	-	245	245	-
Derivatives	(673)	(87)	825	-	-	65	65	-
Inventories	269	(1,675)	-	-	-	(1,407)	-	(1,407)
Loans and borrowings	(628)	-	-	-	-	(628)	-	(628)
Employee benefits	2,835	(421)	81	-	-	2,495	2,495	-
Provisions	1,038	105	-	-	-	1,143	1,143	-
Deferred income	(27)	-	-	-	-	(27)	-	(27)
Other items	591	1,909	-	-	104	2,604	2,604	-
Carryforward tax loss & unrecognized interest	17,891	(10,844)	-	-	-	7,048	7,048	-
Tax assets/ (liabilities)	(50,234)	1,511	906	-	104	(47,714)	13,600	(61,314)
Tax assets/ (liabilities)								
Set-off tax	-	-	-	-	-	-	(13,600)	13,600
Net tax assets/ (liabilities)	-	-	-	-	-	(47,714)	-	(47,714)

The movement of deferred tax in Other comprehensive Income was as follows:

GROUP	2018			2017		
	Before Tax	Tax (expense) / Benefit	Net of Tax	Before Tax	Tax (expense) / Benefit	Net of Tax
€ '000						
Amounts recognized in the OCI						
Remeasurements of defined benefit liability	(139)	56	(83)	(1,314)	372	(942)
Foreign currency translation differences	(166)	-	(166)	197	-	197
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	(2,275)	350	(1,925)	4,498	(1,016)	3,482
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	(618)	288	(330)	(2,851)	827	(2,024)
Total	(3,197)	694	(2,503)	530	182	712

COMPANY	2018			2017		
	Before Tax	Tax (expense) / Benefit	Net of Tax	Before Tax	Tax (expense) / Benefit	Net of Tax
€ '000						
Amounts recognized in the OCI						
Remeasurements of defined benefit liability	(281)	81	(201)	(1,013)	294	(720)
Gain / (Loss) of changes in fair value of cash flow hedging - effective portion	(1,074)	312	(763)	3,737	(1,084)	2,653
Gain / (Loss) of changes in fair value of cash flow hedging - reclassified to profit or loss	(1,770)	513	(1,257)	(2,435)	706	(1,729)
Total	(3,126)	906	(2,220)	289	(84)	205

16. Inventories

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Merchandise	3,407	2,657	2,524	1,680
Finished goods	123,803	116,207	85,410	79,542
By-products & scrap	29,230	15,842	19,956	14,526
Work in progress	156,547	141,493	102,692	94,645
Raw and auxiliary materials	132,810	89,786	76,665	39,953
Consumables	8,624	7,086	4,950	3,431
Packaging materials	1,637	2,971	681	1,821
Spare parts	63,158	57,456	50,406	45,405
Total	519,218	433,498	343,286	281,004

Inventories are recognized in the net realizable value which reflects the estimated value of sale less expenses for sale.

At the closing of the fiscal year measurement of the Net Realizable Value of the Inventory negatively affected the profit and loss for the period of Euro 824 thousand at Company level and Euro 4.2 million at Group level, due to the fall in copper price in LME market.

17. Trade and other receivables

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Current Assets				
Trade receivables (excluding investment property clients)	93,752	81,007	42,742	35,713
Less: Impairment losses	(7,858)	(6,960)	(5,121)	(4,847)
Receivables from related entities	103,364	86,679	151,620	137,748
Trade receivables from contracts with customers	189,257	160,726	189,241	168,613
Down payments for the purchase of stocks	1,011	356	-	-
Other down payments	608	5,302	577	5,270
Tax assets	16,547	23,666	7,306	11,445
Other debtors	7,985	7,346	2,265	4,949
Other receivables	3,407	2,080	1,456	846
Receivables from dividends	-	78	-	78
Less: Impairment losses	(528)	(528)	(528)	(528)
Total	218,287	199,024	200,317	190,674
Non-current assets				
Non-current receivables from related parties	753	432	753	432
Non-current receivables	1,897	2,192	1,720	1,991
Total	2,650	2,624	2,473	2,423
Total receivables	220,937	201,648	202,790	193,097

The provision for doubtful customers is created for the outstanding balances for which the Management of the Group considers as impaired less the expected remuneration from the insurance. At the closing of 2018 the Group recognized provision of Euro 515 thousand. The effect of IFRS 9 adoption was Euro 427 thousands.

18. Derivatives

Total Derivatives in Statement of Financial Position

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Non-current assets				
Forward foreign exchange contracts	3	2	3	1
Future contracts	-	259	-	259
Total	3	262	3	260
Current assets				
Forward foreign exchange contracts	726	308	35	265
Firm Commitments	-	9	-	9
Future contracts	2,389	3,634	2,166	2,582
Other	-	800	-	-
Total	3,115	4,751	2,202	2,856
Non-current liabilities				
Forward foreign exchange contracts	-	51	-	2
Future contracts	101	-	101	-
Total	101	51	101	2
Current liabilities				
Forward foreign exchange contracts	371	575	352	198
Firm Commitments	35	-	35	-
Future contracts	2,896	1,430	2,876	1,249
Total	3,301	2,005	3,263	1,446

For the Group and the Company results from settled financial risk management operations recorded in the Income Statement during years 2018 and 2017 are included in Sales and Cost of Goods Sold for results from metal and exchange rate derivatives and in other income-expenses for results derived from swaps and forwards contracts.

19. Cash and cash equivalents

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Cash in hand and Cash in bank	102	148	9	38
Short-term bank deposits	34,138	41,298	22,461	32,536
Total	34,241	41,446	22,470	32,574

Bank deposits are set at variable interest rates according to the applicable rates of interbank market.

In Note 27.c that is referred to currency risk of the Group, an analysis of cash per foreign currency is presented.

20. Share capital and reserves

a) Share capital and premium

After the completion of the Merger by absorption of "ELVAL HELLENIC ALUMINIUM INDUSTRY S.A." by "HALCOR METAL WORKS S.A.", the share capital of the Company amounts to Euro 146,344,218 (2016: Euro 38,486,258) divided to 375,241,586 (2016: 101,279,627) common anonymous shares of nominal value of 0.39 (2016: Euro 0.38) each traded at the Athens Stock Exchange.

The share premium of Euro 65,030,285 is considered a part of the share capital that rose from the issuance of shares for cash in a value greater than the nominal.

ElvaHalcor's capital was created as follows:

The share capital of Halcor amounted to Euro 38,486,258.26 divided to 101,279,627 common shares with voting rights, of nominal value of €0.38 each. The share capital of Elval amounted to € 105,750,180.62 divided to 27,046,082 anonymous shares of nominal value € 3.91 each.

The Merger had as a result the increase of Halcor's capital by:

- Amount of € 105,750,180.62 which corresponds to Elval share capital,
- Amount of € 2,107,779.66 which corresponds to the capitalization of share premium for rounding of the share price of the merged company.

As a result the present share capital of "ELVALHALCOR HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A." increased from € 38,486,258.26 to €146,344,218.54 with the issuance of 273,961,959 new share in favor of Elval's share holders and the total number of shares amounted to 375,241,586 shares with nominal value of €0.39.

b) Reserves

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Statutory Reserves	4,799	3,616	3,373	3,373
Hedging Reserve	279	2,534	(793)	994
Special Reserves	23,229	23,229	23,229	23,229
Tax exempt reserves	176,463	176,463	176,463	176,463
Extraordinary Reserves	6,713	6,713	6,713	6,713
Other reserves	69,588	69,588	82,920	83,153
Foreign exchange difference	31	197	-	-
Total	281,103	282,340	291,906	293,926

Statutory Reserve

Under Greek trade law, companies must transfer at least 5% of their annual net profits to a statutory reserve until that reserve is equal to 1/3 of the paid-up share capital. Distribution of Statutory Reserve is prohibited. No statutory reserve will be set aside during this year due to losses.

Untaxed and special reserves

Untaxed and special reserves concern non-distributed profits that are exempt from taxation pursuant to special provisions of incentive laws (under the condition that companies have sufficient profits to form these reserves). Reserves from income exempt from taxation and reserves taxed pursuant to special laws concern income from interest for which a tax has been withheld at the source. In addition to any prepaid taxes, these reserves are subject to taxation in case they are distributed. No deferred taxes have been accounted for as regards the above untaxed reserves in case they are distributed.

Exchange rate differences on consolidation

Exchange rate differences on consolidation arise from translating the financial statements of subsidiaries which are denominated in foreign currency, to the currency of the Parent Company which is in Euro.

Reserves from revaluation at fair value

This reserve is accounted after the positive effect of the revaluation of Land, buildings and machinery to fair value. This reserve cannot be distributed to shareholders until it is moved to results carried forward account through depreciation or after the recognition of profit through the sale of an asset.

Reserve of merger/absorption

The reserve of the absorption includes the difference between the acquisition price and the nominal value of the shares issued.

The Group examines the separation of the results carried forward to those that can be distributed and those that cannot, with tax and without tax liability.

21. Earnings per share

	GROUP		COMPANY	
	2018	2017	2018	2017
Profits that correspond to the shareholders of the parent company (in thousands of EURO)	63,646	33,549	47,339	33,324
Weighted average number of shares	352,411,423	282,401,928	352,411,423	282,401,928
Basic profits per share (EUR per share)	0.1806	0.1188	0.1343	0.1180

Basic earnings per share are calculated by dividing the net profits (losses) attributable to the parent company's shareholders by the weighted average number of common shares, save the average number of common shares acquired by the Group and held as own shares.

22. Loans and obligations from financial leasing

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Non-current				
Borrowings	120,170	2,209	56,670	1,683
Bond Loans	252,735	276,731	243,170	276,731
Finance lease liabilities	11,511	13,993	11,511	13,973
	384,416	292,933	311,352	292,387
Current				
Borrowings	130,929	133,263	92,613	120,468
Current portion of long-term borrowings	18,540	80,458	11,305	1,000
Bond Loans	41,756	59,295	34,066	36,748
Finance lease liabilities	2,328	2,291	2,328	2,291
	193,553	275,307	140,312	160,507
Total loans and borrowings	577,969	568,240	451,663	452,894
The maturities of non-current loans are:				
Between 1 and 2 years	74,894	38,564	57,522	38,028
Between 2 and 5 years	268,429	250,572	237,736	250,561
Over 5 years	41,093	3,797	16,093	3,797
Total	384,416	292,933	311,352	292,387

In 2018 a loan agreement of Euro 65 million was signed with Commerzbank Aktiengesellschaft for 10 years.

As far as the investment program of the four stand tandem aluminium hot finishing mill is concerned, Euro 71.1 million have been utilized and euro 1.4 have approximately been capitalized.

The fair value of the loans is approximating the book value.

Obligations under financial leasing are as follows:

GROUP 2017 € '000	Finance Lease Obligations- minimum leases	Less: Future finance lease payments	Total
Up to 1 year	3,032	(741)	2,291
Between 1 and 5 years	11,975	(1,800)	10,175
Beyond 5 years	3,983	(165)	3,818
Total	18,991	(2,706)	16,285

GROUP 2018 € '000	Finance Lease Obligations- minimum leases	Less: Future finance lease payments	Total
Up to 1 year	2,988	(660)	2,328
Between 1 and 5 years	11,880	(1,327)	10,553
Beyond 5 years	987	(30)	957
Total	15,855	(2,017)	13,838

COMPANY 2017 € '000	Finance Lease Obligations- minimum leases	Less: Future finance lease payments	Total
Up to 1 year	3,032	(741)	2,291
Between 1 and 5 years	11,975	(1,800)	10,175
Beyond 5 years	3,963	(165)	3,797
Total	18,970	(2,706)	16,264

COMPANY 2018 € '000	Finance Lease Obligations- minimum leases	Less: Future finance lease payments	Total
Up to 1 year	2,988	(660)	2,328
Between 1 and 5 years	11,880	(1,327)	10,553
Beyond 5 years	987	(30)	957
Total	15,855	(2,017)	13,838

The actual weighted average interest rates (both short and long term) at the balance sheet date were:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Bond Loans	3.79%	4.80%	3.78%	4.80%
Bank loans EUR	4.00%	5.71%	3.63%	6.07%
Bank loans USD	6.71%	6.77%	6.80%	6.89%
Bank loans GBP	4.41%	4.23%	5.16%	-

For the Group's bank loans, mortgages on properties totaling Euro 475 million have been set up (Euro 341 million is the amount for parent company).

For the bank loans of the Group and the Company that have been assumed from banks, there are clauses of change of control that provide the lenders with an early redemption clause.

There was no incident in the fiscal year which could lead to a breach of the terms of the loans of the Group.

23. Liabilities for employee's retirement benefits

The Group has fulfilled its obligations for pension plans set out by law. According to the Greek labor law, employees are entitled to compensation in case of dismissal or retirement, the amount of which varies depending on salary, years of service and the manner of termination (dismissal or retirement). Employees who resign are not entitled to compensation. The compensation payable in case of retirement equals 40 % of the compensation which would be payable in case of unjustified dismissal. The Group believes this is a defined benefit and it charges the accrued benefits in each period with a corresponding increase in the pension liability. Any payments made to retirees each year are charged against this liability. The displayed personal benefit obligation of the Company and the Group as at 31 December 2018 and 2017 is as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Net defined benefit liability	15,584	14,946	11,270	10,761
Liability for social security contributions	4,381	3,944	2,768	2,418
Total employee benefit liabilities	19,965	18,890	14,037	13,179
Balance at 1 January	14,946	10,627	10,761	7,828
Amounts recognized in profit or loss				
Current service cost	495	337	259	174
Past service credit	-	88	-	19
Settlement/curtailment/termination loss	351	106	309	70
Interest cost/income (-)	213	168	156	123
Total P&L Charge	1,058	699	724	386
Amounts recognized in OCI				
Remeasurement loss/gain (-):				
- Actuarial loss/gain (-) arising from:				
Demographic assumptions	(52)	44	-	-
Financial assumptions	(156)	380	(91)	128
Experience adjustments	348	891	372	885
Total amount recognized in OCI	139	1,314	281	1,013
Other				
Mergers and absorptions	24	2,609	-	1,717
Benefits paid	(584)	(302)	(497)	(184)
Total	(560)	2,307	(497)	1,533
Balance at 31 December	15,584	14,946	11,270	10,761

The assumptions on which the actuarial study was based for the calculation of provision are the following:

	GROUP		COMPANY	
	2018	2017	2018	2017
Discount interest rate	1.61%	1.50%	1.61%	1.50%
Future salary increases	2.00%	1.75%	2.00%	1.75%

The aforementioned results depend on assumptions (financial and demographic) of the actuarial study. Therefore, if a discount rate less by 50 basis points was used then the liability would be higher by 5.6% for the Company and 6.1% for the Group and if an assumption of a future salary increase of 50 basis points annually was used (instead of 2.00% annually), then the liability would be higher by 5.55% for the Company and 6.10% for the Group.

24. Grants

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Opening balance	21,557	19,775	12,378	12,388
Collection of grants	-	296	-	-
Amortisation of grants	(1,955)	(1,793)	1,311	(1,180)
Mergers and absorptions	-	3,280	-	1,171
Closing balance	19,602	21,557	11,067	12,378

Depreciation of grants corresponding to fixed assets depreciation is posted in the account "Other income" of the income statement.

Grants have been provided for the purchase of tangible assets.

25. Provisions

The movement in provisions was as follows:

€ '000	GROUP		COMPANY	
	Other provisions	Total	Other provisions	Total
Long-term Liabilities				
Balance as at 1 January 2017	-	-	-	-
Additional provisions of the fiscal year	1,170	1,170	1,170	1,170
Mergers and absorptions	240	240	90	90
Balance as at 31 December 2017	1,410	1,410	1,260	1,260
Short-term Liabilities				
Balance as at 1 January 2017	-	-	-	-
Additional provisions of the fiscal year	162	162	110	110
Balance as at 31 December 2017	162	162	110	110
Long-term Liabilities				
Balance as at 1 January 2018	1,410	1,410	1,260	1,260
Balance as at 31 December 2018	1,410	1,410	1,260	1,260
Short-term Liabilities				
Balance as at 1 January 2018	162	162	110	110
Balance as at 31 December 2018	162	162	110	110

Amount of Euro 1.2 mil. is related to provision for unaudited fiscal years.

26. Trade payables and other liabilities

Trade payables and other liabilities balance according to their current or non-current classification is as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Suppliers	192,690	130,930	157,676	99,373
Social Security funds	4,381	3,944	2,768	2,418
Amounts due to related parties	18,165	20,909	25,961	22,076
Sundry creditors	17,626	11,275	14,026	8,105
Accrued expenses	5,619	8,859	3,890	7,305
Other Taxes	6,024	3,255	4,902	2,300
Total	244,506	179,172	209,222	141,577

27. Financial assets

The Board of Directors of the Group in conjunction with the parent Group has set rules and procedures for measuring the following risks:

- Credit risk
- Liquidity risk
- Exchange rate risk
- Interest rate risk

Below there were presented analytically the evidence of the size of each risk.

Credit Risk

Group exposure to credit risk is primarily affected by the features of each customer. The demographic data of the Group's clientele, including payment default risk characterizing the specific market and the country in which customers are active, affect less the credit risk since no geographical concentration of credit risk is noticed. No client exceeds 10% of sales and, consequently, commercial risk is spread over a large number of clients.

Based on the credit policy adopted by the Board of Directors, each new customer is tested separately for creditworthiness before normal payment terms are proposed. The creditworthiness test made by the Group includes the examination of bank sources. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. In principal, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of receivability they have shown. Trade and other receivables include mainly wholesale customers of the Group. Any customers characterized as being of "high risk" are included in a special list of customers and future sales must receive in advance and approved by the Board of Directors. Depending on the background of the customer and its status, the Group demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group makes impairment provisions which reflect its assessment of losses from customers, other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated based on given circumstances that they will be materialized though they have not been finalized yet.

Liquidity risk

Liquidity risk is the inability of the Group to discharge its financial obligations when they mature. The approach adopted by the Group to manage liquidity is to ensure, by holding necessary cash and adequate credit limits from cooperating banks, that it will always have adequate liquidity to cover its obligations when they mature, under normal or more difficult conditions, without there being unacceptable losses or its reputation being jeopardized. Note that on 31 December 2018, the Group had an amount of Euro 41.4 million and the Company amount of Euro 32.6 million as cash and the necessary credit lines that are approved but are not used so as to meet its short-term and medium-term obligations easily. For serving the investments the Group and the Company make sure for the securing the necessary funding when needed (see also note 35). Moreover, the Group is in talks with the banks for the on time refinancing of the maturing loans.

To avoid liquidity risk the Group makes a cash flow provision for one year when preparing the annual budget as well as a monthly rolling provision for three months to ensure that it has adequate cash to cover its operating needs, including fulfillment of its financial obligations. This policy does not take into account the impact of extreme conditions which cannot be foreseen.

Exchange rate risk

The Group is exposed to foreign exchange risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Group companies, which is mainly the Euro. The currencies in which these transactions are held are mainly the Euro, the USD, the GBP and other currencies of S/E Europe.

Over time, the Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency. The Group enters mainly into currency forward contracts with external counterparties so as to deal with the risk of the exchange rates varying, which mainly expire within less than a year from the balance sheet date. When deemed necessary, these contracts are renewed upon expiry. As the case may be, the foreign exchange risk may be hedged by taking out loans in the respective currencies.

Loan interest is denominated in the same currency with that of cash flows, which arises from the Group's operating activities and is mostly Euro.

The investments of the Group in other subsidiaries are not hedged because these exchange positions are considered to be long-term.

Interest rate risk

The Group finances its investments and its needs for working capital from bank and bond loans with the result that interest charges reduce its results. Rising interest rates have a negative impact on results since borrowing costs for the Group rise.

The objectives, policies, risk management processes and measurement methods of risk have not changed compared to the previous year.

Capital management

The Groups' policy is to maintain a strong capital base to ensure investor, creditor and market trust in the Group and to allow Group activities to expand in the future. The Board of Directors monitors the return on capital which is defined by the Group as net results divided by total equity save non-convertible preferential shares and minority interests. The Board of Directors also monitors the level of dividends distributed to holders of common shares. According to its policy the Company distributes dividend according to legislation in force and under the provision that it is capable to do so in relation to its cash and financial conditions. No dividend distribution is allowed from limited liability companies according to L. 2190/1920.

The Board of Directors tries to maintain equilibrium between higher returns that would be feasible through higher borrowing levels and the advantages and security offered by a strong and robust capital structure.

The Group does not have a specific plan for own shares purchase.

There were no changes in the approach adopted by the Group in how capital was managed during the financial year.

a) Credit risk

The Financial assets subject to credit risk are as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Trade & Other receivables	220,936	201,649	202,790	193,147
Total	220,936	201,649	202,790	193,147
<i>Less:</i>				
Downpayments	(1,619)	(5,657)	(577)	(5,270)
Tax assets	(16,547)	(23,666)	(7,306)	(11,445)
Other receivables	(3,407)	(2,080)	(1,456)	(846)
Total	21,572	(31,403)	(9,338)	(17,561)
Financial assets entailing credit risk	199,364	170,246	193,452	175,585

The balances included in Receivables according to maturity can be classified as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Ageing of receivables and contract assets not impaired				
Neither past due nor impaired	180,984	154,333	190,031	172,580
Overdue	-	-	-	-
-Up to 6 months	17,538	14,960	3,277	2,800
-Over 6 months	842	953	143	205
Total	199,364	170,246	193,452	175,585

The movement in the account of provision for impairment was as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Balance as at 1 January	7,488	3,878	5,375	3,461
Impairment loss recognized	515	377	160	124
Amounts written off	(35)	-	-	-
Impairment loss reversed	(10)	(23)	(10)	-
Mergers and absorptions	-	3,257	-	1,791
Change in accounting policy	428	-	124	-
Balance as at 31 December	8,386	7,488	5,648	5,375

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Greece	29,926	28,982	62,603	65,460
Other EU Member States	122,035	111,227	107,722	97,694
Other European countries	12,586	14,032	6,661	7,774
Asia	13,143	10,532	3,885	3,963
America	16,450	7,710	9,671	4,652
Africa	4,877	5,152	2,872	2,074
Oceania	348	299	38	85
Total	199,364	177,933	193,452	181,701

The Group insures the greater part of its receivables in order to be secured in case of failure to collect.

b) Liquidity risk

GROUP 2017 € '000	Carrying amount	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Liabilities						
Bank loans	215,927	213,521	2,787	585	-	216,892
Finance lease obligations	16,285	3,042	3,092	8,894	3,963	18,991
Bond issues	336,029	66,574	39,625	268,989	-	375,188
Derivatives	2,056	2,005	51	-	-	2,056
Contract liabilities	-	-	-	-	-	-
Trade and other payables	179,173	179,173	-	-	-	179,173
	749,469	464,314	45,555	278,469	3,963	792,301

GROUP 2018 € '000	Carrying amount	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Liabilities						
Bank loans	269,640	153,702	29,355	67,266	41,435	291,758
Finance lease obligations	13,838	2,988	3,201	8,679	987	15,855
Bond issues	294,490	47,654	54,836	220,511	-	323,001
Derivatives	3,403	3,301	101	-	-	3,403
Contract liabilities	9,238	9,238	-	-	-	9,238
Trade and other payables	244,506	336,590	-	-	-	336,590
	835,115	553,473	87,493	296,456	42,422	979,845

COMPANY 2017 € '000	Carrying amount	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Liabilities						
Bank loans	123,151	121,602	1,153	585	-	123,341
Finance lease obligations	16,264	3,032	3,092	8,883	3,963	18,970
Bond issues	313,479	43,526	39,625	268,989	-	352,140
Derivatives	1,448	1,446	2	-	-	1,448
Contract liabilities	-	-	-	-	-	-
Trade and other payables	141,577	141,577	-	-	-	141,577
	595,919	311,183	43,872	278,457	3,963	637,476

COMPANY 2018 € '000	Carrying amount	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Liabilities						
Bank loans	160,588	105,708	19,860	33,679	15,645	174,892
Finance lease obligations	13,838	2,988	3,201	8,679	987	15,855
Bond issues	277,236	39,618	45,139	220,316	-	305,073
Derivatives	3,364	3,263	101	-	-	3,364
Contract liabilities	7,425	7,425	-	-	-	7,425
Trade and other payables	209,222	212,878	-	-	-	212,878
	671,674	371,880	68,301	262,675	16,632	719,488

c) Exchange rate risk

GROUP € '000	2017						
	EURO	USD	GBP	BGN	RON	Other	Total
Trade and other payables	172,202	17,874	11,052	580	-	(59)	201,649
Cash & cash equivalents	38,534	2,622	286	-	-	5	41,446
Loans and Borrowings	(562,565)	(4,520)	(1,129)	(3)	-	(23)	(568,241)
Trade and other payables	(161,998)	(13,151)	(224)	(3,705)	-	(94)	(179,172)
Net (Assets-Liabilities)	(513,827)	2,825	9,984	(3,129)	-	(172)	(504,318)
Derivatives	-	(4,574)	(440)	-	-	2	(5,011)
Total risk	(513,827)	(1,749)	9,545	(3,129)	-	(169)	(509,329)

GROUP € '000	2018						
	EURO	USD	GBP	BGN	RON	Other	Total
Trade and other payables	166,730	33,192	15,089	5,842	82	1	220,936
Cash & cash equivalents	24,193	9,345	433	188	77	4	34,241
Loans and Borrowings	(545,718)	(19,204)	(5,067)	(7,979)	-	-	(577,968)
Trade and other payables	(207,241)	(10,068)	(18,303)	(8,830)	-	(64)	(244,506)
Contract liabilities	(8,956)	(261)	-	(22)	-	-	(9,238)
Net (Assets-Liabilities)	(570,991)	13,004	(7,848)	(10,800)	160	(59)	(576,536)
Derivatives	-	2,761	(4,032)	-	-	-	(1,271)
Total risk	(570,991)	15,765	(11,880)	(10,800)	160	(59)	(577,806)

COMPANY € '000	2017						
	EURO	USD	GBP	BGN	RON	Other	Total
Trade and other payables	179,299	8,049	5,799	-	-	1	193,147
Cash & cash equivalents	30,142	2,149	283	-	-	-	32,574
Loans and Borrowings	(449,136)	(3,758)	-	-	-	-	(452,894)
Trade and other payables	(138,064)	(3,213)	(211)	-	-	(90)	(141,577)
Net (Assets-Liabilities)	(377,759)	3,227	5,872	-	-	(89)	(368,749)
Derivatives	-	(5,069)	-	-	-	-	(5,069)
Total risk	(377,759)	(1,842)	5,872	-	-	(89)	(373,818)

COMPANY € '000	2018						
	EURO	USD	GBP	BGN	RON	Other	Total
Trade and other payables	178,536	17,279	6,974	-	-	1	202,790
Cash & cash equivalents	15,838	6,277	355	-	-	-	22,470
Loans and Borrowings	(430,289)	(18,595)	(2,779)	-	-	-	(451,663)
Trade and other payables	(188,179)	(2,252)	(18,223)	-	-	(28)	(209,222)
Contract liabilities	(7,314)	(112)	-	-	-	-	(7,425)
Net (Assets-Liabilities)	(431,947)	2,598	(13,672)	-	-	(27)	(443,049)
Derivatives	-	-	-	-	-	-	-
Total risk	(431,947)	2,598	(13,672)	-	-	(27)	(443,049)

The rates that were applied for the foreign exchange translation were:

	Average		At year end	
	2018	2017	2018	2017
USD	1.1810	1.1297	1.1450	1.1993
GBP	0.8847	0.8767	0.8945	0.8872
RON	4.6540	4.5688	4.6635	4.6585
TRY	5.7077	4.1206	6.0588	4.5464

BGN rate to Euro, which is the operating currency of the Group and the Company, is fixed and therefore there is no exposure to FX risk.

Sensitivity analysis

A change in the price of Euro against other currencies that the Group trades would have corresponding impact on the income statement and in equity as follows:

GROUP

2017

€ '000

	Profit or loss		Equity, net of tax	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	(321)	321	(228)	228
GBP (10% movement)	(847)	847	(601)	601

GROUP

2018

€ '000

	Profit or loss		Equity, net of tax	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	(1,489)	1,489	(914)	914
GBP (10% movement)	702	(702)	505	(505)

COMPANY

2017

€ '000

	Profit or loss		Equity, net of tax	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	(333)	333	(236)	236
GBP (10% movement)	(521)	521	(370)	370

COMPANY

2018

€ '000

	Profit or loss		Equity, net of tax	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	(297)	297	(66)	66
GBP (10% movement)	1,223	(1,223)	342	(342)

d) Interest rate risk

The financial liabilities below are related to loans and finance lease liabilities.

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Fixed-rate instruments				
Financial liabilities	3,331	3,976	-	1,000
Variable-rate instruments				
Financial liabilities	574,637	564,265	451,663	451,894

Sensitivity analysis

The effects of an increase in the interest rates of 25 basis points in the Income statement and the Equity can be depicted as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
0.25% increase	1,437	(1,411)	1,129	(1,130)
0.25% decrease	(1,437)	1,411	(1,129)	1,130

28. Fair value of financial assets

The different levels have been defined as follows:

- **Level 1:** consists of exchange traded derivatives and shares which are based on market prices.
- **Level 2:** consists of OTC derivatives that are based on prices from brokers.
- **Level 3:** Includes unlisted shares. They come from estimates of the Company as there are no observable market data.

The financial information concerning Level 3 refers to holdings in domestic and foreign companies with a stake of less than 20%. These holdings which are not quoted and the fair value cannot be reliably measured, they are valued at cost and are subject to impairment testing (see Note 14).

GROUP € '000	2017			
	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	39	-	3,733	3,771
Derivative financial assets	3,893	1,119	-	5,012
Derivative financial liabilities	(1,430)	(627)	-	(2,056)

GROUP € '000	2018			
	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	39	-	3,814	3,853
Derivative financial assets	2,389	729	-	3,118
Derivative financial liabilities	(2,997)	(406)	-	(3,403)

COMPANY € '000	2017			
	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	39	-	3,733	3,771
Derivative financial assets	2,841	275	-	3,116
Derivative financial liabilities	(1,249)	(199)	-	(1,448)

COMPANY € '000	2018			
	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	39	-	3,814	3,853
Derivative financial assets	2,166	39	-	2,205
Derivative financial liabilities	(2,977)	(387)	-	(3,364)

The derivatives of level 1 comprise of futures traded in 'London Metal Exchange – LME' for which there is an observable market price for all prompt dates on which the contract is settled. The mark-to-market valuations of the futures are based on evening evaluations of LME, as well as the counterparties valuations in contracts, which are LME brokers. The

derivatives of level 2 comprise of forward FX contracts. The valuation stems from the counterparty banks based on a valuation model.

(b) Fair Value in Level 3

The movement in Level 3 was as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Balance at 1 January	3,733	1,396	3,733	1,396
Additions	13	387	13	387
Mergers and absorptions	-	2,509	-	2,509
Reclassifications	68	(558)	-	(558)
Balance at 31 December	3,814	3,733	3,746	3,733

During the fiscal year, there were no reclassifications of financial assets between levels.

The financial assets classified in Level 3 are valued with the discounted cash flow method. The valuation model calculates the present value of the net cash flows that the Cash Generating Unit is creating. (CGU)

The expected cash flows have been discounted using rates as follows:

- Risk-free rate: 0.9%
- Market risk premium: 6.2%
- Expected income tax rate: 28%
- Levered beta: 1.08

For the most significant investment the WACC used was 6.9%.

The expected fair value will increase (decrease) if:

- The expected market development increases (decreases)
- The expected cash flows increases (decreases)
- The discount rate decreases (increases)

29. Commitments

The contractual obligations are:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Tangible assets	8,004	7,670	7,052	1,999

The future payments from operational leases are as follows:

Future minimum lease payments		GROUP		COMPANY	
€ '000		2018	2017	2018	2017
Less than one year		1,681	1,265	722	711
Between one and five years		3,740	2,530	1,146	1,284
More than five years		3	3	0	3
Total		5,424	3,798	1,869	1,998

30. Contingent liabilities / assets

The tax liabilities of the Company and its subsidiaries for certain financial years have not been audited by taxation authorities and thus are not finalized yet for such years.

The table below presents unaudited tax years of the companies consolidated by ElvalHalcor SA by applying either full consolidation or equity method.

Company		Country	Business	Direct Participation	Indirect Participation	Consolidation Method	Unaudited Fiscal Years
ELVALHALCOR S.A.	-	GREECE	Industrial	-	-	-	2012-2017
FITCO S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in Full	2012-2017
SOFIA MED S.A.	(1)	BULGARIA	Industrial	89.56%	0.00%	Consolidation in Full	-
TECHOR S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in Full	-
ELKEME S.A.	(2)	GREECE	Metallurgical Research	92.50%	0.00%	Equity Method	2011-2017
VIEXAL S.A.	(2)	GREECE	Services	26.67%	0.00%	Equity Method	2012-2017
VIENER S.A.	(2)	GREECE	Energy	41.32%	0.00%	Equity Method	2012-2017
CENERGY HOLDINGS S.A.	(2)	BELGIUM	Holdings	25.16%	0.00%	Equity Method	-
INTERNATIONAL TRADE S.A.	(2)	BELGIUM	Commercial	29.97%	0.00%	Equity Method	-
TECHOR PIPE SYSTEMS	(3)	ROMANIA	Industrial	0.00%	100.00%	Consolidation in Full	-
HC ISITMA A.S.		TURKEY	Industrial	50.00%	0.00%	Equity Method	-
STEELMET S.A.	(2)	GREECE	Services	29.50%	0.00%	Equity Method	2012-2017
SYMETAL S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in Full	2013-2018
ELVAL COLOUR S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in Full	2013 & 2017
VEPAL S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in Full	2013-2017
ANOXAL S.A.	(1)	GREECE	Industrial	100.00%	0.00%	Consolidation in Full	2012-2017
VIOMAL S.A.	(1)	GREECE	Industrial	50.00%	0.00%	Consolidation in Full	2011-2017
ROULOC S.A.	(4)	GREECE	Industrial	0.00%	100.00%	Consolidation in Full	-
ELVAL COLOUR IBERICA S.A.	(4)	SPAIN	Commercial	0.00%	100.00%	Consolidation in Full	-
UACJ ELVAL HEAT EXCHANGER MATERIALS GmbH		GERMANY	Commercial	50.00%	0.00%	Equity Method	-
UACJ ELVAL CONSULTING S.A. (former AFSEL)		GREECE	Services	50.00%	0.00%	Equity Method	-
METALVALIUS		BULGARIA	Industrial	0.00%	100.00%	Consolidation in Full	-
NEDZINK B.V.		NETHERLANDS	Industrial	50.00%	0.00%	Equity Method	-

(1) Subsidiary of ELVALHALCOR

(2) Subsidiary of Viohalco SA

(3) Subsidiary of Techor S.A.

(4) Subsidiary of Elval Colour S.A.

31. Related parties

Affiliated parties shall mean all companies and natural persons with whom direct (subsidiaries, associated companies, joint ventures, collaborating companies, shareholders or management with executive tasks) or indirect relation (entities controlled by shareholders, employees performing administrative tasks or close relatives of the latter) is established.

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Sale of goods				
Subsidiaries	-	-	195,495	179,107
Equity accounted investees	481,934	311,894	439,653	283,363
Joint Ventures	17	-	17	-
Other	383,584	109,235	260,860	51,482
	865,536	421,128	896,025	513,952
Sale of services				
Subsidiaries	-	-	6,922	2,522
Equity accounted investees	663	1,002	663	967
Joint Ventures	3	-	3	-
Parent	187	62	187	62
Other	1,826	748	1,750	629
	2,678	1,812	9,525	4,180
Sale of fixed assets				
Subsidiaries	-	-	29	1
Joint Ventures	174	-	174	-
Other	7	1	0	1
	182	1	203	2
Purchase of goods				
Subsidiaries	-	-	66,174	16,208
Equity accounted investees	1	3,082	-	413
Other	46,324	50,587	40,489	21,622
	46,325	53,669	106,663	38,242
Purchase of services				
Subsidiaries	-	-	34,674	32,130
Equity accounted investees	5,540	3,930	4,178	3,262
Parent	433	246	218	65
Other	28,775	12,138	19,439	11,211
	34,748	16,314	58,508	46,668
Purchase of fixed assets				
Subsidiaries	-	-	243	3
Equity accounted investees	63	29	27	20
Joint Ventures	123	-	123	-
Other	13,931	6,746	12,790	6,199
	14,118	6,775	13,183	6,222

End-of-year balances from sale / purchase of goods, services, fixed assets, etc.

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Receivables from related parties:				
Subsidiary companies	-	-	65,771	62,759
Equity accounted investees	18,595	34,803	16,138	35,502
Joint Ventures	21	153	21	153
Parent	212	262	210	262
Other	84,537	51,461	70,232	42,072
	103,364	86,680	152,373	137,748
Liabilities to related parties:				
Subsidiary companies	-	-	10,644	11,201
Equity accounted investees	618	3,244	427	2,956
Joint Ventures	18	171	18	171
Parent	66	132	24	127
Other	17,463	17,362	14,847	7,621
	18,165	20,909	25,961	22,076

Services towards and from affiliated parties, as well as sales and purchases of goods, are realized in accordance with the fee schedules, which apply for non-affiliates.

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Fees - benefits to the members of the Board of Directors and executives	10,750	1,241	5,018	643
	10,750	1,241	5,018	643

32. Auditor's fees

Regarding year 2018, the fees for the audit of the Company's financial statements amounted to Euro 162 thousands (2017: Euro 162 thousands), for tax audit amounted to Euro 45 thousands (2017: Euro 43 thousands) and fees for other services reached Euro 164 (2017: Euro 107 thousands). In group level they amounted to Euro 117 thousands (2017: Euro 172 thousands), for tax audit Euro 45 thousands (2017: Euro 46 thousands) and fees for other services Euro 164 thousands (2017: Euro 107 thousands).

33. Effect of IFRS 9 and IFRS 15

The adoption of IFRS 9 on 1st of January 2018, had a negative effect on the Group's and the Company's Equity due to changes in the impairment provision of Euro 427 thousand and Euro 123 thousand respectively.

The adoption of IFRS 15 had a positive effect on the shareholder's equity of the Group as a result of the consolidation with the equity method of the associate Cenergy Holdings S.A., mostly due to the implementation of changes in the recognition of income over time, related to projects of customized products that the subsidiaries of Cenergy Holdings S.A. undertake. More specific, under IAS 18 provisions, the subsidiaries of Cenergy Holdings recognized revenue, for all the contracts that did not fulfill the provisions of a construction contract under IAS 11, when the risks and awards of ownership had been transferred to the customer. The recognition usually took place when the product was delivered to the customer. However, for some shipments abroad the transfer of risks and rewards took place according to Incoterms; when the products were loaded to the ship or other means of transport at the seller's harbor.

According to IFRS 15, the subsidiaries of Cenergy Holdings recognize additional revenue when the customer assumes control over the customized products. According to the contract terms for customized products which are produced for the exclusive use of certain customers, the customer controls the progress of the work completed, as the steel pipe or the cable is being produced. Therefore, for those kind of contracts, the revenue is being recognized over time based on the quantity of products which are produced and checked against the total quantity which will be produced according to the contract, or based on the evaluation of results which have been achieved. The effect from the aforementioned was positive in the Group's Equity by Euro 911 thousand.

The Group chose not to restate the comparative information but to recognise any difference between the previous and the new carrying amount directly in the opening retained earnings as of 1st of January 2018. Therefore, the adjustments arising from the new impairment rules are therefore not reflected in the statement of financial position as of 31 December 2017 and are recognised in the opening balance sheet on 1st of January 2018.

The following table presents the adjustments recognized for each individual line item on 1 January 2018. Items that were not affected by the requirements of IFRS 9 and IFRS 15 have not been included. As a result, the totals and sub-totals disclosed cannot be recalculated based on the numbers provided.

GROUP

	31.12.2017 as published	Effect of IFRS 9	Effect of IFRS 15	Effect of IFRS 9 through consolidation of Equity accounted investees	Effect of IFRS 15 through consolidation of Equity accounted investees	01.01.2018 opening balance as restated
€ ' 000						
ASSETS						
Non-current assets						
Investments in equity accounted investees	64,186			(232)	911	64,865
	842,212			(232)	911	842,892
Current Assets						
Trade and other receivables	199,025	(427)				198,598
	678,720	(427)				678,293
Total assets	1,525,427	(427)		(232)	911	1,525,680
EQUITY						
Capital and reserves attributable to the Company's equity holders						
Retained earnings/(losses)	161,796	(415)		(232)	911	162,060
Equity attributable to owners of the company	655,511	(415)		(232)	911	655,775
Non-Controlling Interest	12,905	(12)				12,894
Total equity	668,416	(427)		(232)	911	668,669
LIABILITIES						
	392,724					392,724
Current liabilities						
Trade and other payables	179,172		(8,226)			170,947
Contract liabilities	-		8,226			8,226
Total liabilities	857,011					857,011
Total equity and liabilities	1,525,427	(427)		(232)	911	1,525,680

COMPANY

€ '000

ASSETS

Current Assets

	31.12.2017 as published	Effect of IFRS 9	Effect of IFRS 15	01.01.2018 opening balance as restated
Trade and other receivables	190,723	(123)		190,600
Total assets	507,157 (123)		507,034	
	1,336,582	(123)		1,336,459

EQUITY

Retained earnings/(losses)	155,618	(123)		155,495
Equity attributable to owners of the company	660,919	(123)		660,796

LIABILITIES

Current liabilities

Trade and other payables	135,146		(6,431)	128,715
Contract liabilities	-		6,431	6,431
Total equity and liabilities	1,336,582	(123)		1,336,459

34. Held for Sale

The amount of Euro 4.5 mil. is the book value of machinery (cost Euro 5.7 mil. and accumulated depreciation Euro 1.2 mil.) recognized according to IFRS 5. The aforementioned asset classified in the Copper Segment. For the aforementioned equipment the provisions of par. 8 of IFRS 5 are in effect, providing the fact that the Management has set forth a plan for the sale which is expected to materialized in 2019.

35. EBITDA and a-EBITDA

EBITDA: It is the measure of profitability of the entity before taxes, financial, depreciation and amortization. It is calculated by adjusting the depreciation and amortization to the operating profit as this is reported in the statement of profit and loss.

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
Operating profit / (loss)	107,051	69,616	75,370	59,067
Adjustments for:				
(+) Depreciation	58,999	44,805	39,940	35,516
(+) Amortization	1,070	578	654	301
(-) Amortization of Grants	(1,955)	(1,793)	(1,311)	(1,180)
EBITDA	165,166	113,206	114,652	93,704

a – EBITDA: adjusted EBITDA is a measure of the profitability of the entity after adjustments for:

- Metal result
- Restructuring Costs
- Special Idle costs
- Impairment of fixed assets
- Impairment of Investments
- Profit / (Loss) of sales of fixed assets and investments if included in the operational results
- Other impairments

For the current and the respective previous period the figures were as follows:

€ '000	GROUP		COMPANY	
	2018	2017	2018	2017
EBITDA	165,166	113,206	114,652	93,704
<i>Adjustments for:</i>				
(+) Loss / - Profit from Metal Lag	(23,016)	(24,048)	(22,755)	(22,132)
(+) Restructuring Expenses	-	162	-	-
a-EBITDA	142,149	89,319	91,897	71,572

€ '000	GROUP		COMPANY	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
(A) Value of Metal in Sales	1,580,309	733,663	1,018,003	497,068
(B) Value of Metal in Cost of Sales	(1,567,949)	(710,408)	(1,003,018)	(475,403)
(C) Result of Hedging Instruments	10,657	794	7,769	467
(A+B+C) Metal Result in Gross Profit	23,016	24,048	22,755	22,132

The comparison of EBITDA and a-EBITDA with the respective pro-forma comparable period was as follows:

€ '000	GROUP	
	2018	2017
EBITDA	165,166	160,521
<i>Adjustments for:</i>		
(+) Loss / - Profit from Metal Lag	(23,016)	(33,135)
(+) Restructuring Expenses	-	162
(+) Valuation of Fixed Assets	-	1,890
a-EBITDA	142,149	129,437

For the 12 months

€ '000	GROUP	
	31/12/2018	31/12/2017
(A) Value of Metal in Sales	1,580,309	1,397,111
(B) Value of Metal in Cost of Sales	(1,567,949)	(1,361,933)
(C) Result of Hedging Instruments	10,657	(2,043)
(A+B+C) Metal Result in Gross Profit	23,016	33,135

ALUMINIUM

€'000	31/12/2018	31/12/2017
Operating profit / (loss)	76,953	67,245
Adjustments for:		
(+) Depreciation	42,522	44,842
(-) Amortization of Grants	(1,724)	(1,760)
EBITDA	117,751	110,327
EBITDA	117,751	110,327
Adjustments for:		
(+) Loss / - Profit from Metal Lag	(21,984)	(23,376)
a-EBITDA	95,767	86,951

ALUMINIUM

€'000	31/12/2018	31/12/2017
(A) Value of Metal in Sales	654,745	545,940
(B) Value of Metal in Cost of Sales	(639,089)	(523,090)
(C) Result of Hedging Instruments	6,328	526
(A+B+C) Metal Result in Gross Profit	21,984	23,376

COPPER

€'000	31/12/2018	31/12/2017
Operating profit/ (loss)	30,098	34,722
Adjustments for:		
(+) Depreciation	17,547	15,599
(-) Amortization of Grants	(231)	(128)
EBITDA	47,415	50,193
EBITDA	47,415	50,193
Adjustments for:		
(+) Loss / - Profit from Metal Lag	(1,032)	(9,759)
(+) Restructuring expenses	-	2,052
a-EBITDA	46,382	42,486

COPPER

€'000	31/12/2018	31/12/2017
(A) Value of Metal in Sales	925,564	851,171
(B) Value of Metal in Cost of Sales	(928,860)	(838,843)
(C) Result of Hedging Instruments	4,328	(2,569)
(A+B+C) Metal Result in Gross Profit	1,032	9,759

36. Subsequent events

1. On 09.01.2019 ELVALHALCOR announced that SOFIA MED AD, signed the extension of maturity to seven years of the syndicated collateralized long-term loan amounting of €60.0 million with Alpha Bank A.E.-London Branch, Eurobank Bulgaria AD and Piraeus Bank Bulgaria AD. Moreover, it is noted that SOFIA MED AD signed amendment of the loan with European Bank for Reconstruction and Development ("EBRD") total amount of €25.0 million, which comprises of two parts: a) loan of €10.5 million with new seven year maturity and b) a new loan of €14.5 million, also with seven year maturity for the financing of investment program for machinery and capacity increase.
2. On 05.02.2019 ELVALHALCOR S.A. announced that, the Board of Directors with its 04.02.2019 decision, decided to commence the proceedings of the transformation of the branch in Pogoni-loannina, manufacturing plant of all types of coin blanks and rings into a newly founded company limited by shares ("Société anonyme") in accordance with the third section of par. 2 of article 52 of L. 4172/2013, as replaced by article 23, par. 6.c., of L. 4223/2013.
3. On 18.02.2019 ELVALHALCOR S.A. announced the acquisition of the 50% of "UACJ ELVAL CONSULTING SA" (former AFSEL) from UACJ Corporation, for amount of €16 thousand and after the transaction the participation of ELVALHALCOR amounts to 100%.
5. On 01.03.2019 the General Meeting of shareholders of the 100% subsidiary Fitco S.A decided the share capital increase by € 5.0 million, by cash payment.

Information under article 10 of Law 3401/2005

No	DESCRIPTION	WEBSITE ADDRESS	WEBSITE MAP
1.	Annual Financial Report 2018	http://www.elvalhalcor.com/el/investor-relations/reports-presentations/financial-statements/	Home Page > Investor relations > Reports and Presentations > Financial Statements
2.	Interim Financial Statements H1 2018	http://www.elvalhalcor.com/el/investor-relations/reports-presentations/financial-statements/	Home Page > Investor relations > Reports and Presentations > Financial Statements
3.	Press releases during 2018	http://www.elvalhalcor.com/el/investor-relations/regulatory-news/	Home Page > Investor relations > Announcements – Publications > Press releases
4.	Announcements to the Stock Exchange during 2018	http://www.elvalhalcor.com/el/investor-relations/regulatory-news/	Home Page > Investor relations > Announcements – Publications > Announcements

2018 SUSTAINABILITY REPORT



ELVALHALCOR

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.














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A leading global industrial producer of aluminium and copper



14

State of the art production plants in 4 countries



100+

Sales in 102 countries



17

Subsidiaries in 7 countries



21

Strong commercial network in 21 countries



ElvalHalcor is active in many dynamic, growing markets:



Shipbuilding



Automotive



Road and rail



Heating, ventilation, air conditioning and refrigeration (HVAC&R)



Packaging



Renewable energy



Water supply



Building and construction



Energy and power networks



Industrial applications



Fish farming



Other markets
(medical, cookware, household, appliances, signage, etc.)

Global presence (ElvalHalcor Group)



A leading global industrial producer of aluminium and copper products

13.7%

increase in revenue

(2018: annualised data
2017: The comparison involves annualised)

91.8%

exports

Global presence (ElvalHalcor Group)



Manufacturing sites



Market presence



Commercial network



Headquarters



ElvalHalcor Group at a glance (2018 key figures)



2.1
EUR billion
revenue



1,945
EUR million
total exports



92.2
EUR million capital
expenditure plan

Chairman's statement

ElvalHalcor is a company that invests in Sustainable Development. ElvalHalcor is committed to operating and growing following principles and responsible practices, to ensure a healthy business. By serving the values that govern our corporate vision, we are taking initiatives that cover a wide range of actions, as outlined in this Sustainability Report.

ElvalHalcor continues dynamically, strengthening its position in both the aluminium and the copper division.

2017: A landmark year

2017 was, beyond doubt, a landmark year for us, as ElvalHalcor S.A. was created from the merging of the two leading Greek industries, Elval and Halcor. At the same time, the agreement with the European Investment Bank was signed, to provide a loan of EUR 70 million to finance the supply of a four-stand tandem aluminium hot rolling mill for the production facility of the aluminium rolling division.

2018 : A year of strong growth

In retrospect, one year after the merger, we can mark 2018 as a year of strong growth for ElvalHalcor.

Positive results were achieved, keeping our priorities firm and focused on our commitment to Sustainable Development. For one more consecutive year, ElvalHalcor succeeded in increasing sales and profitability. Sales in 2018 exceeded EUR 1.48 billion, export activity exceeded 80% (of sales on revenue), while we also increased jobs by 14%.

Taking advantage of the synergies between the two divisions, our Company managed to improve its financing costs by renegotiating its maturity and lending rates, but also through the European Investment Bank loan. In the beginning of 2018, the agreement with SMS Group GmbH was signed and the implementation of the large

investment of EUR 150 million started for the purchase and installation of the four-stand tandem aluminium hot rolling mill, an event that marks new prospects for growth and strengthening of our position in fast growing markets, such as the automotive industry in the aluminium rolling division.

ElvalHalcor has a history of large and successful investments. More specifically, over the past five years alone, we have implemented capital expenditure plans worth more than EUR 225 million, demonstrating our commitment to continued growth in Greece. Recently, ElvalHalcor's investment policy was distinguished in the Growth Awards 2019, a distinction which fills us with joy and empowers us to continue. In 2018, ElvalHalcor made total investments of EUR 75.4 million and continues vigorously in 2019 with the peak in investment spending for the four-stand tandem aluminium hot rolling mill investment.

Customer focus

The trust relationship between the Company and its customers, partners and suppliers, are for us an important warranty for a future of sustainable development. We focus on innovation and on high quality and offer to our clients, high value added products and specialised solutions according to their needs.

Our people

Our people are the driving force behind our every effort, our every success. We recognise their decisive contribution, as with their high level of expertise and know-how, teamwork and firm commitment, they contribute to the realisation of ElvalHalcor's vision and support its course for continuous growth. We are committed to providing a working environment that respects human values and rights and provides

opportunities for growth and professional development. We place emphasis on continuous training and implement targeted programmes to further strengthen the leadership and technical skills of our people. A typical example is the creation and operation of the Elval Academy, the achievements of which are significant.

In the field of health and safety, we focused on the continuous improvement of our actions and on raising our employees' awareness about them. Our commitment and our primary concern is to constantly care for the protection of the health and safety of our employees and associates. We recognise the value of the effort, understand the difficulties and seek to implement targeted occupational health and safety programmes.

Responsibility for the environment

We ensure a sound management of all aspects related to environment that are associated with our activity, seeking, through actions and projects, to continuously reduce our environmental footprint. We implement certified Environmental Management and Energy Management Systems, applying best environmental management practices at our facilities. We are

constantly investing in environmental protection infrastructures, with investments and expenditures which, in 2018, exceeded EUR 7.6 million.

The way forward

For the next five years, we will continue with the same commitment and consistency. With constant dedication, we strive to achieve the goals we have set, so that ElvalHalcor maintains and further strengthens its position among the leading, healthy and powerful business players in the aluminium and copper industries. With a long tradition of an anthropocentric approach, respect for the environment, caring for society and an emphasis on wider economic prosperity, we will continue dynamically with targeted actions to strengthen our contribution and value creation for our stakeholders in every way. ElvalHalcor believes and invests steadily in Greece, and will continue to do so in the future.

Theodosios Papageorgopoulos
Chairman of the Board of Directors

Materiality assessment

The Company identifies the most important issues for its sustainable development by analysing and assessing its material issues. This process is, for us, continuous and important (and is carried out in accordance with the GRI Standards and AA1000). We make good use of the results of the materiality assessment, both in deciding on our corporate strategy and in planning actions and taking decisions that will promote ElvalHalcor's sustainability.

During the preparation of this report the Company carried out a re-evaluation of its material issues, through a comprehensive process that involved all stakeholder groups identified. In particular, it conducted an electronic survey among representatives of all stakeholder groups, on the Company's material issues. The results of this survey helped the Company to draw valuable conclusions and reprioritise its material issues.

Materiality assessment

Step

1

Step

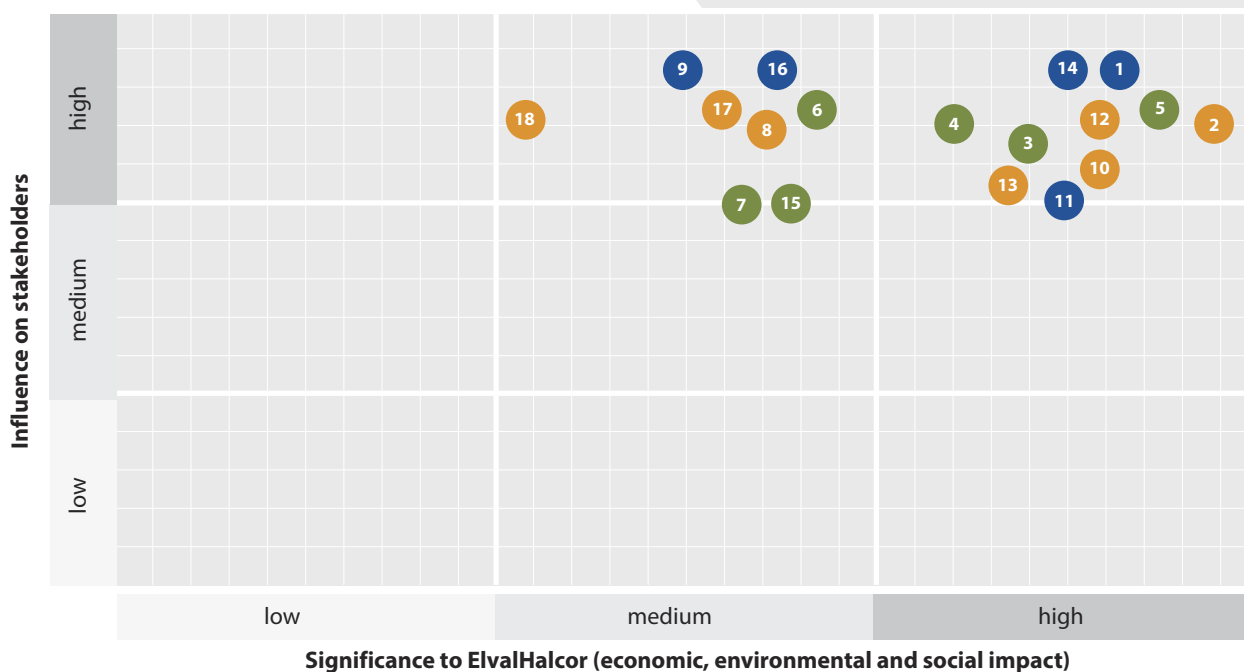
2

Identifying material issues

Extensively examined areas and important points specified by the relevant standards, guidelines or other sources (e.g. GRI Standards, AA1000, ISO 26000, SDG's).

Prioritising material issues

Following an assessment of all identified issues, we have focused on the top 18 material issues. We prioritised sustainability issues, according to their importance for ElvalHalcor, our stakeholders, society and the environment.



Step

3

Validation of material issues

	Impact within ElvalHalcor	Impact outside ElvalHalcor	Management disclosure (page)
Company's financial performance (1)	✓	✓	6, 11-16
Legal and regulatory compliance (2)	✓	✓	18, 48
New investments and market share (3)	✓	✓	11-12, 16
Risk management (4)	✓	✓	a24*
Innovation and products quality (5)	✓	✓	38-40
Customer satisfaction (6)	✓	✓	38-40
Supply chain responsibility (7)	✓	✓	48, 49
Occupational Health and Safety (8)	✓		56-59
Employee training and development (9)	✓		51, 53

Step

4

Mapping our material issues

	Impact within ElvalHalcor	Impact outside ElvalHalcor	Management disclosure (page)
Compensation and benefits (10)	✓	✓	51, 54
Waste management (11)	✓	✓	72-73
Energy consumption and saving (12)	✓	✓	69-70
Water use (13)	✓	✓	68
Air emissions (14)	✓	✓	66, 70-71
Promote aluminum and copper recycling (15)	✓	✓	50, 63, 68
Supporting local communities (16)	✓	✓	61-62
Supporting local employment and local suppliers (17)	✓	✓	48-49, 61
Volunteering actions (18)	✓	✓	62

*ElvalHalcor's 2018 Annual Report



1. About ElvalHalcor

ElvalHalcor is a leader in copper tubes in Europe, and among Europe's leading aluminium rolling industries

ElvalHalcor is a modern and dynamic non-ferrous metals processing industry with a global presence and high expertise in the aluminium and copper sectors. ElvalHalcor's success is based on its highly extrovert commercial presence worldwide, continuous innovation and the constant investment in research and technology, driven by a customer-focused philosophy.

The Company is active in the aluminium sector through the aluminium rolling division under the brand name Elval and through its aluminium processing subsidiaries, and in the copper sector through the copper tubes division under the brand name Halcor and the copper and its copper alloys processing subsidiaries. It is also active in the processing of titan zinc products through Nedzink.

Export-oriented profile

ElvalHalcor is an export-oriented company and therefore it greatly reduces its reliance from developments in the Greek market. Our turnover is mostly directed to foreign markets. In the fiscal year 2018 (annualised basis), ElvalHalcor's sales to non-Greek markets accounted for 80.5% of the turnover.

1. About ElvalHalcor

Aluminium rolling division (Elval)

By continuously investing in research and development and through an established global commercial network, Elval offers reliable, innovative and competitive solutions that meet the most demanding requirements of its customers.



State-of-art facilities



Reliable and dynamic aluminium solutions provider



50 years' experience serving a global customer base



Innovative and high value-added solutions



Sales in more than 60 countries

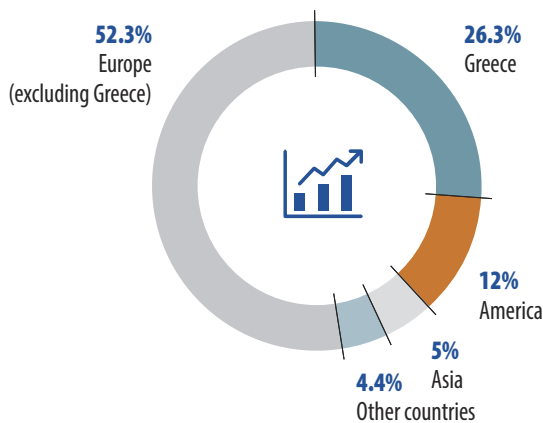
Aluminium rolling division (Elval) processes, manufactures and markets flat rolled aluminium products and solutions for diverse and demanding applications. With years of experience in aluminium rolling division, it is one of the most important aluminium industries in the European and international markets. Elval serves dynamic markets including:

- Packaging
- Sea, road and rail transportation, automotive, shipbuilding

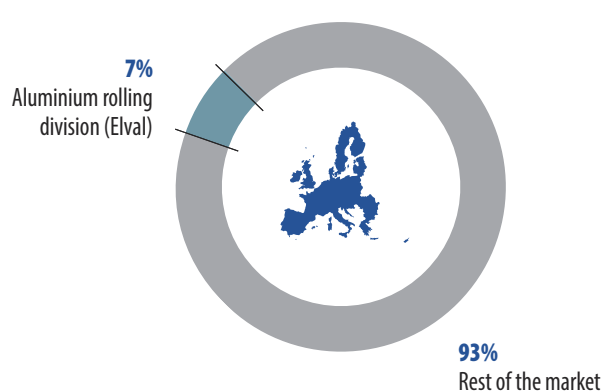
- Building and construction
- Energy and power networks
- Cookware
- HVAC&R (heating, ventilation, air conditioning and refrigeration)
- Renewable energy.

In 2018, ElvalHalcor's aluminium rolling division showed a 4.7% increase in sales volume, compared to the previous year.

Geographical breakdown in Aluminium rolling division (EUR)



European market shares (aluminium rolling products)*



* All the above are based on data of the Company

It is noted that a large part of the domestic sales are attributed to the subsidiary Symetal S.A. which is highly export-oriented, with direct and indirect exports accounting for 85% of total sales.

1. About ElvalHalcor

ElvalHalcor's copper tubes division offers innovative and high value-added solutions to meet wide-ranging customer demands in areas such as plumbing, heating, HVAC&R, renewable energy and industrial production.

In 2018, ElvalHalcor's copper tubes division showed a 6.76% increase in sales volume, compared to 2017.

Copper tubes division (Halcor)

Halcor, with 80 years of experience in the copper processing sector, is a leading Company in the European copper tubes market. It is the sole copper tubes producer in Greece and has a dynamic commercial presence across European and global markets. Halcor's products are available in more than 58 countries around the world.

The company re-assured its presence in the markets that is active, increased its shares in the international market and kept its leading role there.

The Company maintained the leading position in the export of copper tubes to Russia and made its entry into the Australian market, with high value-added products (Talos® XS).



State-of-art facilities



Market leader in Europe
(in copper tubes industry)



Copper tubes plant is the
biggest in the
EMEA region

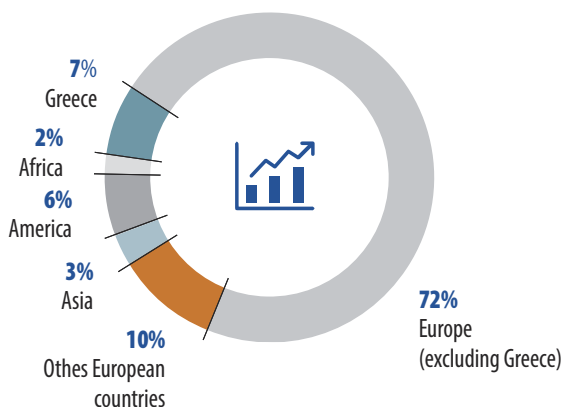


Innovative and high
value-added solutions

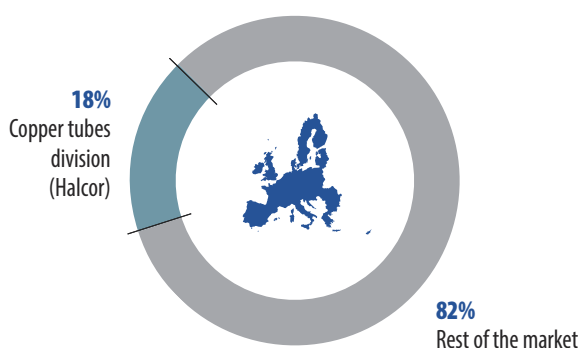


Sales in more than 58
countries

Copper tubes division -
Sales breakdown (EUR)



European market shares
(copper tubes)*



* All the above are based on data of the Company and studies by international copper-related organisations (European market shares).

State-of-art production plants

ElvalHalcor has three industrial complexes at Oinofyta, Viotia. With a vertically integrated manufacturing process and a wide and diversified product portfolio, our state-of-art production plants reflect the Company's investment philosophy of continuous modernisation and innovation. The investment strategies for research and development it has implemented in recent years have allowed ElvalHalcor to rank among the top industries in the sector internationally, creating new standards in aluminium and copper processing.

Aluminium rolling division - Elval

Solutions for a complete range of coated aluminium products used in the packaging industry (food and beverage), sea, road and rail transportation, energy, building and construction and industrial applications.

Capacity: 292,500 tons/year*

* Expected to grow by about 20% on completion of the EUR 150 million investment.

Certifications:

ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007, IATF 16949: 2016, ISO 50001:2011



Copper tubes division – Halcor

Copper tubes plant: copper tubes for heating, water supply, cooling, natural gas transport, air conditioning and industrial use.

Capacity: 80,000 tons/year

Certifications:

ISO 9001: 2015, ISO 14001:2015, OHSAS 18001:2007, ISO 50001:2011



Foundry producing: semi-finished copper products (billets and slabs)

Capacity: 235,000 tons/year

Certifications:

ISO 9001: 2015, ISO 14001:2015, OHSAS 18001:2007, ISO 50001:2011



1. About ElvalHalcor

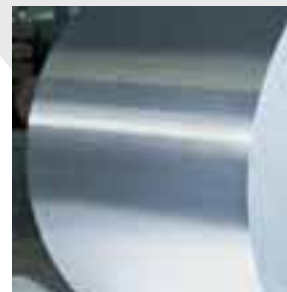
High added value products

Thanks to state-of-the-art technologies that are applied in our facilities, we are able to produce high quality products with technical features and unique characteristics that meet our customers' high standards. ElvalHalcor's products are distinguished for their high quality, reliability, innovative features and high added value. With this competitive advantage, among others, we have succeeded in gaining international recognition, making ElvalHalcor a global leader in aluminium and copper processing.

Flat rolled aluminium products and solutions for:

- Packaging
- Sea, road and rail transportation
- HVAC&R
- Building and construction
- Cookware
- Energy
- Industrial applications markets

www.elval.com info@elval.com



1. About ElvalHalcor



Copper tubes with or without plastic coating or industrial insulation for:

- Water supply and heating networks
- Under floor heating – cooling
- Air conditioning
- Refrigeration
- Solar energy and geothermy
- Natural and medical gas distribution networks

www.halcor.com info@halcor.com



More information about ElvalHalcor's products, see 2018 Annual Report /10 section. Also you can visit our corporate website www.elvalhalcor.com.



1. About ElvalHalcor

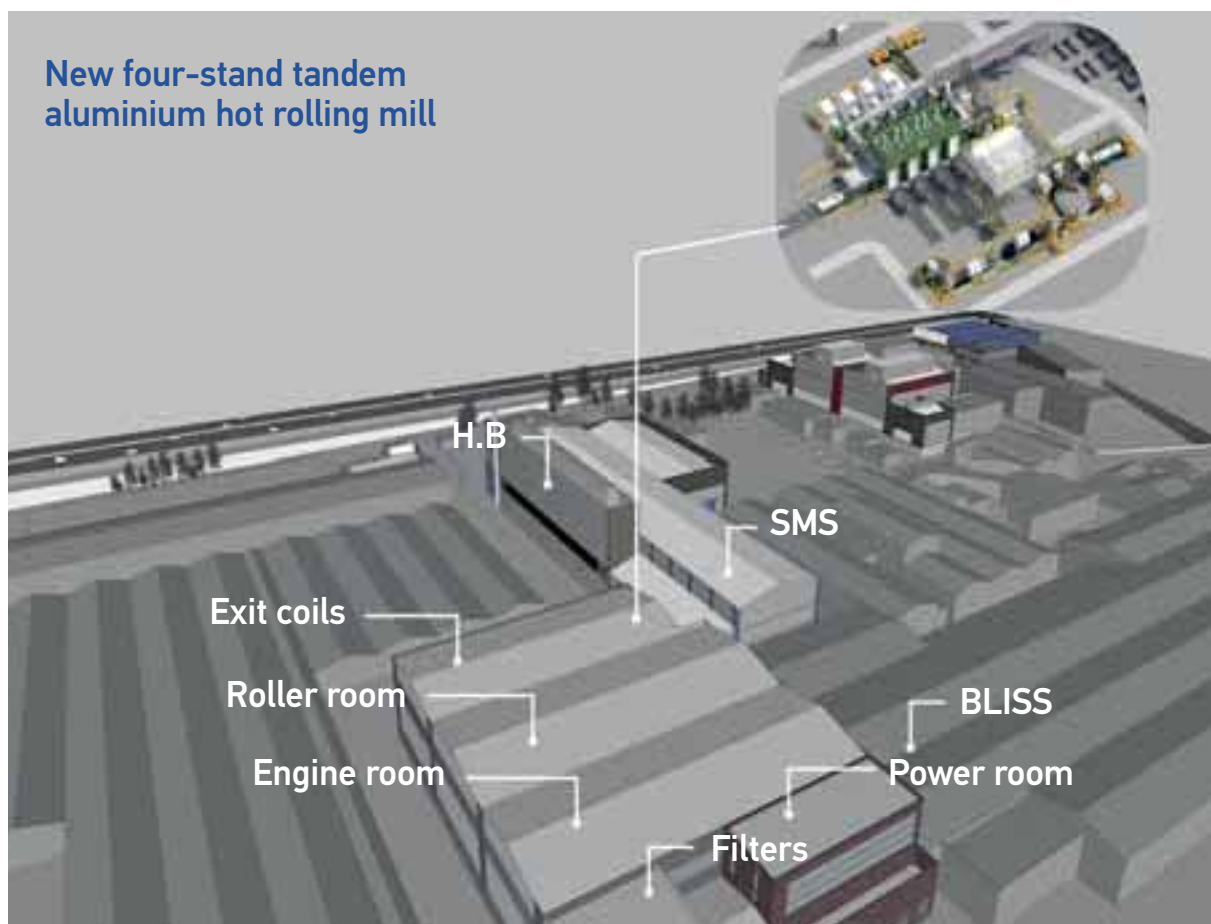
New investments

ElvalHalcor follows a strong investment strategy, which is demonstrated by the fact that over the 2014–2018 period it implemented extensive capital expenditure plans amounted to EUR 225 million. In particular, the aluminium rolling division has made investments of over EUR 181 million and the copper tubes division has completed investments worth EUR 44 million, to upgrade and expand facilities, build state-of-the-art infrastructure and increase production capacity. In addition, in the Company's investment plan, large investments focused on the research and development of know-how and on the production of high value-added products, are of key importance.

In 2018 (on an annualised basis), ElvalHalcor made total investments of EUR 75.4 million. In 2018, the copper tubes division completed its EUR 20 million capital expenditure plan that started in 2017, which contributed, among others, to boosting production capacity by 5,000 tons. In the aluminium rolling division, the implementation of the large investment of EUR 150 million is in progress. In March 2018, ElvalHalcor

signed a contract with the German SMS group GmbH for the supply and installation of a four-stand tandem aluminium hot rolling mill for its production facility at Oinofyta. This investment will reinforce the production capacity of the factory's hot rolling, giving an immediate increase of around 20% in capacity for finished products, also improving costs and quality. In addition, this investment supports the further modernisation of plant facilities, but also introduces the latest state-of-the-art technology to the production process, increases energy efficiency and improves the environmental footprint. Within 2019, the necessary construction works will be completed for the installation of the machine and its parts will be delivered. Completion and commissioning will take place in the second quarter of 2020. With this investment, ElvalHalcor will ensure its position as one of the leading manufacturers of wide tread aluminium sheets in Europe.

More information on ElvalHalcor financial figures is available in our 2018 Annual Report, the Annual Financial Report 2018 (www.elvalhalcor.com/InvestorRelations section).



Governance structure

Recognising the importance of corporate governance principles and the benefits of their adoption, we follow international best practices and international standards in this area to maximise the benefits to our shareholders and generate value for all stakeholders and for society as a whole. As a listed company, it complies with the relevant national and international laws on corporate governance, incorporating regulations and compliance practices into its mode of operation. Furthermore, to enhance corporate transparency and audit mechanisms, effective management and optimal operational performance:

- voluntarily adopted the Hellenic Corporate Governance Code (EKED)⁽¹⁾
- implement an Internal Operating Regulation⁽²⁾
- established and implement a Code of Conduct and Business Ethics⁽²⁾.

- (1) The Corporate Governance Code (EKED) is available online at http://www.ecgi.org/codes/documents/hellenic_cg_code_oct2013_gr.pdf. More information on the Code is provided in the Company's 2018 Annual Financial Report (section: Corporate Governance Statement).
- (2) The Internal Operating Regulation is approved by the Board of Directors and the Code of Conduct and Business Ethics is binding for all employees, has been communicated to all human resources and is available in the company website www.elvalhalcor.com.

More information on ElvalHalcor's corporate governance and on the composition and responsibilities of the Board, the responsibilities of the Chairman of the Board, its committees (responsibilities, composition, object) at Board level is listed in the Annual Report 2018, the Annual Financial Report 2018 (p. 27-35), and in the company website www.elvalhalcor.com (Investor Relations / Corporate Governance / Board of Directors section).

Participations in networks and organisations

ElvalHalcor participates in networks, organisations, bodies, associations and sectoral or other business clubs to exchange know-how, views and best practices in the copper and aluminum industry.

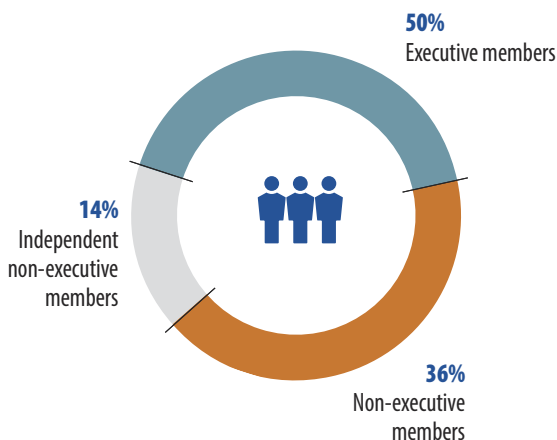
ElvalHalcor participates:

- actively in Hellenic Production (<https://hellenicproduction.org/>)
- actively in CSR Hellas since 2009 as main member
- as a founding member of the Federation of Recycling and Energy Recovery Industries
- actively in the Hellenic Federation of Enterprises (SEV)
- as ordinary member at Athens Chamber of Commerce and Industry (EBEA)
- as (founding) member in the Federation of Sterea Ellada Industries (SBSE)
- as ordinary member at Hellenic Union of Industrial Consumers of Energy (UNICEN)
- in the Union of ASE Listed Companies.

Halcor - Copper tubes division participates intensively as (founding) member in the Hellenic Copper Development Institute (EIA), as member in the International Copper Association (ICA) since 1996 and as an ordinary member in standard drafting committees of the European Committee for Standardization (CEN).

Elval - Aluminium rolling division participates as a member of the European Aluminium Association, as a founding member of Aluminium Association of Greece and as a founding member of Hellenic Recovery & Recycling Corporation.

Board of Directors composition



1. About ElvalHalcor

Distinctions - Awards

It is important that our effort be acknowledged by a distinction. Any recognition is a great honour for us and an encouragement to continue our work with new strength and inspiration, investing even more intensively in business practices aimed at sustainability.

«True Leaders» distinction

An important distinction for the Company's outstanding performance, improved financial results and enhanced human resources. ElvalHalcor has been recognised, for the 7th consecutive year, as "True Leader" (for the financial year 2017) by ICAP.



"True Leader" recognises and rewards Companies and Groups that combine four objective and measurable criteria: profitability, staff growth, high credit standing and a leading position in the industry.

Diamonds of the Greek Economy Awards 2018

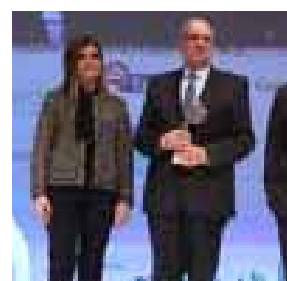
ElvalHalcor, as one of the most dynamic and fast growing Greek companies, was distinguished in the context of the "Diamonds of the Greek Economy 2018" business excellence awards. These awards event organized by New Times Publishing (under the auspices of the Hellenic Federation of Enterprises).

«Growth Awards» 2019

ElvalHalcor gained a significant distinction in the "Investments" category in the growth and competitiveness awards "Growth Awards".

ElvalHalcor's vice chairman, Mr. Dimitris Kyriacopoulos, received the award and made the following statement: "This award is about our investing activity, up to 2017, but we do not stay there. In 2018, the implementation of a new large investment project was launched to increase production capacity in the ElvalHalcor aluminium rolling division. ElvalHalcor believes and invests steadily in Greece. For the future we will continue in that way".

"Growth Awards", a joint initiative of Eurobank and Grant Thornton, rewarded seven (7) companies for their best practices, contributing to the formation of a new perspective on the Greek business scene.



Responsible business of our subsidiaries

We promote the concept of Sustainability and encourage our subsidiaries to apply responsible practices. There follows a summary of Sustainability details for ElvalHalcor's main subsidiaries:

- Aluminium segment: Symetal S.A., Elval Colour S.A. and Vepal S.A.
- Copper segment: Fitco S.A. and Sofia Med S.A.

1. About ElvalHalcor



Symetal S.A.

Established in 1977, Symetal produces a wide variety of aluminium foil products (from 6 to 200 microns) and aluminium flexible-packaging materials.

Symetal has two production facilities - the foil rolling plant located in Oinofyta and the foil converting plant located in Mandra.

Foil rolling plant (Oinofyta, Viotia)

The rolling plant specialises in the production of plain aluminium foil in a wide range of thicknesses and alloys for various uses, including flexible and pharmaceutical packaging, food containers, household and various technical applications (batteries, cables, insulations, heat exchangers etc.). The unit's annual production capacity is 52,000 tons.

Foil converting plant (Mandra, Attica)

The unit's annual production capacity is 26,000 tons. The converting plant carries out aluminium foil coating and/or paper lamination for products used for food and pharmaceutical packaging, and cigarette inner liners.

Following an EUR 8 million investment plan (new state-of-the-art three station lacquering machine), the plant is now one of the most advanced in the world.

With more than 40 years' experience in aluminium foil rolling and processing, Symetal offers tailor-made and sustainable foil solutions. The Company is highly export-oriented with 95% of its sales carried out into over 60 countries across the globe and follows a dynamic commercial policy focused on expanding into markets where demand is particularly attractive, such as the pharmaceutical foil packaging market.

Symetal's customers are large multinationals such as Amcor, Constantia, Imperial Tobacco, Japan Tobacco International and Wrigley.

Symetal follows a business development model that is based on Sustainability principles and characterised by a continuous improvement and development approach. It is worth noting that since the beginning of its activity, the Company has managed to increase the size of the production facility over thirty times. This is mainly thanks to its extroversion and investment policy. An important part of Symetal's investment plan are large investments focused on optimising production processes and manufacturing of high added-value products. In 2018, Symetal made investments totaling EUR 4.3 million in order to increase its production capacity and improve product quality.

1. About ElvalHalcor

Symetal's products and services stand out for their top quality. The Company makes continuous investments to improve its production processes and product controls and upgrade its services, turning their high quality into a competitive advantage.

Production of battery foil for electromobility and energy storage

Following the latest global energy developments, the transition from combustion engines to electric motors as well as the generation and storage of electric power in household batteries and micro-grids are expected to grow rapidly in the next decade. The ultimate goal is a progressive dominance of electromobility, as well as a significant growth in solar energy production.

As a result, markets are intensively preparing to produce large quantities of rechargeable lithium-ion batteries and super-capacitors. Both technologies are expected to cover the constantly increasing needs for energy storage, either mobile or stationary. Battery foil is one of the most important structural elements of batteries and super-capacitors, used not only in the cathode but also as a hermetic shell in each individual energy storage cell.

Over the past two years, Symetal has made significant steps towards developing battery foil technology, as well as penetrating existing and emerging markets in Europe and America. Battery foil is a high-tech product, particularly demanding in terms of quality and technical specifications. Using the extensive experience of the foil production plant at Oinofyta, Symetal managed to create a wide range of top-of-the-line battery foil products, successfully serving customers in Europe.



1. About ElvalHalcor

Economic performance

The Company's focus on producing high value-added products, combined with increased demand for aluminium products from Europe and America, contributed to increased sales and acknowledgement of positive results for the fiscal year closed.

The sales volume amounted to 68.8 thousand tons, surpassing by approximately 3 thousand tons the corresponding sales of the previous year (2017: 65.8 thousand tons). Turnover amounted to EUR 243.4 million, showing 10% increase compared to 2017. The positive trends of the aluminium market and the rational management of the Company's production resources led to the increase of operating results. As a result, earnings before tax (EBT) amounted to EUR 12.6 million, while earnings after taxes amounted to EUR 9.3 million.

Key financial figures	2018	2017	2016
Revenue (EUR million)	243.4	220.3	202.8
EBT (EUR million)	12.6	5.1	5.8
Earnings after taxes (EUR million)	9.3	3.4	4.4
Capital expenditure plan (EUR million)	4.3	2.5	2.3
Operating cost (EUR million)	232.7	214.6	196.5
Wages and employee benefits (EUR million)	14	12.8	12.3
Sales volume (thous. tn)	68.8	65.8	65.2

Care for our people

Our human resources management strategy is based on a people-oriented approach, focusing on employees' long-term engagement. Our main goal is to attract, retain and develop professionals capable of coping with the ever-changing business environment, in a constantly evolving industry, that requires a high level of expertise. At Symetal, we are committed to providing a working environment of equal opportunities, respecting individuality, recognising and rewarding contribution, and supporting the continuous development of employees.

Workforce data (31/12)	Women	Men
2018	37	347
2017	36	313
2016	34	310

For another year, we managed to increase our headcount by 10%. In 2018, Symetal welcomed 57 new employees, 39 of whom came from the local community. The turnover rate stood at 4.7%.

Workforce age profile

Age	Women	Men
18-30	12	78
31-50	20	226
51+	5	43

Learning and development

We consistently invest in our people, focusing on their continuous development, designing and implementing high added-value training programs. For 2018, the applied learning programs included 5,338 training hours in total, with an average of 13.9 hours per employee. At the same time, the Company provides training to third-party employees, to ensure that the protection of Occupational Health and Safety remains at high levels.

Boosting our internal communication

In 2018, we run the second issue of our internal Newsletter, called "Symetal's world". This publication is issued annually and is a very important communication tool, as it provides information on our priorities, achievements, distinctions and corporate goals, while presenting Sustainable Development issues and related actions taken by Symetal.

1. About ElvalHalcor

Participation in the Athens Classic Marathon

For the second consecutive year, Symetal participated in the 36th edition of the Athens Classic Marathon (November 2018). The Company's running team, consisting of men and women, participated in the 5 and 10 km races, supporting the NGO "Make a Wish Greece". The Symetal family is particularly proud of participating in this unique event, as it reflects the desire for continuous improvement on a personal and a team level.

Athens Half Marathon

In 2018, Symetal participated for the first time with two teams, at 5 and 21 km races in the 7th edition of the Athens Half Marathon (March 2018). All runners crossed the finish line with good results, sending a positive message about the importance of physical activity and team spirit.

Occupational Health and Safety

We have set the protection of the Health and Safety of our people and associates as a top priority, and we are committed to meeting all the necessary safety standards. This is demonstrated by our Occupational Health and Safety policy and our continuous improvement in this field. Our approach to managing Occupational Health and Safety issues includes the implementation of a certified Occupational Health and Safety Management System (OHSAS 18001:2007), as well as targeted training and awareness raising for employees, so as to create a safety culture.

Additionally, in 2018, the following actions were carried out at the Company's facilities.

Foil rolling plant (Oinofyta, Viotia)

- Expanding the L.O.T.O (Lockout Tagout) system during maintenance work (theoretical and practical training).
- Improvement interventions for the maintenance of the outdoor spaces of the facility.
- Fire safety and fire protection training, with emphasis on practicing in a free, appropriate place.
- Extension of application of epoxy paint to the existing network of passageways of the facility.

Foil converting plant (Mandra, Attica)

- Installation of a new fire extinguishing system in the stores.
- Placement of rockwool panel in warehouses.
- Painting walkways in warehouses for the safe movement of workers.
- Creation of new parking spaces.
- Pilot implementation of L.O.T.O. system during maintenance work (theoretical and practical training).

Occupational Health and Safety performance

	2018	2017	2016
Lost time incident rate (LTIR)	3.4	9.8	13.3
Severity rate (SR)	159	216	125

* LTIR: Lost time incident rate (number of LTI incidents per 10⁶ working hours)

** SR: Severity rate (number of lost work days per 10⁶ working hours)

Environmental responsibility

For Symetal, environmental protection is a concept intertwined with the Sustainable Development of the Company and a key pillar of its business strategy. Our responsibility is expressed through targeted, systematic and everyday practices that combine responsible environmental management with efforts to reduce our environmental footprint.

Our self-commitment in this field is reflected in the implementation of an environmental policy and translated into action:

- by implementing a certified Environmental Management System (ISO 14001:2015) in all of our production units
- through our coordinated programs and actions that aim to continuously improve our environmental performance.

1. About ElvalHalcor

All of us together and each one separately, must promote environmental protection in practice. To strengthen this culture, at Symetal, we put great emphasis on sharing information with our employees and associates, and on training and raising employees' and associates' awareness about relevant issues.

As far as waste management is concerned, we focus on measures to prevent waste generation (source reduction) and on waste management measures, such as waste reuse and recycling or energy recovery.

Environmental performance	2018	2017	2016
Total CO ₂ emissions (Kg CO ₂ /tn of product)	443	465	423
Water consumption (m ³ /tn of product)	0.555	0.585	0.555

Note: For the calculation of the indirect CO₂ emissions for the years 2017, 2018, the coefficient 0.62497 kg CO₂/KWh has been used (source: European Residual Mixes 2017, AIB).
The tons of product (t) relate to the tonnage of the facilities' production in the respective years.

Energy audit and certification of Energy Management System

In order to showcase all actions taken to increase the energy efficiency of Symetal's production facilities, an energy audit was carried out at both plants, in September 2018.

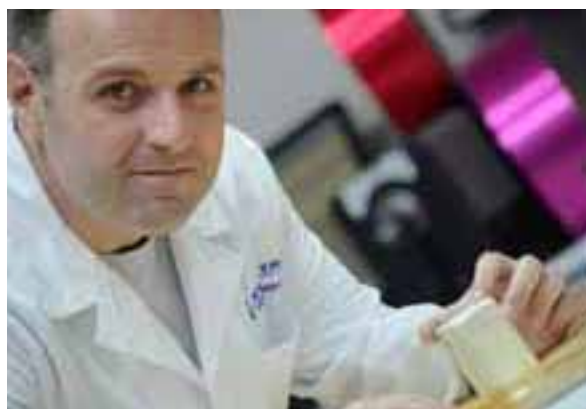
The energy audit was carried out by a Siemens specialists audit team in accordance with the guidelines of the Energy Efficiency Directive 2012/27 / EU, which has been incorporated into our National Legislation through Law 4342/2015 and Joint Ministerial Decision 178679/2017.

The certification of the Energy Management System in accordance with the requirements of the international standard ISO 50001:2011 was successfully completed by a certification body in December 2018 for both Symetal's production units.

Responsibility towards society

We invest in maintaining a two-way and close relationship with the local communities in which we operate. Thus, we support initiatives that reinforce Sustainable Development. In 2018 we responded with extreme sensitivity to issues that concerned the local community.

Our goal is to constantly contribute to the development of local communities. It is worth noting that 53% of our human resources comes from local communities. At the same time, by supporting local entrepreneurship, in 2018 we increased our cooperation with local suppliers by 4.1%. We collaborated with 204 suppliers from the local area, while the total value of payments to them amounted to EUR 108 million (the largest share of which concerns the parent company ElvalHalcor, one of the main suppliers of raw materials).



1. About ElvalHalcor

Elval Colour S.A.

Elval Colour is a leading European coil coater and aluminium composite panel producer with green products that contribute to sustainable buildings. The Company manufactures and sells a full range of building envelope products of superior quality and latest technology.

With over 40 years' experience in coating and colour matching, Elval Colour is a reliable partner that offers value-added services to customers by assisting in product specification and selection to best suit the needs of any project/application. The production and delivery of products is based on a customer-oriented strategy and the commitment shown by the Company towards its customers.

The Company's plant at Agios Thomas, Viotia houses production lines for composite panels intended for architectural applications, corporate profile applications and signage, as well as applications in transport. A wide range of painted aluminium coils and sheets are also available for guttering, shutters, facades, ceilings, and special construction purposes.

Elval Colour offers to architects and construction firms aluminium products such as painted orofe® panels and strips for ceilings, Ydoral® strips and parts for guttering, Elval ENF Corrugated® sheets, Elval ENF Perforated® sheets, compact aluminium Elval ENF® sheets for building facades, composite aluminium etalbond®PE- etalbond®FR - etalbond®A2 panels, and Agraphon® and Arypon® functional coating systems. Elval Colour, with this wide range of building envelope painted aluminium products, focuses on the reduction of a building's energy footprint. The Company aims to offer comprehensive solutions that can bring an architectural vision to life, playing a dynamic role in the development of architecturally innovative spaces where top quality and sustainability are vital.



Elval Colour's products come in a wide range of basic colours and painting systems, and tailor-made colours can also be ordered, allowing the Company to meet its customers' diverse needs and requirements.

More information about the Elval Colour's products can be found on the Company's website <http://www.elval-colour.com>.

Continuous research and development in various fields allows the steady improvement of technology, quality, and environmental standards. It also aims to optimise the composition of all Elval Colour products, as well as drive the development of new paint surfaces that substitute natural materials not only in shade but also in texture, such as GFRC ceramics, wood and marble, as well as a revolutionary aluminium substrate that can provide painted aluminium products lasting up to 40



1. About ElvalHalcor



years with Cr-free passivation. Additionally, the Company offers the new range of composite panels with anodized aluminium surfaces with 20 µm anodizing, that are unique in the industry.

With a strong export orientation, 98% of Elval Colour's sales are made outside of Greece. Key markets include Germany, Italy, Poland, France, Singapore, India and China.

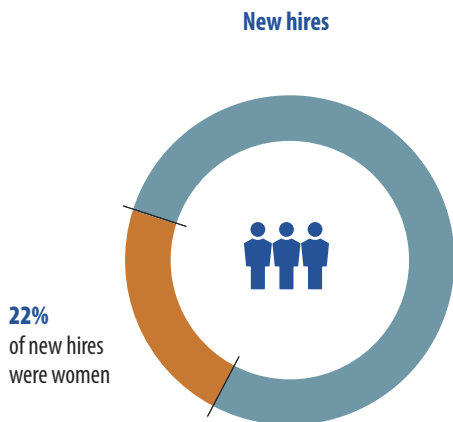
Elval Colour was distinguished in the "Environmental Awards 2018" in the Energy Mastering category in collaboration with Redex S.A., for the project to reduce the consumption of electricity - CO₂ emissions - Power Quality Optimization Systems (P.Q.O.S.).

The Company is a member of the European Aluminium Association, and a member of the European Coil Coating Association. ElvalColour has management systems certified in line with the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 standards.

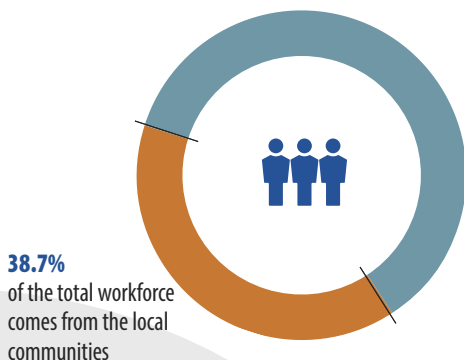
1. About ElvalHalcor

Care for our people

Elval Colour's primary priority is to provide all employees with a safe working environment of fair reward and equal opportunities for development, with a strong emphasis on continuous training and development. Additionally, Elval Colour seeks to cultivate a climate of continuous recognition and rewarding of employees' efforts, in accordance with its corporate principles and values.



Employees from the local community (%)



Workforce data (31/12)

	Women	Men	New hires	Employee departures
2018	11	69	9	11
2017	12	70	17	6
2016	9	62	25	11

Workforce age profile

Age	Women	Men	Percentage
18-30	1	8	11%
31-50	10	48	72%
51+	0	13	16%

Elval Colour aims to promote the lifelong learning of its people and to strengthen the professional skills and abilities needed to meet business challenges. The training plan for 2018 comprised a total of 1,095 training man hours.

Occupational Health and Safety

The protection of the Health and Safety of our employees and associates is a top priority for Elval Colour. The Company aims to constantly improve its performance in this area, by implementing every best practice that will help achieve the goal of "zero accidents". The Company applies a certified Occupational Health and Safety Management System (OHSAS 18001:2007) and also implements targeted programs and actions, such as:

- 5S training.
- Safety walks.
- Ongoing and targeted employee training on Occupational Health and Safety.
- Stepping up health and safety audits and the recording of near misses.
- Upgrading of fire protection systems.

1. About ElvalHalcor

Health and Safety indicators

	2018	2017	2016
Lost time incident rate (LTIR)	8.96	12.8	21.3
Severity rate (SR = LDR)	67,2	115	128

LTIR: Lost time incident rate (number of LTI incidents per 10⁶ working hours)
SR: Severity rate (number of lost work days per 10⁶ working hours)

Environmental responsibility

Elval Colour is committed to protecting the environment through targeted actions that matter. Striving to constantly reduce our environmental footprint, we apply responsible operating practices and implement a certified Environmental Management System (ISO 14001:2015) and we invest in new infrastructures that strengthen environmental protection.

Environmental performance

	2018	2017	2016
Total CO ₂ emissions (Kg CO ₂ /tn of product)	987	1,093	945
Water consumption (m ³ /tn of product)	0.54	0.47	0.24

Note: For the calculation of the indirect CO₂ emissions for the years 2017, 2018, the coefficient 0.62497 kg CO₂/KWh has been used (source: European Residual Mixes 2017, AIB).
The tons of product (t) relate to the tonnage of the facilities' production in the respective years.

In 2018, the implementation of the Power Quality Optimisation System began in the electrical installation of the Oinofyta Plant, which resulted in:

- reduction in electricity consumption (KWh)
- reducing the demand for electric power (KW)
- increasing the efficiency and lifetime of electromechanical equipment
- reduce and / or eliminate unintentional interruptions in operation and destruction of compensation equipment (capacitors).



Responsibility towards society

Elval Colour aims to ensure a positive impact on society in general, and on local communities close to its activities. Elval Colour contributes significantly to the economic development of the local area, supporting local employment (giving priority to hiring locally) and entrepreneurship (seeking cooperation with local suppliers).

Furthermore Elval Colour systematically supporting programs and actions that affect society. In 2018, the Company supported:

- The Youth Symphony Orchestra of Greece, sponsoring their concert.
- Karate champion Christina Nika to participate in European and world championships.
- Médecins Sans Frontières.
- The Epikouros Movement for Parkinson's Disease.
- The Recycling Programme for plastic bottles used by runners during the Athens Classic Marathon.
- The Team of the World "Institute Team for the World - Environmental Alliance 2004+" organization (The program for collecting used sports shoes and clothing).
- The Syrian refugee Shelter, in cooperation with the Arab-Hellenic Chamber of Commerce and Development.

1. About ElvalHalcor

Vepal

Vepal produces painting aluminium strips for architectural and automotive applications. The Company's products are marketed by Elval Colour and ElvalHalcor's aluminium rolling division.

(for more information about Elval Colour's products, visit our websites: <http://www.elval-colour.com> and <http://www.elvalhalcor.com>)

Vepal's cutting-edge production plant in Thiva has a total annual production capacity of around 45,000 tons. Aluminium sheets and coils intended for architectural and industrial applications, the automotive industry and food packaging are painted at the Thiva plant using wet and electrostatic painting methods. The unit has implemented a comprehensive environmental management system, utilises zero emission systems for gas and liquid waste.

Vepal implements management systems certified in line with the ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 standards.

Our strategic choice is to implement responsible operating practices. In this effort Vepal emphasize and effectively focus its actions on the crucial pillars of corporate responsibility: Economy, Society, Environment.

Care for our people

With responsibility, Vepal provides a working environment of equal opportunities that respects the personality and substantially and systematically invests in its people, focusing on their continuous training and professional advancement.



Workforce data	Women	Men
2018	8	93
2017	7	92
2016	7	86

Occupational Health and Safety

It is our commitment to provide a safe working environment, focusing on prevention by taking all the necessary measures. For the integrated management of health and safety issues we apply a certified Occupational Health and Safety Management System (OHSAS 18001: 2007), and implement programmes and actions aimed at promoting and strengthening the "safety culture", such as:

- Continuous training and awareness raising for employees and permanent associates on safety, health and fire safety issues.
- Continuous sensitisation of staff to make suggestions for improvement of safety and health conditions through the implementation of a relevant proposal and award programme.
- Continuous enrichment of the Company's procedures with safe working instructions.
- Carrying out regular and surprise audits by an expanded team of Company executives.



- Installation of anti-slip tapes on all the vertical stairs of the factory.
- Installation of an Inergen fire suppression system battery pack at the primer dye head area.
- Installation of a new foam generator, permanently connected to the water network in the basement of the Finish head of Line 1.
- Replacing and renewing factory labels based on the findings of the facility's Occupational Risk Assessment reviews.
- Placing bumpers on Line 1 machines in places where they did not exist or were inadequate.

Health and safety indicators	2018	2017	2016
Lost time incident rate (LTIR)	8.4	8.5	17.2
Severity rate (SR=LDR)	33.5	374	528

LTIR: Lost time incident rate (number of LTI incidents per 10⁶ working hours)
 SR: Severity rate (number of lost work days per 10⁶ working hours)

Environmental responsibility

We always operate with respect for the environment in order to constantly reduce our environmental footprint. The Management's commitment in this area is reflected in the environmental policy established and implemented by Vepal, and is also reflected, in practice, in the implementation of a certified Environmental

Management System (ISO 14001:2015). Additionally, significant investments are made, on an annual basis, to improve infrastructures and ensure environmental protection, as well as to continually improve the Company's environmental performance.

Environmental performance	2018	2017	2016
Total CO ₂ emissions (Kg CO ₂ /tn of product)	379	421	381
Water consumption (m ³ /tn of product)	0.17	0.22	0.19

Note: For the calculation of the indirect CO₂ emissions for the years 2017, 2018, the coefficient 0.62497 kg CO₂/KWh has been used (source: European Residual Mixes 2017, AIB).
 The tons of product (t) relate to the tonnage of the facilities' production in the respective years.

Vepal's production plant (Thiva, Viotia) was one of the first plants in Greece to implement a comprehensive wastewater recycling system.

Responsibility towards society

Firmly committed to strengthening its ties with the local community where it daily operates, Vepal seeks to implement social responsibility practices and actions, so as to contribute to the prosperity of local communities. To this end, the Company strives to meet its needs in human resources through the local labour market. At the same time, the Company supports local entrepreneurship through the selection of suppliers / associates from local communities.

1. About ElvalHalcor

Fitco S.A.

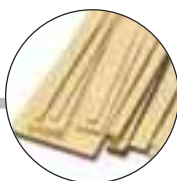
Fitco S.A. (100% subsidiary of ElvalHalcor S.A.) specialises in producing copper alloys and has operated commercially worldwide for more than 35 years. Its production unit is located at Oinofyta - Viotia, with a capacity of 40,000 tons annually. The Company's products are manufactured through hot or cold extrusion and include the following:



Copper alloy bars



Copper alloy profiles



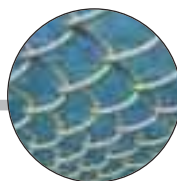
Copper alloy blades



Copper alloy tubes



Wire and UR30® copper alloy matrix for aquaculture applications



Copper alloy wires



The raw materials used come exclusively from recycled copper and brass in billet form.

For more information about the company's profile and products, you can visit the corporate website www.fitco.gr

1. About ElvalHalcor



Market presence and key financial figures

Fitco is highly export-oriented, with 76% of production being directed to foreign markets. Regarding the results of the year 2018, the revenue amounted to EUR 81.7 million while the sales volume amounted to 22,070 tons.

Key financial figures	2018	2017	2016
Revenue (EUR million)	81.7	65.5	43.7
Net profit / (loss) after taxes (EUR million)	(0.3)	(0.1)	(1.9)
Capital expenditure plan (EUR million)	0.2	0.6	0.4
Operating cost (EUR million)	78.2	62.1	42.4
Employee wages and benefits (EUR million)	4.1	3.6	3.2
Sales volume (thousand tons)	22,070	19,815	13,673

Note: The data presented in brackets above are negative.

High product quality and services

Fitco strives to continuously improve the quality of its products and services. Fitco's ongoing goal is to provide innovative products through new technological processes, so as to maintain a strong competitive position. For this reason Fitco systematically invests in improving production processes and product control.

To ensure product high quality, Fitco implements a certified Quality Management System (ISO 9001:2015). A fully staffed quality assurance department with qualified carries controls at all stages of production. The quality control procedures applied are validated through frequent audits by customers and, also, through inspections by independent Greek and international certification bodies.

Compliance with the high quality standards of the CW510L and CW511L alloy products is proven by the NSF certification mark displayed (suitability for use in applications coming into contact with drinking water). Fitco's products meet the leading European and American quality standards (EN, DIN, BS, ASTM, JIS).

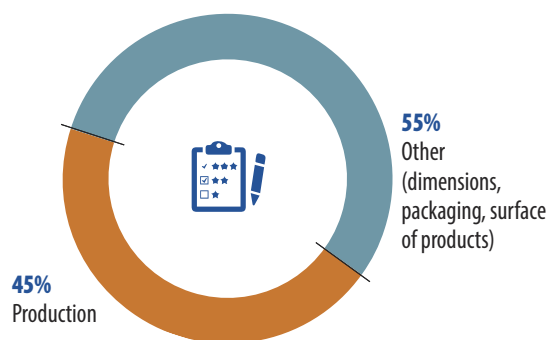
Customer satisfaction

Proof of our customer oriented policy is that Fitco monitors and records customer satisfaction levels in a systematic and organised manner through frequent customer satisfaction surveys. Evaluation of survey results helps Fitco to plan improvement actions where necessary.

Customer complaints management

Possible complaints are an important source of information for us and, where necessary, an opportunity to further improve and redesign processes. All complaints were answered and handled appropriately and directly.

Customer complaints per category



1. About ElvalHalcor

Innovation and development of products and technology

The Company focuses on continuous development, constantly investing in research and know-how to produce innovative products.

Product innovations: New copper alloys with low lead content ("Free Brass")

The progressively stricter European and American regulations, combined with studies on lead solubilisation in drinking water, gave rise to the development of lead-free brass alloys with maximum permissible lead content limit of 0.2% by weight. The new brass alloys with low lead content is certified under the NSF/ANSI 372-2011 standard and included in the NSF list. Therefore, the "Free Brass" alloys, CW510L CW511L, are suitable for use in applications where there is contact with drinking water (e.g. faucets, plumbing fittings, forged valves, etc.). Moreover, the scraps and the turnings can be recycled without any problem of mixing with basic leaded alloys.

UR30® copper alloy wire and mesh for aquaculture applications



Fitco produces the UR30® Copper Alloy Net, specially designed for aquaculture applications. This special copper alloy UR30® has as its main components copper, zinc and tin. The UR30® wire takes the form

of a net in special shaping machines. The net is of the link-chain type and is provided with square openings. The UR30® alloy net retains all the environmentally friendly properties of copper, providing an ideal solution for sustainable aquaculture. High strength, corrosion resistance and copper's anti-fouling properties make it an ideal material for use in aquaculture.

The high strength, corrosion resistance and anti-fouling properties of copper make it an ideal material for use in fish farming and for fish welfare.

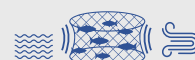
Offering a cleaner, safer and healthier environment, the UR30® copper alloy mesh improves the health and welfare of fish, providing significant economic, environmental and management benefits to modern fish farming.

For more information please visit the webpage: <http://www.ur30net.com/el/>

Benefits of UR30® copper alloy net



Prohibits predation and prevents escapes



Maintains cage volumes



Reduces maintenance cost



Improves fish health and welfare



Environmentally friendly



Fully recyclable after a long service life

Supply chain

To support the local community, Fitco chooses, when possible, to collaborate with local suppliers.

Supplier categories	Number of suppliers		
	2018	2017	2016
Local suppliers	88	95	76
National suppliers	490	454	454
International suppliers	116	111	86
Affiliated companies	20	21	29
Total	714	681	645

An important part of Fitco's raw material supplies is covered by using scrap metals. This results in both protecting natural resources and drastically reducing energy usage to produce the Company's products, over their life cycle.

Copper scrap proportion to total metal purchases

	2018	2017	2016
Copper scrap	33%	34%	39%
Metals	67%	66%	61%

1. About ElvalHalcor

Care for our people

Fitco seeks to create a working environment that reflects respect for human rights and provides equal opportunities to all employees.

12%

women in total workforce

33%

workers from the local community

Workforce data (31/12)

	Women	Men
2018*	14	107
2017	12	88
2016	13	82

* Including Board of Directors members

In 2018, Fitco increased jobs by 5.2% (a total of 25 recruits). All employees of the Company have employment contracts and work full-time. 33% of Fitco employees come from the local area (the wider region of Viotia and Evia).

Workforce age profile

Age group	Women	Men
18-30	1	14
31-50	10	55
51+	3	38

According to the breakdown of our employees by age group, 66% of the workforce belongs to the 18-50 age group. We methodically invest in the continuous training of our employees, to enhance their knowledge and skills, and improve their efficiency.

Occupational health and safety

Fitco has set as a priority the design of measures to predict and prevent accidents. We apply a certified Occupational Health and Safety Management System in line with the requirements of the OHSAS 18001: 2007 international standard, which involves serious and systematic efforts to continuously improve health and safety at our premises. In 2018, the Company implemented targeted programmes and actions, such as the following:

- Installing lifelines on the ceiling of the bar factory for safer work at a height.

- Filtration unit supply to improve air quality in extrusion.
- Noise measurements per job position, to improve working conditions.
- Revise the Occupational Risk Assessment study in order to recognise and eliminate or minimise occupational hazards.

Health and safety indicators

	2018	2017	2016
Lost time incident rate (LTIR)	19	9.9	8.6
Severity rate (SR=LDR)	262	122	30
Total training hours (health and safety issues)	137	92	87

* LTIR: Lost time incident rate (number of LTI incidents per 10⁶ working hours)

** SR: Severity rate (number of lost work days per 10⁶ working hours)

Environmental responsibility

Our commitment in this area is reflected in the environmental policy that we have established and implement, which is translated into action:

- by applying a certified Environmental Management System (ISO 14001: 2015) to all our production units
- by our commitment to focusing on the realisation of investments that contribute to environmental protection
- through the coordinated programmes and the actions that we implement, which aim at the continuous improvement of the Company's performance in this area.

Environmental performance

	2018	2017	2016
Total CO ₂ emissions (Kg CO ₂ /tn of product)	302	346	269
Water consumption (m ³ /tn of product)	2.72	2.85	2.80

For the calculation of the indirect CO₂ emissions for the years 2017, 2018, the coefficient 0,62497 kg CO₂/KWh has been used (source: European Residual Mixes 2017, AIB). The tons of product (t) relate to the tonnage of the facilities' production in the respective years.

Responsibility towards society

On an annual basis, Fitco, in cooperation with ElvalHalcor's copper tubes division, supports actions that are primarily targeted at local communities. Additionally, the Company covers its personnel needs through the local labour market, while enhancing local entrepreneurship by choosing suppliers, contractors and associates from local communities.

1. About ElvalHalcor

Sofia Med S.A.

Sofia Med (a subsidiary of ElvalHalcor), a company with more than 80 years of history, is based in Sofia, Bulgaria on an area of 250,000 m² and has three production units: foundry, rolling and extrusion mills. Sofia Med produces a wide range of rolled and extruded copper products, as well as copper alloy products, such as sheets, strips, plates, disks, rods, bare and plated copper bus bars, profiles, components, and wires, used in a diverse range of building and industrial applications.



Sofia Med has, as a top priority, Sustainable Development issues, including care for employees, environment protection, occupational health and safety, and high customer satisfaction. The company applies an integrated Quality Assurance System, an Environmental Management System, and an Occupational Health and Safety Management System, according to the requirements of international standards (ISO 9001: 2015, ISO 14001: 2015, OHSAS: 2007). The wide range of the company's products meets the requirements of the European standards (EN) as well as the standards BS, DIN, ASTM, JIS or any other specific customer requirement. In 2018, Sofia

1. About ElvalHalcor



Med successfully completed the certification of the Quality Assurance System in accordance with the IATF 16949: 2016 technical specification for the automotive industry, as well as the recertification of the System according to the new version of the ISO 9001: 2015 standard. Another new certification that was completed in 2018 was that of the company's Energy Management System in accordance with the international standard ISO 50001: 2011. In addition, Sofia Med follows the ISO 26000: 2010 guidelines on Social Responsibility.

For more information on the company's profile and products, please visit: www.sofiamed.bg
<http://www.sofiamed.bg/en/company/corporate-governance/codes-of-conduct>
<http://www.sofiamed.bg/en/capability/csr>

Sofia Med's high efficiency is the result of large capital expenditure plans totaling EUR 190 million, which have been realised over the last 18 years.

2018 was, for Sofia Med, one more successful, profitable and important year. Sales of rolled copper products mainly for industrial use were significantly strengthened, mainly due to increased global demand and, also, because of continued improvement in quality and customer support provided by Sofia Med. Moreover, the implementation of a five-year business plan was completed, primarily focused on business operations, product and procedure development, quality procedures, raw materials management and supply, entry to new markets (automotive industry, e-mobility, deep extrusion products), partnerships with strategic

European partners and increase of market share in existing and new markets (energy, electric applications, e-mobility, decoration).

Major investments realised in 2018:

- A hot melt line for tin-plating of strips was installed - EUR 3.5 million.
- A second brass furnace was installed - EUR 1 million.
- Cross winding line - EUR 0.3 million.
- Cosmec sharpened line - EUR 0.3 million.

Key financial figures

	2018	2017	2016
Capital expenditure plan (EUR million)	9.6	6.8	3.7
Gross profit/(loss) (EUR million)	20.6	24.4	10.4
Sales revenue (EUR million)	526	434	296
EBITDA (EUR million)	22.3	25.1	13.0
EBIT (EUR million)	13.8	17.1	4.8
Working capital (EUR million)	46.7	44.6	39
Debt / Equity (EUR thousand)	0.69	0.79	1.07
Customers (number)	512	517	465
Employees' wages and benefits (EUR million)	9.3	8.3	7.0

1. About ElvalHalcor

The company's core philosophy focuses on a commitment to transparency in all its operations, protecting employees' health and safety and minimising its environmental footprint. Sofia Med implements a series of actions and programmes, such as:

- keeping customer satisfaction at high levels and quality management of products and services
- growth and development of employees and providing equal opportunities at work
- investments in technology that allow higher use of recycled materials and further reduction in direct emissions.

Customer focus

Sofia Med follows a customer-oriented approach, prioritising customer satisfaction. The management's commitment in this area is described in the Quality Policy implemented. According to the company policy, its objectives are:

- the continuous improvement of customer satisfaction
- a high quality of products to ensure they meet customer requirements, as well as maintaining a high degree of effectiveness
- maintaining and improving the Company reputation in terms of quality, customer service and reliability
- its continuous adaptation to new market needs
- its close cooperation with customers to develop specialised bespoke products according to their needs.



Care for our people

Recognising the value of its human assets, Sofia Med invests in its people by focusing on continuous training, personal growth and professional development, applying an equal opportunities policy at all levels. The company is committed to providing a safe working environment with respect for human rights, and to implementing responsible work practices.

Workforce data (31/12)	2018	2017	2016
Men	495	471	450
Women	121	113	110
Total workforce	616	584	560
Employee departures (e.g. retirement, resignation)	139	115	108
Employee hires	171	139	124
Total training hours per employee	6,969	7,631	6,720

On an annual basis, the Company organises social events and educational campaigns for the employees and their families, including:

- "May: Health, Safety and Environment month"
- annual summer children's camp
- annual Christmas children's party
- employees' Christmas party.

As part of its social policy, Sofia Med provides additional health insurance for its employees, a medical centre with a doctor, which operates within the company facilities and a fitness hall.

1. About ElvalHalcor



Occupational Health and Safety

Protecting the health and safety of its employees and contractors is, for Sofia Med, a top priority, as is the goal of “zero accidents”.

Health and safety indicators	2018	2017	2016
Lost time incident rate (LTIR)	8.76	6.45	6.54
Severity rate (SR = LDR)	126	361.9	276.2

* Lost time incident rate (LTIR): number of accidents (LTi) X 10⁶ / number of hours worked
 ** Severity rate = LDR: Lost Work Day Rate: number of days of incapacity for work X 10⁶ / number of hours worked.

Environmental responsibility

Sofia Med has established and implements an integrated environmental policy and is committed to environmentally responsible business. The company's practices in this field aim to continuously improve its environmental footprint and its energy efficiency, while investing in environmental protection infrastructures.

Environmental performance	2018	2017	2016
Total CO ₂ emissions (Kg CO ₂ / tn of product)	720	634	756
Water consumption (m ³ / tn of product)	7.92	9.27	11.03

Note: For the calculation of the indirect CO₂ emissions for the years 2017, 2018, the coefficient 0.62497 kg CO₂/KWh has been used (source: European Residual Mixes 2017, AIB).
 The tons of product (t) relate to the tonnage of the facilities' production in the respective years.

Responsibility towards society

Sofia Med systematically supports actions and programmes related to society. In addition, in order to contribute to growth and sustainability, it gives priority to recruiting employees from the local area and seeks to cooperate with local suppliers. At the same time, it works with various government agencies, technical colleges and universities and provides professional training to students and university graduates.

Participation in networks and organisations

In order to implement the Company's Sustainability Strategy and develop responsible practices, Sofia Med seeks to participate in networks, organisations and related bodies such as:

- European Copper Institute – ECI.
- Hellenic Copper Development Institute – HCDI.
- Bulgarian Association of Metallurgical Industry – BAMl.
- Hellenic Business Council in Bulgaria - HBCB.
- Bulgarian Association of Recycling – BAR.
- Bureau of International Recycling – BIR.



2. Customer-oriented approach

ElvalHalcor's customer-oriented culture and philosophy is based on building reliable and long-lasting relationships with our customers

We have a strong customer focus

With our customers as a priority, every collaboration is characterised by consistency, respect and high quality services and comprehensive solutions.

We maintain an open and two-way communication with our customers, so that we always and fully know their needs and demands. Our flexibility and ability to adapt to our customers' demands is our competitive advantage. We tailor our products and services on an individualised basis to meet specific customer needs and demands in a cost-effective way.

2. Customer-oriented approach

Customer satisfaction

By striving for the utmost satisfaction of our customers, we pay particular attention to quality, consistency, speed of response to demand and the completeness of support services for our products. We take our customers' opinions and comments seriously into account, as an opportunity to continuously improve our services. That is why we conduct customer satisfaction surveys on a regular basis. Our increased market share, combined with the long-term relationships of trust and cooperation with our customers, are important factors that demonstrate high customer satisfaction.

Voice of Business

The copper tubes division conducts an annual customer satisfaction survey (Voice of Customer). In 2018, this survey was conducted electronically through the application survey monkey. At the same time, it conducted an evaluation survey of its Exports' department by partners / subsidiaries / dealers (Voice of Business). The results of these two surveys were evaluated by the Company and discussed with the respective stakeholders, in order to take relevant improvement actions where deemed necessary.

Innovation

Constantly oriented towards innovation, we place great emphasis on research and development of new technologies, to create innovative solutions and value-added products for our customers. Recognising that investing in innovative technologies supports our path to sustainable development, we continue to dynamically strengthen our facilities with state-of-the-art equipment and technologies.

A characteristic example that highlights the Company's successful strategy and at the same time embodies the benefits of research and development, is the operation of the Inner Grooved Tubes heat transfer laboratory within ElvalHalcor's copper tubes



division production plant. The distinctiveness of the heat transfer laboratory is the ability to customise Talos® Inner-Grooved (IGT) and Talos® ACR tubes according to the technical specifications of each customer. In addition, this laboratory is capable of producing technologically innovative tube products for specific applications.

The copper tubes division is one of the few manufacturers that have a laboratory for testing the thermal performance of inner grooved tubes.

Research and development (R&D)

We have a dedicated in-house Research, Development and Technology Departments that allows ElvalHalcor to develop unique solutions and value-added copper and aluminium products for our customers.

More information on ElvalHalcor's innovation is available in the 2018 Annual Report, Section 11 Innovation, as well as on the corporate website: www.elvalhalcor.com (products section).

2. Customer-oriented approach

Elval Solar Black

ElvalHalcor's aluminium rolling division created Elval Solar Black. It is an aluminium strip with a special black paint coating applied to the absorber of the solar energy collectors of thermosyphonic systems, achieving the maximum absorption of solar radiation.



Green Alloy

"Green Alloy" is a metal alloy of 100% recycled aluminium (scrap), with a very small environmental footprint in its production process compared to the production of a corresponding primary aluminium product. "Green Alloy" is produced by ElvalHalcor's aluminium rolling division by using aluminium scrap and is available on the market for the production of green products by the customer.



Talos® Form

ElvalHalcor's copper tubes division manufactures Talos® Form an advanced copper tube with exceptional forming capability. Talos® Form is characterised by the ability to be formed into shapes that require a high degree of elongation. This



advanced forming ability finds application in the manufacturing of critical HVAC&R elements, such as connection fittings for boilers, heat exchangers parts and other intricate-formed components. The use of Talos® Form over standard tubing ensures higher productivity, by requiring a smaller number of forming steps to achieve a precise shape. At the same time, components made from Talos® Form achieve excellent functional quality.

Talos® XS

ElvalHalcor's copper tubes division, due to the growing concern regarding the environmental impact of HFC refrigerant fluids and tougher environmental regulations, has manufactured the Talos® XS copper tubes, made of a high strength copper



CuFe2P to meet the requirements of current high pressure CO₂ systems in cooling, as well as other high pressure applications in the HVAC&R (Heating, Ventilation, Air-Conditioning and Refrigeration) industry. At the same time, Talos® XS copper tubes are manufactured with comparatively thinner walls and thus an economic advantage is achieved that meets the design of the equipment.

2. Customer-oriented approach



Commitment for Quality

Our dedication to customer service and absolute commitment to quality, are a hallmark of ElvalHalcor's identity and, now, a competitive advantage. With the use of state-of-the-art equipment and highly skilled staff, ElvalHalcor ensures both superior product quality and the ability to meet the strictest specifications of even the most demanding customers.

Certified Management Systems

ElvalHalcor's factory units have production lines that operate according to strict standards and are capable of producing products and solutions of high quality and strict requirements. All our production facilities implement a certified Quality Management System (ISO 9001: 2015). In addition, the aluminium rolling division is also certified with the IATF 16949: 2016 technical specification for the automotive industry.

Effective Quality Control

ElvalHalcor's aim is to ensure high quality in the products it offers, also ensuring product conformance to performance criteria, as determined by requirements of international standards, order and customers' requirements. For this purpose, strict quality control is applied on all products, at all stages of production by qualified and trained personnel. All Company products comply with European and American standards and bear international organisations' quality marks.

For us quality assurance means:

- reliability, quick response (immediate service, short delivery times) improvement and growth
- applying international quality assurance standards
- strict audits at all stages of production by qualified and trained staff
- continuous improvement of production processes and product audits
- investing in new infrastructure and state-of-the-art equipment.

Moreover, all aluminium and copper products of ElvalHalcor comply with the specifications of the European Directive 94/62/EC on the management of packaging waste. All our products are accompanied by various quality marks, certifying adherence to high standards, depending on the use.

(For more information on quality management and quality marks in the copper tubes division, please visit <http://www.halcor.com/60/>. At www.elval.com/en/technology all the relevant information is available regarding the aluminium rolling division's quality excellence approach.)



Our 2019 goals

- Enter new markets and further increase existing market shares.
- Further improve and automate internal reports ("live" process control).
- Upgrade existing quality control equipment in the copper tubes division.



3. Creating value

Firmly oriented to the principles of Sustainable Development, we seek to operate responsibly across the whole range of our activities

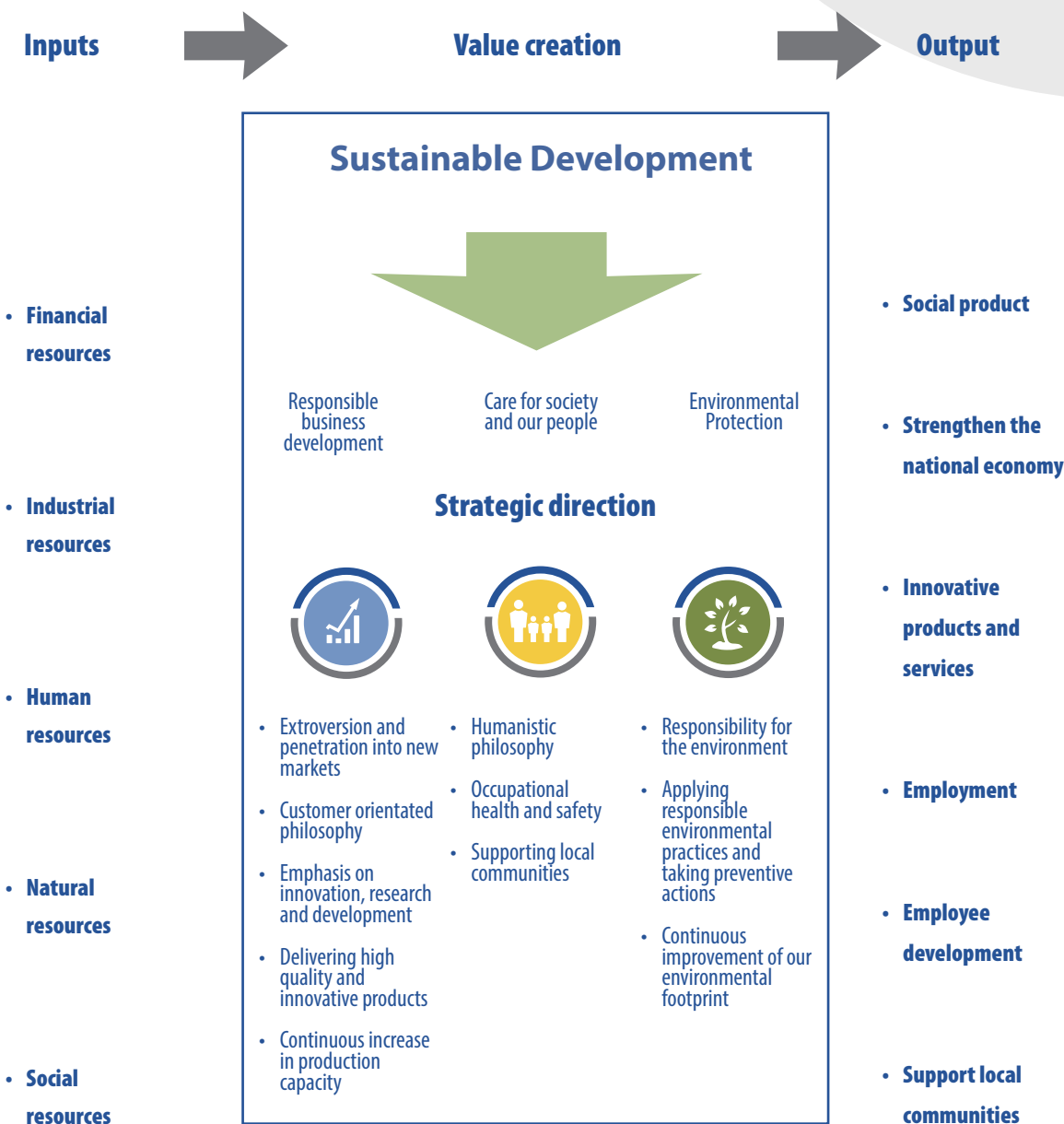
Our commitment

For us, Corporate responsibility is not an obligation but something that feeds into all aspects of our strategy, resulting in responsible business practices. The principles of sustainability guide and shape our activities and initiatives, as well as business decisions. Our sustainability strategy revolves around three main pillars: Economy, Society and Environment.

Responsible operation for us is a stable strategic choice and not just an occasional implementation of Sustainability actions and sponsorships. Recognising that the path to Sustainability requires actions-synergies in all areas, we consider the views of all our stakeholders, evaluate every sustainability issue related to our operation and focus our strategy on the critical pillars of corporate responsibility.

3. Creating value

Sustainability is an integral part of our business model, operations and corporate culture.



(for more information you can visit the corporate website
<http://www.elvalhalcor.com/el/sustainability/overview>)

3. Creating value

Sustainability organisational structure

ElvalHalcor's
Top
Management



- Elval's General Management Aluminium rolling division
- Halcor's General Management Copper tubes division

Informs Board of Directors about material issues and Company's Sustainability report

Directors



Elval's Sustainability Team*: Coordinated by the Human Resources Manager
Halcor's Sustainability Team*: Coordinated by the Strategic Planning Director

Conveys sustainability management issues to the Board of Directors

** The Sustainability Team consists of people from the following departments: Strategic Planning Department, Human Resources Department, Financial Department, Internal Audit Department, Administrative Department, Quality Assurance and Environment Department, Health and Safety Department, Supply Chain Department, Marketing Department, Production.*

The main objective of our team is to create and promote a wider culture of responsibility, seeking to involve increasingly more employees in relevant activities.



Halcor's Sustainability Team

3. Creating value



Elval's Sustainability Team

Sustainability Team - role and responsibilities

Plans the Company's sustainability programs

Examines issues of responsible operation of the Company, on a monthly basis

Sets and reviews the sustainability goals

Monitors the progress of programs

Collects data and issues the annual Sustainability Report

Undertakes the implementation of activities and actions of responsible operation

Stakeholder communication

It is our continuous pursuit and commitment to maintain a systematic and two-way engagement with our various stakeholder groups. Continuous dialogue with stakeholders allows us to understand their needs and respond to them in a balanced and appropriate manner. The Sustainability Policy that we follow is committed towards transparency and dialogue with our stakeholders and incorporating their views into the development of our strategy.

Close operation and open engagement with stakeholders seek to boost transparency and forge strong relations built on trust and partnership with all our stakeholder groups (especially with our key stakeholders):

- Key stakeholders (who are of critical importance for the Company): employees, customers, suppliers, shareholders/ investors, public and statutory bodies, local community, NGO's and the scientific community.
- Secondary stakeholders (who are affected by Company decisions and activities): The business community, communication firms, the mass media, and relevant professional associations.

3. Creating value

Stakeholders

Communication channels

 Employees	<ul style="list-style-type: none"> ● Ongoing communication between Management and employees ● Communication and updating via the Company intranet ● Newsletters on notice boards ● Internal newsletter ● Christmas event for all employees ● Company website
 Shareholders/ Investors	<ul style="list-style-type: none"> ● Investor Relations Department ● Briefings from the Board of Directors to shareholders about all Company developments ● Press releases, announcements and reports ● Reporting of results on a quarterly, semi-annual and annual basis to the Board ● Constant communication of financial analysts and investors with the Company executives ● Investor Relations Officer ● Presentation at the Hellenic Fund and Asset Management Association ● Annual Sustainability Report
 Customers	<ul style="list-style-type: none"> ● Sales Department (constant contact, physical, over the phone or by email) ● Company website and social media ● Customer satisfaction survey ● Participation at trade fairs ● Annual Sustainability Report
 Suppliers	<ul style="list-style-type: none"> ● ElvalHalcor's Procurement Department (constant communication, both physical and over the telephone) ● Attendance at trade fairs and events ● Training (on annual basis) ● Further information through the website and the social media
 Local communities	<ul style="list-style-type: none"> ● Constant communication with local bodies and associations ● Participation in activities organised by local bodies and associations
 NGOs	<ul style="list-style-type: none"> ● Participation in NGO's as member ● Participation in sectoral and business organisations ● Events / Conferences
 Governmental and Institutional bodies	<ul style="list-style-type: none"> ● Attendance at conferences and sectoral or other events of general business interest ● Consultation with representatives of the State and Institutional Authorities at a national level
 Scientific community	<ul style="list-style-type: none"> ● Exchanges of views on issues of joint interest ● Events / Conferences on issues of joint interest ● Surveys / Studies

- ElvalHalcor's communication is continuous
- ElvalHalcor's communication occurs on a monthly, annual, or quarterly basis
- Non-planned communication occurs when it is considered imperative

3. Creating value

Stakeholder's expectations

ElvalHalcor's response (report's section reference)

- Labour and insurance issues
- Employee evaluation issues
- Human resources personal and career development
- Briefings about Company goals and their achievement
- Communication with the Management

5. Care for our people

- Supporting Company competitiveness
- Company profitability
- Containing operating costs
- Transparent relations with stakeholders
- Proper Corporate Governance
- Regulatory compliance
- Avoidance of incidents that slur the Company's name
- Reduction / Elimination of risks/hazards

1. About ElvalHalcor

- Excellent standards, high quality products
- High level of service
- After-sales support
- Updating of customers on market developments and about Company products

2. Customer-oriented approach

- Objective evaluation based on merit
- Support of local suppliers
- Updating of suppliers on market developments

4. Supply chain responsibility

- Company response to local community issues
- Recruitment of employees from the local community
- Support of local entrepreneurship by supporting local suppliers

7. Care for local communities

- Support NGO's activities
- Partnership with NGO's

7. Care for local communities

- Compliance with the legislative and regulatory framework in force
- Support of State actions and programs
- New investments
- Creating and maintaining jobs
- Care for the environment
- Transparency and accountability

1. About ElvalHalcor
5. Care for our people
8. Environmental protection

- Exchanges of views on issues of joint interest
- Extended applications of copper and aluminium
- Effects of copper and other metals on the human body and the environment

2. Customer-oriented approach



4. Supply chain responsibility

We build relationships of mutual trust and close cooperation with our suppliers / partners

Responsible supply chain

We are in constant dialogue and cooperation with our suppliers / partners and our goal is to all together collaborate, for sustainable development. Our initiatives for responsible supply chain management include, among others, the Supplier Code of Conduct and supplier control and evaluation procedures, based not only on business but also on sustainability criteria.

Supplier Code of Conduct

ElvalHalcor's Supplier Code of Conduct provides a framework that we follow to ensure responsible management of our supplies. The Code outlines our expectations/requirements of our supply chain (suppliers/associates) with regard to sustainability. It covers issues including environmental protection, occupational health and safety, business ethics and anti-corruption, labour practices, transparency, confidentiality, meritocracy and equal opportunities. ElvalHalcor provides this Code to its suppliers and contractors who are expected to adopt common values and principles with regards to sustainability, which we believe generates two-way benefits. We encourage our suppliers to raise awareness of the Code's principles across their own suppliers and subcontractors too, further improving the supply chain.

4. Sustainability in the supply chain

Supplier's expenditures distribution per category

	Aluminium rolling division			Copper tubes division		
	Number of suppliers		Cost** (EUR million)	Number of suppliers		Cost** (EUR million)
International	646	29%	675	403	23.3%	437.2
National	1,568	71%	240	1,326	76.7%	102.1
Total	2,214	100%	914	1,729	100%	539.3
Local suppliers	155	10%*	13.2	241	18.3%*	12.8

* To all national suppliers.

** It concerns invoiced amounts in 2018.

Our partners / suppliers

The bulk of supplies for ElvalHalcor are metals, and especially aluminium and copper.

The list of our suppliers includes suppliers of metals (domestic and international), many different categories of suppliers of other materials or equipment, contractors, energy and fuel companies, and consulting firms.

The list of our suppliers for 2018 numbers more than 3,800 active suppliers. Of our total suppliers, 73.4% are domestic (national suppliers) and 26.6% are suppliers from abroad. In 2018, which is a landmark year for us, due to the large investment of EUR 150 million launched by ElvalHalcor (for the installation of the new four-stand tandem aluminium hot rolling mill) and the investment / acquisition of Epirus Metalworks Industry in Pogoni, Ioannina, we started cooperating with 773 new suppliers.

Cooperation with local suppliers

The Company's procurement policy follows a strategy for supporting the local economy, offering business opportunities and employment to local suppliers. During the supplier evaluation and selection process, the locality criterion is positively evaluated.

Monitoring the responsible operation of our suppliers

In the context of our certified Management Systems (ISO 9001, OHSAS 18001, ISO 14001, ISO 50001), we implement supplier evaluation processes. We seek to cooperate with suppliers that implement responsible practices and take care to promote the principles of Sustainable Development to our associates. In 2018, the copper tubes division applied an A, B, C supplier classification and re-launched the process of supplier self-assessment. As initially planned, Halcor will have completed the evaluation of all suppliers in categories A and B by the end of 2020.

4. Sustainability in the supply chain

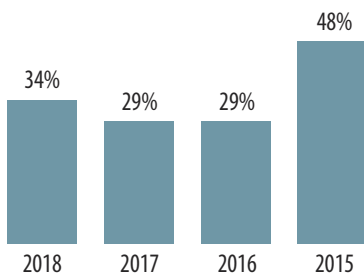
Use of recycled metals

Due to the nature of our business, the bulk of supplies are metals, copper and aluminium, which are also the primary raw materials of ElvalHalcó. The supply of the two main raw materials is from primary production (primary metal) as well as scrap (recycled metal from old metals that have reached the end of their life) aluminium and copper, contributing significantly to their recycling and promoting the circular economy, with significant economic, social and environmental benefits.

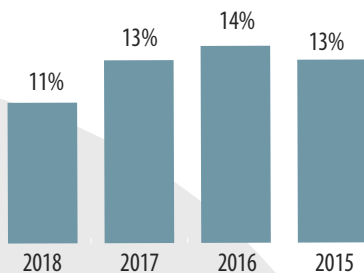
Until today we have recycled and reused large quantities of metals. In this way, we have achieved significant savings in natural resources, energy and cost.



Copper scrap proportion to total metal purchases



Percentage use of recycled aluminium scrap*



Our 2019-2020 goals

- The ratio of purchased scrap / total copper raw materials to reach 50%.
- Training of key suppliers in copper tubes division on implementation of improvement tools (6 sigma).
- Supplier evaluation that will include sustainability criteria.



5. Care for our people

We built our Company's future by investing in our people

Our human resources strategy focuses on empowering employees, strengthening leadership skills, promoting talent and on enhancing a customer-oriented culture. ElvalHalcor's management places particular emphasis on human resources development and strives to maintain a working environment based on an equal opportunities that respects each employee and rewards hard work. ElvalHalcor's human resources practices and policies aim to attract, develop and retain capable executives and employees.

14%

increase in workforce

8%

women (in total workforce)

73%

18<age<50

5. Care for our people

Steadily oriented to human values, the Company strives to implement responsible management practices with regard to human resources. The Company focus on material issues such as:

- ensuring of the health and safety of their employees and associates
- creating a rewarding work environment, respecting human rights and diversity
- providing equal opportunities for all employees
- safeguarding jobs
- providing equal opportunities for all employees
- applying objective evaluation systems
- employee ongoing training and development
- providing additional benefits.

Demonstrating our growth path, over the last five years (2014–2018) we have increased our total human resources by 15.7%. In 2018, we recruited 228 new employees, while the employee turnover rate stood at 5.1%.

To support the local communities in which we operate, our recruitment policy places great emphasis on local recruitment.

As a result of this policy, at the end of 2018, 55.2% of the total workforce came from the local communities. At the same time, 28 new employees out of a total of 109 new recruits came from the wider area of Viotia.



Age structure by gender

Age	Aluminium rolling division			Copper tubes division		
	Men	Women		Men	Women	
18-30	67	6	8.5%	58	9	11.6%
31-50	513	59	66.4%	318	18	58.2%
50+	207	10	25.2%	165	9	30.2%

New hires and departures (2018)

Age	Aluminium rolling division			Copper tubes division		
	New hires	Departures		New hires	Departures	
18-30	37 (35%)	5 (18%)		40 (33%)	17 (38%)	
31-50	62 (58%)	16 (57%)		69 (57%)	19 (42%)	
50+	7 (7%)	7 (25%)		13 (10%)	9 (20%)	

Distribution of workforce by region and gender (2018)

Region	Aluminium rolling division*			Copper tubes division**		
	Men	Women		Men	Women	
Attica	346	38	44.5%	258	20	48.2%
Local community	436	37	55%	270	14	49.2%
Rest of Greece	5	0	0.5%	13	2	2.6%

* Local community: Viotia and Evia areas

** Local community: Viotia, Evia and Ioannina areas

5. Care for our people



ElvalHalcó offers to many young people (students and non-students), mainly through internships and work experience programs, the opportunity to apply their knowledge to a real work environment. For another year, ElvalHalcó gave 69 young people the opportunity to work and do their internships at its premises. Our young colleagues had the chance to get acquainted with the industry, gain work experience, receive on-the-job training and develop skills that will help them perform better in the future.

With the completion of the internship, we were very satisfied with the fact that the new colleagues presented their work experience in the aluminium rolling division of the Company as a “compass” for their professional career.

Ongoing training and employee development

We believe that the continuous training of our people is an important factor for the sustainability and business development of our Company.

ElvalHalcó systematically invests in this field by implementing integrated training programmes that support the lifelong development of its people. Specifically in 2018, 18,488 hours of training were completed in total and 55% of our workforce was trained.



Elval Academy

Elval Academy, which began operating in 2017 in the aluminium rolling division, is one more proof that the Company invests in human resources. The Academy’s approach has as its main features flexibility, adaptability to the needs of the Company and its people, going one step beyond a predetermined curriculum. The Academy’s aim is to effectively develop employees’ skills, knowledge and know-how, through a variety of trainings based on a structured methodology, tailored courses and material that meet specific needs and cover a wide range of cognitive fields. In 2018, 1,345 training hours were completed within the Elval Academy, both internally and externally. Elval Academy has been operating for two years, and its results are significant. It is worth noting that its programmes were evaluated in 2018 by participants with 4.6 / 5.

Training our partners

On its own initiative, the Company provides training to the employees of partners who work within its premises. The subjects of the training mainly concern Occupational Health and Safety, environmental management, quality. More specifically, in 2018 a total of 7,232 hours of training were completed for our partners.

5. Care for our people

Additional benefits

Seeking to offer a decent standard of living for all employees, we have established and implement a multiple benefit system (provided to all our employees without any discrimination). The Company follows a humanistic approach, based on establishing stable and lasting relationships with its workforce. In this context, it always stands by its people when in hardship or facing important health issues, supporting them and their families in any possible way.. In the context of the additional benefits and in accordance with corporate policy, private insurance programs and free check-ups are offered. Furthermore, Christmas parties are organised for the children of employees (up to 12 years old) and gifts vouchers are offered, years of service awards are offered, children of employees who are admitted to university are rewarded, the children of employees are able to participate in a children's camp, etc.

Employee evaluation

ElvalHalcor has developed effective evaluation mechanisms for its various levels of operation. The implementation of the integrated evaluation process, carried out annually, ensures the achievement of our business objectives along with the personal development of employees, and the maximisation of mutual benefits.

Equal opportunities and respecting human rights

The Company's strategic approach embodies the philosophy of diversity by promoting the values of equal opportunities, meritocracy, respect and transparency. Applying in practice the corporate Code of Conduct and Business Ethics and in full compliance with the relevant legislation, we seek to maintain a balanced working environment of dignity and mutual respect, applying practices based on the principle of non-discrimination.

As a result of the control policies, procedures and mechanisms put in place, during 2018 like also in previous years, no incident of child or forced labour was identified and no incident related to violation of human rights has taken place.

In our human resources, the male participation rate is much higher than that of women. This is mainly due to the nature of ElvalHalcor's activities (industry) and the physical demands of work, as well as to the distance of productive activities from large urban centres. The ratio between male and female employees is approximately 92% to 8%, respectively. As a consequence, the percentage of women in positions of responsibility (Directors and senior executives) is also low, around 8%. It is worth mentioning, however, that there is a good representation of women in administrative positions (24.4%).

5. Care for our people



Our people in the Athens Classic Marathon

For yet another year, a remarkable number of our people responded to the biggest sporting event in our country. With 92 entries, our Company participated dynamically in the 36th Athens Classic Marathon 2018. ElvalHalcor, for each athlete's participation, supported the work of the NGO Make A Wish and the NGO "The Smile of the Child".



Our sports team

Elval's soccer and basketball teams continue to record top performances. With active participation in local corporate championships, in 2018 the Elval football team was ranked 1st in the factory championship of Viotia and the Elval basketball team excelled in winning the 2nd place in the factory championship of Oinofyta.

Our athletes excel

We are proud when our athletes are distinguished. Our athlete and Halcor employee, Vassilis Solidakis, achieved two important distinctions: 1st place in the Greek championship (6-9/09/2018, Loutsa) and 4th place in the Youth-Master Formula Windsurfing World Championship (24-28/04/2018 Lagos Portugal).

— — Our 2019 goals

- Further employee training on the continuous improvement methodology Lean 6S and 5S.
- Employee training on crisis management.
- Enhance the induction process for new employees.



6. Occupational Health and Safety

It is everyone's wish and right to work in a safe environment. We have set protecting the Health and Safety of our people and associates as a priority and primary concern

Our performance

We apply a systematic approach and best practices to safeguard Health and Safety in the working environment. The strong commitment by ElvaHalcó's management is reflected in the Health and Safety Policy (www.elvalhalcor.com, Sustainability / Health & safety).

To develop a safety culture at all levels of our operation, we are promoting a continuous improvement policy. To implement this policy, ElvaHalcó applies an Occupational Health and Safety Management System (OHSAS 18001:2007).

During the year we focused on three key areas: strengthening the culture of safety, reducing risks and improving safety processes in all activities, including subcontractors in our premises. In this context, in 2018, we focused on the following:

6. Occupational Health and Safety

- Continuous investment in infrastructure projects to increase safety at work (zero access policy, life lines, etc.).
- Installation of L.O.T.O (Lock Out-Tag Out) system on plant machines.
- Safety conduct audits to establish a “Climate of Safety”.
- In-depth investigation and recording of all incidents, as well as near misses and implementing improvement measures to reduce accidents.
- Employee targeted training and awareness raising to create a safety culture.
- Continuous improvement of fire safety at work.
- Publishing a contract execution regulation (in the context of investment projects in the aluminium rolling division).

We recognise the value of effort, understand the difficulties and try to implement targeted occupational health and safety programs.



Health and safety KPI's	Aluminium rolling division			Copper tubes division		
	2018	2017	2016	2018	2017	2016
Lost time incident rate (LTIR)	7.16	3.16	3.30	7.86	6.69	5.16
Severity rate (SR=LDR)	126	80.0	83.7	127	144	91

Note: To calculate lost days, counting begins from the next day of the accident. Lost days are considered working days. The above health and safety KPI's refers to Elval's and Halcor's employees and contractors employees who maintain continuous work within ElvalHalcor's plants.

- LTIR: Lost time incident rate (number of LTI incidents per 10⁶ working hours)
- SR: Severity rate =LDR: Lost Work Day Rate: (number of lost work days per 10⁶ working hours)

Investing on Occupational Health and Safety

We substantially and systematically invest in health protection measures and in infrastructure that increases safety at work. By way of illustration, in 2018 ElvalHalcor's aluminium rolling division purchased a new and modern ambulance and supported its doctor's office with new equipment. Additionally, in order to provide high quality occupational health services, preventive medicine and primary health care, the

modern doctor's office of the aluminium rolling division now operates on a daily basis, with the support (8-hour) of a Work Doctor and three specialised nurses (covering both shifts).

Culture of safety - Reinforcing our mentality

We are committed to developing a culture of safety whereby employees care about their own safety and the safety of their colleagues and the Company's

6. Occupational Health and Safety

associates. The cooperation and contribution of everyone involved is the basis for creating a climate of safety. To achieve this, we focus on constantly raising awareness among our employees and associates in this field, by implementing a targeted and extensive training programme. Specifically, in 2018 over 50% of the overall training plan was devoted to occupational health and safety issues. More than 10,463 training hours were completed for the aluminium rolling division's and the copper tubes division's employees and associates.

In order to strengthen the prevention mentality regarding occupational health and safety issues, the training programmes we implemented in 2018 included topics such as:

Aluminium rolling division - Elval

- Working at height
- Safe lifting
- Rescue from rolling mill basements
- Improving the safety mentality
- First Aid seminars (rescuer certification)
- First Aid training for all newly recruited employees
- Training drivers and rescuers to use the ambulance
- Machine locking – unlocking
- Training Firefighting Team B
- Protection against chemicals

Copper tubes division - Halcó

- Fire prevention and extinguishing
- Serious disease prevention (in cooperation with the NGO "Society of volunteers against cancer - AgaliaZO")
- Occupational Risk Assessment Study



- Safe start at work
- Safety inside and outside work
- Fall protection
- Proper handling of cranes and forklifts
- Machine Lock Out-Tag Out
- Risk identification
- Management of chemical leakages
- First aid training
- Manual load handling.



Health, Safety and Environment month

We annually hold, from 2010 until today, the "Health, Safety and Environment month". Important tool for raising awareness of our employee and associates on related issues since we believe that it positively contributes to building a common culture of safe conduct.

"In-house school"

For yet another year, the "In-house school" was successfully implemented, offering safe handling training for lifting equipment operators and assistants.

Intensive cooperation for safety

A key factor for the proper and integrated management of occupational health and safety is the active participation of everyone in it and, above all, the real commitment and participation of the Management Team. The constant improvement and maintenance of occupational health and safety levels require vision, long-term planning and continuous monitoring. For this reason, and moving towards enhancing our safety mentality, we have set up safety work groups.

6. Occupational Health and Safety

Aluminium rolling division - Elval

- Monthly Health, Safety and Environment Council (participants: General Manager, Production plant Manager, Department Managers, Heads of Departments (engineers), Technical Engineer and Contractor representatives)
- Weekly and monthly H&S meetings (participants: Head Engineer, Technical Engineer and Health and Safety Division representatives).

Copper tubes division - Halcor

- Occupational Health and Safety Council (participants: General Manager, Plant Manager, Department Managers, Heads of departments / Engineers).
- H&S meetings (weekly and monthly basis), participants: Production plant Manager, Technical Engineer, Head of the Environment Division, Heads of departments and employee representatives for occupational health and safety issues.

In these Councils, safety incidents are analyzed and corrective / preventive actions are planned, the progress of Occupational Health and Safety programs is presented, the progress of Health and Safety goals is examined, and proposals / ideas for improvement are presented.

Safety meetings before maintenance

In 2018, in the aluminium rolling division, through a cooperation among the Maintenance, Production, New Projects and Safety departments, meetings for a detailed planning of maintenance were established. Prior to the maintenance of each machine, an analysis of the works and of the safety and fire safety measures required for the smooth completion of the work, is carried out. These meetings include representatives of all the parties and contractors involved. The purpose of the meetings is to carry out all the work at the planned time, with a view to protecting the safety of the employees and machines of ElvalHalcor's aluminium rolling division.

Large investment with additional safety measures

In the context of ElvalHalcor's large investment whose implementation began in the aluminium rolling division's facilities in 2018, even more emphasis was placed on health and safety issues. Instructions for the execution of works of contractors were issued and distributed. At the same time, with the aim of continuously supervising and monitoring the work of coordinators and contractor safety technicians, Elval-aluminium rolling division began working with an external company specialised in OSH issues. Additionally, in order to ensure the strict requirements ElvalHalcor wants in this area, meetings have been established, on a weekly basis, with all parties involved. Workplace safety reports are prepared and appropriate safe work methods are applied.

Analysis of the impact of failures

In order to prevent accidents, since 2018 a Failure Mode and Effects Analysis (FMEA) is prepared by ElvalHalcor's copper tubes division's maintenance department for every scheduled maintenance. The risks for which measures have been taken, but also any remaining ones, are explained by the supervisor to those who intervene. The presence of the supervisor during works is continuous.

— — Our 2019 goals

- Implement 3 hours of occupational health and safety training per production employee.
- Training in rescuing employees having fallen from height.
- Continue the implementation of the zero access programme aiming to protect to protect employees when accessing machinery.
- Inform employees on health issues.



7. Care for local communities

We remain faithful to our commitment to be close to the society in which we operate

Supporting our society

Taking into account the ever-increasing needs of society, we remain faithful to our commitment to being close to the society in which we operate, and seek to support programmes and bodies that contribute to the sustainable development of local communities.

ElvalHalcor's identity dynamically combines business development with social contribution and responsibility, two factors that are essentially our daily effort to create added value for the country's society and economy. ElvalHalcor covers a significant part of its needs in

55%

of employees from the local community

26

EUR million payments to suppliers/partners in the national market

7. Care for local communities

human resources and suppliers from the local areas where it operates. Out of the total workforce, 55% are employees from local communities. In addition, supporting local businesses and contributing to the national economy, in 2018, the total value of payments to national suppliers amounted to EUR 26 million.

Societal contribution

We support organisations and initiatives that contribute to local Sustainable Development.

Supporting sports

Supported local sports associations, providing sports material:

- Kapetan Ioannis Liapis Sports Club of Oinofyta
- Ellopiakos Sports Club
- Oinofyta Sports Club
- "Alexandros" Gymnastics Association of Nea Artaki

Supporting NGO's

- In the context of the participation of Elval and Halcor runners in the Classic Marathon, we sponsored the NGOs "Make a Wish" Greece and "The Smile of the Child"
- Supported the work of the NGO "Volunteers against Cancer-AgaliaZO"
- Sponsored the NGO "Nomos & Physis"

Supporting associations and bodies

- Supported the Social Grocery Store of the Municipality of Tanagra, through the purchase of food (which is then promoted by the Municipality to poor families in the area)
- Sponsored an event organised by the Cultural and Improvement Society of Oinofyta "The Ampelos"
- Supported events organised by sectoral bodies
- Supported the work of the SBSE, Support Structure for Social Integration Actions - Bridge
- Supported the event of the Municipality of Ellopia
- Donated medical equipment to the Oinofyta Health Center
- Sponsored the work of the following museums: the Benaki Museum, the Goulandris Natural History Museum and the Lavrion Handicraft-Industrial Educational Museum

Supporting education

- Technical University of Crete (we supported the TUCer team)
- Kessaris School (sponsorship for the iRobot team at the World Championship in the US)
- Fully covered the cost of renovating the courtyard area of the 1st Nursery of Nea Lampsakos
- On an annual basis, we support educational institutions through the donation of copper products

7. Care for local communities



Kindergarten's playground for children's smiles

With a sense of responsibility towards the school community of the local area, Elval responded directly to the need expressed by the representatives of the 1st Kindergarten of Nea Lampsakos. We were glad to undertake the renovation of the Kindergarten's playground. This action included the installation and supply of safety flooring with relevant certification, as well as the installation and supply of artificial grass. It is a big satisfaction for us to know that elementary school kids play with the utmost safety in a specially designed space.

Our people's contribution as volunteers

The voluntary contribution programme by our people now counts seven years of continuous application, and we are proud of its growth so far. The goods collected in 2018 were donated to the "Agios Vlasios" Chronical Diseases Infirmary of Livadia, in order to be distributed to families in need from the local area. Along with the employees' contribution, Halcor, wishing to support further this initiative, contributed by purchasing a large amount of goods.



Offering aluminium sheets to the TUCer team of the Technical University of Crete

TUCer is a student initiative (since 2007) of the Technical University of Crete in the design and manufacture of low-consumption and zero-emission electric vehicles that use hydrogen as a fuel. Elval, wishing to support the team's effort, was pleased to offer the required quantity of aluminium sheets for its vehicle. In order to make the vehicle light and efficient, certain aluminium alloy profiles, as a basic structural component, are also used, which are able



to withstand the anticipated race stresses. TUCer has been distinguished for many years in international competitions for its performance and innovation, and we wish it to continue along this path.

Supporting the Global talent and Global volunteer programmes

For the second consecutive year, we fully supported the work of the NGO AIESEC. Halcor gave 5 young people the opportunity to pursue the career of their dreams, making their first steps as professionals abroad. This programme aims at informing / sensitising and actively engaging young people on social issues and the efforts towards the achievement of the Sustainable Development Goals (SDGs). These young people lived in the fast and developmental start-up business environment (in the Czech Republic and Egypt) and developed new professional skills.

7. Care for local communities

Promoting aluminium recycling

From the first moment we started creating the Aluminium Can Recycling Center (CANAL), we had a very clear orientation in mind: to promote aluminium recycling in Greece, in order to change the mentality and increase the extremely low recycling rate of aluminium in Greece. Today, we are very proud that our voluntary initiative - CANAL - now counts 15 years of operation and contribution in aluminium recycling.

About CANAL

The Aluminium Can Recycling Center (CANAL) was created in 2003 by Elval as part of the overall environmental awareness raising and its strategy for promoting aluminium recycling in Greece. CANAL is a model Recycling Center, unique in Greece, as it combines



aluminium recycling with environmental information and raising students' and the general public's awareness about important environmental issues.

CANAL applies a certified Environmental Management System (in accordance with the international ISO 14001 standard) and has a reception capacity of 2,800 tons of used aluminium cans per year. The Center buys used aluminium cans from the public at about one euro per kilo, which corresponds to about 75 cans, thus providing an additional financial incentive to boost recycling.

At the new website, www.canal.gr, you will find all the information about CANAL's operation, actions and educational work, as well as information on the recycling of aluminum and its benefits.

The educational program

Combining aluminium recycling with environmental information and raising students' and the general public's awareness, CANAL implements an integrated program of environmental information, awareness raising and training the school community on aluminium recycling.

The program that CANAL follows takes care of the necessity for environmental training of students in the school as well out of the school directly in the CANAL center. The benefits are the changes in the mentality about the environment, the increase of the sensitivity about the environment and the recycling rate.

CANAL's performance (2003-2018)

365

million aluminium cans
were collected and
forwarded for recycling

46,000

tn CO₂
(reduced emissions)

124,200

students were educated

178,000

people have been
informed and awakened
on the related issues

7. Care for local communities



Since 2003, when CANAL started operating up to 2018, 60,981 students visited and attended CANAL'S information program. In the period 2006-2018, CANAL, in collaboration with the "Viomatiko Scholeio", implemented educational programs in school departments, attended by 63,530 students and collected a total of 2,811 original pupil creations from relevant school competitions. The educational program "Life without garbage", continues in the current school year 2018-2019.

The integrated program implemented by CANAL meets the need for environmental education within schools (with standard experiential education) and outside schools (in the CANAL premises) and helps change the behaviour of the public towards recycling, enhances environmental sensitivity and recycling rates in Greece.

The educational community has welcomed the "Life without garbage" educational program, characterising Elval's and CANAL's initiative for the environmental education of students as very good by 95% and stressing the importance of maintaining the program in the school community by 97%.

Performance is distinguished

The "Integrated Programme of Informing and Awareness Raising for the school community on aluminium recycling" which has been implemented by CANAL consistently since 2003, has recently been distinguished by the BRAVO 2018 Institution at the Bravo Society Pillar.



For us, this distinction for CANAL marks the 15 years of the Centre's operation and contribution in the field of aluminium recycling, as well as the Management's commitment to Sustainable Development and the implementation of responsible practices for continuous improvement. Today, we are very proud of the results (2003-2018) achieved by CANAL.



Recycling of Nespresso coffee capsules

In 2014, in order to increase aluminium recycling and in collaboration with Nespresso, we launched the recycling of used coffee capsules at the Aluminium Can Recycling Center (CANAL), where a specially designed machine for the separation of used Nespresso coffee capsules has been installed. Used coffee capsules are collected in special collection bins at the points of sale (Nespresso Boutiques) and are then transferred to CANAL. There, aluminium capsule packaging is separated from the used coffee. The aluminium collected from the capsules is transferred to Elval's facilities for recycling with environmentally friendly technology, while used coffee is delivered to a licensed composting company.

7. Care for local communities



Verification of the Educational Program

"Life without garbage: reduce, reuse, recycle"

QualityNet Foundation, the Network of Responsible Organizations and Active Citizens, as a third body, with the present document certifies the results of the educational program which is implemented with the support

of **Elval – Aluminium rolling division of ElvalHalcor S.A.**
and the **Aluminum Can Recycling Center.**

The educational program in question, implemented in elementary schools, represents a significant action on both educational and social level and seeks to raise awareness and mobilize students and their families with regards to waste management and recycling issues.

QualityNet Foundation salutes ELVAL's initiative for the year 2018 to educate future active citizens' on environmental protection issues and affirms the following:

- the company's long term commitment in promoting Corporate Responsibility by launching programs addressed to the educational community, aiming to form consciences and change attitudes.
- the development of a comprehensive educational program designed to meet the needs of the specific age group in line with the educational standards and norms, including the experiential program and the supporting educational material through the electronic platform.
- the provision of informational material for students' families, aiming at raising awareness, creating positive perception and changing attitudes on the subject of recycling through the electronic platform.
- the effective implementation of the program to **11.145** school students through the electronic platform www.lifewithnogarbage.gr
- the positive response of the educational community through the wide demand for implementing the program in schools and continuing the program the following year.

The educational Program 'Life without garbage' forms part of the nationwide QualityNet Foundation program-institution for promoting social responsibility "It is the Responsibility of All of Us", under the environmental axis.

The Chairman of the BoD

Spyros Lioukas





8. Environmental protection

We have chosen to pursue a development policy, based on the principles of sustainability. Respect and care for the environment are a common denominator in all our activities

Our commitment for the environmental protection

Environmental protection is a duty for ElvalHalcor, so we take care that our business operations are environmentally responsible. We seek to prudently and rationally manage environmental issues associated with ElvalHalcor's activity, implementing a series of practices, procedures and control systems. In order to reduce our environmental footprint, we:

- implement targeted environmental management plans (e.g. energy saving plans, actions and initiatives to reduce air emissions, etc.).
- seek the rational use of natural resources and we promote copper and aluminium recycling.
- implement an integrated waste management system built on the principles of the Waste Management Hierarchy and on the adoption of best practices aiming to prevent their generation.
- make continuous investments on environmental protection infrastructure.
- focus on continuous training and raising awareness of our employees and partners in environmental matters.

8. Environmental protection

Policy and Systems

We have established and implement a specific environmental policy that reflects ElvalHalcor's overall approach to protecting the natural environment (<http://www.elvalhalcor.com/en/sustainability/environment/>). In order to implement the environmental policy and achieve its objectives, we apply a certified Environmental Management System (in accordance with the requirements of the international standard ISO 14001: 2015) in all ElvalHalcor 's production facilities.



Environmental management

**Proper
management of raw
materials**

**Greenhouse gas
emissions
management**

**Waste
management**

**Preventive
measures**

Our environmental policy in numbers

We systematically invest in environmental protection infrastructures. More specifically, in 2018, expenditure and investment for environmental protection amounted to EUR 6.8 million. Having completed a large capital expenditure plan, over EUR 26.8 million in the period 2008-2018, we are in practice demonstrating the importance we give to responsible environmental management.

Environmental training and awareness

As environmental protection is the result of the collective effort and culture of all employees, we are constantly raising awareness among our people and collaborating contractors on related issues.

8. Environmental protection



Raw materials

The Company's primary raw materials are aluminium and copper. As the benefits of scrap use are significant (reduction in energy consumption, air emissions and water use from the replacement of primary materials), we focus on practices to maximise the efficient use of raw materials. Aluminium and copper scrap is an extremely useful secondary raw material of great environmental value.

Using scrap and promoting aluminium and copper recycling

ElvalHalcor seeks and promotes the recycling of aluminium and copper. 11% of the Aluminium rolling division in the production process originated from scrap recycling. 34% of the metal consumed during the Copper tubes division's production process originated from recycled metals.

Circular economy in the management of plastic waste (scrap)

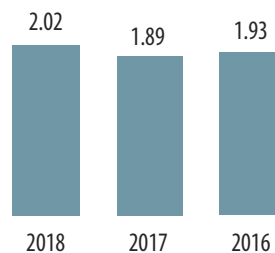
ElvalHalcor's copper tubes division produces a wide range of high performance polyethylene (PE) and PVC insulation products in various types of plain or foam plastic (TALOS®).

The rate at which scrap plastics are produced in the respective factories was studied and their reuse was organised according to the quality standards that were set, so that they can be used in the corresponding machine. In 2018, 11,665 kg of PE plastic were reused.

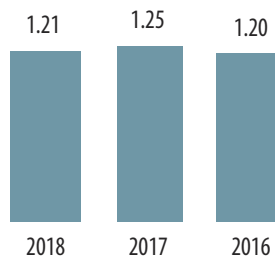
Water use

Our approach in this area focuses on efforts to minimise water consumption and, when possible, processed waste water is recycled back to production.

Water consumption (m³/tn of product)
Aluminium rolling division



Water consumption (m³/tn of product)
Copper tubes division



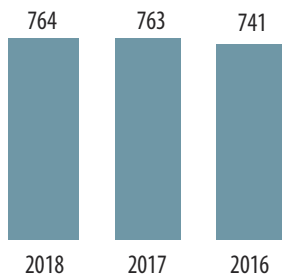
8. Environmental protection

Actions to tackle greenhouse gas emissions and the management of climate change issues are particularly important, which is why in our productive activity we are pursuing the rational use of energy and fuel. As part of these actions, we always focus on those areas that have the potential to improve energy efficiency and invest substantially in them.

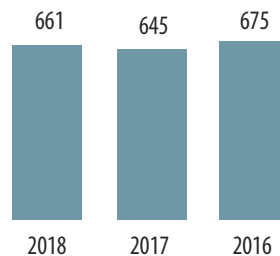
Energy consumption

To continuously improve the energy performance of its entire business, ElvalHalcor applies a certified Energy Management System in accordance with the requirements of the international standard ISO 50001: 2011. We constantly invest in high technology equipment and energy saving projects, while seeking to rationally use fuel and improve energy efficiency.

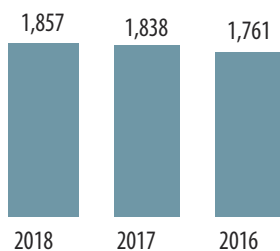
Electric energy consumption (KWh/tn of product)
Aluminium rolling division



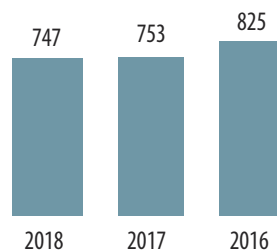
Electric energy consumption (KWh/tn of product)
Copper tubes division



Thermal energy consumption (KWh/tn of product)
Aluminium rolling division



Thermal energy consumption (KWh/tn of product)
Copper tubes division



8. Environmental protection

Energy audit

In order to recognise and highlight actions taken to increase the energy efficiency of ElvalHalcó's production units, in 2018, an Energy Audit was carried out in all units. In collaboration with Schneider Electric, a detailed energy audit was carried out at the factories of the copper tubes

division. Similarly, in the aluminium rolling division, Siemens specialised inspectors completed the energy inspection of the aluminium rolling division's facilities. During this project, the main energy uses and consumptions of the factories were analysed in detail and short (and long) term (1-3 years) proposals for improving the energy management of the factories emerged.

Investments to save energy:

Aluminium rolling division

- The installation of the new delacquering furnace that makes use of thermal energy originating from the oxidation of organic matter, continued.
- The construction of a new preheating furnace for plates prior to hot rolling with new energy efficiency technology, equipped with regenerative burners, began.
- The project for the gradual replacement of all lighting bodies with energy saving lamps (mainly LED type) was continued and expanded to new parts of the factory.
- Thermographic inspection was carried out on all the preheating, annealing, melting and drying furnaces at the respective parts of the factory, to identify thermal losses. Relevant testing was also carried out on selected electrical equipment that has high energy requirements to identify problems that potentially cause high electricity consumption. A corrective action programme was implemented, whose implementation is under way.

Copper tubes division

- Replacement of perimeter lighting luminaires with low power LEDs (annual savings of 49,640 KWh).
- Replacement of gas meters.
- Installation of fluorescent tubes in factory halls (annual savings of 17,000 KWh).
- Purchase of a 3000KVA dry type transformer with energy efficiency > 99.2% and in compliance with eco-design 548 / 2014PF (annual savings of 105,000 KWh).
- Purchase of a 1600KVA dry type transformer with PF energy efficiency > 99% and in compliance with eco-design 548 / 2014PF (annual savings of 43,800 KWh).
- Purchase of a 850KVA dry type transformer with PF energy efficiency > 99% and in compliance with eco-design 548 / 2014PF (annual savings of 23,200 KWh).
- Installation of a continuous annealing line adjusted to dimensions <9.85mm outside diameter (annual savings of 180,000 KWh).
- Installation of room lighting photocells (annual savings of 11,500 KWh).
- Installation of a start and stop timer in the locker room to ensure optimal ventilation operation (annual savings of 74,500 KWh).
- Installation of air flow meter at the filter outlet (reducing energy wastage and ensuring better filter status information).

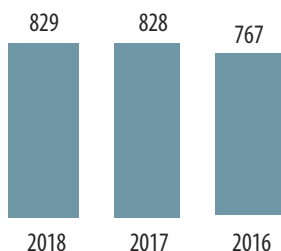
Climate change and air emissions

Climate change is one of the greatest challenges of our time. The Company's carbon footprint is largely due to indirect emissions (from electricity consumption) and to a lesser extent to direct ones (from hydrocarbon combustion).

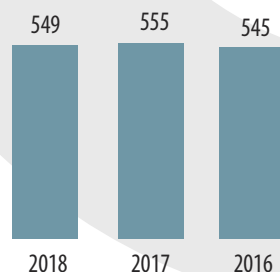
We monitor, record the gas emissions and ensure full compliance with the relevant legislation (to this day, in accordance with the regular measurements made, the permissible limits set by the existing national law and the environmental terms of the plants have not been exceeded).

8. Environmental protection

Total direct CO₂ emissions (Kg CO₂/tn of product)
Aluminium rolling division



Total direct CO₂ emissions (Kg CO₂/tn of product)
Copper tubes division



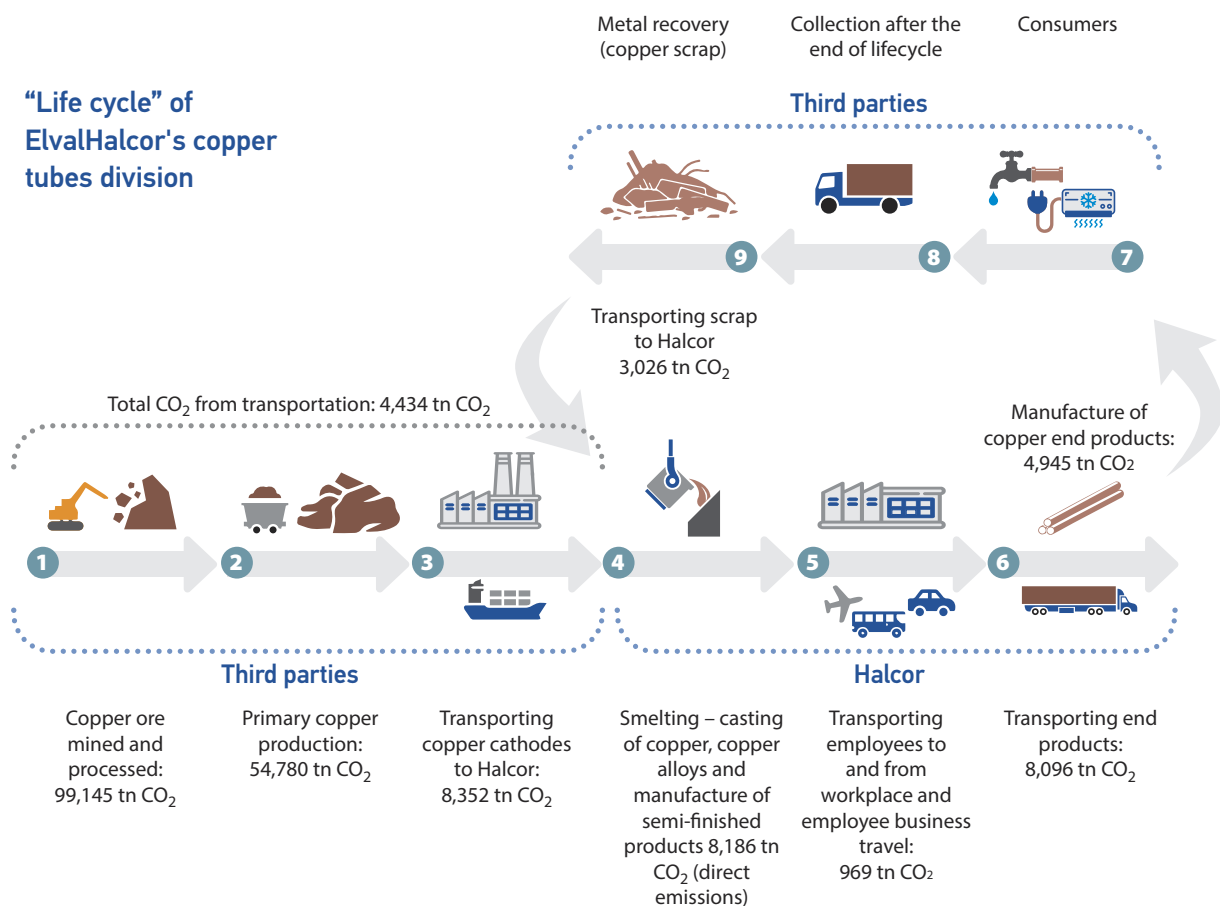
We aim to the continuous reduction of gas emissions, through the implementation of specific actions, such as:

- regular maintenance and proper adjustment of the abatement equipment to minimise air emissions,
- on-line monitoring of the performance of environmental protection measures,
- operation of delacquering furnaces (in the Aluminium rolling division) with after-burners for

the environmentally friendly recycling of aluminium,

- operation of a Regenerative Thermal Oxidizer to reduce VOC emissions in the Coil Coating lines of the Aluminium rolling division,
- operation of fume scrubbers to reduce emissions of inorganic compounds in the Coil Coating department of the Aluminium rolling division.

“Life cycle” of ElvalHalcor's copper tubes division



(More information on the formulas used, the method of calculation and the assumptions used, is presented in Appendix I and Halcor's 2016 Sustainability Report page 131).

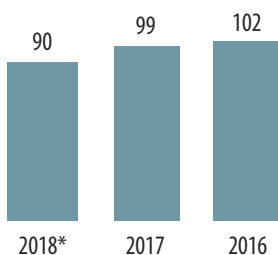
8. Environmental protection

Waste management

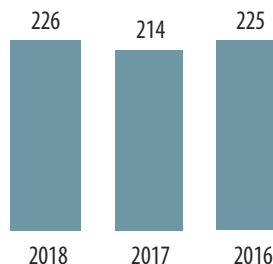
ElvalHalcor has an integrated waste management system, covering all production stages right up to final waste disposal. Our approach to waste management focuses on techniques for waste volume reduction and reuse, either within the plant or in licensed external partners. ElvalHalcor applies Best Available Waste Management Techniques and, as a consequence, most of the waste generated is led to recycling and energy recovery.



Special waste production (kg/tn of product)
Aluminium rolling division*

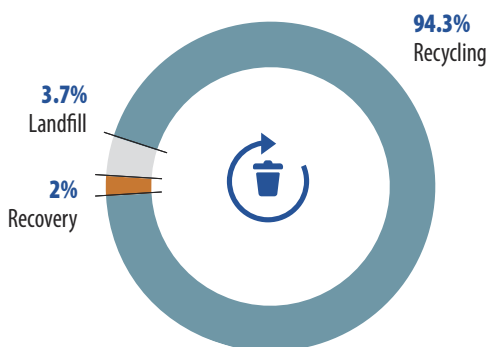


Special waste production (kg/tn of product)
Copper tubes division

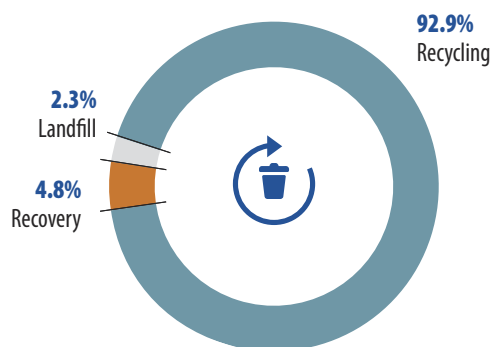


* Almost 107.000 tn of aggregates produced by excavations resulting from non productive activities are not included.

Waste management method (2018)
Aluminium rolling division*



Waste management method (2018)
Copper tubes division



Electronic waste registry

In 2018, in cooperation among the various departments of the copper tubes division (Halcor) and with the consolidation of all the necessary data, the creation of the electronic waste registry (EWR) at SAP in accordance with EWR requirements was achieved to provide fast, reliable and valid information.

8. Environmental protection

Wastewater treatment plant

The wastewater treatment unit (ZLD) operating in the aluminium rolling division's (Elval) facilities fully serves the entire quantity of industrial wastewater from ElvalHalcor and its subsidiary Fitco. Its state-of-the-art equipment ensures the uninterrupted operation of the unit, achieving the permanent goal of zero-breaching the strict limits of legislation. Given the requirement for uninterrupted operation throughout the year, the preventive maintenance programme for the equipment is extensively implemented, which, together with the operating costs exceeded EUR 0.5 million, not including the cost of the chemicals analyses, which for 2018 exceeded EUR 0.2 million. To ensure the quality of the unit's operation, a standard quality assurance programme was developed, which further reinforced the plan and the density of chemical analyses at intermediate stages of the wastewater treatment process.

Applying the principles of rational waste management, the sludge of the physicochemical treatment resulting from the treatment of wastewater from coil coating lines is available, through a licensed company, for recovery. The recipient is the cement industry, where the sulfite-rich sludge is further processed and replaces this material as a raw material in its supply chain, saving natural resources in the life cycle of the cement produced.



Our 2019-2020 goals

- Certification of ElvalHalcor's aluminium rolling division (Elval) according to the Aluminium Stewardship Initiative (ASI) Performance Standard within 2020.
- Develop the Product Carbon Footprint on the basis of a structured Life Cycle Assessment for ElvalHalcor's aluminium rolling division's key products (by 2020).
- Develop a full water balance for ElvalHalcor's aluminium rolling division's facility within 2019.
- Complete a water audit by a specialised company for the copper tubes division.
- Networking of power monitoring meters and installation of measuring and reporting software at the copper tubes factory (PME).
- Installation of natural gas meters in annealing furnaces.
- Installation of LED lights in storage areas with motion and light sensors, on based on relevant study.

9. Applying international standards and initiatives



United Nations Global Compact

ElvalHalcor supports UN's Global Compact and ensures the incorporation of these ten principles, in the policies, procedures and systems it applies.

The Global Compact's 10 Principles

ElvalHalcor's systems, policies and practices

Report's section

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

The Company respects legislation on internationally enshrined human rights and ensures that the relevant requirements are fully integrated into its operations. Respect for human rights and ensuring compliance with fundamental freedoms is something the Company is committed to, and that much is clearly stated in ElvalHalcor's values and its Code of Conduct and Business Ethics. The Company has also arranged a series of training courses on these matters for office staff and executives.

5

Labour Conditions

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 5: Businesses should uphold the effective abolition of child labour.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and recruitment.

Respecting human rights is integral to ElvalHalcor's corporate culture and its operations. The Company ensures that it offers an equal-opportunity, equal-pay working environment, free from discrimination that respects diversity. Protecting employee health and safety is a top priority for the Company. We implement an OHSAS (ISO 18001:2007) certified Occupational Health and Safety Management System. The Company ensures that all subcontractors who agree to carry out works at our premises employ staff who is insured in accordance with the relevant legislation.

5

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

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

The Company is committed to growing its business while respecting the environment and ensuring compliance with the principles of Sustainable Development. Its goals are to minimise its environmental footprint, to promote environmental responsibility as part of its corporate culture, to ensure continuous improvements on environmental management issues and to develop know-how that furthers environmentally-responsible Sustainable Development. ElvalHalcor has adopted the precautionary principle towards environmental challenges, taking a series of measures to promote general environmental responsibility, encouraging the development and adoption of environmentally friendly technologies. To ensure it can comprehensively monitor and manage its environmental issues, the Company has put in place a certified Environmental Management System (ISO 14001:2015) and regularly publishes all data relevant to its environmental performance.

8

Anti-corruption

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

ElvalHalcor implements an integrated Corporate Governance framework, which ensures transparency in all activities, as well as two-way cooperation relationships with shareholders, customers, human resources and any other group of stakeholders. Transparency in our business activities constitutes a non-negotiable principle for ElvalHalcor's management team. For that reason the Company operates:

- transparently in all its business activities, to ensure proper, two-way partnership with shareholders, customers, employees and all stakeholders.
- by ensuring compliance with the legislative and regulatory framework and the relevant standards.
- by implementing practices that go beyond the requirements laid down by law, while acting with integrity and ethos at all times.

1

9. Applying international standards and initiatives



International standard ISO 26000 for Social Responsibility

ElvalHalcor, steadily orientated to the principles of responsible business, has incorporated the sustainability principles of the ISO 26000 in its business philosophy and seeks to operate within a specific ethical framework, in cooperation with the wider community within which it operates.

ISO 26000 (the principles)

GRI Standards

Reference / Report section

Organisational Governance	GRI 102 General Disclosures GRI 102-14, GRI 102-15, GRI 102-18	1. About ElvalHalcor
Human rights	GRI 102 General Disclosures: Organisational profile	5. Care for our people
Labour practices	GRI 102 General Disclosures: Organisational profile	5. Care for our people
Environment	GRI 301: Materials, GRI 302: Energy, GRI 303: Water, GRI 304: Biodiversity, GRI 305: Emissions, GRI 306: Effluents and waste, GRI 307: Environmental compliance, GRI 308: Supplier environmental assessment	8. Environmental protection
Fair operating practices	GRI 102: General Disclosures: 2. Strategy (GRI 102-14, GRI 102-15), 3. Ethics and integrity, 4. Governance (GRI 102-18)	1. About ElvalHalcor
Consumer issues	GRI 417-1, GRI 102-43, 44, GRI 417-1	1. About ElvalHalcor 2. Customer-oriented approach
Community involvement and development	GRI 203-1, GRI 413 Local community (GRI 413-1, GRI 413-2)	7. Care for local communities

9. Applying international standards and initiatives

Greek Sustainability Code – Compliance table

ElvalHalcor, as an ambassador of Greek Sustainability Code, complies to the 20 criteria of the Code (Level A).



Pillars	Criteria	Reference (page/section of ElvalHalcor's Sustainability report)
Strategy	1. Strategic analysis and action	page 42-43, page 17
	2. Materiality	page 8-9
	3. Objectives	9 section/page 78 (2018 performance). Our 2019 goals: page. 73, 59, 55, 50
	4. Value chain management	page 48-49
Process Management	5. Responsibility	page 42-44
	6. Rules and procedures	page 42-45. section 9: Applying international standards and initiatives.
	7. Monitoring	<u>GRI Content Index</u> , Key corporate responsibility indicators, pages 56-57, 68-71.
	8. Rewarding schemes and motives for Sustainable Development	page 54
	9. Stakeholders engagement	page 45-47
	10. Responsible products and innovation	page 36-41
Environment	11. Use of natural resources	page 66-73
	12. Management of resources	page 66-73
	13. Climate change and air emissions	page 70-71
Society	14. Employment rights	page 54
	15. Equal opportunities	page 54, GRI Content Index (GRI 405-1, GRI 405-2)
	16. Qualifications	page 51-52
	17. Human rights in the supply chain	page 48-49
	18. Corporate citizenship	page 60-62
	19. Initiatives and political influence	page 17
	20. Corruption prevention and fighting	page 17, 9 section, GRI Content Index (GRI 205-1, GRI 205-2)

The Greek Sustainability Code is developed under a model of 20 Criteria that are based upon international standards such as the Global Reporting Initiative, Global Compact, OECD Guidelines for multinational companies, EFFAS, ISO and EMAS.

9. Applying international standards and initiatives

Sustainable Development Goals (SDGs)

ElvalHalcó supports and contributes to the achievement of the 17 Sustainable Development Goals (SDGs), to successfully face the most important economic, social, and environmental challenges of our time.

Recognising the importance of taking action to achieve these 17 goals, we have aligned these goals with our Company's material issues, making sure that the policies and practices we are already implementing are moving in this direction.

ElvalHalcó's material issues

Company's financial performance (1)

Legal and regulatory compliance (2)

New investments and market share (3)

Risk management (4)

Innovation and products quality (5)

Customer satisfaction (6)

Waste management (11)

Energy consumption and saving (12)

Water use (13)

Air emissions (14)

Promote aluminum and copper recycling (15)

Supply chain responsibility (7)

Occupational Health and Safety (8)

Employee training and development (9)

Compensation and benefits (10)

Volunteering actions (18)

Supporting local employment and local suppliers (17)

Supporting local communities (16)

Sustainable Development Goals (SDG's)



Sustainability report section

1. Company profile
(ElvalHalcó SA)
2. Customer-oriented approach

8. Environmental protection

4. Supply chain responsibility

6. Occupational Health and Safety

5. Care for our people

4. Supply chain responsibility











7. Care for local communities

ElvalHalcó will keep track of developments in this area and will be involved in initiatives to work together to achieve these goals at national level.

9. Applying international standards and initiatives

Review of sustainability goals

We systematically monitor our sustainability performance, while also setting annual targets for each Sustainability area of interest.

What we said (2018 goals)	What we did (performance/target progress)	Correlation with SDG's
Care for our people		
<ul style="list-style-type: none"> Further employee training/support on six sigma methodology implementation Employee training and awareness on sustainability issues To develop an intranet for internal information and communication purposes and to promote our sustainability performance. 	<ul style="list-style-type: none"> 15 executives of the copper tubes division were trained on the 6 sigma methodology Administrative staff teams were trained on sustainable development issues Completed, see p. 57 The creation of "Intranet Elval" was postponed to 2019. 	
Occupational Health and Safety		
<ul style="list-style-type: none"> Implementation of at least 5,000 hours of training on relevant topics. Special prevention / protection training for working at height (Aluminium rolling division). Continue the life lines installation program in our facilities Incidents analysis using the Fault Tree Method (Copper tubes division). Inform employees about health issues (Copper tubes division). 	<ul style="list-style-type: none"> 10,463 hours of training on related issues were completed (see p. 56). Completed (see p. 56). The life lines installation programme at ElvalHalcor's facilities was continued. Incidents analysis is carried out using the Fault Tree Method. In cooperation with the NGO AgaliaZO, employees were briefed on health issues. 	 
Customer-oriented approach		
<ul style="list-style-type: none"> Maintaining a high level of customer satisfaction Further increase of existing market shares and entry into new markets Further development of new products Upgrade of ElvalHalcor's copper division quality control laboratory equipment. 	<ul style="list-style-type: none"> Maintain a high level of customer satisfaction. Existing market shares have increased and the entry into the Australian market with high value-added products was achieved, along with the entry into the Indian market with inner grooved tubes (see pp. 11-12). Developing new products (see pp. 43-44). Upgrading laboratory equipment in the copper tubes division. 	
Supply chain responsibility		
<ul style="list-style-type: none"> Further increase in scrap use Implement a new supplier evaluation process Conduct sustainability training for suppliers Monitor the responsible operation of suppliers 	<ul style="list-style-type: none"> Further increase in scrap use. Applying a new supplier evaluation process. Training suppliers on sustainable development issues. In the context of Management Systems, supplier audits are implemented. The supplier evaluation process has also been revised (see p. 53). 	 
Environmental protection (2018-2019)		
<ul style="list-style-type: none"> Environmental audit of cooperating companies regarding waste management. Installation of new electromechanical equipment to save energy. Implementation of a new circular economy program regarding waste management. 	<ul style="list-style-type: none"> It is in progress, by the end of 2019 the relevant audits will be completed. It is in progress, see p. 68 for more details on energy-saving actions completed in 2018. It is in progress, see pp. 70-71 for more details. 	   

The Company's new goals for 2019 are listed at the end of each chapter of this Report.

Appendix I - Key corporate responsibility indicators

Financial information

Key financial figures of ElvalHalcó S.A. (announced results)

	2018	2017	2016
Revenue (EUR thousand)	1,486,972	895,786	771,013
Other revenue (EUR thousand)	5,256	5,511	6,040
Revenue from financial investments (EUR thousand)	2,109	1,797	1,598
Total revenue (EUR thousand)	1,494,337	903,094	778,651
Operating costs (EUR thousand)	1,353,298	802,880	697,422
Employee salaries and benefits (EUR thousand)	63,559	39,349	39,954
Payments to capital providers (EUR thousand)	23,530	13,080	14,219
Net profit / (loss) (EUR thousand) – before taxes	53,949	47,784	27,056
Net profit / (loss) (EUR thousand) – after taxes	47,339	33,324	18,585
Net profit / (loss) per share (EUR)	0.134	0.118	0.068
Equity (EUR thousand)	705,914	660,919	443,413
Total liabilities (EUR thousand)	752,614	675,663	340,680
Total assets (EUR million)	1,458,528	1,336,582	784,093

Note: In the table above, the financial results for the fiscal use of 2016, include only the financial results of Elval including the spined-off foil sector and for 2017, include the results of the rolling sector for the twelve-month fiscal use of 2017 plus the results of the copper tubes sector for December 2017.

ElvalHalcó's social product

Occurred economic value (EUR thousand)

	2018	2017	2016
Operating costs	1,353,087	802,609	697,178
Employee salaries and benefits	63,559	56,223	57,976
Payments to capital providers	23,111	27,510	29,891
Taxes paid	4,592	21,804	671
Investments in society	211	271	244
Total	1,444,561	908,417	785,960
Occurred economic value	1,494,337	903,094	778,651
Economic value retained	49,776	-5,323	-7,309

The Company defines the Operating Cost as the sum of the reporting lines of the "Income Statement": Cost of Sales + Selling and Distribution expenses + Administrative expenses + Impairment loss on receivables of contract assets excluding Staff costs and social security contributions as well as Community investments which are presented in separate reporting lines.

Corporate Governance

Gender	Total No. of Board members	<30	30-50	50+
Women	-	-	-	-
Men	14	-	-	14
Total	14	-	-	14

Appendix I - Key corporate responsibility indicators

Copper tubes division (Halcor)

Suppliers

Number of suppliers per category /origin

Suppliers by type

	2018	2017	2016
Local suppliers*	241	166	173
National suppliers (Greece)	1,056	1,029	1,005
Affiliated companies (Greece)	29	30	30
International suppliers	395	357	333
International affiliated companies	8	10	9
Total (number of suppliers)	1,729	1,592	1,550
Suppliers from the local community (%)	14%	10.4%	11%

* Local suppliers: Suppliers from the prefectures of Viotia, Evia and Ioannina.

Number of suppliers per category /origin

Categories of suppliers

	2018	2017	2016
Total metal suppliers	127	97	103
National metal suppliers	23	20	29

	2018 (EUR million)	2017 (EUR million)	2016 (EUR million)
Suppliers expenditures* distribution per category/origin			
Total expenditure on suppliers (total suppliers)	539.3	506.3	383.3
Expenditure on metal suppliers	446.6	440.3	334.1
Expenditure on national metal suppliers (local suppliers)	32	36.1	21.3
Expenditure on international metal suppliers	414.6	404.2	312.8
Expenditure on suppliers except metals	92.7	51.9	49.3

* The expenditure on suppliers concerns the invoiced costs.

Human resources

Human resources data (31/12)	2018	2017	2016	Employee breakdown by category	Men	Women	Total
Men	541	446	411	Managers	14	0	14
Women	36	33	28	Senior executives	40	3	43
Total workforce	577	479	439	Office staff	74	31	105
Third party employees	71	65	64	Plant personnel	413	2	415
Employees of different nationalities	25	27	21	Total workforce	541	36	577

	2018		2017		2016	
Employment by type	Men	Women	Men	Women	Men	Women
Full-time employees (%)	541	36	411	35	411	35
Collective bargaining agreement (%)	100	100	100	100	100	100
Indefinite-term employment contract (%)	100	100	100	100	100	100

Distribution of workforce by geographical sector and gender group

	2018			2017			2016		
Geographical sector	Men	Women	Total	Men	Women	Total	Men	Women	Total
Attica	258	20	278	244	21	265	217	27	244
Local community ⁽¹⁾	280	2	282	199	12	211	172	8	180
Rest of Greece	3	0	3	3	0	3	3	0	3

(1) Local community: Greater Viotia, Evia and Ioannina areas.

Appendix I - Key corporate responsibility indicators

Employment per geographical sector

Geographical sector	2018	2017	2016
Attica	14	14	14
Local community ⁽¹⁾	556	458	418
Rest of Greece	2	2	2
Other (relocation abroad)	5	5	5

(1) Local community: Greater Viotia, Evia and Ioannina areas.

Age distribution (2018)

	18-30	31-50	51+
Men	58	318	165
Women	9	18	9
Total	67	336	174

Age distribution (%)

	18-30	31-50	51+
Men	10%	55.1%	28.6%
Women	0%	3.1%	1.6%
Total	10%	58.2%	30.2%

New employees hires 2018 (by age and gender group)

	18-30	31-50	51+
Men	36 (29.5%)	65 (53.3%)	12 (9.8%)
Women	4 (3.3%)	4 (3.3%)	1 (0.8%)
Total	40 (32.8%)	69 (56.6%)	13 (10.6%)

New employees hires 2018 (by geographical sector and age group)

	18-30	31-50	51+
Attica	12 (9.8%)	19 (15.6%)	1 (0.8%)
Local community ⁽¹⁾	28 (22.9%)	50 (41%)	12 (9.8%)
Total	40 (35.7%)	69 (56.5%)	13 (10.7%)

Total departures 2018 (by gender and age group)

	18-30	31-50	51+
Men	15	14	8
Women	2	5	1
Total	17	19	9

Total departures 2018 (by geographical sector and age group)

	18-30	31-50	51+
Attica	10	12	8
Local community ⁽¹⁾	7	7	1
Total	17	19	9

Total departures 2018 (by gender and age group)

	18-30	31-50	51+
Men	33.3%	31.1%	17.8%
Women	4.4%	11.1%	2.2%
Total	37.8%	42.2%	20.0%

Total departures 2018 (by geographical sector and age group)

	18-30	31-50	51+
Attica	22.2%	26.7%	17.8%
Local community ⁽¹⁾	15.6%	15.6%	2.2%
Total	37.8%	42.2%	20.0%

Breakdown of departures

	2018	2017	2016
Dismissals	12	4	15
Resignations	31	14	9
Retirements	1	3	2
Death by natural causes	1	2	-
Total	45	23	26

Employee mobility (%)

	2018	2017	2016
Employee hires (number of new employees hired / total number of employees)	21%	13%	8.6%
Employee departures (number of employees who left the company / total number of employees)	7.8%	5%	5.9%

Appendix I - Key corporate responsibility indicators

Training hours per subject

	2018	2017	2016
Health and safety	1,066	1,026	811
Sales	488	-	-
Management / Administration	1,192	64	548
Quality and environment	1,504	1,435	112
IT issues	360	376	573
Foreign languages	192	230	206
Technical know-how	279	160	276
Total hours	5,081	1,856	2,526

Position/Rank

	Total training hours 2018			Average training hours		
	Men	Women	Total	Men	Women	Total
Managers	456	0	456	32.6	-	32.6
Senior executives	778	24	802	22.2	8	21.1
Office staff	1,928	214	2,142	26.1	6.9	20.4
Plant personnel	1,681	0	1,681	4.1	-	4.1
Total	4,843	238	5,081	9.0	6.6	8.8

Employee absenteeism rate

	2018	2017	2016
Work day lost	2,607	2,266	1,857
Absenteeism rate	1.51%	1.59%	1.39%

Contractors absenteeism rate

	2018	2017	2016
Work day lost	210	310	219
Absenteeism rate	0.89%	0.74%	0.36%

1) Absentee days include any absence of employees from work due to any inability (e.g. illness, accident), as well as incidents requiring first aid only. Leaves of any kind (e.g. annual regular leave, maternity/paternity, parenting, education, marriage, birth of a child, loss of a relative, etc.) are not included.

2) Absenteeism rate (AR) = number of days lost from work due to inability to work/ (total number of employees X average working days per employee) X 100.

Occupational health and safety

Health and safety indicators

	2018	2017	2016
Lost Time Incidents Frequency rate (LTIFR)	7.86	6.69	5.16
Severity rate / Lost work day rate (SR=LDR)	127	144	91
Occupational disease rate (ODR)*	0	0	0
Fatalities	0	0	0

Note: To calculate lost days, counting begins from the next day of the accident.

1) Injury rate: number of accidents (LTI) X 10⁶ / number of man-hours worked.

2) Accident severity rate (SR: Severity rate = LDR: Lost Work Day Rate): number of lost work days X 10⁶ / number of manhours worked.

3) Occupational Diseases Rate (ODR): number of occupational diseases X 10⁶ / number of man-hours worked.

Appendix I - Key corporate responsibility indicators

Environment

Direct energy consumption by type of fuel

Type of fuel	2018		2017		2016	
	Volume	Energy (GJ)	Volume	Energy (GJ)	Volume	Energy (GJ)
Diesel (GJ/tn of product)	2.73	0.099	2.43	0.094	2.72	0.105
Natural gas (GJ/tn of product)	63.15	2.59	63.31	2.47	68.92	2.69
Gas (LPG)	-	-	-	-	-	-
Total (GJ/tn of product)	2.69		2.56		2.79	

Note: All energy consumption figures are from the Company's energy consumption bills. There is no consumption of energy from renewable energy sources and no energy is sold.

* For 2018, the factors of NIR (National Inventory Report) 2018 were used, p. 117. For the conversion of diesel litres to Kg we used the density (average) as mentioned in Joint Ministerial Decision 355/2000/2001. 1 KWh=0.0036GJ

** The quantity of direct emissions is calculated on the basis of the consumption of natural gas in the production and consumption of oil for transport. For the calculation of direct emissions for 2018 we used the factor 11.4001996508953 KWh / Nm³ NG from the DEPA gas tariffs. The average tn CO₂ / TJ for 2018 is 55.48454722052 tn CO₂ / TJ, according to the Oinofyta spectrometer data.

Emissions

	2018	2017	2016
Direct emissions (Kg CO ₂ /tn of product)	136	152	151
Indirect emissions (Kg CO ₂ /tn of product)	413	403	394

For calculation of the indirect emissions for 2017 we used the factor: 0,62497kg CO₂/KWh (source: European Residual Mixes 2017, AIB, Greece).

Water consumption by source (%)

EYDAP water supply network	96.71%	97.27%	96.6%
Oinofyta water supply network	3.29%	2.73%	3.4%

Water: All consumption comes from EYDAP meters and purchase invoices (for tanks). For tanks, the consumption is very small and amounts to 0.224m³.

Other indirect emissions (2018)

	tn CO ₂
Business travel	90
Employee transportation (to and from work)	878
Final products transportation	8,096
Transporting copper cathodes to Halcor	8,352
Transporting scrap to Halcor	3,026

Waste management method

	2018		2017		2016	
	Kg	%	Kg	Kg	%	%
Recovery*	1,009,982	4.8	964,026	4.9	919,060	5
Recycling	19,616,072	92.9	18,227,854	92.8	17,211,586	92.6
Landfill disposal	480,370	2.3	450,490	2.3	448,960	2.4
Total	21,106,424	100	19,642,370	100	18,579,606	100

* Recovery (energy or other form of recovery)

Appendix I - Key corporate responsibility indicators

Waste management method

Waste management method (non hazardous waste)	2018		Waste management method (hazardous waste)	2018	
	Kg	%		Kg	%
Recovery	32,250	0.16	Recovery	977,732	4.6
Recycling	19,089,840	90.4	Recycling	526,232	2.5
Landfill disposal	480,370	2.3	Landfill disposal	-	-
Total	19,602,460	92.9	Total	1,503,964	7.1

	2018	2017	2016
Recycled metal consumption (%) in relation to total metal consumption (%) (without internal returns)	51%	41%	39%
Recycled metal consumption in relation to total metal consumption	60%	52%	50%

Copper recycling and benefits (2008-2018)

Energy saving, compared to the primary production of the same quantity of copper, is calculated as at least 3,061,835 MWh* within a period of 11 years (from 2008-2018), namely the equivalent of annual consumption of a city of 526,200 people (calculated by the EU average).

Energy consumption (MWh) for primary copper production (1tn Cu)	Energy saving due to recycling (%)	Average annual scrap use 2008-2018 compared to 2007 (tn)	Years	Total energy saving (MWh)	Equivalent annual energy of a town (number of people)
27.8	85	14,045	11	3,650,674	627,396

Emissions CO ₂ per tn Cu (tn) tn Cu (tn)	Avoidance of CO ₂ emissions due to recycling (%)	Average annual scrap use 2008-2018 compared to 2007 (tn)	Years	Avoidance of CO ₂ emission (tn)	Equivalent annual CO ₂ emissions of a town (number of people)
5.5	64	14,045	11	543,816	50,828

Aluminium rolling division (Elval)

Suppliers

Suppliers per category	2018 (number)	2017 (number)	2016 (number)
International suppliers	646	612	637
National suppliers (Greece)	1,568	1,593	1,513
Local suppliers*	155	120	85
Total (number of suppliers)	2,214	2,205	2,150

* the number of local suppliers (include our total suppliers from Oinofyta, Thiva and Chalkida) are included in the total number of suppliers range.

Suppliers expenditure distribution per category/origin	2018 (EUR million)	2017 (EUR million)	2016 (EUR million)
Total expenditure on suppliers (total suppliers)	914	799	703
Expenditure on international metal suppliers	675	572	460
Expenditure on national metal suppliers (local suppliers)	240	227	243
Expenditure on local suppliers (in total of national suppliers)	13.2	12.1	13.8

* The expenditure on suppliers concerns the invoiced costs.

Human resources data

Total number of employees (31/12)	2018	2017	2016	Position/Rank (2018)	Men	Women	Total
Men	787	711	764	Managers	21	2	23
Women	75	74	71	Senior executives	114	11	125
Third party employees	174	71	71	Office staff	189	54	243
Employees of different nationalities	24	20	22	Plant personnel	463	8	471
Seasonal employees	59	65	12	Total	787	75	862

Appendix I - Key corporate responsibility indicators

Employment	2018		2017		2016	
	Men	Women	Men	Women	Men	Women
Full-time employees	787	75	711	74	764	71
Collective bargaining agreement (%)	100	100	100	100	100	100
Indefinite-term employment contract (%)	100	100	100	100	100	100

Distribution of workforce by geographical sector and gender group

Geographical sector	2018			2017			2016		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Attica	346	38	384	316	31	347	270	28	298
Local community ⁽¹⁾	436	37	473	43	432	436	494	43	537
Rest of Greece	5	0	5	6	0	0	-	-	-
Total	787	75	862	711	74	785	764	71	835

(1) Local community: Greater Viotia and Evia areas.

Age distribution (2018)	18-30	31-50	51+	Age distribution (2018) %	18-30	31-50	51+
Men	67	513	207	Men	7.8%	59.5%	24%
Women	6	59	10	Women	0.7%	6.8%	1.2%
Total	73	572	217	Total	8.5%	66.4%	25.2%

New employees hires 2018 (by age and gender group)

	18-30	31-50	51+
Men	34 (32.1%)	59 (55.7%)	7 (6.6%)
Women	3 (2.8%)	3 (2.8%)	0 (0%)
Total	37 (34.9%)	62 (58.5%)	7 (6.6%)

New employees hires 2018 (by geographical sector and age group)

	18-30	31-50	51+
Attica	16 (15.1%)	26 (24.5%)	3 (2.8%)
Local community	21 (19.8%)	36 (34.0%)	4 (3.8%)
Total	37 (34.9%)	62 (58.5%)	7 (6.6%)

Total departures 2018 (by gender and age group)

	18-30	31-50	51+
Men	4 (14.3%)	14 (50%)	6 (21.4%)
Women	1 (3.6%)	2 (7.1%)	1 (3.6%)
Total	5 (17.9%)	16 (57.1%)	7 (25%)

Total departures 2018 (by geographical sector and age group)

	18-30	31-50	51+
Attica	4 (14.3%)	5 (17.9%)	3 (10.7%)
Local community	1 (3.6%)	11 (39.3%)	4 (14.3%)
Total	5 (17.9%)	16 (57.1%)	7 (25%)

Breakdown of departures

	2018	2017
Dismissals	12	7
Resignations	12	9
Retirements	2	2
Death by natural causes	2	-
Total	28	18

Employee mobility (%)

	2018	2017	2016
Employee hires (number of new employees hired / total number of employees)	12.3%	5.86%	8.6%
Employee departures (number of employees who left the company / total number of employees)	3.2%	2.29%	5.9%

Appendix I - Key corporate responsibility indicators

Employee training (2018)

Position/Rank	Total training hours 2018			Average training hours		
	Men	Women	Total	Men	Women	Total
Managers	199	41	240	9.5	20.5	10.4
Senior executives	3,882	174	4,056	34.1	15.8	32.5
Office staff	3,317	884	4,202	17.6	16.4	17.3
Plant personnel	4,658	251	4,909	10.1	31.3	10.4
Total	12,056	1,350	13,407	15.3	18.0	15.6

Training hours per subject

Subject	ώρες	Ποσοστό
Health and safety	5,764	43%
IT issues	1,755	13%
Technical issues	2,498	19%
On the job training	184	1%
Environment	264	2%
Management / Administration	1,823	14%
Quality	715	5%
Postgraduate programs	256	2%
Sales	147	1%
Total hours	13,407	100%

Employee absenteeism rate (Elval)

	2018	2017	2016
Work day lost	2,291	1,334	1,155
Absenteeism rate (AR)	0.88	0.57	0.42

1) Absentee days include any absence of employees from work due to any inability (e.g. illness, accident), as well as incidents requiring first aid only. Leaves of any kind (e.g. annual regular leave, maternity/paternity, parenting, education, marriage, birth of a child, loss of a relative, etc.) are not included.

2) Absenteeism rate (AR) = number of days lost from work due to inability to work/ (total number of employees X average working days per employee) X 100.

Occupational health and safety

Health and safety indicators	2018	2017	2016
Lost Time Incidents Frequency rate (LTIFR)	7,16	3,16	3,30
Severity rate / Lost work day rate	126	80,0	83,7
Occupational disease rate (ODR)*	0	0	0
Fatalities	0	0	0

Note: To calculate lost days, counting begins from the next day of the accident.

1) Injury rate: number of accidents (LTI) X 10⁶ / number of man-hours worked.

2) Accident severity rate (SR: Severity rate = LDR: Lost Work Day Rate): number of lost work days X 10⁶ / number of manhours worked.

3) Occupational Diseases Rate (ODR): number of occupational diseases X 10⁶ / number of man-hours worked.

Appendix I - Key corporate responsibility indicators

Environment

Direct energy consumption by type of fuel

Type of fuel	2018		2017		2016	
	Volume /tn	Energy (GJ/tn)	Volume /tn	Energy (GJ/tn)	Volume /tn	Energy (GJ/tn)
Diesel (GJ/tn of product)	3.01 lt/tn	0.11 GJ/tn	3.24 lt/tn	0.11 GJ/tn	3.24 lt/tn	0.12 GJ/tn
Natural gas (GJ/tn of product)	158.05 Nm ³ /tn	6.69 GJ/tn	157.12 Nm ³ /tn	6.49 GJ/tn	149.47 Nm ³ /tn	6.21 GJ/tn
Gas	0		0		0	
Total (GJ/tn of product)	6.80		6.60		6.33	

The quantity of direct emissions is calculated on the basis of the consumption of natural gas in the production and consumption of diesel for transport. For the calculation of direct emissions for 2018 we used the factor 11,5506475839838 KWh / Nm³ of NG from the gas tariffs of DEPA. The average tn CO₂ / TJ for 2018 is 55,48454722052 tn CO₂ / TJ, according to the Oinofyta spectrometer data.

	2018	2017	2016
Direct emissions (kg CO ₂ / tn of products)	352	351	335

Diesel fuel is not included in total direct emissions (<3%).

	2018	2017	2016
Indirect emissions (kg CO ₂ / tn of products)	477	477	433

For calculation of the indirect emissions for 2017 we used the factor: 0,58415 kg CO₂/KWh (source: European Residual Mixes 2016, AIB, Greece). Water: At ElvalHalcor's aluminium rolling division, the data for water consumption are from EYDAP invoices

Waste management method

	2018		2017		2016	
	Kg	%	Kg	%	Kg	%
Recovery	3,793,526	14.7	4,669,702	17.0	5,534,535	20.2
Recycling	21,189,240*	82.3	22,269,387	80.9	21,123,354	77.2
Landfill disposal	771,890	3.0	576,470	2.1	699,660	2.6
Total	25,754,656	100%	27,067,933	100%	27,357,549	100

* Almost 107.000 tn of aggregates produced by excavations resulting from non productive activities are not included.

Management method by type waste

Waste management method (non hazardous waste)	2018		Waste management method (hazardous waste)	2018	
	Kg	%		Kg	%
Recovery	409,055	2.0	Recovery	3,384,471	68.4
Recycling	19,625,050	94.3	Recycling	1,564,190	31.6
Landfill disposal	771,780	3.7	Landfill disposal	110	0.00
Total	20,805,885	100%	Total	4,948,771	100%

About the report

Report profile

Aimed at better informing our stakeholders (investors, shareholders, employees, customers, suppliers, etc.), this Report presents our strategic priorities, practices, ElvalHalcor's performance and our future goals in the context of responsible business. This issue covers the calendar year 2018 (01/01/2018 - 31/12/2018).

Since 2008, aluminium rolling division (Elval) and copper tubes division (Halcor) of ElvalHalcor issues Sustainability Reports on an annual basis. The 2018 Sustainability report is the 11th annual report. The Sustainability report is an important information tool (as it reflects the way we respond to material issues and expectations) for all our stakeholders.

All Sustainability Reports published by Elval and Halcor to date are available in electronic form (pdf files) on the Company's website (www.elvalhalcor.com), under the section "Sustainability".

Scope and boundary

This Report covers all of the Company's production activity (ElvalHalcor S.A.) in Greece, while the scope of reporting does not include the subsidiaries Symetal SA, Elval Colour SA, Vepal SA, Sofia Med SA and Fitco SA, for which responsible operation information is briefly presented.

The scope of our Sustainability report 2018 includes the Aluminium rolling division (Elval) and the Copper tubes division of ElvalHalcor SA. The Company has over 80 years of experience as it was formed in December 2017 via the merger of Elval, a leading European aluminium rolling company, and Halcor, the largest copper tubes producer in Europe. The new entity, ElvalHalcor capitalises on natural synergies in innovation and technology, research and development (R&D), procurement, marketing, infrastructure and

environment to produce value-added, high-quality solutions for its customers worldwide.

There are no significant changes in the scope or the boundary of performance issues covered or information reviews compared to previous reports. Similarly, no changes have been made in the evaluation or/and calculations of quantitative performance data of the Company.

Report preparation

ElvalHalcor's 2018 Sustainability Report was prepared in accordance with the Guidelines of the international Organisation Global Reporting Initiative GRI Standards (core option). At the same time, in the preparation procedure of the Report's sections, the ISO 26000 guideline framework standards were used. We believe this option reflects our commitment to linking our broader strategy to Sustainability issues, focusing on the material issues of our responsible operation. The GRI content index is available at the Company's website www.elvalhalcor.com (Sustainability section), while the statement of the independent body who verified the Report is available in page 90.

Methodology and team work

ElvalHalcor's Sustainability teams, among other things, are also responsible for preparing the Sustainability Report. Specifically, ElvalHalcor team executives undertake, on an annual basis, to collect all necessary data concerning sustainability areas, to prepare the relevant Report, in accordance with the requirements of the international standards followed (GRI Standards, ISO 26000, AA1000, etc.).

External verification

We recognise the importance of the external verification process, both for the reliability of the Report's information (accountability with transparency to our stakeholders) and for the internal value in improving our procedures. For this reason, we have chosen to verify all ElvalHalcor's data included in this

year's Report, cooperating with an external body. The relationship of the Company with the verification body is independent and the body provided no consultation services to the Company for the Report. We appropriately use the conclusions, comments and suggestions resulting from the external verification process. Pages 90-91 present both the implementation level of the GRI Standards indicators in this Report and the Statement of the independent body who verified the report.

ElvalHalcor S.A.**Copper tubes division - Halcor**

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Contact point

With a focus on continuous improvement we would like our stakeholders to read our new Sustainability Report and look forward to their comments and suggestions on the initiatives and actions we present.

Aluminium rolling division - Elval

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TÜV AUSTRIA Hellas Independent Assurance Statement for ELVALHALCOR's Sustainability Report 2018



Information on the Assurance Statement

The Assurance Provider TÜV AUSTRIA Hellas ('the Provider') has been engaged to provide external assurance on the disclosures published in the Sustainability Report 2018 ('the Report') of ELVALHALCOR S.A. ('the Company'). The Company is exclusively responsible for the data and information within the Report. The assurance process was conducted by the Provider in terms of sample-based audits of data and information, as well as audits of data collection systems and procedures.

Economic and financial data were not verified. Instead, they were assessed with respect to the information contained in the 2018 annual financial statement which has been verified by other third parties.

The intended users of this Statement are all the stakeholder of the Company.

Scope of Assurance

The Provider undertook and implemented the following Type 2 and moderate level of quality assurance activities, according to AA1000 Assurance Standard 2008, during May of 2019:

1. Review of the Report against the requirements of:
 - Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, in order to confirm that the GRI-STANDARDS "Core option" requirements are fulfilled and,
 - AA1000 Accountability Principles Standard 2008.
 - Greek Sustainability Code.
2. Verification of the data included in all the chapters of the Report.
3. Site visits as well as interviews with the Sustainability Team and the main executives, at the Company's factories for aluminum rolling, production of copper tubes and the foundry, for the implementation of verification and sampling inspections of files, in order to evaluate:
 - the reliability and accuracy of performance indicators of the Sustainability Report
 - the processes for generating, gathering and managing information included in the Report
 - the adherence to the principles of inclusivity, materiality and responsiveness to stakeholders.

Limitations

The extent of the above collected data and information justify the characterization «moderate assurance»,

since the objective evidence found were a result of internal sources of the Company and not through contacting external stakeholders.

Conclusions

During the assurance engagement, it was confirmed that the data and information of all the chapters of the Report are accurate and reliable. The accuracy of the disclosed statements and assertions was found to be within acceptable limits. The Company provided a comprehensive and proper presentation of performance on the basis of reasonably documented information as well as that there is an effective data gathering, management and reporting system in place for issues which pertain to sustainable development.

The Provider concurs that the GRI-STANDARDS "Core option", the 3 principles of AA1000 APS requirements and the 20 Criteria of the Greek Sustainability Code have been met.

Opportunities for Improvement

Based on the observations and concluding remarks derived from the assurance engagement, the Provider's recommendations for the improvement of the Company's future Sustainability Reports are as follows:

A. GRI-STANDARDS:

- Assurance of the Report's qualitative information too.
- Provision of information for additional GRI-STANDARDS indicators, in order to fulfill the "Comprehensive option" requirements.

B. AA1000APS:

- The process of stakeholder participation should be ongoing for all stakeholders and should establish ways for stakeholders to be involved in decisions that will improve sustainability performance, build the capacity of internal stakeholders and supports building capacity for external stakeholders to engage and address conflicts or dilemmas between different stakeholder expectations, as well.
- The materiality determination process should be ongoing for all stakeholders and should include criteria and thresholds that are clear and replicable and include a means of addressing conflicts or dilemmas between different expectations regarding materiality.
- The process in place for developing appropriate responses should be ongoing for all stakeholders

Independent Assurance Statement for Sustainability Report

and should consider the relationship between the maturity of an issue and the appropriateness of a response and document that the responses prioritization criteria take resources requirements into account.

- The process in place to communicate with all stakeholders should be ongoing.

C. Greek Sustainability Code:

- There is not any pending material requirements.

Statement of Independence, Impartiality and Competence

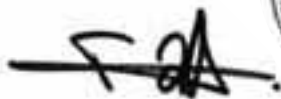
TÜV AUSTRIA Hellas member of TÜV AUSTRIA Group is an independent professional services company that specializes in quality, environmental, health, safety and social accountability. The TÜV AUSTRIA Group is a Group with International presence founded in 1872. TÜV AUSTRIA Hellas was the first subsidiary to be founded outside Austria in 1994, has become a market leader in Greece. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

TÜV AUSTRIA Hellas is an accredited certification body which operates a Quality Management System which complies with the requirements of several accreditation standards, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

TÜV AUSTRIA Hellas has implemented a Declaration of Impartiality and Independency and several relevant procedures which ensure that all employees, that work for or on behalf of it, maintain high standards in their day to day business activities. We are particularly cautious in the prevention of conflicts of interest. TÜV AUSTRIA Hellas has a number of existing commercial contracts with ELVALHALCOR regarding management systems certification activities. Our assurance team does not have any involvement in other projects with ELVALHALCOR that would cause a conflict of interest and has never provided any consulting services to the Company.

On behalf of TÜV AUSTRIA Hellas,
Athens, 16th of May 2019

Kallias Yiannis
General Manager




Sifakis Nikolaos
Lead Auditor




AA1000
Licensed Assurance Provider
000-211

Note: This Independent Assurance Report has been prepared as a translation of the original Greek version

The photographs in this Report were taken by the photographers Spyros Haraktinos, Panos Georgiou, and by Simon Pitsilidis, Anastasios Liatis, Erietta Papadogianni.



The paper from our Report was printed on was produced from FSC forests and plantations and contains 60% recycled paper pulp.

SUSTAINABILITY REPORT 2018

GRI STANDARD INDEX (CORE OPTION)



ELVALHALCOR

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.



GRI Standard Index (core option)

GRI Standard Index (core option)

This index helps readers compare the information from our sustainability report, annual report and website with the Global Reporting Initiative GRI Standards (2016 edition).

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
GRI 101 : Foundation 2016				
GRI 102: General Disclosures 2016				
102-1	Name of the organisation	ElvalHalcor Hellenic Copper and Aluminium industry S.A.		√
102-2	Activities, brands, products and services	P. 10-15, www.elvalhalcor.com See 417-1		√
102-3	Location of headquarters	http://www.elvalhalcor.com/el/contactus/		√
102-4	Location of operations	P. 11-12 http://www.elvalhalcor.com/el/who-we-are/global-presence/		√
102-5	Ownership and legal form	ElvalHalcor is a Société Anonyme, with shares listed on the Athens Stock Exchange (ASE) since 01/02/2018. ElvalHalcor's shareholder structure (31/12/2018): Viohalco SA 91.4% and other shareholders 8.6%		√
102-6	Markets served	P. 11-12 http://www.elvalhalcor.com/el/activity-markets/overview http://www.elvalhalcor.com/el/our-products/		√
102-7	Scale of the organisation	P. 6-7, 10-12, P. 51. P. 79. Total sales for the year 2018 were EUR 1,486,972.	ElvalHalcor does not report the quantity of product sales (total tn) due to competition intelligence reasons.	√
102-8	Information on employees and other workers	P. 51-52. P. 80-82, 84-85		√
102-9	Supply chain	P. 48-50. p. 80, 84		√
102-10	Significant changes to the organisation and its supply chain	2018 ElvalHalcor's Annual Report, pages 7, 23. During December 2018 the company bought Epirus Metalworks. The only result of this acquisition was the addition in the supply chain of the company the suppliers of the local Ioannina area.		√
102-11	Precautionary principle or approach	P. 43, 56, 58, 59, 66, 67, 74		√
102-12	External initiatives	P. 13, 17 and section 9 Applying international guidelines and initiatives		√
102-13	Membership of associations	P. 17		√
Strategy				
102-14	Statement from senior decision-maker	P. 6-7		√
102-15	Key impacts, risks, and opportunities	Financial Report of the board of the Directors 2018 (p. 23/ Non-financial reporting section). The Company operates in an economic and social environment characterised by various risks, financial and others (all financial risks are laid down in the section "Risks and Uncertainties" of this report). In this context, the Company has established procedures to control and manage non-financial risks. The main categories of non-financial risks facing the Company are environmental risks and risks related to occupational H&S. Managing these risks is considered a very important task by Company Management provided that they pose a threat of having a direct or indirect impact on the Company's smooth operation.		√

GRI Standard Index (core option)

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
		<p>ElvalHalcor's by-laws (approved by the BoD) clearly describe the areas of risk and include specific procedures that have been developed on the basis of the Prevention Principle in H&S and Environment management.</p> <p>In addition, in the context of the certified Management Systems implemented by the Company, the relevant risks are assessed on an annual basis. Aiming to reduce the likelihood and the importance of risks occurring in certain segments, the Company takes preventive steps, designs and implements specific plans and actions, and monitors their performance through the relevant indicators (quality, environment, occupational health and safety) it has set. Moreover, the Company has carried out all hazard studies prescribed by law, implements operation and safety criteria which are compliant with national and European laws, develops an emergency plan and cooperates closely with local authorities and the Fire Brigade in order to address any eventual incidents quickly and effectively.</p>		
Ethics and Integrity				
102-16	Values, principles, standards and norms of behaviour	<p>Vision, Mission, Values: http://www.elvalhalcor.com/el/who-we-are/vision/.</p> <p>The relevant brochure was distributed to the workforce, clients, suppliers and the Board of Directors. The Code of Conduct and Business Ethics were communicated to all workers and is available at the following link http://www.elvalhalcor.com/el/sustainability/our-people/.</p> <p>In addition seminars were composed and held for various work groups concerning their conduct and corporate ethics, and suppliers were informed as well.</p>		√
Governance				
102-18	Governance structure	<p>P. 17.</p> <p>Financial Report of the 2018 Board of Directors (page 52), section Corporate Governance.</p> <p>ElvalHalcor's 2018 Annual Report / section 13 Corporate Governance.</p>		√
102-22	Composition of the highest governance body and its committees	<p>http://www.elvalhalcor.com/userfiles/pdfs/%CE%95%CE%9B%CE%92%CE%91%CE%9B%CE%A7%CE%91%CE%9B%CE%9A%CE%9F%CE%A1%20%CE%91.%CE%95.%20new%20oci%201.pdf</p> <p>section Corporate Governance.</p>		√
102-23	Chair of the highest governance body	<p>Executive member of the BoD (see section Corporate Governance)</p> <p>http://www.elvalhalcor.com/userfiles/pdfs/%CE%95%CE%9B%CE%92%CE%91%CE%9B%CE%A7%CE%91%CE%9B%CE%9A%CE%9F%CE%A1%20%CE%91.%CE%95.%20new%20oci%201.pdf</p>		√
102-24	Nominating and selecting the highest governance body	<p>The members of the Board of Directors are annually evaluated and elected by the Company's General Meeting of Shareholders.</p> <p>The election criteria include experience, expertise, university qualifications, career distinctions, managerial skills, conceptual / synergistic and analytic thinking skills, social recognition and good character (more information you can find section Corporate Governance/ Financial Report of the 2018 Board of Directors)</p> <p>http://www.elvalhalcor.com/userfiles/pdfs/%CE%95%CE%9B%CE%92%CE%91%CE%9B%CE%A7%CE%91%CE%9B%CE%9A%CE%9F%CE%A1%20%CE%91.%CE%95.%20new%20oci%201.pdf</p>		√

GRI Standard Index (core option)

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
Stakeholder engagement				
102-40	List of stakeholder groups	P. 46-47		√
102-41	Collective bargaining agreements	P. 80, 85 (100%)		√
102-42	Identifying and selecting stakeholders	The process for the definition of the stakeholders that we did follow, was devised directly from the Sustainability members Team that firstly did communicate with various parts of the Company and secondly with the stakeholders (see pages 43-45).		√
102-43	Approach to stakeholder engagement	P. 46-47		√
102-44	Key topics and concerns raised	P. 46-47		√
Reporting practice				
102-45	Entities included in the consolidated financial statements	Financial Report for the year 2018/Corporate and consolidated report of December the 31st 2018 /VI Annotations of the financial statements		√
102-46	Defining report content and topic boundaries	P. 88-89		√
102-47	List of material topics	P. 8-9, 77		√
102-48	Restatements of information	P. 83, 84		√
102-49	Changes in reporting	There were no significant changes. A new material issue was the risk assessment in the materiality assessment of the 2018 Sustainability report.		√
102-50	Reporting period	01/01/2018-31/12/2018, page 88.		√
102-51	Date of most recent previous report	Our last report was published in May 2018 (our previous report was published in May 2017) http://www.elvalhalcor.com/el/sustainability/reporting/overview		√
102-52	Reporting cycle	We report on an annual basis		√
102-53	Contact point for questions about the report	P. 87		√
102-54	Claims if reporting in accordance with the GRI Standards	This report was based according to the GRI Standards –“core option” P. 88-89 and GRI Index		√
102-55	GRI content index	GRI Index		√
102-56	External assurance	P. 88-89		√
GRI 103 Management approach				
103-1	Explanation of the material topic and its boundary	P. 8-9		√
103-2	The management approach and its components	P. 8-9		√
103-3	Evaluation of the management approach	P. 8-9		√
GRI 103 Economic performance				
201-1	Direct economic value generated and distributed	P. 79		√
201-4	Financial assistance received from government	Financial Report for the year 2018/ Financial statements (Group and Company) of December the 31st 2018 (section 24, page 54) Moreover, the Greek Government does not have any holding in the Company's share capital.		√
GRI 202 Market presence				
202-2	Proportion of senior management hired from the local community	17% of employees in management and senior executive jobs came from the local community. Moreover, in Aluminium rolling division, 29 people of the top management (senior executive jobs) came from the local area and in Copper tubes division, 6 people. Pages 80, 84		√

GRI Standard Index (core option)

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
GRI 203 Indirect economic impacts				
203-1	Infrastructure investments and services supported	P. 51-64		√
203-2	Significant indirect economic impacts	P. 79		√
GRI 204 Procurement practices				
204-1	Proportion of spending on local suppliers	P. 49 and P. 80, 84		√
GRI 205 Anti-competitive behaviour				
205-1	Operations assessed for risks related to corruption	ElvalHalcor's Financial Report for the year 2018- Corporate governance statement. All business units are being systematically audited. No case of corruption was reported.		√
205-2	Communication and training about anti-corruption policies and procedures	The total of our workforce has been informed for the Company's Code of Conduct and Business Ethics that references to the relevant subjects. All new employees are thoroughly informed to the relevant subjects of the above topics. In addition in the past, a relevant seminar took place that was attended by employees and executives of the Company.		√
205-3	Confirmed incidents of corruption and actions taken	No such incident was recorded/reported for 2018 and for the previous years as well.		√
GRI 301 Materials				
301-2	Materials used by weight or volume	P. 50		√
GRI 302 Energy				
302-1	Energy consumption within the organisation	P. 69		√
302-3	Energy intensity	No energy consumed outside the boundaries sets is included in this calculation. See page 69. The indicator of the (energy intensity) of ElvalHalcor for: • 2018 amounted 2,2655 KWh/tn of product (8.15 GJ/tn of product) • 2017 amounted 2,295 KWh/tn of product (8.26 GJ/tn of product) • 2016 amounted 2,263 KWh/tn προϊόντος (8.115 GJ/tn of product). For the energy intensity indicator the formula used is: the amount of total energy used (electric and thermal energy) in KWh divided with the total production of products. The Company isn't using any steam. Also the total energy used for cooling and heating is added in the total amount of electric energy.		√
302-4	Reduction of energy consumption	The Company has made significant investments and actions to reduce its energy consumption. Application of the certified Energy Management System in line with the international Standard ISO 50001:2011 (more than 504 MWh were saved during 2018. This was due to actions taken to save energy in the Copper Tubes Division-Halcor). See page 70.		√
GRI 303 Water				
303-1	Water withdrawal by source	p. 68, 83 (All water consumptions are from EYDAP and Oinofyta water supply network) page 87 (at Elval-Aluminium rolling division, all water consumptions are from EYDAP and the data for water consumption are from EYDAP invoices).		√
303-2	Water sources significantly affected by withdrawal of water	See pages 81, 87. There are no water sources that are directly affected by withdrawal of water by the Company's operation. Water is not drawn from bodies of water which experts have acknowledged as rare, endangered or threatened systems. Water is not drawn from wetlands covered by the Ramsar Convention or other similar sources. The Company does not implement water withdrawal from an area designated as protected.		√

GRI Standard Index (core option)

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
303-3	Water recycled and reused	Water recycling is applied where feasible, however without being possible to have an exact measuring of the amount being recycled.		√
303-3	Water discharge	The disposal of treated wastewater amounted: 320,610 m ³		
GRI 304 Biodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Company does not operate in or adjacent to protected areas. There has been no negative impact on IUCN Red List species and national operations, by operations, list species, since the Company does not operate in such areas. As a matter of fact there is no interaction between Company and eco-system and there was no need to develop a specific program for the biodiversity.		√
304-2	Significant impacts of activities, products, and services on biodiversity	See 304-1.		√
304-3	Habitats protected or restored	See 304-1.		√
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	See 304-1.		√
GRI 305 Emissions				
305-1	Direct (Scope 1) GHG emissions	P. 71. Section Environmental protection / Climate change and air emissions. For competition reasons, the Company does not want to publish the total production (tn of product) and as a result of that as well we can't publish the number of direct emissions. For this reason, ElvalHalcor published the indicator: Direct emissions per tn of product. See pages 83, 87		√
305-2	Energy indirect (Scope 2) GHG emissions	P. 71 and pages 83, 87		√
305-3	Other indirect (Scope 3) GHG emissions	P. 83, 87		√
305-4	GHG emissions intensity	P. 71 and pages 83-87. The formula that counts the CO ₂ emissions (direct or indirect) is: total direct or indirect emissions/total products production.		√
GRI 306 Effluents and waste				
306-2	Waste by type and disposal method	P. 72, 83, 84, 87		√
306-3	Significant spills	There were no significant spills		√
306-4	Transport of hazardous waste	The company does not transport, import or ship any type of waste. For 2018 all Company's waste were properly managed (see section 8 – Environmental protection/waste management), from licensed companies operating in the hazardous and non-hazardous processing industry.		√
GRI 307 Environmental compliance				
307-1	Compliance with environmental laws and regulations	See GRI Standard 414-1		√
GRI 308 Supplier environmental assessment				
308-1	New suppliers that were screened using environmental criteria	100% of new suppliers of environmental interest (waste management) is based in environmental criteria. In 2018 we had no new collaboration with a supplier concerning environmental issues. All active suppliers are monitored annually according the relevant environmental law. The total of new suppliers were 773 (at Aluminium rolling division 10 new suppliers were screened using environmental criteria).		√
308-2	Negative environmental impacts in the supply chain and actions taken	No negative effects were recorded in the supplying chain.		√

GRI Standard Index (core option)

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
GRI 401 Employment				
401-1	New employee hires and employee turnover	P. 52, p. 80-86		√
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P. 54		√
401-3	Parental leave	The company is overly sensitive in maternal issues. This is proven from the fact that all women returned to work after maternity leave. In 2018 all women were granted the necessary leave. It is known that all women that gave birth and went back to work stayed for 18 months which is the time that law permits them. All employees who receive such a leave continue working in the Company 12 months after they take this leave.	It is not supported by our SAP system to export the number for this indicator.	√
GRI 402 Labour/Management relations				
402-1	Minimum notice periods regarding operational changes	The Company has not established a specific minimum notice period. However, all legal restrictions are applied. Employees are informed in collective agreements directly by the ElvalHalcor's management for every important issue concerning the Company.		√
GRI 403 Occupational Health and Safety				
403-1	Workers representation in formal joint management—worker health and safety committees	See page 59. 100% of our employees are fully represented in monthly a Health and Safety committees. The Company's Health, Safety Department reports directly to the BoD on relevant issues that may affect the employees.		√
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	P. 57, p. 82-86 The figures concern the plants of the aluminium rolling division (Elval) and Copper tubes division (Halcor) at Oinofyta, Viotia. All of our incidents concern men employees. The ratio of injuries (IR) doesn't include the accidents that need only medical assistance. Lost days are considered working days.		√
403-4	Health and safety topics covered in formal agreements with trade unions	There are no relevant agreements - all the relevant regulations are applied.		√
GRI 404 Training and education				
404-1	Average hours of training per year per employee	P. 53, 82, 86		√
404-2	Programs for upgrading employee skills and transition assistance programs	P. 53		√
404-3	Percentage of employees receiving regular performance and career development reviews	100%. All employees receive regular development reviews.		√
GRI 405 Diversity and equal opportunity				
405-1	Diversity of governance bodies and employees	See pages 52, 79-86. All members of the Company's Board of Directors and members of Committees are male (http://www.elvalhalcor.com/el/investor-relations/corporate-governance/board-of-directors/composition). From the 35 Managers and Senior executives are male except 2 women (6,3% women in the total of Managers and senior executives). No individuals from any ethnic minority or with a disability participate in any company governance bodies.		√

GRI Standard Index (core option)

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
405-2	Ratio of basic salary and remuneration of women to men	<p>This is no material issue for our Company.</p> <p>ElvalHalcor does not accept any kind of discrimination (wages or other). Page 54.</p> <p>Based on our equal opportunities policy, there is no wage discrimination between men and women. The level of pay is determined solely by the job specifications, qualifications and experience of employees.</p> <p>Therefore, pay for men and women holding the same jobs is the same.</p>		√
GRI 406 Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken	<p>No such incidents were reported in 2018.</p> <p>At ElvalHalcor no incidents of discrimination have ever been recorded.</p>		√
GRI 408 Child labour				
408-1	Operations and suppliers at significant risk for incidents of child labour	<p>There is no risk of child labour – ElvalHalcor is against child labour, is complies with relevant legislation and implements control procedures of relevant documents during personnel hiring in order to ensure that no child labour occurs. Our employee standards clearly spell out that ElvalHalcor allows employment only for people who are over 18 years old.</p> <p>All contractors are aware of ElvalHalcor's policy against child labour and they are monitored regularly to safeguard compliance with company's standards.</p>		√
GRI 409 Forced or compulsory labour				
409-1	Operations and suppliers at significant risk for incidents of forced or r compulsory labour	<p>There is no risk of forced or compulsory labour.</p> <p>The company is against forced labour and complies with all labor law including work hours. Concerning the suppliers see 408-01.</p>		√
GRI 412 Human rights assessment				
412-2	Employee training on human rights policies or procedures	<p>During 2018 no seminar relevant to human rights took place.</p> <p>Back in 2012 though, such training took place and was attended from all senior executives from all departments/sections of the Company (see the 2012 Sustainability Reports, p. 74 Halcor and p. 66 Elval)</p>		√
GRI 413 Local communities				
413-1	Operations with local community engagement, impact assessments, and development programs	<p>Collaboration programs with the local communities are applied in the context of the production area of the company (Oinofyta Viotia) and the wider area. However, due to restricted and production activities impact no special study is considered necessary apart from the Environmental Impact Studies that are conducted according to the relevant legislation.</p> <p>The Company reviews the direct and indirect impacts towards local communities during business plans preparation.</p>		√
413-2	Operations with significant actual and potential negative impacts on local communities	<p>There are no negative impacts to local communities as the Company takes all the necessary measures and fully complies to the legislative framework.</p>		√
GRI 414 Supplier social assessment				
414-1	New suppliers that were screened using social criteria (%)	<p>All new suppliers (100%) that are contracted in the ElvalHalcor plants and premises are screened using social criteria.</p> <p>During 2018, 10 new suppliers-contractors worked in the Aluminium rolling division plants were auditioned directly in the company and 18 new suppliers from Copper tubes division.</p> <p>As a total, 3.6% of new suppliers were screened using social criteria.</p>		√
GRI 415 Public policy				
415-1	Political contribution	<p>The Company doesn't sponsor any political lobby or Government personnel.</p>		√

GRI Standard Index (core option)

GRI Standard	Disclosure	Reference (page number) and/or relevant comments	Reason(s) for omission	External assurance
GRI 416 Customer Health and Safety				
416-1	Assessment of the health and safety impacts of product and service categories	Non material issue. Copper has a positive impact on Health and Safety of the users and therefore, the company develops products with suitable applications.	Currently data is not recorded to calculate such an indicator	√
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no such Incidents of non-compliance in 2018.		√
GRI 417 Marketing and labeling				
417-1	Requirements for product and service information and labeling	All promotion and advertising activities reference Company's products are conducted in accordance with the applicable legislation and regulations. The Company does not sell products that are the object of public consultation or dispute. Furthermore, the Company is voluntarily committed to provide full and clear information, adopting the Hellenic Advertising and Communication Code. https://www.elval.com/el/technology#technology-quality-certificates http://halcor.com/60/el/Poiotita-proionton/		√
417-2	Incidents of non-compliance concerning product and service information and labeling	All products are accompanied with the appropriate documents, signs and quality labels according with relevant regulation and/or law.		√
417-3	Incidents of non-compliance concerning marketing communications	There were no such fines in 2018		√
GRI 417 Socioeconomic compliance				
419-1	Non-compliance with laws and regulations in the social and economic area	There were no such fines in 2018. The Company fully complies with the relevant laws and regulations. No incidents of no compliance occurred during 2018 and there were no relevant fines administered.		√

Note: For all Company's material issues, as these are displayed on page 9 of the ElvalHalcor's 2018 Sustainability Report, there is reference (in the report) for each one of these concerning the Management approach - GRI 103 (GRI 103-1, GRI 103-2, and GRI 103-3), 2016 edition.

GRI Standard Index (core option)
